

BLUE LINES

This year, marking 50 years of independence for 16 African states and 20 years since Nelson Mandela walked out of gaol, is destined to be one of commemorations and also celebrations, particularly in June when South Africa hosts the World Cup. *Africa Confidential* will also celebrate its 50th year of publication with special reports and an international conference.

South Africa's hosting of the World Cup will be a poignant moment for Africa. It will be a time to show off the continent to international sceptics and also to reflect on Africa's World Cup greats: Cameroon in 1990, Nigeria in 1994, Algeria in 1982 and perhaps Côte d'Ivoire or Ghana in 2010. African players now populate the European and Asian leagues, and Africa is the second biggest footballing continent after Latin America.

Yet while Africa's footballers, writers, musicians, bankers and diplomats excel on the world stage, after five decades of independence the local environment remains hostile or indifferent. Sponsorship and training schemes are lacking in most of Africa's local football clubs and the imperative is to leave.

The 2010 World Cup might help. After the panics of mass migration and skills shortages of recent years, a generation of South African expatriates is eager to come home. Like China, with one billion people Africa can afford a diaspora, but it cannot afford the underinvestment in schools, health and housing that is driving people abroad. Investing locally would be the best encouragement in this jubilee year.

SOUTH AFRICA

Global plaudits, local travails

Despite the doubters, President Zuma's government is set to hold a successful World Cup but will face demands for action on jobs and services

In his New Year address, President **Jacob Zuma** likened 2010 to 1994, when South Africa became a democracy. To the outside world, the only big event happening in South Africa this year is the FIFA World Cup and if Zuma has his way, that is how matters will stay until the tournament is over.

The first major test will be on 8 January, the day when Zuma addresses the nation at a big rally, setting out his political stall for the year ahead. This year, the rally will be in Kimberley and attention will be focused not just on Zuma, but on how the crowd treats the bigwigs of the South African Communist Party. Zuma will have to do more peace-brokering in the African National Congress this year. Late last year, ANC Youth League (ANCYL) President **Julius 'Juju' Malema** was booed at an SACP Conference in Polokwane, Limpopo Province. He stormed out, complaining to Zuma and sending SACP Deputy Secretary General **Jeremy Cronin**, who is also the Deputy Transport Secretary, a text message reading, 'If you thought you have taught me a lesson, wait until you see what is coming your direction.'

Last year, the government gave the ANCYL's call for the nationalisation of the mines short shrift but the League remains defiant, promising it will not allow anyone in the party who does not endorse this position to take the presidency in 2012. The ANCYL has said that by late January it will present a discussion document on nationalisation, informed by a multi-country study tour, taking in **Botswana, Namibia, Zambia, Brazil, Chile and China**. ANC officials are unable to explain who is paying for this trip and financing the comfortable lifestyles of some ANCYL officials.

In contrast, unemployment and its social consequences will remain a dominant issue. On taking office, Zuma promised to create 500,000 jobs by the end of 2009, yet the unemployment rate rose to 24.5% from 23.2% a year earlier. Close to a million jobs may have been lost in 2009 amid the global financial crisis. The pace of the losses is reinforcing concern, says **Mike Schüssler**, at the Johannesburg-based Economists consultants: 'Between 1990 and 2003, about 2.5 million formal sector jobs were lost, but never one million in one year.' Manufacturing, the priority area for expansion, lost 179,000 jobs in the year to September. More losses are expected when construction related to the World Cup ends in July.

UNCOORDINATED AND INADEQUATE

In the third quarter of 2009, after three consecutive quarters of contraction, South Africa enjoyed gross domestic product growth of 0.9%. Trades unions struck in almost every sector, demanding state protection. Unions and civil groups have criticised the government's slow response. Zuma announced the outline of a recovery plan in August but his team's reaction has been uncoordinated and inadequate, although by October the Industrial Development Corporation had spent nearly 1 billion rand (US\$134 mn.) to assist 17 distressed companies, hoping to save 5,400 jobs.

Zuma and the ANC government want the World Cup to help unify the racially divided population, to market the country and the continent as a good news story and to boost the economy. **Danny Jordaan**, Chief Executive of the Cup Organising Committee, pushed up the hyperbole by claiming that it

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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represents one of the greatest and grandest nation-building initiatives undertaken since the death of apartheid. He urged the public to show 'more enthusiasm'. Local ticket sales have been sluggish.

Most of the stadiums are ready but the government is struggling to bring down crime levels. On 30 December, the National Police Commissioner, **Bheki Cele**, personally chased a 'suspect' in Durban's Albert Park, while on walkabout to assess security with senior colleagues. The person's permit turned out to be in order. Zuma appointed Cele, a close ally from KZN, whose muscular approach allows his men to 'shoot to kill' suspects and ask questions later. Civil and opposition groups say this is wrong, and one three-year-old boy has already been killed in error.

Cele says he will appoint sports stars, including **Lucas Radebe**, former Captain

of *Bafana Bafana*, the national soccer team, and retired world boxing champion 'Baby' **Jake Matlala**, to spruce up fat and unfit policemen. To raise the morale of the army, on standby to help keep order, Zuma has announced a pay rise for the troops but only after they had staged heavy protests. In August 2009, nearly 3,000 soldiers clashed with the police in Pretoria during demonstrations over pay and conditions.

All eyes in 2010 will be on whether Zuma pardons his former financial advisor, **Schabir Shaik**. He was released on medical parole in April 2009, said to be terminally ill, but was photographed in December looking healthy at the wheel of a new luxury vehicle. In 2005, he was sentenced to 15 years in gaol for fraud and corruption; the trial revealed that he had tried to solicit a R500,000 a year bribe for Zuma from a **French** arms company and gave Zuma R4 mn. to secure his support for black economic empowerment deals.

We hear that Shaik has formally applied for a presidential pardon, arguing that he was victim of a conspiracy to thwart Zuma's ambitions and that his co-accused, Zuma and arms manufacturer Thint, were not prosecuted. The opposition Democratic Alliance (DA) has asked a court to order a review of the dropping of Zuma's corruption charges by the National Prosecuting Authority (NPA)'s former

head, **Mokotedi Mpshe** – a move that enabled Zuma to become President.

The corruption charges will not go away. **Britain's** Serious Fraud Office wants to prosecute BAE Systems for its links to grand corruption in South Africa's \$6 bn. arms procurement deal. **German** anti-corruption agencies are probing the Siemens deal and French activists are demanding prosecution of Thales-Thompson CSF for its role (with which Zuma and Schabir Shaik are linked) in the South African deal. In 2009, Zuma appointed loyalists to all the key security portfolios; his detractors say this was to prevent his prosecution.

● Judge **Sandile Ngcobo** is the new Chief Justice; the opposition had wanted the Deputy Chief Justice, **Dikgang Moseneke**, who had criticised Zuma and the ANC.

● **Moe Shaik**, Schabir Shaik's brother, was appointed Director of the South African Secret Service.

● **Gibson Njenje**, suspended by ex-President **Thabo Mbeki** for illegally spying on political rivals, is head of the National Intelligence Agency.

● **Jeff Maqetuka** is Director General of the State Security Agency and **Menzi Simelane** of the NPA. A commission of inquiry found that Simelane, while Director General of the Justice Department, had interfered in the NPA's work in order to protect allies; one of those thus protected appears to have been the former National Police Commissioner, **Jackie Selebi**.

The DA has filed papers at the Pretoria High Court opposing Simelane's appointment. The case will be heard in April. Selebi's corruption trial will restart on 1 February, having been delayed by arguments about compelling the former National Intelligence Coordinator, **Barry Gilder**, to testify; State Security Minister **Siyabonga Cwele**, a close ally of Zuma, says his testimony could 'compromise state security'.

Former President Mbeki's remaining supporters are in retreat. In 2008, some left the ANC to form the Congress of the People (COPE), but with little political impact. Zuma has coopted some, but his leftist and populist allies demand a wholesale purge of Mbeki's allies in the ANC, government and parastatals. Instead, Zuma offers an olive branch.

On the ANC's left flank, a new group (with an old idea) plans to break away in March and form a party of the 'democratic Left'. Most are from the SACP, with a few trades unionists. The coalition that lifted Zuma into the presidency, united mainly by its members' dislike of Mbeki, included the Congress of South African Trade Unions and the SACP plus traditionalists, African nationalists and populists, including the ANCYL. The leftist coalition's components now differ on policy, strategy and direction. ●

WALKING RIGHT, TALKING LEFT

The African National Congress's loud debate over economic policy will continue in 2010. The Left demands a more interventionist stance than that of the then Finance Minister, **Trevor Manuel**, under former President **Thabo Mbeki**. President **Jacob Zuma** has played it safe, bringing both Manuel and his critics into cabinet.

Manuel is now head of planning but has been denied much input into economic policymaking partly, perhaps, to pacify his critics in the South African Communist Party and Congress of South African Trade Unions (Cosatu). October's medium-term budget policy statement by the impressive new Finance Minister (and ex-SACP activist) **Pravin Gordhan** continued Manuel's approach but has yet to receive much flak from the Left.

Although the mining sector is benefiting from firmer commodity prices, consumer demand remains desperately weak. This inhibits recovery in domestic manufacturing, which affects employment. The construction sector is underperforming and increased state infrastructural spending has failed to compensate for the collapse in private building projects. Falling tax revenue means Gordhan has a hefty fiscal deficit and he is unlikely to increase it by raising public spending.

The 2010 budget planners are under pressure to demonstrate the Left's gains from ousting Mbeki and bringing in Zuma. Two possibilities arise: changing the Reserve Bank's mandate and reforming industrial policy. The Bank's mandate is price stability, with an annual inflation rate of 3-6%, mainly through adjustments to lending rates. This, argue Cosatu and the SACP, has pushed interest rates too high, inhibiting economic recovery. They want to end inflation targeting and broaden the Bank's mandate to include promoting full employment.

Reserve Bank Governor **Gill Marcus**, who started in November, was a Deputy Governor and also a Deputy Finance Minister under Manuel. She will defend the *status quo* but may make concessions to leftist sentiment without radically changing course. Trade and Industry Minister **Rob Davies**, championed by the Left, is working on a new industrial policy. It may also involve removing Director General **Tshediso Matona**. In January, Davies will present a plan to use public funds to stimulate manufacturing over three years; if approved, it would be included in February's budget. Still to come is an overall strategy to put the economy on a labour-absorbing growth path. ●

Three men in a boat

Somehow the unlikely triumvirate sticks together – for fear of something worse – amid signs of a slowly recovering economy

The uneasy coalition government will rumble on into 2010, making painful but discernible progress on economic reform. It is in none of the three main parties' interest to ditch the agreement. President **Robert Mugabe** of the Zimbabwe African National Union-Patriotic Front, Prime Minister **Morgan Tsvangirai** of the Movement for Democratic Change and Deputy Prime Minister **Arthur Mutambara** of his own MDC faction told a joint press conference on 23 December that they still had 'minor differences' but that the power-sharing government was not going to collapse.

South Africa is mediating partly because it wants outstanding issues resolved before June, when it hopes that the football World Cup will boost its own, and Africa's, international image. In October, Tsvangirai's MDC withdrew from cabinet meetings, accusing ZANU-PF of being an 'unreliable partner'. It rejoined after mediation by the Southern African Development Community.

The big unresolved issues are the appointment of provincial governors, the role of two Mugabe-allies, Reserve Bank of Zimbabwe Governor **Gideon Gono** and Attorney General **Johannes Tomana**, and Mugabe's refusal to swear in the MDC's **Roy Bennett** as Deputy Agriculture Minister because he faces criminal charges. There are currently ten provincial governors, all of them ZANU-PF; power-sharing would give MDC-Tsvangirai five, ZANU-PF four and MDC-Mutambara one.

Mugabe, 86 next month, is still symbolically in control of his party and lambasted it in December for forming squabbling factions. Most reflect rival interests in choosing his successor. 'Mugabe is the party's worst candidate – except for all the others', one ZANU-PF dissident remarked. Its leaders would rather fight over their party's entrails than split. When the respected former Finance Minister **Simba Makoni** ran for the presidency in 2008, his campaign spluttered.

The main rivalry is still between Vice-President **Joice Mujuru** – and her husband **Solomon Mujuru** – and Defence Minister **Emmerson Mnangagwa** (AC Vol 50 No 24). **John Nkomo** and **Simon Khaya Moyo** are in the Praesidium for window-dressing, to preserve the 1987 unity accord between ZANU and the mainly Ndebele Zimbabwe African People's Union. Moyo has hopes because he is still young but

he cannot rise beyond Vice-President as things stand now.

Tsvangirai had a good 2009, reasserting control of the main MDC. Tensions have abated with deputy leader **Thokozani Khupe**, Secretary General and Finance Minister **Tendai Biti**, and some malcontents from Matebeleland. The impressive Biti is effectively the MDC's number two; **Nelson Chamisa** is more popular with the cadres than anyone apart from Tsvangirai; **Elias Mudzuri** remains a distant third.

MATEBELELAND STRUGGLES

The Matebeleland activists are struggling. Khupe has lost much of her former popularity; National Chairman and Speaker **Lovemore Moyo** has distanced himself from her. **Gorden Moyo**, another former dissident much beloved of Western diplomats, now backs Tsvangirai. Mutambara has just ten of the 210 seats in Parliament but can swing votes because Tsvangirai and Mugabe control 100 seats each, since Mugabe's former spin-doctor **Jonathan Moyo** rejoined ZANU-PF.

Arthur Mutambara's most important ally is still **Welshman Ncube**, MDC-M Secretary General and Industry Minister; Mutambara's deputy, **Priscilla Misihairabwi-Mushonga**, remains important as does **David Coltart**, who runs the biggest ministry – Education,

Sports and Culture. A former Rhodesian police officer, Coltart is more acceptable to ZANU-PF than Bennett, another former **Ian Smith**-era policeman who is Treasurer of Tsvangirai's party, MDC-T. Coltart and Bennett have both criticised Mugabe but Bennett's control of MDC finances gives him muscle. The three leaders publicly minimise the outstanding issues and have agreed to set up a Zimbabwe Electoral Commission, Human Rights Commission and Media Commission.

ZANU-PF will maintain its grip on the security forces, whose incumbents fear they will not get the legal immunity that has been quietly promised to Mugabe. **Constantine Chiwenga** is Commander of the Zimbabwe Defence Forces; General **Perence Shiri** commands the Air Force; **Happyton Bonyongwe** is Director of the Central Intelligence Organisation; and **Paradzai Zimondi** runs the prisons. If any of them are pushed out, they are likely to be replaced by other party loyalists, as Mnangagwa and **Sydney Sekeramayi** are the ministers in charge of security.

The constitution-making process should start on 10 January, with an outreach programme to get the views of the people lasting 65 days, a month to collate information, an *indaba*, then a referendum. The steering committee aims for a new constitution by July or August but could easily miss that deadline. The first try at an *indaba*, in July last year, was abandoned after disagreements.

This time some people, especially civic groups, will say that they were not consulted, or that their views ignored. For this process, US\$43 million has been budgeted, but it is not clear whether the money (towards which the United Nations Development Programme has set aside \$18.5 mn.) is there. ●

ELUSIVE SHOTS OF ECONOMIC RECOVERY

The key issue for the power-sharing regime is reviving the economy. According to the 2010 budget, the government is aiming for 7% gross domestic product growth, underpinned by 10% in agriculture (as in 2009) and 40% in mining.

Since Finance Minister **Tendai Biti** suspended the Zimbabwe dollar and adopted the **United States** dollar and **South African** rand as legal tender, inflation fell from an official 231 million percent in July 2008 to an average of 6% in 2009. Biti forecasts inflation at 5.1% in 2010 and 7.7% in 2011. Thanks to the extremely generous terms the government offers to foreign mining houses, all the gold mines are back in production and output is reckoned to have risen to 5 tonnes in 2009 from 3.1 tonnes in 2008; 6.4 tonnes are expected in 2010. Chrome production is expected to more than double to 500,000 tonnes and there will be a small increase in platinum production.

Tourism is growing again, by 3% in the first half of 2009, after most Western countries including **Britain** and the **USA** lifted travel warnings. The Zimbabwean tourism industry hopes to catch some of the overflow from the World Cup in June. Manufacturers should bounce back too. The government estimates that manufacturing grew by 10.5% in 2009 after falling by 30% in 2008. Capacity utilisation is up to about 30%, with drinks and tobacco firms at some 80% of capacity. Bank deposits increased from US\$200 mn. in February to more than \$1 billion in October and the banks claim to have lent \$480 mn. to the productive sector over the year. The government aims for a 20% increase in farm production in 2010, with further boosts to maize and tobacco. ●

Opening time at Osu Castle

Mills promises more affable politics and a welcome mat for oil companies but cannot ignore market realities or the harsh conditions in the countryside

Supporting a sharply-pressed black and white *dashiki*, President **John Evans Atta Mills** welcomed journalists into the well-guarded grounds of the Castle in Osu, Accra, on 7 January. One of Africa's most avuncular leaders, Mills fielded 90 minutes of questions from the openly critical to the mildly sycophantic.

Unlike his predecessors, muscular militarist **Jerry John Rawlings** or loftily aristocratic **John Agyekum Kufuor**, Mills enjoys sparring with journalists. Asked if he found Rawlings' continuing barbs to be a 'pain in the neck', a smiling Mills said he welcomed constructive criticism and Rawlings (in power for

almost 30 years) had more government experience than most. When addressing claims of corruption against officials, Mills showed some steel, insisting on due process and accusing journalists of hastily apportioning guilt. Even his enemies agree that his record of integrity has been exemplary but say that he has been slow to call colleagues to account.

Apart from pushing down the budget and trade deficits this year, getting oil management right, preventing the appreciation of the cedi to uncompetitive levels and expanding investments in cocoa and oil palm production will be the priorities. Mills is obsessive about

investing in the countryside and farming. It is good politics, too: rural voters, who strongly backed the National Democratic Congress (NDC) in 2008, prove less fickle than their urban counterparts.

Mills' demeanour is more conciliatory but party politics remain abrasive and competitive. Rivals to Mills within the NDC, such as former Communications Minister and Rawlings ally **Ekwow Spio-Garbrah**, have dismissed the government as 'Team B'. Others are irritated by Mills' refusal to promote more party loyalists to senior positions within government. Vice-President **John Mahama** has worked well with Mills, taking on much of the more energetic politicking and shuttle diplomacy, especially in the fractious northern region, and sharing the President's savvy media style.

With her deputies doing much of the work, the inexperienced Information Minister **Zita Okaikoi** has been much lambasted. NDC stalwarts are pressing Attorney General **Betty Mould-Iddrisu** to pursue corruption cases against the former government more energetically.

Foreign Minister **Muhammad Mumuni**'s consorting with Sudanese officials after the international indictment of President **Omer Hassan Ahmed el Beshir** and welcoming of Israel's abrasive Foreign Minister **Avigdor Lieberman** looks confused. So does his failure to win an apology from **Gambia's** erratic **Yahya Jammeh** after the murder of 40 Ghanaians near Banjul (AC Vol 50 No 15).

In the NDC's elections this year, Mills and Mahama will carry the majority of delegates and face no serious challenges, but the congress will be noisy and brickbats will be thrown at the ruling clique. The NDC's slim majority in parliament means party discipline is paramount if Mills is to get his programme through.

The rift in the New Patriotic Party between defeated candidate **Nana Addo Dankwa Akufo-Addo** and **Alan ('Alan Cash') Kyerematen**, backed by Kufuor, continues. The congress to elect party officials has been thrice-postponed, but it seems that Akufo-Addo may still re-emerge as party favourite in February. A third faction wants younger leaders to modernise the NPP and ditch its pompous three-piece suit image.

Last year, Ghanaians celebrated the centenary of **Kwame Nkrumah**, but the prospects for his followers look dismal. His children are at odds: his son **Sekou**, an NDC loyalist, mocks the pretensions of the born-again Nkrumahist Convention People's Party; daughter **Samia** stood for the CPP despite courting by the NPP. Nationalists rail against her inability to speak any Ghanaian language, but her cheerleaders refer to her as Ghana's **Benazir Bhutto**. For most Ghanaians, that is quite a stretch. ●

THE GREAT OIL BATTLE BEGINS

There will be two cheers on 31 October when Ghana is due to produce its first crude oil for export: the missing cheer reflects concern that the country could be sucked into the vortex of an unaccountable oil economy, while its bright potential for commercial agriculture, food processing and information technology languishes. There are examples of such damage further down Africa's oil-rich Atlantic seaboard.

Projected oil production of 125,000 barrels per day (bpd) should earn Ghana an average of US\$1.3 billion a year but officials at the Ghana National Petroleum Corporation (GNPC) forecast that fields opening up in the next five years could quadruple production. With estimated reserves of 1.8 bn. barrels, the Jubilee field is already Africa's biggest offshore oilfield; there are hopes that Tweneboa field could be as big. **Swiss**-based **Vitol** and **Italy's Ente Nazionale Idrocarburi (ENI)** have reported serious finds of oil and gas in an adjacent field. Government officials and industry buffs are also excited about the prospect of substantial onshore production at the Keta basin, east of Accra.

Until recently, big international oil companies ignored these developments, with most work done by **Ireland's** fast-growing **Tullow Oil** (which also has highly prospective operations in **Congo-Kinshasa** and **Uganda**), the **United States's** **Anadarko** and **Kosmos Energy**. Now, Ghana's rapid development and news about oil and gas exploration in **Côte d'Ivoire**, **Guinea**, **Liberia** and **Sierra Leone** have changed GNPC calculations.

Firstly, global supplies: the prospect of this region producing some 2 bn. bpd over the next two decades marks it as significant. It may be an attractive alternative to the desperate geopolitics of the Arabian Gulf or fellow African producers **Nigeria** and **Sudan**. Secondly, Ghana is bidding to become a new regional hub for oil and gas production, developing a network of local technical and financial entities to service the industry and providing reliable facilities for the oil companies' African headquarters.

The fundamentals are attractive. That is why **Kosmos's** attempt to sell its stake in Jubilee to **ExxonMobil** has drawn interest from oil majors such as **Anglo-Dutch Shell**, Britain's **BP**, **ENI**, **India's** **Oil and Natural Gas Corporation** and the **China** **National Offshore Oil Corporation**. Less appealing is the political and commercial brinkmanship around **Kosmos's** effort to tie up an exclusive sale agreement with **ExxonMobil** without consulting the Ghanaian government. GNPC officials accused it of breaching local intellectual property laws by circulating government geological data without permission.

The government has launched a criminal investigation into the links between **Kosmos** and **EO Group**, its local partner with strong links to the previous government of President **John Kufuor**. GNPC officials say they are concerned about the 'exceptionally favourable' revenue share that **Kosmos** and **EO** secured. **EO** stands to make more than \$200 million if **Kosmos's** plans to sell its stake to **ExxonMobil** for \$4.2 bn. succeed. **Kosmos** denies any wrongdoing. If the Accra government wins the tussle and **Kosmos** has to sell back to the GNPC, there will be no shortage of international suitors bidding for the equity. ●

Who is heading for the Hague?

A heavily contested referendum and trials at the ICC are likely to divide the shaky coalition as it tries to agree on key reforms

Two events will critically affect the ambitious policy agenda for 2010. This comprises devolution and electoral reform, land reform, resettlement rights and reviewing administrative boundaries. The first event is the referendum on the new constitution, due in April or May. Its arcane details will arouse few passions but it will test how political leaders can mobilise their constituencies. The 2005 referendum defeat of President **Mwai Kibaki's** constitutional reform proposals dealt him a crippling blow and energised the opposition.

The second event and hottest story will be how the grand coalition deals with efforts to try those accused by the International Criminal Court of sponsoring political violence in 2008. Six cabinet ministers are named in an envelope which the **Waki** Commission submitted to the ICC. Kibaki and Prime Minister **Raila Odinga** risk seeing warrants issued for the arrest of some of their leading allies.

Odinga first said that Nairobi would make no arrests if warrants were issued, then appeared to change his mind. Those most at risk were already named in the state-financed Kenya Human Rights Commission report of August 2008 (AC Vol 49 No 17), whose investigations foreshadowed those of the Waki Commission, which sent its report to the ICC in July 2009. They include Deputy Prime Minister and Minister of Finance **Uhuru Kenyatta** and Agriculture Minister **William Ruto**. Kenyatta is Kikuyu, Ruto is Kalenjin, representing two of Kenya's biggest ethnic voting blocks.

The ICC Prosecutor **Luis Moreno Ocampo** has vowed to make the Kenya case an exemplary deterrent; both he and former United Nations Secretary General **Kofi Annan**, who helped to broker the coalition deal in February 2008, argue that allowing impunity will pave the way for more murderous clashes next time. Yet any judicial interrogation risks the intimidation, and even killing, of key witnesses. We hear that some suspects left Kenya over a year ago.

Support for Kibaki and his Party of National Unity comes from **Mary Wambui**, who styles herself the President's 'second wife' (in addition to **Lucy**). Widely suspected of election skulduggery is the shillingbillionaire **James Njenga Karume**, founder of the GEMA (Gikuyu, Embu and Meru Association) and faithful retainer of

presidents since **Jomo Kenyatta**.

State House insiders insist that Kibaki would not tolerate the arraignment of Uhuru Kenyatta at the Hague; Uhuru's mother, **Mama Ngina Kenyatta**, is still highly influential with the Kibakis. Uhuru lives virtually within State House grounds in a stately home given to his father by the Aga Khan in 1963, before Independence, so he had access to State House throughout the slaughter in December 2007. Rivals claim that Uhuru and his colleagues held secret meetings there to initiate attacks and plan retaliatory violence; the ICC hearings will certainly look into that.

The draft constitution provides that the top four national political posts go to people from different ethnic groups and regions. Kibaki is Kikuyu (Central Province), Odinga is Luo (Nyanza Province, West Kenya), Vice-President **Stephen Kalonzo Musyoka** is Kamba (ethnic cousins of the Kikuyu, Eastern Province), Uhuru Kenyatta is Kikuyu (Central) and Deputy Prime Minister and Local Government Minister **Wycliffe Musalia Mudavadi** is Luhya (Western). Ruto's Kalenjin (Rift Valley Province) want a top-four post for him. He wants to become president and opposes any Kenyan standing trial at the ICC; he dominates the Rift's Kamatusa (Kalenjin, Maasai, Turkana and Samburu).

The Kikuyu, scarred by internal power

battles, are stuck with old leaders: Kibaki is 79 this year and his closest advisors are of the Independence generation. National Security and Provincial Administration Minister **George Saitoti** stands to benefit when Kibaki leaves the stage, especially if Uhuru and Ruto are tied up in court proceedings. Saitoti was Vice-President for 14 years under **Daniel arap Moi** and Finance Minister during the Goldenberg export scandal. His constituency straddles both Kikuyu and Rift Valley voters but he is at odds with Uhuru and Ruto, whom he accuses of persuading Moi to drop him as VP in 2002; Saitoti then joined forces with Kibaki and Odinga, and will not be reluctant to order arrests on the warrants expected from the ICC.

For Luo people, 2012 may be the last chance to back Odinga for the presidency. He is hugely popular but the Kalenjin and Kikuyu are divided about supporting him this early. Instead, an alliance of Kikuyu, Kalenjin and Kamba has formed around Vice-President Musyoka. Kalenjin such as Roads Minister **Franklin Bett** (Moi's former speechwriter) and member of parliament **Zakayo Cheruiyot** (Moi's Permanent Secretary for Internal Security) insist that they will mobilise the Kamatusa vote against Odinga.

This 'anything but Raila' Rift Valley stand could foreshadow the 2012 general elections. At the first constitutional referendum, in 2005, the victorious 'Nos' were led by Odinga, Musyoka and Uhuru Kenyatta. When the results came in, Kibaki fired the entire cabinet, leaving only the then Vice-President, **Moody Awori**, and **Amos Wako** (as Attorney General, an *ex officio* member of both Parliament and the cabinet) in office. That set the stage for the general elections in December 2007 and their violent aftermath. ●

DROUGHT AND POLITICS

The economy's prospects will be deeply influenced by the constitutional referendum and probable political violence trials at the Hague. Political ructions could set back the fragile recovery and cause more capital flight. The prolonged drought has led to poor harvests and fast-rising food prices. In 2008, 2.5 million people needed food aid; that increased to 3.8 mn. in 2009. The export of food, drinks and flowers was hit hard and in quick succession by the violence, the global slowdown and the drought. A revival in rural Kenya, where most of the country's votes are, is crucial.

The drought also holds back hydroelectric power and the government's emergency thermal plants are extremely costly. The stimulus package introduced by Finance Minister **Uhuru Kenyatta** has not produced the promised jobs nor cut consumer prices. Tax revenue, usually efficiently collected, is well down.

On the media front, there will be confrontation, as the Communications Commission of Kenya is recalling all unused broadcast frequencies held by private operators, foremost being the Royal Media Group of Party of National Unity booster **Samuel Macharia** and the Radio Africa Group of **Ghanaian** investor **Patrick Quarcoo**. In Kenya, frequencies can be bought from private vendors and licences transferred on the open market; in the last years of the **Daniel arap Moi** era, licences were issued to the regime's friends and cronies. The Nation Media Group, the region's biggest and most profitable news group, struggled for seven years before being allowed to broadcast in 2001. The radio companies are determined to fight attempts to take back their allocated frequencies. ●

The elite scrambles for cover

Desperate to stop the crisis over President Yar'Adua's illness from spinning out of control, senior politicians plot compromise deals

Politicians in Abuja currently have two main imperatives: to forestall a military coup and to prevent war restarting in the Niger Delta (AC Vol 50 No 25). They fear either development would strain national unity to breaking point. Then there is the matter of who controls the more than US\$80 billion a year that Nigeria earns from oil and gas exports.

Some back a compromise which would allow Vice-President **Goodluck Jonathan** to hold the presidency until the 2011 elections. He would then be pressed to appoint a vice-president from the Muslim north, who could contest the presidential primaries for the governing People's Democratic Party (PDP) later this year. That would defer political clashes and defuse the current crisis.

Others fear that Jonathan would be unstoppable once he got the presidency, especially with the backing of his native, oil-rich Bayelsa State in the Delta. Instead, they argue that a strong delegation of senior PDP officials should propose a lucrative package under which Jonathan would agree to stand aside to allow a northern candidate to replace **Umaru Musa Yar'Adua** in the presidency.

A powerful clique in the presidency insist that Yar'Adua is about to return

to Abuja and resume full control of government. This group is led by the redoubtable **Turai Yar'Adua**. She is the only person with access to her husband at **Saudi Arabia's King Faisal Specialist Hospital and Research Centre**.

Turai Yar'Adua is determined to press on regardless. On 29 December, **David Edevbie**, the President's Principal Private Secretary, was dispatched to Jeddah with the supplementary budget for Yar'Adua to sign. Turai and her allies – Katsina State Governor **Ibrahim Shema**, Bauchi Governor **Isa Yuguda**, Presidential Economic Advisor **Tanimu Yakubu** and Agriculture Minister **Abba Sayyadi Ruma** – hoped to assuage Delta militants with an allocation of 114 bn. naira (US\$764.14 million) for post-amnesty development projects in the Delta.

The charging of Nigerian **Umar Farouk Abdulmutallab**, 23, with attempting to bomb a Northwestern Airlines jet aircraft in the **United States** on 25 December highlights the problems caused by the political vacuum. **Todd Moss**, Vice-President and Senior Fellow at the Center for Global Development in Washington DC and formerly US Deputy Assistant Secretary of State for African Affairs, published a column asking, 'Where

in the World is the Nigerian President?' on 6 January. 'Normally, President **Obama** would be on the phone with his counterpart, discussing what went wrong and agreeing on ways to work better in the future to prevent such attacks,' wrote Moss, explaining that Yar'Adua's absence and sickness was holding back cooperation on counter-terrorism. Such cooperation means sharing information and security training but that cannot happen amid a continuing crisis over the presidency. Progress on the planned bilateral commission between Nigeria and the US has stalled. Against the background of the Abdulmutallab case, opportunists on all sides are stepping up the rhetoric and narrowing the ground for compromise.

On 28 December, a clash in Bauchi State between police and military forces, and the adherents of an Islamist sect, *Kala Kato* ('He has said'), led to the death of 38 or more people. It was the third big religious clash in 2009 (AC Vol 50 No 16). A spokesman for a Delta militant group claims the Islamic militants are covertly backed by the north's Muslim elite. *Kala Kato* is said to be an offshoot of the *Maitatsine* sect of the 1980s.

Umar Abdulmutallab's father, **Alhaji Umaru Abdul Mutallab**, exemplifies the traditional northern leader whom Islamist militants usually deride. Until last month, he was Chairman of First Bank of Nigeria, where he worked closely with the current Governor of the Central Bank of Nigeria (CBN), **Lamido Sanusi**. Mutallab is also an old business associate of Oil Minister **Rilwanu Lukman**. He twice served as a minister in northern-dominated military governments.

Even if the presidential crisis is resolved, progress on constitutional reform will be painfully slow. Late last year, public hearings took place on constitutional changes in the six geopolitical zones, covering topics such as federalism, resource control, electoral reform and state creation.

Thanks to the thorough job done by Justice **Mohammed Uwais's** panel, the electoral reform bill could pass this year and some want a fresh election to follow. The Uwais report suggests a six-month period for settling electoral disputes and making the Independent National Electoral Commission independent of the executive. Doubts reign as to whether the 8 February governorship elections in Anambra State will be free and credible. **Maurice Iwu**, INEC Chairman, owes his position to one of the aspirants, **Andy Uba** (Labour Party), a former advisor to President **Olusegun Obasanjo**. Other contenders are the Governor, **Peter Obi** (All Progressives' Grand Alliance), **Chris Ngige** (Action Congress) and favourite to win, former CBN Governor, **Charles Soludo** (PDP). ●

A KHAKI OPTION ON THE TABLE

Nigeria's military, though much diminished, still sees itself as the last truly national institution and the final custodian of the state. If the current crisis unravels, senior officers are likely to intervene, possibly with a nominal civilian head. Officers may try to justify such action by arguing that they would prepare for elections and deal with extremism in the Niger Delta and the north.

Security procedures at **Murtala Muhammed** Airport in Lagos are much criticised, but they were approved as recently as November by the **United States** Transportation Security Administration. Officers may use claimed breaches in security procedures in December's **Umar Farouk Abdulmutallab** bombing case to justify military intervention.

Once the military assumes power, it is, historically, reluctant to leave. Neither Washington nor London seems to have worked out its response to a putsch; in reality, they would work with almost any credible regime, military or civilian, able to impose order in the oil fields. One military plan mooted is that a group of senior officers seize power in coordination with civilians to forestall a more radical coup by junior officers.

Some senior officers are equally frustrated with the stasis in Abuja and worry that it might trigger a wider security crisis. Particularly critical of the political failures are a clique of officers from Kano including the Chief of Army Staff, Lieutenant General **Abdulrahman Bello Dambazau**; the National Security Advisor, Major Gen. **Abdullahi Sarki Mukhtar**, and the Commander of the Third Armoured Division, Maj. Gen. **Saleh Maina**. However, many would oppose such a coup, which would be seen as the northern-dominated military blocking the presidency of the Niger Delta's Vice-President **Goodluck Jonathan**. Two months ago, Ijaw militant spokeswoman **Cynthia Whyte** dismissed Jonathan as a stooge; now she threatens his critics with violence. ●

Generational change

After three decades, President Mubarak is determined to keep a grip on power for as long as it takes to prepare his son Gamal to succeed him

The suggestions that the internationally respected diplomat **Mohamed Mostafa el Baradei** is an enemy of the Egyptian state show the desperation of the power clique around the fading, 81-year-old President **Mohamed Hosni Mubarak**, even if the prospects for his early exit are, barring health crises, slim. Egyptians were shocked by the vehemence with which the official press attacked the former Director General of the United Nations International Atomic Energy Agency. El Baradei had been a national hero and won the Nobel Peace Prize in 2005 for standing up to **United States** President **George W. Bush's** government over claims that the late President **Saddam Hussein's Iraq** was developing nuclear weapons.

When the 67-year-old Cairene suggested in November that he was contemplating a run for the presidency, he received the backing of the old *Al Wafd* party and other mainstream opposition parties. This prompted thunderous state propaganda suggesting that El Baradei was a traitor acting for foreign interests.

Egypt's second contested presidential election is due in 2011. The ruling group will block any interloper, as well as established opponents led by *Al Ikhwan el Muslimeen* (Muslim Brotherhood, MB), from launching an effective campaign. After four decades of autocratic rule, the Mubarak presidency's primary aim is for the ruling family and the clique around it to continue to dominate. This group has a candidate to replace the President, his son **Gamal el Deen Mohamed Hosni Sayed Mubarak**, and a political/security machine to crush opposition. Liberal opposition leaders such as the *Al Ghad* party's **Ayman Nour** have been marginalised, if not crushed. President Mubarak may countenance generational but certainly not regime change.

An Egyptian security offensive drove *Al Gamaa el Islamiya* and the most violent Islamists from their strongholds a decade ago. That forced Egyptian Islamic Jihad leader **Ayman al Zawahiri** into **Afghanistan** and an alliance with **Usama bin Laden** that saw *Al Qaida* emerge in 1998. *Al Ikhwan*, which dates back to the original Brotherhood of the 1920s, is divided over strategy and personalities, partly along generational lines. MB leader **Mohamed Mahdi Akef** is due to step down this month. Ideological differences are also emerging: in December, the MB

held their first internal elections in 14 years for the 16-strong governing body, the Guidance Bureau. Old-guard candidates took most seats; younger modernisers, such as deputy leader **Mohamed Habib** and **Abdelmoneim Abul Futuh**, failed to get elected. Abul Futuh complained that the MB 'has grown more conservative in thought' following years of state oppression. A split is possible, further weakening the *Ikhwan* as Islamists decide their tactics for the 2010 legislative and 2011 presidential elections. In 2005, after a deal brokered with the authorities, *Ikhwan* candidates standing as independents took 20% of parliamentary seats.

El Baradei has called for constitutional reform and more open politics, as has the influential journalist **Mohamed Hassanein Heikal** (86). A presidential candidate needs the backing of 250 elected representatives across both houses of parliament and local councils. The ruling National Democratic Party dominates all these institutions and is now Gamal Mubarak's fief.

Social protest is growing, fuelled by the poverty which afflicts millions of Egyptians despite a decade of economic

growth. The security services have kept grassroots organisations fragmented.

Mubarak spends much of his time in a heavily fortified redoubt in Sinai at Sharm el Sheikh. The system requires the *Raïs* (leader) to be closely involved in much decision-taking and the signing of reams of documents, but Mubarak has still cut back his workload. His conservatism and slow decision-making holds back the country, even if Prime Minister (since 2004) **Ahmed Nazif** and key aides such as Finance Minister **Youssef Boutros Ghali** and Investment Minister **Mahmoud Mohieldin**, have pushed through some substantive economic reforms.

Presidential son **Alaa el Din Mohamed Hosni Sayed Mubarak** led Egypt's abuse of **Algeria** during the November-December World Cup soccer war, which pitted him against Algeria's **Saïd Bouteflika** (President **Abdelaziz Bouteflika's** brother and preferred successor). Saïd led Algeria's delegation to the play-off in **Sudan** after fall outs between Egyptian companies and the Bouteflikas. He clashed with Alaa over arrangements for commissions in negotiations over a US military aircraft sale to Algeria (AC Vol 50 No 24).

The choice of Cairo for US President **Barack Hussein Obama's** groundbreaking speech to the Arab-Islamic world highlighted Mubarak's role as Washington's point-man in the region, senior officials told *Africa Confidential*. The inclusion of Egypt, along with **Saudi Arabia**, in US planning on the Middle East's latest crisis spot, **Yemen**, is another sign the old alliance will not go away. ●

SUCCESSION IS A FAMILY BUSINESS

First Lady **Suzanne Mubarak** (née **Thabet**, born in El Minya to an Egyptian doctor and his Welsh wife) is increasingly important in politics, building national alliances and an international profile for herself, as well as promoting her second son, **Gamal**, to replace her husband. Gamal Mubarak has built a power base in the National Democratic Party and developed strong ties with the financial technocrats he met when he held executive positions in the Bank of **America**, first in Cairo and then in London in 1988-94.

His biggest problem has been his lack of a popular base. He needs time to build that but while he is trying to do so, his increasingly unpopular father is determined to stay in power. Even ex-ministers say the Muslim Brotherhood would easily win free elections. Yet the succession is going Gamal's way: he has supporters in the military establishment and all the attributes of the modern Arab leader: powerful family backing, a knowledge of global markets and a sassy, young wife, American University in Cairo business graduate **Khadija el Gamal**, 27, daughter of the construction magnate **Mahmoud el Gamal**.

A Gamal presidency may be sold abroad as progress towards reform to those fearful of Egypt's destabilisation: it would end the line of military leaders who have dominated Egypt since 1952. Senior officers have not yet found an alternative candidate to succeed Mubarak, a former Air Force commander. The Defence Minister, Field Marshal **Mohamed Hussein Tantawi**, has seniority but is too old even in a gerontocracy. Egyptian General Intelligence Director **Omar Suleiman**, 73, brokers **Israel-Palestine** deals (AC Vol 50 No 8) but is more diplomatic deal maker than politician. He also oversees **Sudan** policy.

Gamal can present himself as the candidate for change in a system that moves painfully slowly unless violence intervenes. Other establishment candidates, such as League of Arab States Secretary General (and former Foreign Minister) **Amr Moussa**, represent the status quo. In 2011, the odds are still in favour of Hosni Mubarak succeeding himself, even as he paves the way for the next generation of Mubaraks. ●

Kabila and a sad jubilee

New clashes erupt, the UN mandate is extended but only for six months, the neighbours cause trouble over oil and national elections are coming

This year, President **Joseph Kabila** has his chance to boost his standing with voters before the 2011 presidential and parliamentary election campaign. It is also the 50th anniversary of Congo's independence, a period punctuated by conflict, grand corruption and continuing foreign interference. A Panel of Experts' report to the United Nations Security Council in late November (AC Vol 50 No 24) exposed the links to 25 states that support the rebel *Forces Démocratiques pour la Libération du Rwanda* (FDLR), fighting in Congo-Kinshasa. The UN will push the authorities to block the financing and arming of Hutu militias, source of much of the violence in eastern Congo.

Fighting in the Fizi region in South Kivu had, by mid-December, sent 2,500 more people fleeing into Katanga. The peace deal agreed a year ago between Kabila and Rwanda's President **Paul Kagame** (AC Vol 50 No 3) dampened down some of the conflicts in eastern Congo but failed to address growing competition for land as refugees return from Rwanda with their cattle in search of new pastures.

The head of the UN's *Mission des Nations Unies en République Démocratique du Congo* (Monuc), **Alan Doss**, claimed that the Kimia II joint military operation was successful; Congolese army units, supported by UN logistics, brought in 1,400 rebel prisoners, three times more than in 2008. Doss and Monuc have faced outrage from the government and civil activists, as well as foreign human rights campaigners. Next time, the aim will not be to eradicate the FDLR but to defend territory already cleared of it, with targeted strikes against attempts by the rebels to regroup.

This cautious approach could prolong the conflict, just when Kinshasa has political backing in North Kivu for a tougher approach. Traditional chiefs, including **Nicolas Kalinda** of the Hunde, have asked Kabila for more military action against the FDLR. But the FDLR has been pushed deeper into Congo and shows little sign of having been seriously weakened.

The year is also supposed to bring into Congolese politics General **Jean-Bosco Ntaganda** of a Tutsi former guerrilla group, the *Congrès National pour la Défense du Peuple* (CNDP); he is now under house arrest in Rwanda, facing a warrant from the International Criminal Court (ICC). The CNDP's Secretary General, **Serge Kambasu Ngeye**, met Kabila in

mid-December and the CNDP promised to close down its 'parallel administration' by 15 January.

The CNDP may get some government posts but it will not be easy. The *Groupement Parlementaire des Patriotes*, which backs Kabila in the National Assembly, includes followers of the anti-Tutsi Information Minister, **Lambert Mende**. If the CNDP gets into government, armed bands in Kivu, such as the *Patriotes Résistants Congolais* and other *Mai-Mai* groups, may conclude that wielding a Kalashnikov is the fastest route to a seat in the cabinet.

Tensions with Rwanda have relaxed since last year's peace deal, and in August Kabila and Kagame agreed to develop jointly the methane gas under Lake Kivu. By May, Congo and **Burundi** should have finished registering their refugees (some 30,000 from both sides), so that they can be sent home by agreement with the UN High Commissioner for Refugees.

In the north-east, **Uganda's** Lord's Resistance Army still menaces. The UN reckons that between September 2008 and mid-2009, the LRA killed 1,200 people, drove 230,000 from their homes and kidnapped 1,400. In December, 63 parliamentarians from Haut-Uélé, Bas-Uélé and Ituri complained to Kinshasa about the resulting insecurity; the spokesman for Orientale Province's parliamentary caucus, **Freddy Isomela**, blamed official incompetence. Regional commander Gen. **Jean-Claude Kifwa** claims that Haut-Uélé is under control, but in Niangara people are fleeing after threats from the LRA, which recently burned four medical centres and killed six people. The LRA's motives and the nature of its ongoing relations with the **Sudanese** regime are unclear.

Even with UN support, Kinshasa cannot make life safe in the east, but it refuses to allow the Ugandan People's Defence Force to make hot pursuit raids into Congolese territory. Congo's Foreign Minister, **Alexis Thambwe Mwamba**, recently summoned Uganda's Chargé d'Affaires to protest against an incursion. The dispute continues about the border across Lake Albert, where both governments have given exploration permits to foreign oil companies Tullow and Heritage Oil.

All of these troubles persuaded the Security Council to vote unanimously, on 23 December, to extend Monuc's mandate until 31 May, subject to important changes to be proposed by 1 April. That is unlikely

to improve relations between the UN force and the government; Congo's Ambassador to the UN, **Ileka Atoki**, recently declared its opposition to all outside authority. Monuc wants the government to protect civilians, set up sound security arrangements and bring human rights abusers (including Ntaganda) to justice. The UN mandate is to protect civilians, humanitarian workers and its own staff and installations, and only then to work on disarmament, demobilisation and the reintegration of former rebels into civilian life.

Monuc will also help the government trace the illegal miners and the foreign companies with which they deal, the proceeds of which finance the rebels. The UN wants a multi-ethnic army, with mixed units all over the country – another obstacle to the government's negotiations with the CNDP. The government would prefer Monuc to stay in the east and leave the rest of Congo alone – and it wants Monuc out by the end of June. The UN may oblige: it will be Doss's task to present the UN exit as 'mission accomplished'.

The armed forces, the *Forces Armées de la République Démocratique du Congo*, may yet need foreign friends. In November-December, an uprising by the Enyele people in Equateur caused more than 270 deaths, including 187 civilians. Monuc sent 500 troops from **Egypt**, **Ghana**, **Tunisia** and **Guatemala** with armoured personnel carriers, transport and attack helicopters but the battles rumble on.

Fighting among the rebels, and with the rival Monzaya militias, sent 77,000 refugees across into **Congo-Brazzaville** and several thousand into **Central African Republic**, with 70,000 internally displaced persons. Government soldiers added to the slaughter. The trouble began with a dispute about fish ponds, showing how a local row can spread. In Eastern Kasai in December, a conflict about anthills at Kabinda caused five deaths and the burning of 25 huts.

From 15 January to 15 February, the Assembly will debate proposed electoral reforms and the electoral register is being updated. At the 2011 polls, Kabila will be helped by the fact that his main rival in 2006, **Jean-Pierre Bemba**, is held by the ICC. Other significant candidates include the veteran oppositionist **Etienne Tshisekedi wa Malumba** of the *Union pour la Démocratie et le Progrès Social*; former Assembly President **Vital Kamerhe**, who left office in January 2009 after opposing the joint Congolese-Rwandan operation against the FDLR in Kivu; and Katanga Governor **Moïse Katumbi**, who is popular on his home turf and might make alliances elsewhere. He belongs to the *Alliance pour la Majorité Présidentielle* but is careful about security since his private aircraft's landing gear collapsed at Kinshasa airport in August 2007. ●

Football, contracts and then votes

The President would win an election but won't hold one, while worrying about the neighbours and the African football cup

At the congress of the governing *Movimento Popular de Libertação de Angola* (MPLA) in December, President **José Eduardo dos Santos** once more postponed the general elections until 2012 at the earliest. Now, his government's main challenge for 2010 is organising the Africa Cup of Nations football tournament, which takes place from 10 to 31 January.

At that same congress, Dos Santos ('Zedu', to those who dare) was re-elected party President by 2,090 votes to 26; there will certainly be no presidential election by direct vote in 2010. The new draft constitution, which the MPLA has sent to the Constitutional Commission, awaits a vote in Parliament and is based on 'parliamentary presidentialism', which means that the person listed at number one by the party that wins the parliamentary polls automatically becomes head of state. In other words, Angola would have an indirect presidential election.

The MPLA won the parliamentary elections in September 2008 with more than 81% of the vote, so the name of the next winner is obvious. Dos Santos seems to feel that since his party won in 2008, he can legitimately rule until 2012. The opposition may argue that a constitution to be approved in 2010 has no retrospective authority but the opposition's political weight is extremely limited. The MPLA boasts 4.7 million members (a quarter of all Angolans) and a huge majority in Parliament.

One effect of the constitutional revision is that the local elections set for 2010 and 2011 will be postponed to 2012. The President says it will save state finances if they run the national and local polls together. He and his party will almost certainly win anyway. He may be worried that an election might show him to be less popular than the MPLA. In 1992, he was humiliated because he took 49.57% in the presidential poll, while the party's score in the general elections was 53.74%. He knows that not all party members see eye-to-eye with the presidential team in the *Futungo de Belas*.

This points to a longer term problem for the MPLA. Since the legalisation of multiparty politics two decades ago, the Presidency has sharply increased its powers at the expense of the legislature whilst the MPLA and all other political parties have lost out in local and national

battles against the all powerful Presidency at the Futungo Palace. Most importantly, the Presidency has stamped on any attempt by party members to mobilise support for a successor to Dos Santos.

CHIVUKUVUKU'S CHALLENGE

The opposition is split. The President of the *União Nacional para a Independência Total de Angola*, **Isaías Samakuva**, seems not to have learned from the 2008 disaster, when his party took just 10.4% against the MPLA's 81.6%. Samakuva enjoys his role as leader of the loyal opposition but has not proved an inspiring leader for the party faithful. He faces a challenge from fellow UNITA veteran **Abel Chivukuvuku**, who cut his own deals with the MPLA in the 1990s and is far more media-savvy than the rather dour Samakuva.

Chivukuvuku won the votes of 26% of party activists at UNITA's 2007 congress. In February 2009, Chivukuvuku told *Radio Ecclesia* that he felt free to stand as a presidential candidate; Samakuva threatened to expel him from the party.

President Dos Santos wants to modernise the MPLA, encouraging technocrats such as **Rui Falcão**, Secretary for Information in its Politburo; **Augusto Tomas**, Minister of Transport; **Pedro Luis da Fonseca**, Deputy Minister of Planning; and **Ambroise Makenda**, Minister of Mines in the Central Committee. The succession looms large for Dos Santos. At one point he was thinking of bringing into the Central Committee his son **José Filomeno** ('Zenu'). The President was deterred by fear of seeming nepotistic, especially after **Tchizé dos Santos**, his youngest daughter who runs Channel Two of the *Televisão Pública de Angola*, got into Parliament in 2008.

Succession politics probably explains the appointment to the President's political office of the influential **Manuel Vicente**, Chairman and Chief Executive Officer of the state oil company, Sonangol. He is close to Dos Santos and a partner of the President's eldest daughter, **Isabel dos Santos**, in the mobile telephone company Unitel. In 2010, Vicente will have to make sense of Sonangol's recent, risky, big investment in two **Iraqi** oilfields, Qayara and Najmah, part of the policy of diversifying into overseas oil.

The world financial crisis may have pushed Dos Santos away from elections in 2009. After growth of over 10% in

2008, there was a recession last year and the International Monetary Fund now forecasts growth of 9.3% in 2010 (AC Vol 50 No 21). In December Luanda agreed a standby credit of US\$1.4 billion, after years of fractious negotiations with the Fund.

Tough economic times lie ahead, despite the recovery which Finance Minister **Severim de Morais** predicts. Engineering companies such as **Brazil's** Andrade Gutierrez have been laying off workers and several of the big public works programmes have slowed down, with accompanying job losses.

The immediate concern is hosting the African Cup of Nations, with matches in the new stadiums at Benguela, Cabinda, Huila and Luanda this month. The police are nervous; just before Christmas, they arrested two journalists, the **Frenchman** **Benoît Faucon** of *Dow Jones Newswire* and the Angolan **Zé Manuel** of *Voice of America*. After photographing Benguela stadium, they were accused of spying.

The main worry for foreign visitors may be Luanda's permanent traffic jams. Yet there may not be many visitors from abroad, partly because Luanda also has the world's most expensive hotels and several airlines, including **Air Algérie**, require a hotel booking before selling a seat. The government has handed out visas sparingly to fans from West Africa, fearing they may stay on illegally. A flood of visitors might highlight Angola's corporate and official corruption. The Luanda weekly *Semanário Angolense* reported that the tournament's organising committee had embezzled \$40 million from state funds and is now fighting a legal battle with the officials whom it named.

Relations with the government of **Congo-Kinshasa** are tense. *Semanário Angolense* quoted a report from the Angolan Embassy in Kinshasa which speaks of 'hostile gestures' against the Ambassador, **Emilio Guerra**. He complains that Congolese officials boycotted the party for his country's national day, on 11 November, and that he was not invited when President **Joseph Kabila** met the diplomatic corps (AC Vol 50 No 22).

Guerra is also upset because a statement by Congo's Foreign Affairs Minister **Antipas Mbusa Nyamwisi** hinted that Angola was annoyed by Kinshasa's insistence that its maritime border be established according to the Montego Bay Convention on the Law of the Sea. The same statement says that Congo's territorial waters will be reconsidered; the original plan for Angola and Congo to develop the resources jointly may be at risk following the cooling of diplomatic relations. Negotiations between Luanda and Kinshasa over the maritime boundaries and offshore oil are due in 2010. They will be tricky. ●

Vote early, vote often

This year's elections and constitutional negotiations will test the Islamist clique which has held power since the 1989 putsch

Bolstered by its formidable security organisation, the ruling National Congress Party (NCP, aka National Islamic Front, NIF) is widely expected to win the national elections due in April (AC Vol 50 No 25). The credibility of these elections is critical: if they are blatantly or even subtly rigged, as many are sure they will be, it will undermine the referendum on Southern independence, due to follow in mid-2011, along with the simultaneous referendum in Abyei on joining the South or staying with the North.

Other questions loom, such as the regime's unfinished business in Darfur, the durability of the Northern opposition revival, relations with **Chad**, aid agencies' warnings of famine and more war, and the need for African and Western governments to clarify policy on Sudan.

Most opposition leaders, foreign diplomats and aid workers expect the NCP to win the elections fraudulently in the North but few suggest strategies for reducing the predicted rigging. On 6 January, **Britain** added £8 million (US\$12.8 mn.) to the £4.5 mn. already granted. 'Funding will focus on education, preventing conflict and helping to ensure the elections run peacefully', said a Foreign and Commonwealth Office statement. There is little serious discussion on ways to pre-empt rigging, the gerrymandering of constituencies and fraudulent elector registration.

Opposition parties in the 'Juba Alliance' are this week discussing the merits of an election boycott: last year they agreed to boycott if the government did not amend the 'laws restricting freedoms'. Former Premier **El Sadig Sadeeg el Mahdi** this week called for the elections to be delayed till November, to give time 'to settle' Darfur. Darfur's Justice and Equality Movement and Sudan Liberation Movement-**Abdel Shafie** rapidly followed suit. This chimes with a movement among foreign aid agencies and some governments to delay elections 'to protect' the Southern referendum.

In late December, the NCP announced that it had agreed with the Sudan People's Liberation Movement (SPLM), its nominal partner in the Government of National Unity, on the laws governing the referenda in the South and Abyei, and the Popular Consultation for Southern Blue Nile and the Nuba Mountains. It then changed this agreement and rushed it

through the National Assembly, where it has an inbuilt majority (under the terms of the Comprehensive Peace Agreement, CPA). The SPLM, which dominates the Government of South Sudan (GOSS), protested and the NCP returned almost to what had first been agreed.

SECURITY AND THE CPA

Attention will now turn to another new law governing the National Intelligence and Security Service. The CPA stipulates that the NISS should become purely an intelligence agency, not an enforcer with powers to arrest and torture. Yet the NISS network is intrinsic to the Islamist NCP's grip on power; a former NISS officer told *Africa Confidential* that the party had 'hundreds of thousands of paid security operatives' and could never countenance serious reform.

Rumours abound that the SPLM and NCP have done a deal which allows the NCP to maintain its hyper-powerful NISS while the SPLM, its eyes on independence, can set up an independent intelligence service in the South. Under the terms of the CPA, the GOSS has no civilian security service of its own, only the Sudan People's Liberation Army Military Intelligence; so the NCP runs its NISS offices and secret agents in the South under the law.

What happens next is crucial. President **Omer Hassan Ahmed el Beshir** will 'most definitely' give the necessary presidential assent to the NISS bill and 'the SPLM is very concerned about free and fair elections', the GOSS Minister in the Office of the President, **Luka Biong Deng**, told AC this week. Arrest should be the job of the police, not security, he observed: 'There's a wide range of laws that need to be amended to produce a conducive environment for free and fair elections. The SPLM will take action on the elections'.

Much also depends on what the Northern opposition does: the (reawakened) Sudan Communist Party and other 'Modern Forces' are more interested in civil rights issues than the traditionalist 'sectarian' parties, the National Umma Party and the Democratic Unionist Party. **Mohamed Osman el Mirghani's** DUP is already (minus his dissenting deputy, **Ali Mahmoud Hassanein**) discussing a 'consensus agreement' with the NCP.

This looks like a DUP attempt to upstage the rival that always defeats it, El

Sadig el Mahdi's Umma Party. Unionists would vote for Mohamed Osman because they 'see him as a hero for staying abroad for nearly 20 years and they still see him as a hero when he comes back', noted one Umma activist. The Umma itself also decided on 4 January to take part in the polls. Yet most people expect the NCP to win everywhere it wants in the North.

This expected victory will further entrench the regime, allowing it a freer hand on the referenda and other key issues. Presidential Advisor **Ghazi Salah el Din el Atabani** flagged problems ahead in an angry televised interview on 5 January: 'Imagine if we had the referendum and separation happened and we had not yet agreed on the borders? This is war'. The NCP has already delayed demarcation and may delay it further.

The NCP expects to win. So yet another peace agreement with Chadian President **Idriss Déby Itno** in December made sense for it, as do the continuing Darfur talks in the long-running **Qatar** Initiative. 'Violence and insecurity in Darfur will continue to trigger further displacement and re-displacement: Chadian/Sudanese military operations in border areas may create renewed displacement', predicted the United Nations' Inter-Agency Standing Committee in a nationally bleak forecast for early 2010, echoing earlier UN and other reports that the Darfur crisis is far from over.

This raises the role of international diplomacy. While **China** and **India** signed new oil agreements last year, the NCP turned its wrath on **France** (now blamed as often as **Israel** for the Darfur war) and the **United States**.

The US Special Envoy, Air Force General (Rtd.) **Scott Gration**, is fighting a rearguard action against attempts by many of his own colleagues to contain his enthusiasm for the NCP (which, like some other foreign diplomats, he is said to find 'easier to deal with' than the SPLM). Yet the new US policy (AC Vol 50 No 21) means that the NCP 'no longer sees Gration as an ally', noted one US source.

More questions will be asked about the NCP's 'intelligence cooperation' with Washington which, after the attempted bombing of a civil US airliner in December, named Sudan as a country from which passengers must receive extra screening.

Sudan has been 'terrorist listed' since the NIF's days of overt involvement in Islamist military operations in the 1990s and will not be removed soon from the 'terrorist list' (its other members are **Iran**, **Cuba** and **Syria**) despite its long-standing attempts to ideologically rebrand itself. 'Evidence would show the support of the NCP for terrorist organisations and individuals', said a US official. The new US policy is 'very clear. We will not turn a blind eye'. ●

The much-postponed polls

The lacklustre opposition looks incapable of organising a serious protest if President Gbagbo decides to postpone elections yet again this year

This was meant to be the year that Côte d'Ivoire returned to constitutional order after the years of chaos since the civil war broke out in 2002. Elections due in 2005 were postponed, then rescheduled for November 2009. The latest date is for February or March but that looks unlikely. Some suspect that the complex preparations and legal battles over elector eligibility could drag on beyond this year.

President **Laurent Gbagbo**, far cannier than his dour rivals, is tipped to win the vote whenever it is held. By how much will depend on an improbable partnership between two old rivals. Former President **Henri Konan Bédié** and former Prime Minister **Alassane Dramane Ouattara** (ADO), through the *Rassemblement des Houphouëtistes pour la Démocratie et la Paix*, have agreed a mutual support pact in a hoped-for second round of voting.

Polls conducted for Gbagbo's camp indicate that he would win 45% of votes in the first round; his two main opponents would jointly take 51%, ADO 26% and Bédié 29%. On paper, they could beat Gbagbo in the second round, but Ivorian voters may prove suspicious of this marriage of convenience. It was Bédié's xenophobic campaign for *Ivoirité*

that disqualified ADO from the 2000 presidential election because of his family links to **Burkina Faso**.

On 21 December, French Foreign Minister **Bernard Kouchner** said, 'The Ivorian head of state Laurent Gbagbo should win.' Reconciliation with France is likely whoever wins, but Gbagbo still distrusts Paris. On 14 December, he told the Paris daily *Le Figaro* that France was behind the 2002 *Forces Nouvelles* (FN) coup that unsuccessfully tried to oust him. All three candidates have close ties to France's political and commercial elite, such as President **Nicolas Sarkozy**, and business magnates **Martin Bouygues** and **Vincent Bolloré**. Kouchner says Sarkozy doubts that elections will be held in 2010.

The governing *Front Populaire Ivoirien* (FPI), Ouattara's *Rassemblement des Républicains* (RDR) and the former single party, the *Parti Démocratique de la Côte d'Ivoire* (PDCI), struggle to reach beyond their regional and ethnic bases. Gbagbo's FPI is strongest in the west and has won support in the south and Abidjan; the RDR is backed by Northerners; the PDCI counts on Akan people in the south and centre. There is little substantive debate over policy.

ADO said his first act as President would be to enforce the late President Félix Houphouët-Boigny's decision to move the capital from Abidjan to Yamoussoukro. Gbagbo and Bédié talk generally about peace and prosperity.

A wild card for the future, but not for this election, is Premier **Guillaume Soro**, a former FN rebel. Suspected of cutting a secret deal with Gbagbo, Soro will have to carve out a new role when he resigns the premiership. Legislative elections are due two months after the presidential elections and Soro may stand, perhaps with a new party in tow.

There are worries about stability in the west, home to rebel leader **Denis Maho Glofié** and **Liberian** and other mercenary groups. Glofié claims to be committed to peace but immigrant and local farmers are again competing for land. Some 80,000 displaced people await resettlement in the area, adding to the demand for good farmland.

Few are confident of the competence or impartiality of the *Commission Electorale Indépendante*. Its workers are paid late, so many have returned to their day jobs. The President of Gbagbo's FPI, **Pascal Affi N'Guessan**, complains that the CEI is 90% dominated by the opposition.

Much work is outstanding on the electoral register. More than a million people are battling to establish their eligibility to vote (the total electorate is about six million) in cases before the courts. Most centre on the electors' claims to Ivorian nationality. All this makes the holding of elections by March highly improbable. ●

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Dry times for a quick election

The government faces elections against a divided opposition: its biggest enemies are the weather and Eritrean President Issayas Afewerki

The political calendar will be dominated by national elections on 23 May. The government wants to avoid a repeat of the violence that followed the 2005 elections, when 76 people were killed in clashes between police and demonstrators (AC Vol 46 No 23). Above all, it wants to win convincingly and face down critics in the diaspora and among foreign activists. Riot police have been trained and a recently formulated Code of Conduct, approved by Parliament, has been signed by 65 parties, though not yet by the largest opposition group, the Forum for Democratic Dialogue in Ethiopia (Medrek).

The Ethiopian People's Revolutionary Democratic Front has learned some lessons. It is unlikely that election debates will be allowed to follow the 2005 pattern, when opposition leaders were permitted to insult ministers with impunity, leading to a widespread belief, in Addis Ababa in particular, that the government had lost its authority and was therefore not worth voting for. The ruling EPRDF came back very hard and says it will not make the same mistake again.

The election may also show how the EPRDF plans to restructure its leadership over the next few years. It agreed at its last congress, in September that, contrary to his indications to *Africa Confidential* in May, Prime Minister **Meles Zenawi** would stay as Chairman and thus Prime Minister, given its confidently expected victory, until 2015 (AC Vol 50 No 10). Some senior figures are expected to leave Parliament in May. Those said to have offered their resignations include the Deputy Prime Minister, **Addisu Legesse**, and the Capacity Building Minister, **Tefera Walwa**, whose health has been poor.

Others who may not object to being dropped include Foreign Minister **Seyoum Mesfin** and the head of the Government Communications Agency, **Bereket Simon**. More changes will be made in a few years. The party is expected to recruit younger ministerial hopefuls, some from the diaspora, to advise the Prime Minister and eventually move up into senior posts.

Even after 18 years in power, the EPRDF's confidence about the election outcome is probably justified by realities on the ground. Under heavy pressure and surveillance, the opposition has failed to put together a viable alternative and is badly divided. Medrek is the most serious opposition but is a loose coalition of some

eight parties, each maintaining its own structures and leaders; some of their policies contradict each other. The common enemy of the EPRDF is not necessarily enough to unite them. Opposition parties inside and outside Parliament have failed to produce anything beyond minimal policy programmes: the key aim is to push out Meles and the EPRDF.

THE PEOPLE'S PRIORITIES

Many voters want to see a serious plan to develop the economy, to push down the ruinous costs of education and healthcare. That takes priority over concerns about human rights or military operations in the Ogaden and **Somalia**. Excoriated by Western liberals (but admired by 'realist' diplomats), Meles neither excites nor appals many Ethiopians; nor is he seen as especially authoritarian compared to his predecessors, Derg leader **Mengistu Haile Mariam** and Emperor **Haile Selassie**.

The EPRDF offers policies in droves. Almost every ministry is producing a

new five-year Plan for Accelerated and Sustained Development to End Poverty, of the kind encouraged by the World Bank and Britain's Department for International Development. Such plans highlight the opposition's policy weaknesses – and the government can point to much faster economic growth over the last few years.

Inflation has fallen in recent months, as has the budget deficit. The prices of export commodities seem to be on the up, with coffee earnings predicted to reach US\$900 million this year, with sales of more than 300,000 tonnes. There are massive plans for further power development; Gilgel Gibe III, the largest project, will have a capacity of 1,870 megawatts. It is on schedule and Gilgel Gibe II, with a capacity of 420 MW, will start generating in mid-2010.

After last year's drought, food will be short in eastern areas of Tigray, Amhara and Oromo, parts of the Afar, Somali and Southern Nationalities regions. Most of Ethiopia is 'generally food secure', but the midseason assessment is that 4.7 mn. people will need food aid in the first half of 2010. The United Nations World Food Programme says its funding for Ethiopia has a \$127 mn. shortfall. Government food reserves are at 200,000 tonnes. Production in the *Belg* (February-June) harvest and prospects for the *Meher* crops (the main season, which normally accounts for 90-95% of annual production) are poor after the lighter than usual *Kiremt* rains. ●

DANGEROUS NEIGHBOURS

Somalia and Eritrea will dominate Addis Ababa's security concerns (AC Vol 50 No 18). New United Nations' sanctions against Eritrea will have little immediate effect on President **Issayas Afewerki's** support for Somalia's *Haraka al Shabaab al Mujahideen*, *Hizbul Islam* and their allies, although policy choices are complicated by the current battles between militants from *Al Shabaab* and *Hizbul Islam*.

Eritrea will annoy Ethiopia again in 2010 by offering sanctuary to opposition groups – funding, arming and training them on its own terms. Those that object find their freedoms restricted; several Ethiopian oppositionists languish in Eritrean gaols. Both Ethiopia and Eritrea will continue to support each other's opponents. The Eritrean opposition campaign will intensify as economic pressures mount; some two-thirds of Eritrea faces serious food shortages. Ethiopia hosts over 30,000 Eritrean refugees in camps near the border. It also backs the Red Sea Afar Democratic Organisation and the Saho wing of the Eritrean Salvation Front. These groups attacked an Eritrean military post at Kokabay, to the east of Zalemessa towards Bada oasis in the Danakil depression early in this year.

Ethiopia will support **Djiboutian** efforts to remove Eritrean troops from Ras Doumeira and to curb Issayas's ambitions in the lower Red Sea. Addis Ababa is not planning any direct involvement in Somalia; this might change if the **United States** and **Britain** act over **Yemen**. *Al Shabaab* now boasts of its links to *Al Qaida* and promises to send fighters to help *Al Qaida* in Yemen. Ethiopian diplomats do not believe that *Shabaab* has the firepower to seize Mogadishu, especially if the promised peacekeeping reinforcements arrive. Ethiopia will also continue to support Somalia's Transitional Federal Government (TFG) under President Sheikh **Sharif Sheikh Ahmed** as well as *Ahlu Sunna wal Jamma*, a Sufi organisation which has mobilised religious and clan elements in central Somalia against extremist Wahabi-Salafi groups such as *Al Shabaab* and *Hizbul Islam*.

Ahlu Sunna's leaders visited Addis for talks with Foreign Minister **Seyoum Mesfin** in December. *Ahlu Sunna* controls most of Galgudud and Mudug regions, and much of Hiraan (though Belet Weyne remains contested) and is moving south towards Bay and Bakool. Its relations with the TFG are uncertain but they are united by strong opposition to *Al Shabaab* and *Hizbul Islam*. ●

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

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Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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into his second term as Deputy, became Governor in 2005, while Alamiyeseigha jumped bail in London and was impeached by the State Assembly. Established in Bayelsa as a safe pair of hands, outgoing President **Olusegun Obasanjo** and his putative successor, Yar'Adua, picked him as the party's vice-presidential candidate in 2007.

Jonathan is 53, the son of a canoe-carver, and his friends say he is a humble, deeply Christian family man with two small children. Alamiyeseigha once described him as calm, consistent and dedicated. He was in the first batch of undergraduates at the University of Port Harcourt, emerging with a bachelor's degree in 1981, a master's degree in 1985 and a doctorate in hydrobiology and fisheries in 1995, when serving as Assistant Director for Ecology at what is now the Niger Delta Development Commission.

Soft-spoken and ever smiling, Jonathan likes to avoid controversy. This mildness will be tested if he takes over the presidency. **Patience**, his wife, is quite different. In September 2006, she was named by the Economic and Financial

Crimes Commission in a 104 million naira (US\$692,000) money-laundering case, which was not pursued. Abuja-watchers suggest that officials will advise Jonathan to keep Patience in the background.

Much of Jonathan's new-found support derives from his stated commitment to Yar'Adua's reform programme. Like his boss, he insists the government's priority is resolving the Delta crisis. He worked with Yar'Adua to strike an amnesty with the militants; after that attacks declined and oil production recovered. Yet now, commanders and foot soldiers say the promises of cash and jobs that persuaded them to lay down their arms have been broken. This month, militants bombed a pipeline and kidnapped foreign oil workers, suggesting that last year's peace is fraying. Delta opportunists may also seek to boost their bidding power as the political competition in Abuja gets messier. The obsession with tackling the political and economic crisis in the South-South goes beyond Jonathan fighting for the rights of his fellow Deltans; he backs restructuring the oil and gas industry to raise production, and therefore revenue and national income, as well as fuelling the malfunctioning electricity sector.

In his New Year address, Jonathan mentioned the government's failure to meet its promised target of generating 6,000 megawatts of power by the end of 2009, although he did not explain how he was going to fight the vested interests holding back reform. One way would be to enlist the determined Governor of the Central Bank of Nigeria, **Lamido Sanusi**, who after purging the banks and prompting

the arrest of five chief executives, is looking at the multitude of corrupt power sector contracts. The government has spent an average of \$1 billion a year since the mid-2000s on contracts to resuscitate defunct power stations, without noticeable effect. Sanusi and his team may call in some of the fraudulent loans that bogus power contractors have set up with banks.

Most controversially, Jonathan would have to turn his attention to the electoral reforms proposed by Justice **Mohammed Uwais's** panel, such as making the Electoral Commission statutorily and financially independent of the executive. Given the weight of opinion in the PDP, Jonathan is unlikely to make any commitments on the Uwais recommendations just yet.

THE DAYS OF RECKONING

First must come a shake-up of aides and ministers. Reformers in exile – **Nasir El-Rufai** and **Nuhu Ribadu** – are tipped for positions. Government appointees likely to lose out under Jonathan include Electoral Commission Chairman **Maurice Iwu**. Attorney General **Michael Aondoakaa** may be next. In late 2009, Aondoakaa sent Jonathan an unsigned letter, ostensibly vetted by Yar'Adua's inner circle, giving Jonathan the power to act on the President's behalf; until then, Jonathan had refused to sign the N353.6 bn. supplementary budget, reportedly signed by Yar'Adua on his sickbed in Jeddah.

Aondoakaa followed this up with a stage-managed court ruling on 13 January, delivered only a week after the case was filed, in which **Daniel Abutu**, Chief Judge of the Federal High Court in Abuja, ruled that the Vice-President could perform the duties delegated to him by the President. **Femi Falana**, a lawyer and civil rights activist, called the ruling 'meaningless' and asked the Court to annul all executive branch meetings and their decisions since 24 November; the case was adjourned until 22 January.

Jonathan needs constitutional backing for the transition, amid a growing clamour for civil disobedience and a rally led by **Wole Soyinka** in Abuja. Business voices, especially those which want no more interruption to reform of the financial sector, are pressing for an orderly handover. Two leading bankers, **Atedo Peterside**, Chairman of Stanbic IBTC Bank, and **Fola Adeola**, former Chief Executive Officer of Guaranty Trust Bank, have urged the Federal Executive Council (FEC) to respect the constitution. Several banks are trying to merge or bring in foreign partners; amid the political uncertainty, GT Bank's N50 bn. five-year tenured corporate bond offering raised only N13.6 bn.

An article in the Lagos daily *Next*, published by Pulitzer Prize-winner **Dele Olojede**, claimed that Yar'Adua was

THE LUCKY FRIENDS

Vice-President **Goodluck Jonathan** is trying to build a broad consensus across political parties and ethnic regions, with advisors outside party and government circles who are mostly from Bayelsa. His close friends include retired General **Owoye Andrew Azazi**, a former Chief of Defence Staff; **Emmanuel Paulker**, Executive Secretary of the National Boundary Commission and former People's Democratic Party Chairman in Bayelsa; and **Henry Dickson**, a member of parliament and former Bayelsa Attorney General. His Press Secretary **Ima Niboro** was formerly a journalist at the weekly magazine *Tell*, who in 1999 won a CNN Journalist of the Year award.

Staying close to many of his fellow students at Port Harcourt University, Jonathan frequently consults figures such as **Godknows Boladei Igali**, Ambassador to Scandinavia; **Erepamo Osaisai**, Director General of the Nigerian Atomic Energy Development Agency; **SA Nyingifa-Williams**; and **King Amalate Turner**, Chairman of the National Inland Waterways Authority. **Oronto Douglas**, a lawyer, activist and Niger Delta environmentalist, is on his team and Jonathan has full support from the long-time Ijaw leader, Chief **Edwin Clark**, and fraternal contacts with other Delta activists and some of the militant groups.

Determined to quell doubts about his intentions and lack of national profile, Jonathan has developed important ties with northern leaders such as **Hassan Tukur**, Secretary, National Energy Council of Nigeria, and **Mohammed Sanusi Daggash**, a Borno State Senator. He has worked closely with the former deputy governors of Kaduna, Bauchi and Borno, and has the support of the Sultan of Sokoto, **Mohamed Sa'ad Abubaka**, and other traditional northern rulers who want a constitutional resolution to the crisis.

Business interests in the south-west and south-east once had doubts about Jonathan's suitability but now seem to be won over and are pushing for a rapid constitutional handover to help the country escape from its current impasse. ●

brain-damaged, prompting a new round of negative reports. That pushed the President's men to respond, so Yar'Adua gave a reedy-voiced BBC interview on 12 January, the same day that civic activists were marching on the National Assembly demanding that he resign.

Muhammadu Buhari and **Atiku Abubakar**, representing the opposition, have presented to Senate President **David Mark** a request for a 15-member committee to locate Yar'Adua, determine his health status and advise him to comply with the constitution.

Neither the legislature nor the FEC is willing to resolve the impasse. Lawmakers are anxious to keep their jobs come the next general elections and the PDP is in

disarray. Most of Yar'Adua's ministers are wary of losing their portfolios. Conflicting interests bog down governance. The Katsina power elite uses its access to Yar'Adua to stall the handover to Jonathan. They, and others in the PDP, plan an early party convention in May or June to block Jonathan's run for the presidency.

Personal interest and horse-trading prolong the power vacuum. Commentators denounce a web of intrigue and deception orchestrated by Yar'Adua's wife and his Economic Advisor, **Tanimu Yakubu**, with Agriculture Minister **Sayyadi Abba Ruma**, **James Ibori** and **David Edegbie**, the President's Principal Secretary. The Chairman of the Conference of Nigerian Political Parties, **Balarabe Musa**, reckons

there is a cabal that will lose out the moment Jonathan takes over.

When the constitution at last prevails, Jonathan will either be Acting President or be sworn in as President. His aides say he plans a unity government like that formed by General **Yakubu Gowon** when the civil war ended in 1970. The PDP is badly divided. Ex-President Obasanjo's tenure as Chairman of its Board of Trustees ends in March; he was absent when the Trustees met on 14 January. Previously, when he proposed a solution to the political crisis, he had a shouting match with **Ibrahim Babagida**, **MD Yusuf** and **Abdusalam Abubakar**. Unperturbed by all the wrangling, Jonathan is more concerned about a smooth succession. ●

KENYA

The international Islamist

The row over the fate of Jamaican Islamist Abdullah al Faisal points to political and security failures in Africa and the West

On 15 January, some five people died in clashes between demonstrators and police in Nairobi after protests against the detention of **Jamaican** Islamist preacher **Abdullah al Faisal**. A proselytiser with a conviction for incitement to murder in **Britain**, Al Faisal's travels across Africa came to a halt after he was arrested in Mombasa; his name was on an international watch list.

Al Faisal received the full backing of Kenya's Muslim Human Rights Forum, led by **Al Amin Kimathi**, which tried to turn his arrest into a *cause célèbre*. Some non-Muslims joined police in fighting Al Faisal's supporters, showing how such clashes can quickly escalate in tense political times.

The Kenyan government responded by targeting **Somalis** and Kenyan Somalis, not for the first time and often indiscriminately. Some 300 people were rounded up, mainly in Eastleigh. The government of Sheikh **Sharif Sheikh Ahmed** protested on 18 January after a dozen Somali members of parliament and other officials were detained. Many live in Kenya to escape the dangers of their own country.

The riot erupted after Friday prayers at the Jamia Mosque but protests had been promised the week before, notably by Kimathi, who was later arrested and charged with inciting violence. The focus of Muslim anger was the arrest and attempted deportation of Sheikh al Faisal, who had crossed from **Tanzania** at Lunga Lunga on New Year's Eve, despite being on an international terrorist watch list. 'The spy system was not working,' lamented Immigration Minister

Otieno Kajwang. The **United States** is understood to have supplied Kenya with a counter-terrorist database but a power cut apparently foiled the technology.

It did not take long, though, to find Al Faisal (who previously did not use the 'al'). He was arrested the next day after trying to preach at the upmarket Nyalı Mosque in Coast Province. On 4 January, Nairobi sent him back to Tanzania, which bounced him back: it has its own Islamist movement to monitor.

PASS THE PREACHER

President **Yahya Jammeh's** **Gambia**, where growing Islamism is not officially discouraged, then accepted Al Faisal. **Nigeria**, however, refused him transit: the failed Nigerian Christmas Day bomber, **Umar Farouk Abdulmutallab**, had referred to Al Faisal in a 2005 web posting, the *New York Times* of 5 January quoted US officials as saying. Kenya then agreed a deal for him to be flown via **Switzerland** to Jamaica but Washington did not grant him the necessary transit visa.

The drama points to several issues which governments find hard to manage and which Islamists find easy to exploit. Critics, not all of them Muslim, complain that Al Faisal is treated as a criminal but has committed no crime. Officials argue that inflammatory preachers encourage others to commit crimes, including terrorism. It is clear from Al Faisal's itinerary and his welcome in Kenya that a highly organised network is behind the apparently solitary wandering preacher, who had reportedly been on a *Dawa* (mission or call) through

Angola, **South Africa**, **Swaziland**, **Malawi** and **Mozambique**. This again raises questions about security on Africa's long and porous borders. In South Africa, we hear, he has been involved with the *Tablighi Jamaat* in Azaadville, Gauteng, and the Islamic Propagation Centre International in Durban.

Al Faisal served four years of a seven-year sentence in Britain after what one official described as a 'landmark' conviction in 2003 on two counts of soliciting to murder, two of using threatening words and behaviour, and one of distributing threatening, abusive or insulting sound recordings. He incited followers to kill Americans, Hindus, Jews, Westerners and *kaffirs* (unbelievers). The Crown Prosecution Service quoted him as saying, 'It is incumbent upon us Muslims to remind the believers of the importance of killing these disbelievers, finding them and killing them and to remind the believers that they are our greatest enemies.'

Islam counts Jews and Christians as 'People of the Book', worthy of protection. However, Al Faisal defines Christians as 'pagans' (therefore liable to be killed) and describes Jews as 'the worst enemies of Islam and the Muslims' in current recordings on www.revolutionmuslim.com, a New York-based website that calls him its 'spiritual leader'. Al Faisal, then **Trevor William Forrest**, had a Christian upbringing in a Salvation Army family.

Al Faisal came to Africa after attempting to spread the word in Jamaica, where the British government said he had influenced fellow convert **Germaine Lindsay**, who died killing 36 people in a suicide bombing in London in 2005. As Kenya tried to send Al Faisal home, Kingston officials told the Caribbean Media Corporation there was 'a programme in place to maintain surveillance'. Jamaica has not so far taken seriously the danger Al Faisal poses, said a source close to his trial. Along with African governments, it may now have to. ●

The UN looks for the exit

Internal scandals, management crises and new fighting in the east encourage the peacekeepers to leave while they can

The United Nations Secretary General, **Ban Ki-moon**, has until the end of April to report to the UN Security Council on the future of the peacekeeping mission, the *Mission des Nations Unies en République Démocratique du Congo*, whose

current mandate runs out in May. The UNSC's permanent members, which foot Monuc's US\$1.35 billion annual bill, want to declare the mission a success before the Congolese elections, scheduled for 2011, and to replace the peacekeeping force

SANCTIONS AND THE UNSANCTIONED

Africa Confidential has obtained a copy of the 2007 and 2008 confidential lists which the United Nations Panel of Experts submitted to the UN Security Council for designation under the sanctions regime. Amongst those named in 2008 is **Tribert Rujugiro**, an advisor to Rwandan President **Paul Kagame**. General **Laurent Nkunda**'s party stalwarts and fundraisers **René Abandi** (based in Italy) and **Castro Mbera** (based in Britain) are also named, as well as Colonel **Innocent Gahizi**, a military commander in the *Conseil National pour la Défense du Peuple* (CNDP) and go-between for Rujugiro and Nkunda. The 2008 confidential list includes Nkunda's wife, **Elisabeth Uwasse**, and **Bilal Abdul Kalim Bakizi**, a Lebanese businessman in Goma whose brother, **Héritier Bilal**, is based in Kigali and is suspected by the Congolese government of playing a role in the assassination of the late President **Laurent-Désiré Kabila**.

Both Uwasse and Bilal managed money on behalf of the CNDP using United States-dollar banks in Rwanda that were in turn using US correspondent banks. Congolese businessman **Raphael Soriano** (based in Belgium), a half-brother of Katanga Governor **Moïse Katumbi**, is cited as part of Nkunda's network in 2008, as well as **Gendarme Rwema**, a Congolese businessman close to the CNDP and the *Forces Républicaines Fédéralistes* armed group. Soriano and Rwema are cited again in the UN Panel's 2009 public report, which also names Senator **Edouard Mwangachuchu**, a Tutsi National Assembly Senator in Congo-Kinshasa, for trading minerals through the CNDP.

We have also obtained the UN Experts' 2007 confidential list, which puts forward for sanctions a host of CNDP military commanders; some are cited again in the Experts' 2009 public report. They include Col. **Sultani Makenga**, Col. **Claude Mucho** and Col. **Baudouin Ngaruye**. Businessman **Modeste Makabuza** is mentioned in the 2007 list for stationing Nkunda's troops at a niobium mine in North Kivu. Makabuza is also mentioned in the 2009 public report as purchasing minerals from CNDP troops and supplying Swiss businessman **Chris Huber**, who also traded minerals out of rebel-occupied Congo in 1998-2003, through a company created by Tri-Star Holdings, a conglomerate then managed by Rujugiro. Some diplomats argue that the CNDP's military units have officially integrated into the *Forces Armées de la République Démocratique du Congo*, turning the movement into a political party. Others say Rwanda still uses Nkunda's network to manage the CNDP, which still operates as a rebel group.

Those put forward for sanctions in the 2008 confidential list for supporting the *Forces Démocratiques de Libération du Rwanda* also include **Mudekereza Namegabe**, **Muyeye Byaboshi**, **Edouard Kitambala** and **Evariste Shamamba**, the top minerals traders in South Kivu. All were named in the 2008 and 2009 public reports as purchasing minerals from the FDLR. Gold traders **Katina Kambale**, **Kahindo Muhiwa** and **Kambale Vikalwe** from Butembo are cited in the 2008 and 2009 reports, as is **Rajendra Vaya**, the Director of Machanga Limited, a Ugandan company already under UN sanctions for buying gold from FDLR sources. **Mutoka Ruganyira**, a Burundian businessman with a grip on the South Kivu gold trade, is named in the 2008 confidential list and the 2009 public report as having close links to **Adolphe Nshimirimana**, Burundi's head of intelligence, and the FDLR. The 2008 confidential list identifies three Congolese army officers, **Philémon Yav**, **Frank Migabo** and **Pili Pili Kamatimba**, as having supported the FDLR and other militias. They are not mentioned in the 2009 public report, which instead includes **Pacifique Masunzu** and **Baudouin Nakabaka**, the commanders of South Kivu military region, as maintaining Congolese army support for the FDLR. The 2007 confidential list and the 2009 public report name **Anastase Munyandekwe**, a Belgian citizen, as one of the top 15 FDLR leaders in the diaspora. ●

with a 'stabilisation' mission led by the UN Development Programme.

President **Joseph Kabila** wants Monuc to leave, which would weaken donor influence over the electoral process; in 2006, Monuc's logistics infrastructure ensured the timely delivery of voting materials and its troops protected polling stations. Kabila's officials would also like to end the reports to the Security Council about deliveries of military equipment for the Congolese armed forces, the *Forces Armées de la République Démocratique du Congo* (FARDC), which are monitored by Monuc. They would also like to see the Security Council remove the obligation on military equipment suppliers to report deliveries to the Council. This would also make much harder Monuc's job of monitoring the movement of weapons within the country.

REMOVE THE KEEPERS, KEEP THE PEACE

The UN's brains trust of Congo policy-makers admits that eastern Congo remains extremely fragile. This is so despite warmer relations between Kinshasa and Kigali, and the Rwandan army's arrest of the Tutsi rebel leader **Laurent Nkunda** (see Rwanda Feature) in early 2009 and his replacement as head of the *Conseil National pour la Défense du Peuple* by his former deputy, **Jean-Bosco Ntaganda**.

A UN Panel of Experts reported in November that mining areas in the Kivu provinces were still militarised, the CNDP had expanded its influence by joining in FARDC operations against the *Forces Démocratiques de Libération du Rwanda* (FDLR, former Rwandan army remnants), which has fallen back, relying on supporters abroad to coordinate their trading and money-laundering activities. Hundreds of thousands of civilians have recently been displaced; as the *Mai-Mai* militias and local defence groups spread, so did the ethnic massacres.

Monuc's top official, **Alan Doss**, will leave this year. The Welsh diplomat, who was previously the top UN official in Liberia, has been criticised by some of his diplomatic colleagues for succumbing too quickly to pressure from the United States and Britain to start Congolese army operations in early 2009 without ensuring a transparent and organised integration process in return for Monuc's logistical support. That could have affected the conduct of Kabila's police chief, **John Numbi**. His integration deal in Kigali in 2007, known as *mixage*, essentially rearmed Nkunda's troops in return for Congolese promises to integrate them into its units. It was promptly followed by a resumption of hostilities.

Congolese and Rwandan security sources say Numbi has close relations with **James Kabarebe**, the Rwandan Chief of

Army Staff. The UN Experts concluded that the joint Congolese-Rwandan operations against the FDLR, managed by Numbi and Kabarebe, involved systematic looting of operational funds by senior Congolese and Rwandan military officers. Monuc has begun trying to hunt down weapons caches, hidden away by CNDP officers as insurance against the possible breakdown of the deal designed and implemented by Numbi.

There have been damaging reports by the non-governmental organisation Human Rights Watch about Monuc's complicity in war crimes. Doss could have made Monuc's support for operations against the FDLR conditional but did not, so found it hard to bargain with FARDC officials who had been instructed to share no information with Monuc.

Doss's subsequent frustrations with the Congo-Kinshasa authorities were, according to a senior Congolese diplomat, 'personal'. UN insiders speculate that Doss may be replaced by **Jean-Marie Guéhenno**, the French former head of the UN's Department of Peacekeeping Operations, or by **Jean-Maurice Ripert**, the current UN envoy to Pakistan, or **Aldo Ajello**, the septuagenarian Italian diplomat and former European Union envoy to the Great Lakes. Sources close to Ajello, though say he has heard nothing about it.

'DEMOBILISED, KILLED OR DISPERSED'

New thinking is certainly needed. The FARDC is planning three months of targeted operations to 'eradicate' the Hutu rebels. The FDLR appears to be the main target. Information Minister **Lambert Mende** has criticised UN Experts for referring to unconfirmed reports that the FDLR is still recruiting. He claims that three-quarters of the FDLR's men have been demobilised, killed or dispersed and that a new round of operations will finish off the rest. The Congolese army says Monuc will be lending it support with attack helicopters but Monuc's military spokesman, **Jean-Paul Dietrich**, refused to confirm whether that is part of the deal. The operation will be known as *Amani Leo*, 'Peace Today' in Kiswahili.

One possible option is more sanctions against those who exacerbate instability. Secretary General Ban wants the Security Council to impose sanctions on FDLR leaders, especially those outside the Great Lakes region. Some UN officials want sanctions that would at least threaten the financiers, suppliers and leaders of all Congolese armed groups, including the CNDP. The current sanctions subject listed individuals to an assets freeze and a travel ban.

The list is long and includes military commanders of the FDLR (**Leopold**



Mujyambere, Sylvestre Mudacumura, Pacifique Ntawunguka and Stanislas Nzeyimana), two FDLR leaders recently arrested in Germany (**Ignace Murwanashyaka and Straton Musoni**), Ituri rebel commanders who have been arrested (**Floribert Njabu and Kawa Mandro**) or face trial at the International Criminal Court (**Thomas Lubanga, Mathieu Ngudjolo and Germain Katanga**), Ugandan gold trading companies identified by the UN Panel as trading with militia groups (UCI Limited and Machanga Ltd.), Congolese rebel commanders now under house arrest in Rwanda (**Laurent Nkunda and Jules Mutebutsi**), Congolese officers in the FARDC (**Jérôme Kakwavu and Ntaganda**), a CNDP commander who has been bought off by the Kinshasa government (**Frank Kakolele**) and **Douglas Mpamo**, Goma-based a businessman with links to arms dealer **Viktor Bout** (AC *passim*). In March 2009, **Callixte Mbarushimana**, Executive Secretary of the FDLR (who lives in France), and some FDLR bush commanders were added to the list, following a request by Rwanda.

Many individuals on the list are not particularly significant; others are bush commanders who are not vulnerable to sanctions. One, **Ozia Mazio**, is dead. Governments fail to implement the sanctions even against listed individuals.

Rwanda has not reported to the Security Council on the status of Nkunda or Mutebutsi. France has offered the Council no details of what it has done with Mbarushimana's assets. Uganda insists that UCI and Machanga are defunct and their directors have done no wrong.

The Congolese government has failed to implement sanctions against individuals, including Ntaganda. *Africa Confidential* has learned that UN Experts have confidentially submitted some 90 names to the Security Council since 2007. Many are named more than once (see Box).

Ambassadors at the UNSC have publicly praised the Panel of Experts' reports over the last two years but the Security Council may not act on the 2009 list, which is said to include some 50 names, many of them already on the 2008 and 2007 lists. The Council's permanent members seem keen to extricate the UN Mission and its hapless leaders from Congo. So is Rwanda's President **Paul Kagame**.

Kinshasa's politicians will be cheering as Monuc leaves and so will Congo's armed forces.* However, Kabila's government does not control its own armed forces, raising the question of how they can cope with rebels in the east when UN support has not led to their defeat. ●

*In the next issue, *Africa Confidential* will report on the failures to reform Congo-K's fractious army.

Problems on the home front

Despite President Kagame's rapprochement with both France and Congo-Kinshasa, he faces dissent among some of the former faithful

The new year started well for President **Paul Kagame's** international standing. French Foreign Minister **Bernard Kouchner** is encouraging a rapprochement. An independent inquiry (see Pointer) has scotched the accusation by French anti-terrorism Judge **Jean-Louis Bruguière** that Kagame's *Front Populaire Rwandais* (FPR) triggered the genocide by shooting down the aircraft carrying President **Juvénal Habyarimana** on 6 April 1994.

Kagame has kept Congolese President **Joseph Kabila** on side. **Britain** and the **United States** think the impressive economic recovery makes Rwanda one of Africa's bright hopes while in November, after some wobbles and bickering, the Commonwealth embraced Rwanda.

Nobody seriously doubts Kagame's landslide victory in the presidential election due in August. There is little chance that the candidate of the *Forces Démocratiques Unifiées-Inkingi* (FDU-Inkingi), **Victoire Ingabire Umuhoya**, 46, can be a credible rival. She supports the double genocide theory of Hutu extremists. Back from long residence in Europe, she is not that well

known and lacks the charisma of former Prime Minister **Faustin Twagiramungu**, a losing candidate in the 2003 elections, who scored only 3.63% of the vote. Ingabire will also be short-staffed as the government has refused to issue visas to a dozen of her campaign workers.

Rwanda's internal politics baffle outsiders and could have dire consequences across the border in eastern Congo and throughout the region. Dissidents in Kigali are growing more vocal as the political fixes between Kagame and Kabila over the Congo fighting involve land, resources and ethnic allegiances – and keep falling apart. United Nations officials hope to pull UN peacekeepers out of eastern Congo but the local security forces still seem incapable of holding the line.

Tension high up in Kagame's regime followed the arrest of the Congolese Tutsi rebel warlord **Laurent Nkunda** in Rwanda in early 2009. Some stalwarts in the FPR (now widely known as the Rwanda Patriotic Front, RPF) criticise Kagame's handling of that, as well as his centralisation of party finances. Kagame

was deeply embarrassed in 2008 when UN investigators detailed close links between Nkunda's *Conseil National pour la Défense du Peuple* and the Rwandan state. One Western ambassador described the President as 'completely shell-shocked' by the revelation that his advisor, the regime's top businessman **Tribert Rujugiro**, had promised support to the CNDP in e-mails obtained by the investigators.

The **Netherlands** and **Sweden** then cut budget support to Rwanda and Kagame ordered Nkunda's arrest. This was masterminded by Chief of Defence Staff **James Kabarebe**. He then worked with his opposite number in Kinshasa to install Nkunda's deputy, **Jean-Bosco Ntaganda**, as CNDP military chief to lead it into integration with the Congolese army, the *Forces Armées de la République Démocratique du Congo* (FARDC). Ntaganda's promotion angered senior CNDP officers who saw Nkunda as the defender of Tutsi interests in North Kivu.

There are also critics of Kagame's attitude to Nkunda in the RPF. Some felt that Kagame had sold out the Congolese Tutsi in North Kivu but those feelings have dissipated since the CNDP in Congo is better off under Ntaganda's collaboration strategy. It can win control of army commands and jobs at the national and provincial levels, while Nkunda plays football with his guards and Kigali dithers over Kinshasa's request for his extradition. Its position is fragile though, because others, including the *Patriotes Résistants Congolais* (Pareco) and *Mai-Mai* groups, are hostile to plans to integrate CNDP rebels into government. Pareco is a Hutu militia that fought alongside the *Forces Démocratiques de Libération du Rwanda* (FDLR) but then integrated into the FARDC at the same time as the CNDP.

In early 2009, the Congolese and Rwandan armies combined in Operation *Umoja Wetu* ('United we declare victory') against the Hutu rebels of the FDLR, the remnants of the former Rwandan army which Kinshasa had previously protected. CNDP soldiers, who knew the terrain well, were employed as scouts in the fight against their old foes.

During heavy fighting in the Walikale area of North Kivu, Rwandan troops were cut off and sustained heavy casualties. The joint high command called on Ntaganda to deliver reinforcements. It passed the order on to the field commander, Colonel **Sultani Makenga**, but the fierce Nkunda-loyalist would deliver his troops only with Nkunda's permission. Under house arrest in the Rwandan border town of Gisenyi, Nkunda needed a mobile telephone to give the order. The incident embarrassed Kagame and showed the difficulty of controlling the CNDP through Ntaganda.

As Ntaganda gradually centralised control of the CNDP's 'taxation' rackets

TWO GENERALS FAIL TO MAKE PEACE

The divisions in the *Conseil National pour la Défense du Peuple* infuriate Rwandan President **Paul Kagame**, as he struggles to balance the interests of rival party factions with business and political ties to senior members of the Rwandan Patriotic Front. In July, reports emerged that Chief of Defence Staff **James Kabarebe** had threatened to resign lest he be blamed for the mess in the CNDP. Several CNDP officers loyal to its boss, **Laurent Nkunda**, were then threatening to reveal how funds were embezzled during Operation *Umoja Wetu*, managed by Kabarebe and Congo-Kinshasa's police chief, **John Numbi**. CNDP sources close to Nkunda claim that Kagame refused Kabarebe's resignation and told him to resolve the situation or be exposed.

Kabarebe then approached Nkunda and offered him a multimillion dollar deal to go into exile in a third country, allegedly **Libya** or **Senegal**. Nkunda refused and asked to be moved to a Tutsi refugee camp in Rwanda to be 'with my people'. Instead, he was assigned to a villa on the outskirts of Kigali and allowed to meet his political commissioners, such as **René Abandi** and **Bertrand Bisimwa**, who took care of his international donations from Masisi, North Kivu. CNDP insiders say Nkunda often met the intelligence specialist Brigadier General **Jacques Musemakweli**, the RPF's most senior Francophone Tutsi. Nkunda, Congolese and a French-speaker, backs the French-speaking Tutsi elite against the English-speaking Rwandan Tutsi who organised Kagame's rebellion.

Kagame may have wished to keep the CNDP machine in **Jean-Bosco Ntaganda's** hands but had to allow Nkunda access to his associates. Attempts by Kinshasa and Kigali to impose **Désiré Kamanzi** and **Jean Munyampenda** as CNDP President and Spokesman failed. Both had belonged to the late President **Laurent Kabila's** *Alliance des Forces Démocratiques pour la Libération du Congo-Zaïre*, then a rebel movement, which brought together Congolese militias, Congolese Tutsi and Rwandan soldiers to overthrow the late President **Mobutu Sese Seko**. Kinshasa sources say Kamanzi is a nephew of **Deogratias Bugera**, a Tutsi businessman ousted from the AFDL leadership, and thus the Congolese presidency, when Kabila's troops took Kinshasa in 1997. ●

and weapons caches, he won the loyalty of officers, including four colonels – **Innocent Zimurinda**, **Wilson Nsengiyumva**, **Baudouin Ngaruye** and **Innocent Kabundi**. When the Rwandan forces withdrew after *Umoja Wetu*, they were given command of operations during the FARDC offensive against the FDLR (Kimia II). The Nkunda-loyalists Makenga, **Claude Mucho** and **Christian Payi Payi** were sidelined, and Ntaganda sent Makenga and Mucho to fight Hutu rebels in South Kivu with inadequate equipment.

Last summer, Payi Payi and Sengiyumva drew their weapons on each other at the *Grands Lacs* hotel in Goma, in a quarrel about the control of timber racketeering at the Bunagana border post. In November, Col. **Faustin Muhindo**, originally loyal to Nkunda, turned against him and joined Ntaganda; CNDP rivals then ambushed his convoy. In November, a mutiny broke out in Masisi, when the ex-CNDP officer **Emmanuel Nsengiyumva** (believed to be a relative of Nkunda's) quit the FARDC with several hundred soldiers.

Many politicians in North Kivu and Kinshasa view the new CNDP as representing the interests of the Kinshasa and Kigali elites, rather than those of the pro-Nkunda Tutsi business people and landowners of North Kivu. Two senior Ntaganda men, **Désiré Kamanzi** and **Jean Munyampenda**, failed to win local support and lost their jobs in November. The movement's political head is now **Philippe Gafishi**, a little-known statistician who worked in several Rwandan ministries but has scant experience of Congo's politics.

As a political party, the CNDP calls for greater representation in provincial institutions. Its military wing under Ntaganda has been cementing its dominance in North Kivu, in alliance with other Congolese Kinyarwanda-speakers, many of them Tutsi businessmen such as **Alexis Makabuza**, and including Hutu politicians linked to **Eugène Serufuli**, appointed by Kabila as North Kivu Governor and recently nominated by him as Director of Congo's electricity board. Hutu politicians in his network include **Bertin Kirivita** and **Robert Seninga**, former allies of Kigali who are now provincial deputies in North Kivu. Serufuli's network also involves the military leaders of Pareco. These Hutu politicians tolerate the alliance with Ntaganda's network, whose 'taxes' bring them large sums of money – US\$250,000 a month, according to UN investigators.

The alliance is fragile, and made more so by disputes about land. Politicians such as Kirivita and Seninga are involved in land disputes with other Tutsi businessmen, notably **Victor Ngezayo**, a millionaire who became a fervent Nkunda-supporter after the assassination of his brother **Albert Ngezayo** two years ago. Land and grazing

rights in North Kivu have become more sensitive since the return from Rwanda of many Tutsi refugees, bringing thousands of cattle belonging to RPF and CNDP officers. The largely Hutu displacement camps in Masisi are closing, spilling their occupants into their former areas. Human rights officials, including the UN Special Rapporteur **Roger Alston**, have severely criticised the ethnic cleansing of civilian populations by Tutsi CNDP hardliners who, in Masisi in October, led FARDC operations against the FDLR and the Hunde warlord **Janvier Buingo Karairi**.

There are rows, too, in the Rwandan Tutsi establishment between clans which want to retain influence in the splintering CNDP. Perhaps Kigali hopes to let things run their course; the chaos is profitable, as minerals from Congo flow abroad through Rwanda.

KAGAME'S CENTRALISM QUESTIONED

Africa Confidential hears from CNDP insiders and from Rwandans close to the regime that some senior RPF officers privately disapprove of the way Kagame has centralised both political power and control of his party's finances; one is said to be a former army Chief of Staff, General **Faustin Nyamwasa-Kayumba**. Kagame sidelined him after he questioned the plan to carry on fighting Ugandan forces in Kisangani in 2000. He is now Ambassador to India.

Another loose cannon may be **Jack Nziza**, for years the head of the key Department of Military Intelligence (DMI, *Département des Renseignements Militaires*) until he was sacked in 2005 and given a humble job as head of army education and sport. In July, he was brought back as Permanent Secretary of the Defence Ministry, more an administrative than a political position. Insiders say he wants to be a dissenter but is afraid to disobey his boss. Another alleged sympathiser is

Kabarebe, whose relations with Kagame have soured; yet another is **James Musoni**, formerly Minister of Finance, now of Local Government. Observers point out that since the arrest, then exile, of the head of External Security, Col. **Patrick Karegeya**, many more senior RPF leaders have grown discontented with Kagame. They are particularly upset by the appointment as Infrastructure Minister of **Linda Bihire**, a Ugandan-born Rwandan who obtained first asylum for many years, then citizenship, in Britain. Dissenters claim she was promoted at the behest of Kagame's backer and British ex-Premier **Tony Blair**, as well as for her extremely close ties to **Emmanuel Ndahiro**, National Security Advisor and intelligence director.

Goodwill towards Kagame is shrinking among moderate Hutu and alienated Tutsi politicians. UN investigators have noted links between moderate Hutu parties, such as the FDU-Inkingi, and the FDLR, and between Rwandan Hutu rebels in Congo of the *Ralliement pour l'Unité et la Démocratie-Urunana* and the monarchist Tutsi *Rudahigwa* Movement (which backs King **Kigeli Ndahindurwa**, now resident in the USA). Tensions are ratcheting up with **Burundi**, where some RPF officials have stakes in key business sectors.

Last July and August, Burundian officials reported infiltration by FDLR people fleeing military operations in eastern Congo. Rwandan security officials arrived to monitor the situation. Weeks later, there were reports of hundreds of young Hutu fleeing southern Rwanda for Burundi. Rwandan officials said they were hiding from the *Gacaca* genocide tribunals; others spoke of a crackdown on Hutu militants. CNDP insiders familiar with Burundi have told AC that RPF businessmen based in Rwanda help fund the lucrative gold trade out of FDLR areas in South Kivu controlled by **Mutoka Ruganyira**, a Burundi-based gold trader cited by UN investigators. ●

WHO GETS THE MONEY?

The governing Rwandan Patriotic Front has been quarrelling about money as well as politics. In recent years the RPF has been privatising its assets, notably Tri-Star Holdings, a company set up by **Tribert Rujugiro Ayabatwa** to run businesses in eastern Congo-Kinshasa. The privatisation includes the sale of mining companies, and insiders say it has concentrated Tri-Star assets in the hands of Kagame's family and close allies.

Private investors in Rujugiro's projects, some involving the state-backed Rwandan Investment Group, include hedge funds and private trusts in the **United States** and **Britain**, as well as **Laurent Nkunda's Conseil National pour la Défense du Peuple**. When Nkunda was arrested, his finance commissioners were quarrelling with the RPF, which they accused of laundering cash from Nkunda's taxes through Rujugiro's offices at the Union Trade Centre shopping mall, which houses some big **Kenyan** companies and whose wi-fi enabled internet coffee shop entertains Kigali's young expatriates.

In September, the Kigali government issued arrest warrants for some Goma-based Tutsi minerals traders, claiming they had raised illegal loans from a bank in the border town of Gisenyi. Some thought Kigali was reconfiguring its alliances across the border in Congo-Kinshasa. The traders quickly paid their fines. ●

A slow return to growth

Africa suffered less than had been feared from the recession and its exports are set to recover this year thanks to buoyant demand from Asia

As the industrialised world struggles, a return to fast-growing commodity demand from Asia and a tentative Western recovery will boost African exports in 2010, although trade and budget deficits will persist in many countries. Not nearly enough progress will be achieved on the continent's biggest economic blights – unemployment and the high food prices that benefit only a few exporting countries.

The worst effects of the global slowdown were averted in 2009 thanks to swift intervention by governments, central banks and international financial institutions. The International Monetary Fund (IMF) trebled its concessional loans to US\$3 billion, shared between countries with short-term difficulties, such as **Congo-Brazzaville** (\$200 million), **Ethiopia** (\$240 mn.) and **Tanzania**

(\$340 mn.), and longer-term finance for countries like **Côte d'Ivoire** (\$560 mn.) and **Ghana** (\$600 mn.).

At the top of the bubble in the late 1990s, Africa's economies had been growing at their fastest rate in 30 years. Output increased by an average of 6.5% a year in 2002-07, according to the IMF. Trade grew with traditional markets and even more rapidly with newer ones. **Chinese** and **Indian** demand for raw materials will lead to a cautious recovery this year, and both oil and metal prices have risen fast. Competition from China (see Box) forces rich-country buyers to pay more and 'has had a huge influence on investor thinking on Africa', a financial analyst told *Africa Confidential*.

The IMF predicts 4% economic growth overall in 2010 (after 1.75% in 2009) and some banks are more bullish; Standard

Chartered predicts 4.7% this year, with the prospect of 5-6% come 2011/12. Slack demand from rich countries may limit the rise in commodity prices. Aid will shrink as will the flow of remittances from Africans abroad.

Yet Africa sees a bright side. The continent entered the downturn in much better shape than in previous recessions, partly due to reforms forced by the smaller global slowdowns of 1975 and 1982, when precarious fiscal positions turned into big deficits as export revenues plummeted in a vicious circle of debt and low growth. The IMF's Africa Director, **Antoinette Sayeh**, pointed out in a recent paper that in the past, Africa entered recessions later than other regions and returned to growth more slowly. The economic shocks are more immediate this time, which 'reflects both the magnitude of the global crisis and the deeper integration between [Africa] and the world, both in trade and financial markets'.

Debt levels were lower than in the early 1990s, foreign reserves greater and inflation was in single digits in most countries. Even those whose revenues fell fastest – oil exporters like **Angola** and diamond-dependent **Botswana** – could avoid the dire spending cuts of the past.

Inflation should fall from 9% in 2009 to 6.5% in 2010. Only **Congo-Kinshasa**, **Ethiopia** and **Seychelles** have inflation over 20% and most countries in the CFA franc zone have below 5%. The CFA franc's strength hampers exports but price stability will ensure that it continues.

Longer-term recovery in several large economies will depend on politics. **Nigerian** President **Umaru Musa Yar'Adua**'s long stay in **Saudi Arabia** has delayed the passage of the Petroleum Industry Bill, a radical attempt to rewrite Nigeria's relationships with the international oil companies. Deregulation of downstream oil and gas would lead to government savings of an estimated \$4 bn. and eventually boost the supply of oil products. Yet cuts in fuel subsidies risk unrest and, according to Standard Chartered, could bring a 3-4% rise in inflation. Asian competition has pushed up prices for oil concessions. Western companies grumble that operating costs are already high and only their expertise can exploit Nigeria's ultra-deep fields. A settlement in the Delta would help production to recover from the 2009 lows, but that is far from certain, amid rows about the claim to the presidency of Vice-President **Goodluck Jonathan**.

The clean-up of Nigeria's banking sector led by Central Bank Governor **Sanusi Lamido Sanusi** and efforts to boost private-sector lending depend on political will in the presidency. The prospect is for bank consolidations driven by foreign entrants, with no one company allowed

BRIC BUILDING

'African assets were undervalued and **China**'s presence has helped correct that, whether in bonds or foreign direct investment', said **Victor Lopes**, Africa Economist at Standard Chartered Bank. Multinationals from the BRICs – emerging nations **Brazil**, **Russia**, **India** and, above all, **China** – have led the increase in foreign direct investment from US\$10 billion a year in the decade up to 2003 to \$121 bn. by 2008, particularly in Africa.

Rapid urbanisation and the growth of manufactured exports drive demand in the BRICs for Africa's oil, iron ore, manganese, coal, copper and other primary products. Domestic markets are growing fast in, for example, **Nigeria**, **South Africa**, **Indonesia**, **Mexico** and **Vietnam**. If Nigeria could average real growth of 5.4% until 2020, its gross domestic product would rise to \$630 bn.; if it carried on into 2050, its GDP would be \$3 trillion, just over a fifth of the present **United States**' GDP. Energy and minerals make up most exports but there is growing interest in Africa's arable land, less than a quarter per cent of which is cultivated, to grow food for export.

Two-way Africa-China commerce increased tenfold this past decade to \$107 bn. in 2008 and China has replaced the **France** as the continent's second largest trading partner. Brazil is expanding too; its annual trade with Africa jumped from \$3.1 bn. in 2000 to \$26.3 bn. last year. When he first visited the European Union in 2007, four years after coming to office, Brazilian President **Luiz Inácio Lula da Silva** had already travelled six times to Africa, covering 16 countries. With oil and biofuel projects in **Angola** and mining in **Mozambique**, Portuguese-speaking Brazil is set to do more.

As a direct foreign investor, India has led the way in the past six years, with 130 projects (such as *Industries Chimiques du Sénégal*, majority-owned by Indian Farmers Fertiliser Cooperative). India's trade with Africa jumped from \$4.9 bn. to \$32 bn. this decade. China had 86 projects, Brazil 25, according to South Africa's Standard Bank. In 2009, Russia ran a diplomatic and trade offensive and **Mikhail Margelov**, its envoy to **Sudan**, declared that Russia was 'back in Africa'. President **Dmitry Medvedev** recently visited **Angola**, **Egypt**, **Namibia** and **Nigeria**, to back deals in energy, mining, construction and telecommunications.

The new investors allow Africa to diversify its financing away from the traditional Washington-based lenders and to bargain more competitively with Western investors. Several large African economies plan to launch eurobonds this year (see Feature). According to **John Legat**, Chief Executive Officer of the **Botswana**-based Imara Capital, 'They are raising their own money rather than relying on aid flows.' ●

to have more than 20% of the market. Ahead of the 2011 presidential election, government spending will increase (with oil budgeted at a conservative \$57 a barrel) from \$19.8 bn. last year to \$26.5 bn., much of it in the Delta and on infrastructure and power projects. Political stability is crucial to plans to float a \$500 mn. eurobond in the second quarter, mooted by Finance Minister **Mansur Muhtar**.

Côte d'Ivoire's elections, originally due in 2005, are equally crucial (AC Vol 51 No 1). The country plans its own \$2.2 bn. eurobond early this year, to restructure its private-sector debt, 20% of which was cancelled last September. Boosting cocoa production and bringing in new investment – pledged by all three main presidential candidates – will depend on the conduct of the elections. Agriculture still produces most export revenue, so the weather will determine economic performance in West Africa.

Ghana believes its economy will be transformed by its new oil-producer status. The government promises to use the money to improve agriculture and promote large-scale commercial farming. Politically, oil is already making its mark. A messy row pits the Ghana National Petroleum Corporation against Houston-based Kosmos Energy and its Ghanaian partners, EO Group, with accusations of improper links to the government of former President **John Kufuor**; that will at best delay attempts by Kosmos to sell its interests to ExxonMobil.

Ghana's non-oil economy is expected to grow at 8%, with overall double-digit growth by 2012, buoyed by increasing oil production. Last year, the fiscal deficit was nudging 20% of gross domestic product and government debt is now nearly 32%, with interest on the domestic debt alone costing 12.5% of the national budget.

Sierra Leone's oil discoveries intrigue investors, though production there is further away. GDP growth should recover to 5% as mining exports resume; inflation, at an average 10% last year, should remain stable, helped by decreasing oil imports and more hydroelectric power. The government says it will broaden the tax base with a levy on goods and services (tax revenue accounts for only 11.4% of GDP) but state finances will depend on aid for the foreseeable future. Long-term growth demands diversifying the economy, boosting agriculture and managing tensions ahead of the 2012 elections.

Guinea's political instability has brought the economy to a shuddering halt. Battles between the military brass could mobilise political factions and militias and spill over national borders (See feature). There is vast potential in Guinea's iron ore and bauxite, including Rio Tinto's Simandou concession, but high export rates will not resume unless interim

President **Sékouba Konaté** can manage a transition to civilian rule later this year. There are commercial disputes with several Western companies over mining rights, in the shadow of the \$7 bn. deal with the China International Fund.

After its brief recession, Angola is poised to resume its place as sub-Saharan Africa's fastest-growing economy, with GDP growth of 9% driven by oil output of 1.9 mn. barrels per day compared to 1.8 mn. bpd last year. If crude prices go on rising, they will bolster foreign reserves of \$12.1 bn. in October 2009; last year, currency restrictions helped to shore up the kwanza's value.

After years of frostiness between Luanda and the multilateral lenders, Finance Minister **Eduardo Leopoldo Severim de Morais** agreed in November to a \$1.4 bn. loan from the IMF and announced plans for a sovereign wealth fund that would help buffer the effects of future oil price swings. The government says it will tap the international bond market for up to \$4 bn. in two tranches in June and December. The non-oil economy will be driven by infrastructure spending and agricultural investment. As diamond prices recover, several prospecting operations put on hold in 2009 could reopen. A presidential election, due this year, will be deferred until 2012, after a new constitution has been debated.

For **South Africa**, the official growth forecast is 1.5%, after a contraction in 2009. Economists think it could go up to 2.5%, pushed by public investment in infrastructure (especially electric power) and a hoped-for mining recovery. What really matters is whether President **Jacob Zuma** aims his so-far centrist course leftward, to reward his trades union allies for their election support. The rows will increase over state intervention in the economy, inflation-targeting by Reserve Bank Governor **Gill Marcus** and the effects of the strong rand on exports. The strengthening currency may limit job creation, particularly in manufacturing, which lost many jobs last year.

Neighbouring **Zimbabwe** plots a robust year for mining and agriculture, now that the Zimbabwe dollar has been replaced by a basket of foreign currencies. Uncertainty remains over the government's land policies and the political balance between the Movement for Democratic Change and the Zimbabwe African National Union-Patriotic Front. ZANU-PF's succession struggle will intensify as President **Robert Mugabe's** influence (balanced by that of the competent MDC Finance Minister, **Tendai Biti**) starts to recede. Chinese and other foreign investors hope to snap up assets in mining and from the privatisation of semi-state companies.

Zambia enjoyed a better-than-expected 2009 on the back of a bumper

maize harvest; investment in agriculture will continue. Double-digit growth in construction and tourism is expected, as a spillover from the football World Cup in South Africa. As copper prices surge, output is set to rise from 660,000 to 750,000 tonnes in 2010. There will be populist calls from opposition figures such as **Michael Chilufya Sata** for a windfall tax on the industry, as mining growth underlines the need for foreign investment in Zambia's huge hydroelectric potential.

Kenya's future looks brighter after 2009, when it suffered both the effects of post-election violence and the worst regional drought in a decade. Growth of 3.8% is predicted for 2010; October-November's belated rains were good news. Kenya will launch its delayed \$500 mn. eurobond, opening its debt market to foreign investment and allowing the state greater access to borrowing.

Large infrastructure projects, such as a proposed deep-water port in Lamu, will attract interest but foreign investment will be delayed by rows about a new constitution and the fate of those who perpetrated electoral violence. Inflation should hold steady in single figures. Kenya, the region's most industrialised country, will benefit from the East African Community Market Protocol, which takes effect in July, liberalising markets for 126 mn. people.

Liberalisation should also benefit Tanzania, whose 'Agriculture First' policy is intended to raise yields by providing subsidies and fertilisers. Growth in construction will rebound, as will mining, with a higher gold price. That should help to rebalance the current account, after the deficit ballooned when revenue from commodities collapsed. If donor inflows decline, the government may open local capital markets to foreign investors and issue its own eurobond in late 2010.

Investors will be watching the effort to amend Tanzania's Mining Act, raising royalties above the present 3%, which was intended to stimulate investment but is now seen as overgenerous. That is likely to be a hot issue when President **Jakaya Kikwete**, a Western favourite, goes to the polls this year. His governing *Chama cha Mapinduzi* party will romp home on the mainland but Zanzibar is as uncertain as ever, which could affect tourism.

With oil reserves at an estimated 2 bn. barrels, **Uganda's** government has commissioned a feasibility study for a 150,000 bpd refinery on Lake Albert. Potential revenue should encourage a planned \$1 bn. infrastructure bond and East African trade liberalisation should boost growth, as Uganda profits from trade with Southern **Sudan** and the troubles in eastern Congo. ●

***Antoinette Sayeh**, *Sharing in the Global Upturn - Better Prospects for Africa*, 8/9/09, www.imf.org

Democratic moves after the exit of Dadis

The shooting of the former junta leader, Captain Moussa Dadis Camara, has triggered his exile and fresh talks about elections this year

After hours of bitter negotiation in Burkina Faso, soldiers from the junta and their civilian counterparts have agreed on a plan that will bar all members of the ruling *Conseil National pour la Démocratie et le Développement* and its transitional successor from running in elections, which are due in six months. The future *Conseil National de Transition* (CNT) is to organise polls under the Prime Minister chosen on 19 January, Jean-

Marie Doré, and his two Deputy Prime Ministers, the trades unionist **Rabiatou Sérah Diallo** and General **Mamadouba Toto Camara** of the CNDD.

For now, the deal, which was signed and publicly endorsed by Captain **Moussa Dadis Camara**, strengthens the position of the interim leader, Brigadier Gen. **Sékouba Konaté**. Despite divisions in the military regime, Konaté's visits to Dadis in Morocco from December and in

Burkina Faso on 13 January have cleared the air. The threat of Moussa Dadis again destabilising one of the world's largest bauxite producers by standing in the presidential election has lifted. This follows the 15 January deal agreed by politicians and military.

Earlier, Dadis had made a speech, telling his supporters to back Konaté, who has been in charge since 3 December, after **Aboubacar Sidiki Diakité 'Toumba'** shot Dadis in the head (AC Vol 50 No 25). In civilian dress, Dadis looked weak and incapable of reassuring his compatriots. Hundreds of people nonetheless gathered at the airport and demonstrated outside France's Embassy in Conakry to demand his return.

Clashes with a crowd hostile to the junta were narrowly avoided. Many blame him for the September stadium massacre of over 150 people (AC Vol 50 No 20). Last month, the United Nations published a report containing grave accusations of his direct responsibility. The International Criminal Court (ICC) case continues.

WHO'S WHO IN THE JUNTA AND BEYOND

● General **Sékouba Konaté** had tried to escape the corridors of power during the 2008 coup but destiny caught up with him a year later, following the December 2009 shooting of Captain **Moussa Dadis Camara**. Officially, Sékouba Konaté is Third Vice-President of the *Conseil National pour la Démocratie et le Développement* (CNDD); in reality, he is the junta's number two, so he naturally takes over from Dadis. It was common knowledge that Konaté had previously refused the leadership, offered by the young soldiers who led the December 2008 coup.

Commandant of the Macenta military zone during the rebel attacks of 2000-01 and leader of the *Bataillon Autonome des Troupes Aéroportées* in the 2008 coup, Konaté, 46, is respected by all ranks and dubbed 'El Tigre' because of his ferocity in combat. His desire to return Guinea to democracy and to discipline the army at any cost has surprised observers. Konaté trained at the *Académie Royale de Meknès* in Morocco and still goes there sometimes for medical treatment. Criticised as a 'wheeler-dealer', he is reliable and will surely shape the rest of 2010 in Guinea.

● **Jean-Marie Doré** leads the *Union pour le Progrès de la Guinée* (UPG) and is Spokesman for the *Forum des Forces Vives de Guinée* (Forum of Live Forces of Guinea). Known for his rhetorical flourishes and a taste for political spectacle, he is no novice. He worked at the United Nations International Labour Organisation in the reign of the late President **Ahmed Sékou Touré** and was in the opposition under President **Lansana Conté**.

More popular than his modest party, Doré's political talent is nationally recognised and he was chosen as candidate for Premier partly because of his *Forestier* ethnic origin (see Feature). The opposition had wanted to prevent any complaints from the south. Doré, who studied law and political science, will play a big role in the months to come.

● **Rabiatou Sérah Diallo** leads the largest trades union, the *Confédération Nationale des Travailleurs de Guinée*. The state is the biggest employer and its employees naturally incline towards the CNTG. The union first came to local and international prominence in 2007, when it organised national protests against the government of President Conté. A determined Sérah Diallo led the movement, which shook the regime's very foundations. Taken aback, the army shot into crowds of protesters, leaving 150 people dead, according to official sources. The attempt at repression did nothing to stop Sérah Diallo, and she and her labour allies succeeded in imposing **Lansana Kouyaté** as a consensus Premier.

The Kouyaté experiment turned into a fiasco. After initial government blunders, the CNTG boss was the first to make her voice heard. She criticised Kouyaté's methods: 'He signals to us that he is going to the right and then swings to the left, as if this was rule. We will not stand for it.' During the last months of Conté's life, the CNTG kept up the pressure on the regime. The union supported Dadis at the outset, but the junta quickly lost CNTG backing after its first mistakes and false promises were denounced by Sérah Diallo.

The power struggle continued up to the attempted assassination of Dadis in December 2009. The CNTG and the *Union Syndicale des Travailleurs de Guinée* have given advance warning that they are preparing to launch a strike for better working conditions. Henceforth, the 'Lioness' of the labour unions is likely to become ever more powerful in government. Her principal obstacle is seen as being that she has no university degree; she was trained as an executive personal assistant and secretary. ●

WHO'S STILL BACKING DADIS

Capt. Dadis's principal support comes from officers who include the demagogic CNDD Permanent Secretary, Lieutenant Colonel **Moussa Keïta**, and Lt. Col. **Moussa Tiegboro Camara**, who is leading the fight against the drug trade and serious crime. Among civilians, Dadis's support comes especially from his kinsmen in *Guinée Forestière*, who comprise about 10% of the population. It is in this context that the *Mouvement Social de Guinée*, comprised of trades unions and civil society groups, asked Konaté to give clear indications of the junta leader's health. To increase pressure, the MSG threatened to paralyse the country from 5 January by organising 'ville morte' (dead town or ghost town) days. The manoeuvre proved fruitful.

In a 6 January broadcast, Konaté tried to reassure the malcontents. Along with the soldiers' return to barracks, he promised swift national elections and a prime minister from the opposition. The *Forum des Forces Vives de Guinée* put up Jean-Marie Doré, the leader of the *Union pour le Progrès de la Guinée* (UPG) and Sérah Diallo.

Sources in the military and close to the junta say Konaté met senior officials from France and United States in Rabat, who assured him of their support. Western emissaries told Konaté that their countries would not only support the transitional government but would use their international influence to lighten the pressure on the men in khaki, we hear. The most decisive parts of Konaté's speech were written in Morocco.

Before going to Rabat, Konaté held a three-hour meeting with Capt. **Claude Pivi** at Konaté's villa in Taouyah, a

Conakry suburb. Pivi assured him of his total support. 'Konaté sought to avoid a useless confrontation between certain soldiers and Pivi, who has the loyalty of about 400 men who are totally devoted to his cause and who could be a nuisance,' noted a military source. 'A battle between those two would surely turn in Konaté's favour as he controls all of the heavy weapons and military aviation.'

Thereconciliation did not stop Pivi from sending a delegation to Ouagadougou to demand Dadis's return at the same time as Rabat had summoned Konaté to negotiate a deal with his boss. 'If Konaté does not manage to control Pivi or Tiegboro, who are armed and who could be targeted by the ICC, it will be difficult for him to stabilise the country on a permanent basis,' said a political analyst.

'Konaté's priority should be the reform of the army and especially the neutralisation of the so-called uncontrollable elements which have chosen ethnic leaders and depend on clan identities,' adds the analyst. Konaté could use the next couple of months to rid the army of troops who have caused trouble over the last four years.

'The attempted assassination of Dadis allowed for the elimination of most of the sacked soldiers that Toumba had collected to make his parallel militia. That move enabled the top brass to reorganise the troops,' observed a senior police officer. 'Konaté is not interested in power but he will not be able to change Guinea by ignoring the presence of elements who have taken to flouting the military

hierarchy. The army requires discipline,' the policeman said.

INTERNATIONAL INTERESTS

Konaté can now leave reorganising the public sector to the new Premier and focus on restructuring the army. They may be helped by foreign powers that want to avoid chaos in Guinea, which they fear could then spread to Côte d'Ivoire, Guinea Bissau, Liberia or Sierra Leone, countries which have not yet completely put recent civil wars behind them. For the international community, Konaté is the key CNDD person. However, he is still at risk from Dadis's supporters, who have no stake in the re-establishment of democracy.

This was one reason for choosing Doré, 70, as Premier: like Dadis, he is a *Forestier*, from a group of small tribes which tend to be Christian or practise traditional religions and often feel excluded by Guinea's Muslim majority, which consists mostly of Peulh and Malinké people.

Doré promises to calm the discontent in the *Forestière* communities, which are strongly represented in Dadis's government. Many top leaders are also threatened by the implications of the ICC's investigation of the stadium killings. They tend to mobilise around Foreign Affairs Minister **Alexandre Cécé Loua**, **Papa Koly Kourouma**, Lt. Col. Moussa Tiegboro Camara, Capt. Pivi, and Col. **Siba Lolamou**, who wanted to force the junta to replace Dadis following the attempted assassination.

The interim President seems to

understand the enormity of his task and seeks to break Guinea's isolation. In a meeting last week, Konaté told military leaders that if the country continued along a path which alienates it from the rest of the world, even salaries could no longer be paid by the government.

The situation could be aggravated by a fall in the main source of foreign exchange, mining receipts, totalling about US\$149 million in 2007. The *Compagnie des Bauxites de Guinée*, accounting for 80% of mining revenue, expects a dramatic fall, leaving a shortfall of perhaps \$70 mn. for an already sick state.

The national polls will probably not be organised until 2011, because they are a costly and complex exercise. The contenders already lining up include **François Lounceny Fall** of the *Front Uni pour la Démocratie et le Changement*, **Cellou Dalein Diallo** of the *Union des Forces Démocratiques de Guinée*, **Alpha Condé** of the *Rassemblement du Peuple de Guinée* and **Sidya Touré** of the *Union des Forces Républicaines*.

Guinea's ethnic politics – with the Peulh representing 40% of the population, the Malinké counting for 30%, the Soussou 15% and the *Forestiers* 10% – mean that any candidate representing solely his or her own group will be unable to win the polls. One of Doré's main tasks will be overseeing the setting-up of a credible election monitoring body and the updating and improvement of electoral registers which have been manipulated under the long years of **Lansana Conté's** rule. ●

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Rwanda

MURDER MYSTERY SOLVED

■ Two years of inquiries by a Rwandan committee of experts have ended in the conclusion widely accepted at the time: the Falcon 50 carrying President **Juvénal Habyarimana** was shot down on 6 April 1994 by Rwandan Hutu extremist soldiers and there was plenty of warning. The *Comité Indépendant d'Experts*, chaired by **Jean Mutsinzi**, heard from Major **Bernard Ntuyahaga** of the presidential security unit that in 1993 the President had refused to fly even to the funerals of the **Burundian** and **Ivorian** presidents.

That December, the extremist Hutu newspaper *Kangura* predicted his murder in March, because he had made a power-sharing deal with the Tutsi-led *Front Patriotique Rwandais* (FPR).

A confidant of Habyarimana's Private Secretary, Colonel **Elie Sagatwa**, said the plot came from a group of extremist officers, *Amasasu*. **Belgian** security officials warned Habyarimana that the deal with the FPR was his death warrant. The wife of **Jacky Héraud**, the **French** pilot of the doomed executive jet, said her husband had heard about a possible murder attempt and she passed that on to French journalist **Sébastien Spitzner**. All this contradicts the findings of French Judge **Jean-Louis Bruguière**; he blamed the FPR.

Major General **Laurent Munyakazi** of Rwanda's former armed forces said that Col. **Théoneste Bagosora**, head of the Defence Minister's private office, had foretold the assassination; Bagosora and Hutu fellow officers feared that combining their force with the FPR would mean demobilising 35,000 of their men. The then Chief of Staff, Col. **Déogratias Nsabimana**, opposed the genocide plans. The former Central Bank Governor, **Jean Birara**, said that was why Bagosora had at the last minute ordered Nsabimana to board the aeroplane.

A **Belgian** corporal serving with the United Nations mission in Rwanda, **Mathieu Gerlache**, said he saw two bright flashes approach the plane from Kanombe army camp, near the airport. With UN colleagues, **British** Captain **Sean Moorhouse** made inquiries in 1994-95 and confirmed that the firing came from Kanombe. Ballistic analysis by the UK Defence Academy supported his view.

The Hutu officers had anti-aircraft specialists trained in **Libya**, **China**, **France**, **North Korea** and former **Soviet Union** and missiles from those countries (except **Libya**) plus **Egypt** and **Brazil**. The UN force believed the army possessed 15 French Mistral missiles and its chief, **Canada's** Gen. **Roméo Dallaire**, said Paris had also

delivered Russian SAM-16 missiles. (A French parliamentary mission had claimed in 1998 that **Uganda** had given the SAMs to the FPR.) Allegations about intercepted FPR radio messages were found to be false.

The Committee found that the UN had been denied access to Rwandan army sites beforehand, and as soon as the plane was down the massacre of Tutsi began, while aviation boss **Stanislas Simbizi**, leader of an extremist Hutu party, destroyed files and recordings. The Committee does not claim to know the type of missile but notes that France has the plane's black box and fragments of the fatal missiles, which were apparently Soviet-made SAM-16s. It would clear the air if someone in Paris said what they must know.

Angola

SOCCER SHOOTING

■ President **José Eduardo dos Santos's** government is arresting human rights activists and claimed sympathisers of the *Frente para a Libertação do Enclave de Cabinda-Forças Armadas de Cabinda* (FLEC-FAC). This comes after gunmen attacked a bus, on 8 January, which was carrying **Togo's** football team to the Cup of Nations tournament in Cabinda, killing two officials. Police arrested two men they said were from the *Forças de Libertação do Estado de Cabinda-Posição Militar* (FLEC-PM) faction.

Cabinda's Public Prosecutor **António Nito** conceded that the arrests of human rights activists, such as economics professor **Belchior Lanso**, were 'not directly linked to the bus attack'. Confusion reigns about who was responsible. FLEC-PM leader **Rodrigues Mingas** claimed responsibility. Minister without Portfolio and former FLEC fighter **António Bento-Bembe**, who signed a flawed peace deal with the government in 2006 which enabled onshore oil exploration in Cabinda, confirmed this.

On 10 January, the FLEC-FAC leader **Estanislau Miguel Boma** said that FLEC-FAC had a 'responsible' attitude towards the African Cup and would 'abstain from violence'. Then, on 12 January, FLEC-FAC said that the army had been the target and regretted the Togolese deaths.

On 14 February, Paris-based FLEC-FAC leader **Nzita Tiago** sent a letter to football's governing body FIFA signed by FLEC's **United States**-based lawyer **Jonathan Levy** and **Nigerian** Supreme Court barrister **Clement Chigbo**. It said 'information now available...indicates that the events in Cabinda were not organised by FLEC but by individuals working with the Angolan security forces in Cabinda.' Levy told *Africa Confidential* that the attack had been carried out by an army faction trying to discredit FLEC. 'The [armed forces] were the only ones who would have had the intelligence on when the bus was travelling and where'.

FLEC-FAC told FIFA that Mingas had left the group over two years ago and now works for the government. It claims he has a **Portuguese** passport and was a baggage handler at a Paris airport. The fallout for FLEC-FAC's exiled leaders could be severe. France wants better relations with Luanda after 'Angolagate' (AC Vol 49 No 19). When Mingas promised an insurgency, Paris said that was 'unacceptable and will have consequences'.

Central African Republic

IS COLONEL MASSI DEAD?

■ After weeks of speculation, the wife and political allies of politician-turned-rebel leader Colonel **Charles Massi**, 57, are convinced he is dead, on the instructions of Central African Republic President **François Bozizé**. They say he perished in Bossembélé, north-west of Bangui, on 8 January after sustained torture.

The government had denied any knowledge of Massi's detention but the affair has still embarrassed CAR: it coincided with the *Communauté Economique et Monétaire de l'Afrique Centrale* summit in Bangui and with renewed concern about Bozizé's willingness to hold scheduled elections this year.

Massi has been high profile and controversial for over two decades. A Bordeaux-trained army pharmacist, he was a minister under both Bozizé and his predecessor, **Ange-Félix Patassé**, before falling out spectacularly with both. In between, he founded the *Forum Démocratique pour la Modernité*. He was sentenced to death *in absentia* for alleged involvement in a 2001 coup attempt backed by ex-President **André Kolingba** and returned from **French** exile only after Bozizé had toppled Patassé in 2003.

Ousted by Bozizé in 2008, Massi shocked his allies by joining the *Union des Forces Démocratiques pour le Rassemblement*, a rebel movement in the remote north-east. His later leadership of the UFDR-offshoot, the *Convention des Patriotes pour la Justice et la Paix* (CPJP), looked equally incongruous.

Massi was arrested in **Chad** last May, supposedly while trying to secure President **Idriss Déby Itno's** mediation with Bangui. He was reportedly motorcycling to join CPJP forces when stopped near the CAR border. Chad released him in July but detained him again in December after his men clashed with Chadian forces. The CPJP then accused him of sabotaging a peace deal with Bangui. Massi is believed to have been rapidly handed to CAR.

Unconfirmed reports of his death have surfaced regularly since Christmas. His wife, **Denise Massi**, flew to Bangui on 13 January to investigate but was expelled after armed police broke up a meeting with lawyers at the family home. She holds both CAR and French nationality.

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amisshah

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Gadaffi invited a representative from the Forum of African Traditional Leaders to take the podium following speeches by United Nations Secretary General **Ban Ki-moon** and **Spanish** President **José Luis Zapatero**, to the surprise of the delegates. He spoke brusquely, accusing fellow leaders of lacking political awareness, before handing over to Mutharika.

Gadaffi said that during his tenure, declarations had been made on behalf of the AU of which he was not even aware. He complained that he was not allowed to represent the AU at international meetings. **Gabon's Jean Ping**, the Chairman of the AU Commission, and **Ethiopian** Premier **Meles Zenawi**, represented the AU at the Group of Twenty (G-20) and G-8 meetings last year because Gadaffi was thought incapable of representing the AU. In a final humiliation, he failed to get Libya a seat on the African Development Bank, based in neighbouring Tunis, after trying to circumvent the usual procedures.

Questions emerged over the AU's own financial plans. It is widely criticised for its complex bureaucracy but delegates approved a 58% increase in the Commission's budget, to US\$217.5 million for the next year. Almost half of its budget comes from outside Africa and many member states remain in arrears.

The AU's Commissioner for Infrastructure, **Elham Ibrahim**, said progress on continental energy projects and infrastructure was being held up. A

decade ago, Mbeki and the then **Nigerian** President, **Olusegun Obasanjo**, helped to launch the New Partnership for Africa's Development, which envisaged spending some \$80 billion a year on infrastructure to boost African economies. Current spending is less than a quarter of that and most is financed by credits from **China**.

Before International Criminal Court appeals judges ruled on 3 February that the Pre-Trial Chamber must review previously dismissed genocide charges against **Sudanese** President **Omer Hassan Ahmed el Beshir**, the summit backed a South African move to give the UN General Assembly the means to defer cases at the ICC by a year. South Africa's efforts relate to the ICC's warrant for the arrest of Field Marshal Omer on charges of war crimes and crimes against humanity in Darfur, which African member states of the ICC are legally bound to execute. Tshwane (Pretoria) and some other African capitals had got no response from the UN Security Council after they asked it to defer action on the Sudan case, lest it derail peace negotiations. Security Council members, including Sudan's friends in Beijing and Moscow, ignored the request.

The summit declared 2010 a year of peace and security as it intensified efforts to ratify the Charter on Democracy, Elections and Governance (adopted by the Organisation of African Unity in 2000 and by the AU in 2007). So far, 29 states have signed the Charter but only three have ratified it – Ethiopia, Mauritania (which signed just before the 2009 coup) and **Sierra Leone**. The summit published a report which concludes that 'the AU should have a "zero tolerance" policy on coups d'état, it should also show the same firmness with regard to transgressions in democratic standards which, if persistent and repeated, could lead to unconstitutional changes of government.'

Eritrean Foreign Minister **Osman Saleh** wrote to Ping on 26 January to

request that Eritrea not be discussed in its absence. Osman complained that Ethiopia had denied Eritrea the diplomatic privileges and the right to participate in AU summits in Addis. Ping denied this and urged Eritrea to participate in AU meetings. The summit welcomed the adoption of UNSC Resolution 1907, which imposes sanctions on Eritrea for undermining peace and stability in **Somalia**.

Many countries which the summit voted on to the Peace and Security Council are likely to be items for discussion there. Countries named for a three-year period are **Equatorial Guinea**, **Kenya**, **Libya**, **Nigeria** and **Zimbabwe**. Those named for a two-year period include **Benin**, **Burundi**, **Chad**, **Côte d'Ivoire**, **Djibouti**, **Mali**, **Mauritania**, **Namibia**, **Rwanda** and **South Africa**. AU diplomats are threatening sanctions against Madagascar, where interim President Rajoelina has broken up a power-sharing government, sacked its Prime Minister and looks determined to hold legislative elections in March.

UN Special Representative on Somalia **Ahmedou Ould Abdallah's** enthusiasm for what he calls the new commitment to Somalia and the revamped transitional government under President **Sheikh Sharif Sheikh Ahmed** is at odds with the UN's reluctance to send its own peacekeepers to support the beleaguered AU force in Mogadishu.

After berating Somalia's political elite for failing to back Sharif's regime, Ould Abdallah argued that it had established a budget, reorganised the security forces, moved the government to Mogadishu and started rebuilding the infrastructure. An energetic networker, Sharif met most of the delegations at the summit and was cheered by the clandestine circulation of a report on the Islamist insurgent movement *Al Shabaab*. The report claimed that all top seven leaders of *Al Shabaab* were foreigners. Last week, *Al Shabaab* publicly declared its links to *Al Qaida*. ●

ZIMBABWE

Economic clouds, platinum lining

Foreign mining companies benefit more from the halting recovery as local political problems mount

Hefty political obstacles block further economic progress in Zimbabwe after last year's impressive turnaround (AC Vol 51 No 1). Mining operations, such as those involving gold and platinum, will grow faster, boosted by some of the world's most generous royalty and corporate taxation terms. Yet the economy's most productive parts

– farming and manufacturing – will be held back in 2010 by political meddling and mismanagement.

The International Monetary Fund expects the economy to grow by almost 6% this year, not nearly enough to repair the damage of a decade in which gross domestic product fell by about 40% and inflation rivalled the previous excesses

of Latin America. Since February 2009, when the Government of National Unity started up and **Tendai Biti** was appointed Finance Minister, Zimbabwe's economy has grown by about 3.5%, after a 12.5% decline in 2008.

Government finances have gradually picked up. State revenue reached US\$100 million a month by the end of 2009, up from \$3 mn. at the beginning of the year. Local bank deposits increased sixfold over the year to about \$1.2 billion. Some aid for social projects trickled in. Yet the recovery is extremely tentative. More political flare-ups could hold back a sustainable turnaround that would create jobs and enable the government to rebuild the schools and the ailing health service.

The IMF currently projects GDP growth of about 7% by 2011. At that rate, it would take a decade before living standards reached the levels of 2000. Already constraints are beginning to appear which make faster recovery difficult; infrastructure has been run down – particularly electricity, water and telecommunications – and skilled labour is in short supply.

Agricultural decline has probably bottomed out, with smallholder harvests benefiting from both humanitarian aid and favourable weather. Output of commercial crops remains at a fraction of previous levels, though; the destruction of support networks (and a reduction in Western tobacco consumption) make it unlikely that Zimbabwe will ever again be a world-class tobacco producer. Dollarisation of the currency removes the comparative price advantage of export crops, many of which cannot compete in domestic or regional markets.

The lack of power and water, plus high wage awards, put the few remaining horticultural producers under strain. Faced with another poor harvest, Agriculture Minister **Joseph Made** complains that it is the fault of sanctions that new farmers have not got the capital to farm properly. They did not last year either but they were able to convert their subsidised fuel and other inputs into handsome profits by selling them on the black market. Even if the Movement for Democratic Change parliamentarian, **Morgan Tsvangirai's** ally **Roy Bennett**, is confirmed as Made's deputy (and the political violence charges against him are dropped), it will be too late to improve matters this season.

Industrial production has recovered towards 50% capacity utilisation but is held back by poor infrastructure, skill shortages and competition from imports in price and reliability. The Zimbabwe African National Union-Patriotic Front (ZANU-PF) persists with a black economic empowerment (BEE) programme which aims to put its place men in control of larger companies.

The depressed tourist sector had hoped for a spin-off from the football World Cup in **South Africa** but many new operators are putting off the punters by asking rip-off prices. Thanks to dollarisation, inflation has been held at 3-4% a year and in late 2009 prices actually fell by just under 1%, but prices are still higher than in neighbouring countries. This has prompted some to argue that Zimbabwe should use the South African rand more and the US dollar less (both are legal tender in the country).

As world metal prices soared, minerals, led by platinum, became by far the most prosperous sector. The ZANU-PF Mines Minister, **Obert Mpofu**, is far from

the sharpest knife in the cabinet but the stranglehold of the parastatal Zimbabwe Mineral and Development Corporation has been broken. Marketing is being liberalised, helping gold producers, and some medium-sized mining interests are resuming production. Diamond production is on the rise but sales are impeded by the haphazard licensing system and failure to abide by international standards. Nobody seems to have a grip on how the international diamond market works and the army longs to be in control.

The power-hungry **Emmerson Mnangagwa** and **Solomon Mujuru** are at daggers drawn over which of their frontmen and companies should get a grip on the richest diamond fields. An attempt to bypass the Kimberley Process Certification with an auction of 300,000 carats of rough unsorted diamonds had to be abandoned when it was exposed and risked damaging the government's reputation again.

Accused of trying to take advantage of the deal, the MDC Deputy Mines and Mining Development Minister, **Murisi Zwizwai**, is now under an internal party investigation for corruption. Mpofu has packed the Control Board with henchmen and relatives.

MILITARY-BACKED DIAMOND MINES

The Chiadzwa diamond field, now covering some 4,000 hectares, is alluvial, meaning that its stones have been washed down from a volcanic pipe upstream in the Highlands. Such stones, close to the surface, can be harvested without heavy investment by small-scale diggers. The army is moving the locals out, sealing off the area and imposing a news blackout.

The original concessionaire, the British-registered African Consolidated Resources, has also been pushed out, despite a High Court ruling in its favour. Two obscure firms, Mbada Diamond Mining and Canadile Minerals, each have 1,000 ha. concessions and two more awards are in prospect for the other half of the field.

These alluvial diamonds, rarely of gem quality, are suitable only for industrial use as drill bits, abrasives and the like, so are not hugely valuable. The carat weight of a gem stone is important only once its other qualities have been assessed (pure white colour is the yardstick) and its suitability for being cut into a gem. There are few skilled assessors in Zimbabwe, so high prices have been paid for large low-quality stones and low prices for good smaller ones, to the joy and dismay of various parties.

Regulating the supply and thus the price of gems by stockpiling and timely release is the speciality of the Central Selling Organisation, controlled

by De Beers, although it is not quite as omnipotent as a few decades back. The illicit diamond trade has traditionally been dominated by **Lebanese** business people with strong links to West Africa and the trade is accused of helping to fund terrorism, insurrection and human rights abuses. In 2009, the main producers and countries agreed on the Kimberley Process, which aims to identify the origins of diamonds. So it was delusional for government officials to believe they could publicly auction off 300,000 carats of uncut uncertified diamonds.

The star of the economy, however, is platinum. International platinum producers have always been secretive about production but the platinum group metals are now clearly Zimbabwe's largest single export earner, perhaps over a third of visible exports, which goes a long way to evening up the balance of payments. Zimbabwe's deposits could make it the second ranking producer, after South Africa, and the present trading price, around \$1,600 per ounce, is double that of a year ago. Zimplats has completed its \$350 mn. Phase 1 expansion programme, which should double its annual output to 180,000 oz.

Anglo American Platinum Corporation's Unki mine began operating only in 2008 and aims to mill 120,000 tonnes of ore per month from early 2010; it is coy about how many ounces this would represent but the high price would return profits from lower-grade ore. The more mining thrives, the more strident will be ZANU-PF's insistence on localisation of some ownership and control. Platinum, unlike gold, is still mainly an industrial metal subject to fluctuations in international business but industrial demand is finite and restraint will be required to prevent overproduction from depressing prices.

An intriguing tussle is developing between Mpofu and Energy Minister **Elias Mudzuri** over future extensions to the Hwange coalfields. Mudzuri, from the MDC, is also subject to the internal party probe into abuse of office and is no stranger to such charges. Before turning his back on ZANU-PF, he was a Harare City engineer and ran a private consultancy office alongside his mayoral one in Town House.

To add further spice, the Parliamentary Portfolio Committee for Mines is chaired by ZANU-PF's **Edward Chindori-Chininga**, who was briefly Mines Minister before running foul of more powerful interests. Chindori-Chininga is regarded as one of the few ZANU-PF figures who understands how a modern economy works. Together with his friendly links to leading MDC figures, that makes him doubly suspect to ZANU-PF's chiefs. ●

The President ends his holiday

As the plotting and squabbles in the ZANU-PF break into the open, the military launches a new round of farm seizures

The first anniversary of the power-sharing agreement was inauspicious, as all three parties in government argue over the pace of political reform and blame each other for holding up progress (AC Vol 51 No 1). It now looks as if, far from being a temporary expedient, the coalition arrangement set up in February 2009 will last the full life of the five-year Parliament elected in 2008 and that President **Robert Gabriel Mugabe** plans to serve out his full five-year term too.

None of the factions in the Zimbabwe African National Union-Patriotic Front has enough support to defeat the others, leaving Mugabe in his customary role as king and chief referee. Many of the ZANU-PF faithful are determined to maintain his ascendancy by launching fresh violence against both factions of the Movement for Democratic Change (MDC).

Each New Year, the Mugabe family takes a month's holiday. The precise dates are a state secret, lest any ambitious soldier take advantage of his chief's absence but the itinerary is predictable: some restful shopping in Hong Kong, Malaysia and Thailand, with a check-up courtesy of Mugabe's Malaysian urologist and business partner. Last year, the crisis over the political agreement dragged Mugabe back after only a week, leaving First Lady **Grace Mugabe** to fight it out with unwelcome photographers.

This year, the crisis is local. ZANU-PF's quarrelling factions need an arbiter and the party needs a strategy. The chief agitator is former Information Minister **Jonathan Moyo**. After five years on the back-benches as an independent, he was readmitted into ZANU-PF in October and has speedily insinuated himself into the editorial offices of the state media, been elected to the Central Committee and is touted as a possible successor as Politburo Information Secretary to **Nathan Shamuyarira**, who loathes him.

Moyo is supposed to rebuild **Emmerson Mnangagwa's** fortunes (AC Vol 49 No 18) after his faction's rout in the Praesidium elections and December's party congress. The Harare commentariat believes that Mnangagwa and Moyo have a new plot, furthered (says *The Zimbabwean on Sunday*) at a Christmas Day meeting hosted by former Midlands Province Chairman **July Moyo** on a farm near Gweru, capital of Mnangagwa's Midlands. Rivalries among ZANU-PF's provincial

organisations were so pronounced at the party congress that Mugabe condemned them, telling loyalists their quarrels only helped **Morgan Tsvangirai** and his MDC. Jonathan Moyo wants Mnangagwa to exploit party splits, making deals with organisations outside ZANU-PF.

Wits call the Gweru meeting 'Tsholotsho 2', after the meeting in 2004 where a similar group of plotters gathered to resist Mugabe's backing for **Joice Mujuru** as national Vice-President and to press Mnangagwa's claim instead. Furious, Mugabe demoted Mnangagwa (his former close ally and personal secretary) and sacked many other plotters, a precedent that deters people from admitting they were in Gweru. So far, the confirmed guests are Mnangagwa, Jonathan Moyo, July Moyo (disciplined along with Jonathan Moyo after Tsholotsho), ex-Manicaland party Chairman **Mike Madiro** and former Deputy Lands Minister **Florence Bhuka**.

OPPAH AGAINST JOICE

These four seem unhappy at the outcome of December's quinquennial congress, where the reputed 10,000 delegates were shut out of any meaningful debate and the platform referred every important resolution to the more malleable 100-member Central Committee for decision later. Despite some heckling, this procedure was steamrollered through. **Oppah Muchinguri's** threat to challenge Joice Mujuru was stifled as was Manicaland Province's challenge to rerun the election of party Chairman **Simon Khaya Moyo** (SKM).

Before the congress, Mnangagwa had announced that SKM was entirely unacceptable as his superior. At first, Mugabe appeared to back both Manicaland's objection and (by implication) **Didymus Mutasa** for the chair. Party stalwarts from Matebeleland, led by **Angela Masuku** and **Jaison Ndlovu**, then warned that any attempt to block SKM would call into question 1987's Unity Accord between ZANU-PF and the Zimbabwe Africa People's Union, an article of faith for Mugabe. He then flip-flopped back into backing SKM and so the new Praesidium was endorsed and the Midlands and Masvingo delegations, having first backed Manicaland, fell into line. Manicaland Chairman **Basil Nyabadza** resigned, claiming the party was failing to meet the MDC's challenge

and sustaining an irrelevant 22-year old accord. The three Matebeleland provincial parties showed a loyalty widely seen as a fair-weather commitment.

The Joint Operations Command seems to be readying itself for fresh violence before the next national elections and before constitutional reforms start to limit its powers over the military and intelligence services. Most ZANU-PF loyalists back the JOC but the agreed reform programme says the newly established National Security Council should take precedence over JOC. The military high command rarely bothers to turn up at NSC meetings; Mnangagwa and the generals insist on their autonomy, but are happy to pay for gushing advertisements congratulating Mugabe on his re-election as party leader.

The soldiers welcomed the New Year by occupying several farms, especially in Manicaland. With the support of **Didymus Mutasa** and despite the unexpected objections of **Muchinguri**, troops were deployed to safeguard the new acquisitions, many of them in defiance of court orders and/or bilateral investment protection agreements. 'Those are just bits of paper,' sneered one Lands Ministry official on behalf of retired Major General **Edzai Chimonyo**, now Ambassador to **Tanzania**. In early January, Mugabe approved the seizure of a further 150 farms. We hear the Green Bombers' (National Youth Service) camps have started up again to prepare for clashes.

Before the planned seizures, Gen. **Constantine Chiwenga** had blocked an attempt by Joice Mujuru and her husband Gen. **Solomon Mujuru** (who now cast themselves as pragmatists, if not committed reformers) to convene a long overdue congress of the War Veterans' Association. The couple had hoped to replace the burlesque leadership of **Jabulani Sibanda** and **Joseph 'Chinos' Chinotimba**, who have held on to their jobs since 2002 by refusing to call an annual general meeting. 'As a liberation association, don't expect us to hold a congress when there is a battle' is the slogan. The upshot is that retired Colonel **Sebastian Beta** convened a congress in January in Chinoyi. Chinos visits the offices of the independent media and has commissioned a rambling ghost to write to the papers threatening those who say he is illiterate.

In January, while Vice-President Joice Mujuru occupied the absent Mugabe's seat, some movement was apparent. The stalled constitution-drafting process started and an independent audit began of the quarter of a million public sector employees who may include 20,000 salaried ghost-workers and an equal number of unauthorised sinecures. Yet the constitutional process has an impossible time-limit of July and fresh elections are

likely to be delayed.

The deadlines imposed by the Southern African Development Community after the October-November crisis have been allowed to slip and the state media

remain as partisan as ever; arguments over reform may stagger on into next year. It looks entirely probable that Mugabe will serve out his full five years, despite turning 86 this month. A junta of the

military high command and Mnangagwa and his intelligence team are the arbiters of progress, not SADC. As for President Mugabe, for now the junta needs him even more than he needs them. ●

MOZAMBIQUE

The country gets richer, the party gets stronger

The new Prime Minister backs the President's push for a state-run economy and a tougher line against the opposition

President **Armando Emílio Guebuza** never fails to seize an opportunity. After his controversial landslide election victory in October, he plans to reinforce his dominance of the governing *Frente de Libertação de Moçambique* when setting the agenda for his second and constitutionally last term in office (AC Vol 50 No 22). The unfinished business from his first term is to continue the drive toward modernisation, growth and poverty reduction, backed by inflows of foreign and private investment. Yet some donors are uncomfortable with his muscular approach, which involves rolling back the pluralism of the period since the civil war that ended in 1992 and confirming Frelimo's hegemony.

The inauguration on 14 January was witnessed by five presidents from the Southern Africa Development Community, including **Jacob Zuma** of **South Africa** and **Robert Mugabe** of **Zimbabwe**. The usual prior meeting of Frelimo's powerful Political Commission, to consult and balance party factions, was abandoned. Guebuza's personal authority is enhanced. The process started with January's removal as Prime Minister of **Luís Dias Diogo**, a political heavyweight and the modernising, technocratic face of the government at home and abroad, who rose to prominence under ex-President **Joaquim Chissano**.

Diogo tried to adjust to the Guebuza era but had languished outside the presidential circle with little room to manoeuvre. Her removal, along with Parliamentary Speaker **Eduardo Joaquim Mulémbwè** (after 15 years in the job), is a final slap for the relatively relaxed Chissano wing of the party. Diogo and Mulémbwè had been seen as future contenders for the presidency and are not out of the running. Both remain members of Frelimo's Political Commission.

Close to the President, the new Prime Minister, **Aires Aly**, was hitherto Minister of Education, which involves 20% of the state budget and one-third of civil servants. Insiders with less

managerial experience like Planning and Development Minister **Aiuba Cuereneia** were passed over. Aly's appointment was unexpected, although he is a northerner from the remote Niassa Province and a Muslim, it meets long-standing grievances over Frelimo's southern domination. Otherwise, the cabinet is much the same, indicating that the next presidential term will aim to deliver results and implement existing policies.

Technocrats remain in charge of key departments, provided they are politically loyal to Guebuza. They are flanked by hardliners from Frelimo's dinosaur wing, of questionable competence but with party backing, including the combative Labour Minister, **Helena Taipo**, and the old-fashioned Minister of the Environment, **Alcinda Abreu**.

STRONGER THAN EVER

Frelimo is stronger than at any time since the end of the one-party state in the early 1990s. Political and economic liberalism have been rolled back, independent institutions repoliticised. Frelimo controls almost all elected bodies, municipal and provincial, and has greatly increased its strength in Parliament. That dominance could be a source of weakness. The President believes in discipline, central control and micromanagement; diversity is falling inside Frelimo, whose usual 'debate culture' is replaced by top-down orders from above. Instead of discussing policies, officials worry about keeping their jobs.

The government won few friends by its conduct of last year's elections, which were not actually stolen but were overshadowed by fraud and deliberate unfairness by the nominally independent but in fact politicised National Elections Commission. The government has promised to overhaul cumbersome electoral laws but has not punished well documented illegality. Some normally supportive donors will make symbolic cuts in budget support, in protest at violation of the 'free and democratic political process'.

Others complain that it has become difficult to discuss policies with Frelimo, as few officials dare to speak off-message.

Relations with the opposition *Resistência Nacional Moçambicana* are fractious. Renamo intends to hold a national day of protest over the election outcome (no date has been fixed); police and intelligence surveillance has been stepped up, with routine opposition party meetings illegally broken up and party members detained. Since the end of the war, the two sides have several times stumbled into conflict due to reckless political manoeuvring and heavy policing. Rioting in urban centres in 2000 and 2005, during Renamo-led election protests, resulted in over 130 deaths.

Renamo now faces the upstart *Movimento Democrático de Moçambique* (MDM, AC Vol 50 No 22) to which it has bled talent and support. Renamo's long-standing President, **Afonso Dhlakama**, in charge since 1979, and nearing the end of his political career, is in poor health and says he will not stand again for party President. His removal would damage the party, which is weakly organised. His authoritarian leadership holds it together.

The MDM hopes to fill the gap and do what it can to engage with the government. Formed six months before the elections, it has come further and shown greater promise than any third party in Mozambique's 18 years of multiparty politics. Frelimo dislikes the articulate parliamentary performance of its leader, **Daviz Simango**, and the MDM's harsh treatment in the elections indicates that it has hit the governing party where it hurts – its responsibility for leading the country towards authoritarianism.

The economy will be the good news story in 2010. Last year, Mozambique remained one of the world's fastest growing economies, with an estimated 6.5% real gross domestic product growth, including a strong performance by the services sector and the International Monetary Fund's help in deepening the budget deficit and protecting social-sector spending from cuts.

This year, external assistance is expected to remain high, as are foreign direct investment and the recovery in commodity prices. Yet government spending is extremely inefficient, failing to reach official goals while hampered by centralised control. The reversal of economic liberalism and the requirement that all private investment benefit Frelimo push up the cost of doing business. ●

Southern leaders compete for a new state

There are fears that the thrice-delayed national elections, now due on 8 April, could trigger an escalation of fighting in Darfur and the South, given the probability that few will accept the results as free and fair. The Khartoum regime has failed to implement most of the key democratic reforms agreed under the 2005 peace deal. The 2008 census and the constituency boundaries lacked credibility and the Islamist government has done nothing to promote an independent judiciary or independent electoral administration.

BATTLES BEFORE THE REFERENDUM

A new wave of violence and fraudulent elections could block any chance of progress on Darfur and undermine the Sudan People's Liberation Movement (SPLM) led by **Salva Kiir Mayardit**, who is also President of the Government of South Sudan (GOSS) and national First Vice-President. There is growing international concern at this prospect: Sudan's crisis has been on the agenda of both the United Nations Security Council and the African Union Peace and Security Council in recent weeks. Yet events suit the National Congress Party (NCP, aka National Islamic Front) regime, which has been trying to make the organisation of next year's referendum on independence for Southern Sudan as difficult as possible and to weaken the potential Southern state.

For now, the national elections are becoming the focus for tension in Southern Sudan. There are two presidential elections: firstly, for the presidency of all Sudan, the NCP's **Omer Hassan Ahmed el Beshir** will face the SPLM's **Yasir Saeed Arman** and eight other candidates, including **El Sadig Sadeeg el Mahdi**, the elected Premier the NIF overthrew in 1989. Secondly, for the presidency of Southern Sudan, the incumbent **Salva Kiir Mayardit** of the SPLM will face former Foreign Minister **Lam Akol Ajawin**, who last year took over the newly formed SPLM-Democratic Change.

The NCP will not contest the position (knowing its support in the South is close to zero). Given the near total support for secession, the winner would then become the first President of an independent Southern Sudan, if there is a credible referendum next January. While **Lam Akol** has some support among his Collo (Shilluk) community in Upper Nile and in pockets elsewhere in the South where he can mobilise the discontented, including in Equatoria, he will not pose a serious challenge, partly because he is viewed as a friend of the NCP.

The many Southern parties are too small and geographically and ethnically based to mount a serious challenge to the SPLM. The biggest contests are therefore being fought within the Movement over nominations at county and state (formerly province) levels. The most serious conflict pits Lieutenant General **Salva** and his close confidants, including Unity State Governor **Taban Deng Gai**, against Vice-President **Riek Machar Teny Dhurgon** and Lt. Gen. **Paulino Matip Nhial**, the Deputy Commander-in-Chief of the GOSS armed forces, the Sudan People's Liberation Army.

This dispute draws in the most senior people in the government and also follows the traditional rivalries between the two largest Nilotic ethnic groups, the Dinka and Nuer: **Salva** is Dinka while **Riek Machar** and **Paulino Matip** are Nuer. It also has roots in the army. **Paulino** was leader of the South Sudan Defence Forces (SSDF), a militia fighting with the NCP which,

under the Juba Declaration of January 2006, was integrated into the SPLA. As a result, the majority of the army, once dominated by Dinka, is made up of Nuer, at least according to the Chief of Defence Staff, **James Hoth Mai**, himself a Nuer, albeit a loyalist of the late SPLM/A chief, Colonel **John Garang de Mabior**.

Former SSDF officers are aggrieved at what they consider their subordinate position under a Dinka-led SPLA. There are three main dimensions to the conflict: firstly, divisions within the army that fall along Nuer-Dinka lines; secondly, power-struggles between President **Salva** and Vice-President **Riek**; and thirdly, electoral battles in Unity State (Wahda, widely known as Western Upper Nile).

MILITARY MEN, POLITICAL RIVALS

The Comprehensive Peace Agreement of January 2005 formally ended the war between the SPLM/A and the Sudan Armed Forces (SAF) of the ruling NCP. Yet the CPA stipulation that Other Armed Groups be disbanded highlighted the conflict between SPLA and SSDF. Supported by the SAF, the SSDF already occupied large areas of the South, particularly in the Nuer heartland of Greater Upper Nile, as the former Upper Nile Region is now known.

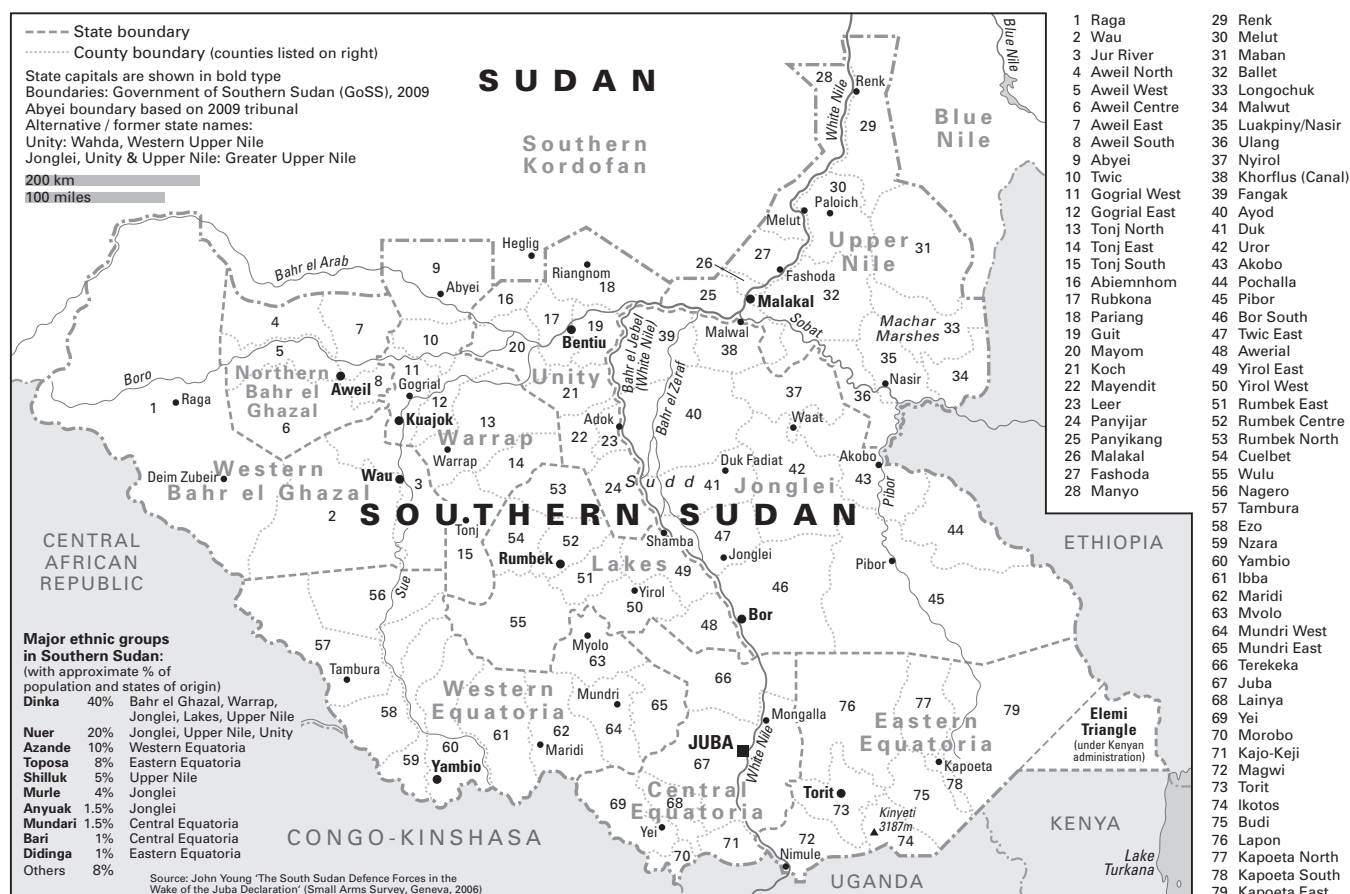
Efforts to bring the SSDF into the SPLA had repeatedly failed because **John Garang** feared that such large numbers of Nuer would undermine the dominance of his own Bor Dinka clan. After **Garang's** death on 30 July 2005, **Salva**, a Rek Dinka from northern Bahr el Ghazal, became leader and quickly reconciled with the SSDF. This was formalised in the Juba Declaration, which provided for the integration of the SSDF soldiers and officers, a few positions in the GOSS for the SSDF and its allies, and the appointment of **Paulino** as SPLA Deputy Commander-in-Chief.

The Juba Declaration not only neutralised the biggest military threat to the GOSS, the incoming Nuer formed a basis of support for **Salva** at a time when he was threatened by the **Garang** clique, centred on part of the Bor Dinka. Indeed, **Salva** has endeavoured to raise the status of the northern Bahr el Ghazal Dinka clans, particularly in the SPLA, where they constitute a bigger group than the Bor.

However, the Juba agreement angered the SPLA leadership, which objected to sharing senior ranks with former SSDF officers whom they had long looked upon as renegades. By 2009, there was a measure of integration but the former SSDF officers claim they are still denied access to the senior ranks; for example, only one of their members, Major Gen. **Peter Gatdet**, heads a directory, that of Air Defence Command. They also say they are not offered the same educational opportunities as Dinka, resent the treatment of their former leader, **Paulino**, and are accused of being militiamen. Last October, **Paulino's** private guard fought SPLA troops in Western Upper Nile/Unity State and in a bid to end the conflict, the United Nations airlifted **Paulino** to Juba (AC Vol 50 No 21).

The second dimension of the leadership conflict arises because of **Riek's** ambitions to replace **Salva** at the head of the SPLM and GOSS. Although then ranked third in the hierarchy, after **Salva**, the Bor leadership viewed **Riek** as a traitor for his rebellion against **Garang** in 1991 and for the 'Bor Massacre' by his troops later that year. **Riek** therefore had little chance of real power while **Garang** was still alive.

Yet after **Garang** died in 2005, the unity of the SPLM/A could



be safeguarded only by accepting the existing hierarchy. Thus he was catapulted into the GOSS vice-presidency and, though he is often kept at a distance by Salva's group, Riek dominates policy in many areas of the government. Moreover, through his efforts to reach a peace agreement between the Ugandan government and the Lord's Resistance Army, he has built bridges with the Equatorians who have been the biggest victims of LRA outrages in Southern Sudan.

A CHALLENGE TO SALVA

Amid growing dissatisfaction with the GOSS for mismanagement and corruption, Riek announced that he would run against Salva at the SPLM Convention in Juba last June. However, he was pressed to withdraw and Salva was unanimously acclaimed leader. Riek wanted Salva's job and Salva resented that.

The next round of the battle was fought in Unity State and its roots date back to the 1980s. The defeat of the separatist rebel group Anyanya II by Garang's SPLA in 1983, at the start of the second North-South war, brought its Unity State leader, Paulino Matip, home and into alliance with the Khartoum government.

He was followed by Riek who, after his failed 1991 rebellion against Garang, also entered an alliance with the government, formalised in the 1997 Khartoum Peace Agreement. This granted him authority to establish state governments throughout the south. Despite Paulino's opposition, Riek appointed his deputy, Taban Deng Gai, as State Governor. All three are Nuer but from different subgroups: Riek is Dok, Taban Deng is Western Jikany, Paulino is Bul. Paulino's men killed two of Taban's ministers and Taban was forced to leave the state, his life in peril. After Taban's humiliation, Dr. **Joseph Manytil Wejang**, Paulino's personal physician, was appointed Governor but Paulino objected to this as well, although he did not attempt to overthrow him.

Under the CPA, the SPLM was given the right to appoint local governments in the South and again Taban attempted to

become Governor of Unity. Despite the opposition of both Salva and Riek, though, he won the support of Paulino, who continued to be the State's dominant military figure, by contending that as governor, he would bring SPLA and SSDF together.

With the integration of Paulino's own forces into the SPLA, his military standing in the state declined, Taban became more independent and tension increased. Taban then made veiled threats against Paulino's numerous bodyguards at his household in the State capital of Bentiu; he also threatened Riek who retains about 450 soldiers in Madal, in south-west Unity State near his home of Leer to prevent – so he claims – Nuer-Dinka fighting in the area.

Taban also has a force of some 500 soldiers under Col. **Stephen Boubth**, with two tanks guarding his house and the military barracks immediately behind his office. On 2 October 2009, these forces invaded Paulino's compound and killed 16 of his soldiers, after which his remaining bodyguards were evacuated to Juba. Taban's supporters claim the Governor had no part in the attack though many outsiders do not believe this.

Paulino and others believe that such an attack could not have taken place without the knowledge and, presumably, approval of James Hoth (although he denies prior knowledge) and Salva. This attack on the house of the deputy leader of the SPLA and a signatory of the Juba Declaration could have threatened the peace process and Paulino's initial public statement suggested this. Riek and Nuer SPLA officers urged calm, lest the incident undermine the campaign for Southern self-determination.

Many in Unity State see Governor Taban as corrupt and dictatorial. Even his own ministers don't know how much the state is earning for its oil production; the confusion is helped by the Khartoum regime's deliberate obfuscation of oil production and revenue figures.

Under the CPA, oil-producing states such as Unity receive 2% of the gross oil revenue allocated to the South. The Director

General of Finance, **Wetury Luony**, controls much of the State's finances from his office in Khartoum. By the end of December, civil servants and even ministers in Unity State had not received their salaries for nine months.

As opposition to Taban grew, the Unity State SPLM Conference of 2008 selected Joseph Manytuil over Taban as its Chairman. Since Salva had said that he would respect the views of the community and since Article 34 (2) of the SPLM Constitution suggests that a governor chair the state party, it was assumed that Taban would be replaced but that did not happen. Taban was so angered by this decision, however, that he dismissed dozens of civil servants thought to be supporters of Manytuil and made things so difficult for the State's SPLM that many decamped for Juba.

Taban also failed to win a position on the SPLM Political Bureau at the 2009 SPLM Convention in Juba but Salva then appointed him to the Bureau anyway. Meanwhile, on 4 December, the SPLM State Liberation Council endorsed Manytuil as its candidate for governor in the April 2010 elections.

Yet despite the wishes of the Unity State party and the endorsement of the Electoral College, the SPLM Political Bureau selected Taban as its candidate. In response, on 23 January, **Angelina Jany Teny**, State Minister of Energy and Mining in the Government of National Unity (GNU) in Khartoum, SPLM member and wife of Riek, announced that she would stand as an independent candidate for the position of governor. One

month earlier, State Minister of Information **Andrea Kuong Ruei** had said, that 'If Taban stands [in the election], there will be violence in the State.'

There is an echo of the same kind of battles being fought in the neighbouring states of Upper Nile and Jonglei. In Upper Nile, the favoured candidate for governor, the Nasir County Commissioner, Maj. Gen. **Garouth Garkoth**, from the SSDF, was defeated in his quest to gain the SPLM candidacy. The winner was **Simon Kun**, Director of the South Sudan Humanitarian and Relief Commission, who was strongly supported by Salva. **Bol Gatkout**, a member of the South Sudan Legislative Assembly from Nasir and a former spokesperson for Paulino, was also deselected. In both cases, the SPLM Political Bureau, of which Taban is a member, was critical to reaching those decisions.

THE MARCH TO INDEPENDENCE

Despite having a Nuer majority, Jonglei has a Bor Dinka Governor, **Kuol Manyang Juuk**, known (especially in Eastern Equatoria) for his ruthlessness and close ties with Garang. He and **John Luk Jok**, a Lou Nuer from Akobo, senior SPLM official, former minister and former SPLM representative in **Britain**, have weeded out critics of the leadership and those close to Riek and Paulino in the selection of party-endorsed candidates. Turning politicians such as Taban and to a lesser extent, Simon Kun and John Luk against the main Nuer leaders – Riek in politics and Paulino in the military – will weaken

potential dissidents. Former SSDF officers in the SPLA, who threaten Salva's power, may not challenge fraudulent elections within the Southern government for fear of side-tracking the march to independence.

They see the army as weak and reject the rhetoric of SPLM Secretary General **Pagan Amum Okiech** and others who speak of returning to war with the North. They also reject proposals, floated by some foreigners, for a transitional period if the referendum delivers a vote for secession. War with Khartoum trumps all other considerations.

After the referendum, which must be held by January 2011, Riek, Paulino, and the former SSDF officers will demand a reckoning. Riek may have a vision of the way forward but has not announced it; senior Nuer officers in the army argue that as members of the majority ethnic group in the army, they deserve commensurate power in the SPLA. They also say that in government, they would be more democratic and less corrupt than the Dinka. Ideology and political programmes do not figure highly in the debate.

Indeed, the lack of debate about the administration and development of Southern Sudan after the referendum is almost as worrying as the prospect of greater internecine conflict – some 2,500 people died in 2009, says the UN, and around 300,000 fled their homes.

Analysts ranging from aid agencies to the International Crisis Group and Chatham House are warning of trouble ahead and the urgent need for international strategies. There was not 'a hope in hell' of a successful referendum, said one previously optimistic British former official: Khartoum would do everything to prevent it. ●

THREE LEADERS WHO COUNT IN THE SOUTH

● **Salva Kiir Mayardit**: President, Government of South Sudan; Chairman, Sudan People's Liberation Movement (SPLM); Commander-in-Chief, Sudan People's Liberation Army (due to stand down); First Vice-President, Government of National Unity. Rek Dinka from northern Bahr el Ghazal, Salva was in Anyanya before joining the SPLA at its birth as a major; he later became Chief of Defence Staff, but was never part of **John Garang de Mabior**'s inner clique. He quietly disagreed on some key issues, including supporting secession and reconciliation with South Sudan Defence Forces (SSDF). Soon after the Comprehensive Peace Agreement of January 2005, Garang promoted Salva to Lieutenant General and retired him from SPLA. Yet he remained SPLM/A second ranking official and to ensure it survived Garang's death, his seniority was accepted. Although the GOSS is wracked by mismanagement and corruption and he has proved uninterested in his (token) role as GNU Vice-President, Southerners widely see him as a more trustworthy leader than **Riek Machar Teny Dhurgon** and other aspirants. Salva is adept at surviving Southern politics and the ambitions of more able colleagues.

● **Riek Machar Teny Dhurgon**: GOSS Vice-President; Dok Nuer from Leer, southern Unity State. Riek took a PhD in engineering in **Britain**. With **Lam Akol Ajawin**, he revolted against Garang 1991, demanding SPLM democracy and Southern independence. Yet he was unable to defeat the SPLA militarily and allied his South Sudan Independence Movement (SSIM) with the National Islamic Front (now National Congress Party), signing the 1997 Khartoum Peace Agreement (KPA). The NIF didn't hold to it, but it still served as a model for the CPA. Riek rejoined the SPLM/A in 2002, when peace talks began. Not trusted by Garang, Riek had few prospects until 2005. Salva used his administrative skills to counterbalance the Bor Dinka and the two are now in a complex struggle for domination of the SPLM/A. Riek is highly intelligent, conciliatory, ambitious.

● **Paulino Matip Nhial**: Bul Nuer from Mayom, Unity; Deputy Commander, Anyanya II, before its 1983 defeat by the SPLA. He then allied with Khartoum. An uneasy partnership with Riek ended when Riek rejoined SPLA in 2002. Paulino then merged the SSIM and tribal militias as the SSDF. It officially supported the KPA and an independence referendum, even while aligned with Khartoum. At the CPA, the SSDF was of similar size to the SPLA and its largely Nuer forces controlled most of Greater Upper Nile. January 2006's Juba Declaration integrated the SSDF into the SPLA (SPLA-SSDF) and Paulino became Lt. Gen. and SPLA number two. He is ruthless and clever, keeping the loyalty of his independent-minded commanders. Respected by the military and Nuer traditionalists, the educated point to his illiteracy and lack of Arabic or English. With his poor health, these stymie his SPLA role. **Peter Gatdet** failed to displace him. Paulino's son **Gabriel** is ambitious and trying to use his name to advance his business interests, including an oil agreement with Jarch and Philippe Heilberg (AC Vol 50 No 2), but with no military background, he cannot command the loyalty of former SSDF officers. ●

More money for the military

The Pentagon is expanding the reach and role of its new Africa command after a shaky start

The United States' military strategy in Africa, much criticised under President **George W. Bush**, looks much the same over a year after the inauguration of President **Barack Obama**. The Pentagon controls over 20% of US assistance to Africa, prompting accusations of militarisation of policy. In Washington, diplomats prefer to speak of a policy vacuum and complain that their civilian agencies are underfunded.

The Department of Defense (DOD) Africa budget, substantial in comparison with those of other federal agencies, is a tiny proportion of its spending worldwide. Those in Washington who wanted the State Department to take a stronger lead on strategy hope this may come from the team of career diplomats under the Assistant Secretary of State for African Affairs, **Johnnie Carson**, although they face tight financial constraints and an array of crises in the continent. Carson has succeeded in stepping up engagement in **Congo-Kinshasa, Kenya, Nigeria** and **South Africa**, away from the concentrated focus on **Somalia** and **Sudan** under his predecessor, **Jendayi Frazer**.

Under Bush, the DOD's launching of its Africa Command (Africom) in 2007 turned into a diplomatic fiasco. With little preparation, Pentagon officials announced that Africom would eventually be based in Africa, whose two biggest powers, Nigeria

and South Africa, promptly stated their opposition. The only country publicly to welcome the command on to African soil was **Liberia**. Africom's Commander, General **William 'Kip' Ward**, told *Africa Confidential* that he no longer envisaged a move within the next decade. Said one advisor, 'There's no need to move to Africa, we can do the job from here [Stuttgart, **Germany**]'. Officials point out that Central Command, dealing mainly with the Middle East and Central Asia, is in Florida.

AN AWKWARD ALLIANCE

Africom began as an awkward alliance between defence and development. Most of its work consists of 'sustained security engagement', meaning military-to-military programmes for training, capacity-building and the provision of equipment through the Foreign Military Financing (FMF) programme. US security assistance to Africa – arms, training and construction – rose to about \$600 million in 2007-08 from less than \$80 mn. in 2000. It occasionally includes direct action, such as giving intelligence and logistic support to the **Ugandan** army's pursuit of the Lord's Resistance Army (December 2008) or flying supplies to **Malian** counterinsurgency troops (September 2007). Africom also supports US government humanitarian relief efforts

and HIV/AIDS programmes. That is why it includes management and staff from the State Department and the US Agency for International Development (USAID).

Ward reports to Defense Secretary **Robert Gates**. Ambassadors are strictly civilian but their mandates often blur, for example in the training of peacekeepers under the African Contingency Operations Training and Assistance programme, whose funding grew from \$15 mn. in 1997 to over \$81 mn. in 2008 (\$49 mn. in 2009) across 24 countries, training about 20 battalions a year. ACOTA's headquarters are in the State Department while Africom takes the lead in the direct training of peacekeepers and provision of military equipment. In 2008, it helped to deploy 1,600 **Ugandan** peacekeepers to **Somalia**; in January 2009, the 17th Air Force, based at Ramstein, Germany, airlifted two recovery vehicles to **Rwandan** peacekeepers in Darfur. Both Africom and the State Department's Bureau of African Affairs are helping to overhaul military and civil security in **Congo-K, Liberia, Somalia** and **South Sudan**.

The alliance between Africom and the Africa Bureau has led to charges that the USA is 'militarising' its Africa policy. The US Inspector General noted in an August 2009 report that within the Bureau 'there was considerable debate about the wisdom of military funding of US development and public diplomacy activities in Africa', such as providing medicine or building classrooms. 'The activation and role of the command was misunderstood at best, if not resented and challenged by [the Bureau]'. This is partly about funds.

In 2009, the Bureau received a total of \$225.9 mn. to support a US staff of 1,240 plus approximately 8,000 locals. In the same year, Africom got \$310 mn. to support 1,300 staff, with oversight of about 5% of US aid to Africa. Before 2008, Africom's Military Information Support Team (MIST) in **Somalia** received \$600,000, while the Embassy's Public Affairs Office got \$30,000. The report concluded that the military 'is stepping into a void created by a lack of resources for traditional development and public diplomacy'.

Despite toning down the Bush government's 'war on terror' rhetoric, the policy seems to be carrying on under Obama. The government requested \$278 mn. for Africom this fiscal year, for increases in manpower for Africom's Special Operations Command (special forces); funding for new Offices of Security Cooperation in **Cameroon, Chad, Libya** and **Rwanda**; expanding existing offices in **Kenya, Liberia** and **Morocco**, and Operation Objective Voice, which funds programmes to counter 'extremist' ideologies.

Counterterrorism is Africom's chief

WARRIORS AND DIPLOMATS

The United States Africa Command in Stuttgart, **Germany**, represents a remarkable shift in policy over little more than a decade. In 1995, a Defense Department memorandum concluded that 'America's security interests in Africa are very limited' and that 'ultimately we see very little traditional strategic interest in Africa'. The USA had just botched Operation Restore Hope in **Somalia** in 1994. Under the Cold War policy of 'containment', West and Central Africa fell under European Command (Eucom); the Horn of Africa plus **Sudan** and **Egypt** came under Central Command (Centcom), which looked after the Middle East and Central Asia; **Madagascar** and the Indian Ocean islands fell under Pacific Command (Pacom). For each of them, Africa was 'a third or fourth priority', a Defense official said.

Africom was mooted in 2002 after the 9/11 attacks on New York and the Pentagon. That October, the Combined Joint Task Force–Horn of Africa (CJTF-HOA) was established in **Djibouti** at Camp Lemonnier, next to **France's** military base. By March 2006, the US National Security Strategy concluded that Africa should be 'a high priority'. The concern was largely about oil from the Gulf of Guinea, which now sells roughly as much to America as does the Middle East. US-Africa trade was worth US\$104.7 billion in 2008, nearly four times as much as in 2001, 95.1% of it oil. In 2007, Africom, with responsibility for all of Africa bar **Egypt** (in Centcom), was established within Eucom, with an initial budget of \$50 mn. Africom became operationally independent in October 2008, with a \$75.5 mn., budget, quadrupled the following year. ●

priority; officials estimate there are 'hundreds of terrorists' operating in the Sahel, including 'core supporters' but [with] 'many more sympathizers'. There is concern about 'terrorist franchises' throughout the Sahel – particularly in Mali, **Mauritania** and Nigeria – including the Salafist *Al Qaida* in the Islamic Maghreb and its leader **Abdelmalek Droukdal** (also known as **Abu Musab Abdul Wadoud**). Offensives by the **Algerian** army over the past two years have driven most of AQIM out of Algeria into northern Mali.

Since *Al Qaida* leader **Usama bin Laden** claimed responsibility for the failed Christmas Detroit aeroplane bombing by the Nigerian **Umar Farouk Abdulmutallab**, Nigeria has assumed new prominence. In January, the State Department made public a report from July 2008 which judged Nigeria at risk of turning into a terrorist 'haven' and criticised the dilapidated condition and inadequate staffing of US consular facilities there. An intelligence official at Africom said Northern Nigeria 'could become like western **Pakistan** with [terrorist] groups springing up all over the place, booming populations and incredible poverty'.

America's 'number three worldwide war on terrorism plan', after those in **Iraq** and **Afghanistan**, is Operation Enduring Freedom–Trans-Sahara (OEF-TS). It was allocated more than \$436 mn. in 2005–09 and involved up to 170 US soldiers training local armies on the ground. Regular regional military exercises include

Natural Fire (East Africa, involving 600 US troops), African Lion (Morocco, 700 US troops), Africa Endeavour (Central Africa, 60 troops) and Flintlock in the Sahel, due in May, with about 600 US troops headquartered in **Burkina Faso**.

The OEF-TS is in partnership with Algeria, Burkina, Chad, Mali, Mauritania, Morocco, Niger, Nigeria, **Senegal** and **Tunisia**; Libyan membership is being considered. Its forerunner, the former Pan-Sahel Initiative, operated from 2002 to 2004, using resources from the State Department and USAID, as well as Defense. It recently spawned the State Department's East Africa Regional Security Initiative (EARSi), a smaller but similar programme. One aim is to go after 'enablers', individuals deemed vulnerable or influential community figures. Civilian and military officials, with local officers (typically less than a dozen in total) travel to communities that seem vulnerable to extremism in a bid to win hearts and minds. **Richard Cornwell**, a senior researcher at the Pretoria-based Institute for Security Studies, said the US risks conflating parochial insurgencies into the larger 'war on terror', and points out that 'the insurgencies in the Sahel are driven by local issues, and [the USA] should use local intelligence to break them down into their discrete parts'.

The Horn is the most visible Africom focus, with the Combined Joint Task Force–Horn of Africa permanently based in **Djibouti**; US troops also have the use of

'cooperative security locations' in Algeria, **Botswana**, **Gabon**, **Ghana**, Kenya, Mali, **Namibia**, **São Tomé e Príncipe**, **Sierra Leone**, Tunisia, Uganda and **Zambia**. The CJTF-HOA, under a five-year agreement signed with the Djiboutian government in 2007, has 1,900 US military and civilian staff. Its three permanent contingency operating locations, at the Kenyan naval base at Manda Bay and at Hurso and Bilate in **Ethiopia**, have been used to mount attacks on Somalia. Last year, a US Navy Special Warfare Task Unit was deployed to Manda Bay, to train Kenyan troops in antiterrorism and coastal patrol missions.

Intelligence from CJTF-HOA supported Ethiopia's December 2006 invasion of Somalia and it used military facilities in Djibouti, Ethiopia and Kenya to launch air raids and missile strikes in 2007 and 2008 against supposed *Al Qaida* members in Somalia. US officials also interrogated suspected Islamists held by Ethiopian troops after the fall of Somalia's Islamic Courts Union (AC Vol 48 No 8). Last September, the Djibouti base supported the assassination by special forces of **Saleh Ali Saleh Nabhan**, suspected of a part in the bombing of the US embassies in Kenya and **Tanzania**. Officials said Africom dealt with Somalia's Transitional Federal Government 'through diplomatic channels' but the CJTF-HOA provided logistical support and supplies during 2009's French-led training of 500 TFG soldiers (AC Vol 50 No 25). Africom officials said they were concerned by the increasing traffic of Islamist fighters between Somalia and **Yemen**.

Africom's second priority is maritime security: piracy, energy security and narcotics. Anti-pirate patrols in the Gulf of Aden and Indian Ocean are under Centcom and its Coalition Taskforce 151. Africom's main contribution is the Africa Partnership Station, launched in November 2007, which coordinates with US naval forces based in Naples, **Italy**.

The main APS programme is a rolling 5–6 month tour of the Gulf of Guinea by warships with about 400 crew and a few dozen invited regional officers. Africom officials said pirates had attempted more than 30 attacks in the Gulf in 2009 and \$20.7 bn. in oil revenue was lost to oil bunkering in 2008, mostly in the Niger Delta. The USS *Gunston Hall* is sailing to the Gulf now, having left the USA in late January; the USS *Nicholas* and HSV *Swift* are touring East Africa and have visited Djibouti, Kenya and Tanzania.

Despite investment in local coastguards, the flow of drugs was increasing and the security threat worsening, one official told AC. He said there were worries that some drug money, besides corrupting local governments, finances Islamist groups in the Sahel but that there was no evidence. ●

WHO'S WHO IN AFRICOM

● **Theresa Whelan**: Deputy Assistant Secretary of Defence for African Affairs; oversees defence policy for the continent, excluding **Egypt**; previously Director, Department of Defense Office of African Affairs; considered an architect of Africa Command (Africom). Prior positions in the Office of the Secretary of Defence include Director for the United States/**South Africa** Joint Defence Committee in 1997; Countries Director, Southern Africa, 1994–1997; Countries Director, West Africa, 1991–1994. In 1987–91 she was a military intelligence analyst for the Defence Intelligence Agency, spending four years working on countries in West, Central and East Africa.

● General **William 'Kip' Ward**: Commander, Africom, since its inception on 1 October 2007; former European Command (Eucom) Deputy Commander; brigade commander, New York-based 10th Mountain Division, in Mogadishu, **Somalia**, during Operation Restore Hope, 1993; also worked in the Cairo Embassy. Charming and imposing, Ward is from the generation of US generals – such as **David Petraeus** – who did not spend their formative years in **Vietnam** and have been at the forefront of responding to new, post-Cold War, security threats: in 2003, he led the North Atlantic Treaty Organisation Stabilisation Force, **Bosnia-Herzegovina**; in 2005, he became President **George W. Bush**'s top security envoy to the Middle East. Ward is the only serving four-star African-American general and a member of the elite 'Omega Psi Phi' fraternity.

● **Anthony Holmes**: Deputy to the Commander for Civil-Military Activities; Africom is unique among US commands for having a civilian Deputy Commander beside a military Deputy. Holmes directs Africom's health and humanitarian assistance programmes as well as ones on security sector reform and peacekeeping support. Holmes was Ambassador to **Burkina Faso**, 2002–05; before that, Director, State Department Africa Bureau Economic Policy Office. He also worked in **Zimbabwe**, **Kenya** and **Egypt**.

● Vice-Admiral **Robert T. Moeller**: Deputy, Military Operations, Africom; was a director of Africom's transition team at Eucom; 2004–07, Special Assistant to Commander, Central Command, dealing with maritime security in the Indian Ocean and Gulf of Aden. ●

An American agreement

After a decade of arguments over sharing power at the centre, the politicians now agree they want a US-style presidential system

Kenya's are puzzled by the sudden agreement on the role of the presidency and devolution of power by 26 members of the Parliamentary Select Committee. The PSC was on a retreat in Naivasha to debate the intricacies of constitutional reform. Until now, Orange Democratic Movement (ODM) stalwarts such as **Raila Odinga** and **William Ruto** have insisted that the post of Prime Minister be entrenched in the constitution. Negotiators from President **Mwai Kibaki's** Party of National Unity (PNU), however, have opposed devolution and decentralisation as a form of 'majimboism', which they saw as a means to legitimise the eviction of Kikuyu and others from the Rift Valley.

Yet after nine days of debate in Naivasha, the members of Parliament all backed proposals for a directly elected president and limited devolution from the centre to the county level. MPs from both parties on the PSC, headed by Mander MP **Abdikadir Mohammed**, rejected the Committee of Experts' suggestion in its draft constitution for a hybrid executive consisting of a popularly elected president with reduced authority and a prime minister elected by parliament, who would

control government business. They also rejected the experts' proposals for powers to be devolved to regional authorities.

Under the agreed plan, the president will no longer be a sitting MP, will be elected by a simple majority, can be impeached by parliament and must secure the majority of the vote in half the counties, in contrast to the current requirement to win at least 25% of votes in five of the eight provinces. The new voting arrangements, with elections for parliament and the president held three months apart, are designed to defuse ethnic violence linked to elections.

The MPs also agreed on a bigger parliament of 349 MPs (80 new seats, 47 special seats for women and the retention of 12 nominated members) and a smaller 25-member cabinet to be appointed from outside parliament to increase checks and balances between the executive and the legislature. They agreed to set up the independent Judicial Services Commission to vet and appoint judges, a Supreme Court of seven judges, a Senate with one member per county, the right of dual citizenship and new laws restricting foreigners to leasehold rather than freehold land rights.

After years of wrangling over reform,

MPs said they wanted a cross-party agreement to stop the referendum on constitutional reform from repeating the 2005 debacle. That split the ruling alliance and led to the exit of Odinga and other ODM members from cabinet; it also helped fuel the post-poll violence in 2007. The MPs added that they were reflecting public opinion which polls suggest favours a directly elected president and some devolution; they argued that a new draft constitution with a more independent parliament and judiciary would constrain the executive and prevent another imperial presidency.

Five of those in Naivasha – **Martha Karua** (National Alliance Rainbow Coalition of Kenya), **Uhuru Kenyatta** (PNU), **William Ruto** (ODM), and **Raila Odinga** (ODM) and **Moses Wetang'ula** (PNU) – want to run for president in 2012. Even ODM presidential hopefuls may not want to cede powers to a prime minister.

PNU MPs seemed happy to have blocked the devolution to regional assemblies, which were more likely to become ethnic enclaves; instead they agreed to devolve some powers to the 47 county assemblies, which are far less of a challenge to the centre. Rivalries between Odinga and Ruto within the ODM and a spate of pamphlets threatening the Luo and Kikuyu in the Rift Valley may have encouraged Odinga to change his mind about full-scale devolution.

Now the MPs will send their recommendations on the draft constitution back to the experts for revision to create a document that will be the subject of a referendum. ●

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Somalia/Uganda/EU TRAINING THE TRAINERS

■ Uganda and the European Union are combining to train security forces for Somalia's shaky Transitional Federal Government (TFG). The European Council has agreed to send 100-200 trainers to Bihanga camp in Uganda, where they will instruct 2,000 Somalis. Eutra-Somalia will start this spring with two six-month courses for junior and non-commissioned officers. They will be told about human rights and international humanitarian law, as well as military matters. Uganda is the main troop contributor to the African Union Mission in Somalia under Major General **Nathan Mugisha**. Amisom also has troops from **Burundi**. Some Somalis have already been trained in Uganda.

The European 'framework nation' for the mission is **Spain**, with Colonel **Ricardo González Elul** in command. The experiment should cost the EU a fairly modest 4.5 million euros (US\$6.3 mn.). Oversight from Brussels will be by the **French** General **Pierre-Michel Joana**, as Special Advisor for Somalia to the new EU High Representative for Common Foreign and Security Policy, **Catherine Ashton**, a role he fulfilled for her predecessor, **Javier Solana**. Joana is an Africa veteran, having previously been in Kinshasa, commanding EuSec, the ongoing (and discouraging) effort to reform the **Congolese** army.

Brussels officials know the Somalia effort, too, is delicate, given the risk that the trainees may go home to their own clan or other militias. In December, it was discovered that some of the Somalis taken to Uganda for training were followers of the ultra-radical Islamist **Al Shabaab**. Eutra-Somalia is joining military efforts by Uganda, the African Union, United Nations, the **United States** and the anti-piracy fleet called Atalanta (with an EU contribution of 30 mn. euros for the first half of 2010, AC Vol 50 No 25); **China** has also just joined.

South Africa IT'S ALL MINE

■ When Mines Minister **Susan Shabangu** assured South African mining companies that nationalisation would not happen in her lifetime, the reaction at this year's mining *indaba* in Cape Town was joyful indeed. The idea had come from the African National Congress Youth League (ANCYL). The Chairman of the De Beers diamond conglomerate, **Nicky Oppenheimer**, told the SA Broadcasting Corporation the matter had now been laid to rest. Mining executives dismissed the nationalisation call as 'hot air'. Even the SA Communist Party called the proposal

'inappropriate' for the country's current state of development.

Few political insiders believe things will be settled that easily. The ANCYL will make sure its recent document on nationalisation is debated at the highest party levels and insists it will only back candidates who support it at the ANC's next general congress in 2012. One core argument is that the ANC's Freedom Charter commits it to taking the mines into public ownership.

The ANCYL was a vital part of the coalition that forced out President **Thabo Mbeki** and replaced him with **Jacob Zuma** at the ANC's congress in December 2008 (AC Vol 51 No 1). The nationalisation plan cannot be taken lightly, especially by President Zuma, if he wants a second term. To date, he has said different things on state ownership to different constituencies and his own views remain unclear.

Somaliland THIRD TIME LUCKY

■ In the run-up to the presidential election, due but not confirmed in April, political squabbles are increasing. President **Dahir Riyale Kahin** accused his rival, **Ahmed Mohamed Silanyo** of the Peace, Unity and Development Party (*Kulmiye*) of wanting a unified Somalia, an incendiary issue. Silanyo is seen as Riyale's main rival. He

returned from **Ethiopia**, the final leg of an official visit in January to the **United States**, on a private aeroplane supplied by the Ethiopian government and US Embassy. This increased tension with Riyale's United Peoples' Democratic Party (UDUB).

Scheduled for March 2008, elections have repeatedly been delayed and the triple extension of Riyale's mandate by the *Guurti* (Upper House) are putting pressure on the breakaway state. The two opposition parties, *Kulmiye* and **Faisal Ali Warabe's** Party for Justice and Development (UCID), have accused Riyale and UDUB of conspiring to delay polls further.

Rows in the *Guurti* and the resignation of the Deputy Speaker, Sheikh **Ahmed Sheikh Nur Fure**, on 30 January show the rising political heat. Other causes of delay include violence in the Sanaag and Sool regions, both claimed by neighbouring Puntland. There have been five explosions since October in Las Anood, Sool's capital, most recently on 28 January, injuring regional Governor **Askar Farah Hussein**.

Oppositionists blame it all on the government's reluctance to give up power, which UDUB denies. Somaliland's quest for recognition means it must make a good impression on the international community with these elections. It has a good human rights record and Silanyo accepted Riyale's 2003 victory by 80 votes without question.

OBITUARY: DAVID COETZEE

Over a hundred of us gathered at the Friends Meeting House in Washington DC on 29 January to pay tribute to **David Coetzee**, a pioneering spirit in African journalism, who had died ten days earlier after a year's brave battle with the rare lung disease, mesothelioma. Friends read out witty anecdotes, plaintive letters and poetry by **Pablo Neruda** to the assembled crowd of family, activists, journalists and diplomats. The readings were punctuated with **Angolan** freedom songs, violin sonatas and finally the **Leadbelly** classic, 'Goodnight Irene.'

Born in 1943, Coetzee left his native South Africa in the mid-1960s after studying African government and law under the radical academic **Jack Simons** at the University of Cape Town and a brief stint as a wool trader. Paying his way across Europe by teaching English in **Greece** and sub-editing on trade papers in north London, he campaigned for the anti-apartheid cause in his spare time. In 1979, Coetzee had his first son **Sam** with his partner, **Irene Fick**. After working on other diaspora publications in London, Coetzee co-founded *Africa Now* with veteran **Nigerian** journalist **Peter Enahoro**, building up a network of energetic correspondents across the continent and investigating political corruption, human rights abuses and the excesses of Western corporations.

That editorial menu eventually proved too indigestible for *Africa Now's* financiers and Coetzee left. In 1986, he launched *Southscan*, an insider newsletter on Southern African politics, just as the Nationalist regime in South Africa launched its second state of emergency. Well ahead of its technological time, *Southscan* equipped its reporters in the townships with modems with which they evaded the state censors to relay accounts of the heightening repression.

After **Nelson Mandela's** release on 11 February 1990, Coetzee made lengthy forays back to South Africa, then took a further degree at London's School of Oriental and African Studies before moving to Washington DC with his Nigerian wife, the journalist and broadcaster, **Akwe Amosu**, and their son **Corin**. There he stayed, apart from a two-year interregnum in Addis Ababa, publishing *Southscan* and writing a book on President **Thabo Mbeki's** Africa policy, which he recently finished revising. He remained close to his writer brother **John**, whom he saw earlier this year. Coetzee died at home with his family. ●

BLUE LINES

Understandably, Nigeria's Acting President Goodluck Jonathan opposes military coups. A week after he took power through what some describe as a 'democratic coup' (see page 6), Jonathan hosted a summit of the West African regional grouping ECOWAS on 16 February. The group elected him Chairman and then demanded the region 'get tough on crisis states'.

A chance to test that call came two days later, when troops stormed the presidential palace in Niamey, arrested President Mamadou Tandja and suspended the constitution. Tandja's illegal prolongation of his mandate had already prompted ECOWAS to expel Niger. Thousands of angry civilians demonstrated in the streets of Niamey last Sunday.

The coup poses a challenge to those wanting to fight this sort of regime change. Diplomats were aware of Tandja's plan to stay in power last year but were powerless to stop him. African Union officials argue that there is no such thing as a good coup, but the new *Conseil Suprême pour la Restauration de la Démocratie* promised to make Niger 'an example of democracy and good governance'.

After the death of Lansana Conté, there was a grudging acceptance of Guinea's military coup in 2008. After soldiers massacred 130 civilians last September, that judgment was proved horribly wrong. Although the rules condemn coups, their leaders are often given a honeymoon to clean house and hand over to civilians – the prospect of which Niamey's new leaders show little enthusiasm.

SOUTH AFRICA

The state of Jacob Zuma

Jobs and housing, not sex scandals, will determine the President's future as party rivals struggle for influence in the government

Reports of President Jacob Zuma's political demise are exaggerated. Yet what should have been a moment of triumph for him during the 20th anniversary of Nelson Mandela's release from prison proved to be yet another tribulation in his worst week yet as President. The usually unflappable Zuma looked rattled as he arrived at Parliament in Cape Town to give the State of the Nation address on 11 February. His speech was a damp squib – too plodding to fire up his political base and too short on specifics to impress the markets.

Just days before, Zuma had been pushed into making a public apology over revelations that he had fathered another child out of wedlock, this time with the daughter of football mogul and owner of the Kaiser Chiefs club Irvin Khoza. For once, the commentariat's talk of 'floodgates opening' and 'circling hyenas' did not seem overblown as African National Congress insiders briefed journalists that Zuma's promiscuity was a liability to the ANC.

It was Zuma's third public apology – the first two were about having unprotected sex with another friend's daughter and making belligerent remarks about gay people – which raises doubts about his sincerity and his own standing. More so because, we hear, the pressure on him to apologise came from some of his most senior allies, such as KwaZulu-Natal Premier Zweli Mkhize, leader of the Congress of South African Trade Unions (Cosatu) Zwelinzima Vavi, and South African Communist Party (SACP) Secretary General Blade Nzimande.

Despite the efforts of Zuma's spin doctors to downplay the political importance of the affair, it was clear that many ANC supporters

– and not just the middle class ones – were deeply critical of his behaviour. Many senior ANC people see that voters link Zuma's lifestyle and tough economic conditions in the townships. Some poorer ANC supporters complained that Zuma's wives, concubines and extended family get state subsidies while others must wait for government services, jobs and houses (AC Vol 51 Nos 1 & 3).

Zuma's aides initially argued that the affairs of the openly polygamous President were a private matter, but gender activists and health workers threatened protests over his 'appalling' example to a nation battling an HIV/AIDS pandemic. Moreover, Zuma undermined the ANC's 'one partner' campaign to reduce the spread of the virus.

FREE NELSON MANDELA

Zuma's lacklustre address to Parliament was broadcast across the country, following a re-enactment of Mandela's release from Victor Verster (now Drakenstein) prison outside Cape Town and an elaborate celebration in Parliament in Mandela's presence.

On 10 February, Zuma's security detail arrested ANC member Chumani Maxwele for making an offensive sign at Zuma as his convoy swept past. Zuma failed to turn up at the 20th anniversary rally near Paarl and his aides cancelled visits to the Cape townships of Bakweni and Guguletu, perhaps fearing more anger over his latest indiscretion.

However, jobs and services will be the keys to the ANC's performance in next year's local government elections. As in many countries, voters like to use local polls to show disaffection with the governing party. Much will depend on the scale of that disaffection.

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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Some senior ANC figures say Zuma is on probation, arguing that the ousting of President **Thabo Mbeki** in September 2008 set a precedent for the ANC National Executive to discipline the party leader. Many now say Zuma will be (as he once promised) a one-term President.

Activists are positioning for the 2012 ANC conference, to be held in Mangaung. The primary target is the secretary general's post: ANC Youth League (ANCYL) leader **Julius Malema** wants to replace incumbent **Gwede Mantashe** with his friend, Deputy Police Commissioner **Fikile Mbalula**. Many agree that

Mantashe's other job as SACP Chairman implies a conflict of interest but would be equally unhappy about Mbalula. Other contenders include the SACP's Nchimande – now Higher Education Minister – and Cosatu's powerful Vavi, who has been calling loudly for lifestyle audits of 'fat cat' politicians and government officials.

The SACP and Cosatu were unenthusiastic about Zuma's address, in which he claimed the government had created nearly half a million jobs last year through the extended works programme. SACP Spokesman **Malesela Maleka** welcomed his commitment to expanding the infrastructure programme to 846 billion rand (US\$111.7 bn.) from R787 bn., but Cosatu National Spokesman **Patrick Craven** said Zuma had glossed over the employment crisis.

Officials say ministers will elaborate details of job-creation initiatives during the parliamentary season, with Trade and Industry Minister **Rob Davies** explaining the new Industrial Policy Action Plan. Finance Minister **Pravin Gordhan**'s inaugural budget speech on 17 February

reassured markets that South Africa was not abandoning inflation targeting and that its deficit was heading downwards.

The ministers said the plan would provide a greater focus on intervention to alter the structure of the economy and support the creation of 'decent work', continuing well after the construction-sector boost provided by the World Cup. Economic advisor to the Presidency **Alan Hirsch** told *Africa Confidential* that Zuma's announcement of a R1 bn. fund to guarantee loans to 'gap market' housing applicants could provide continuity of employment for those engaged in World Cup road-building and building projects.

Zuma also announced plans for a new independent energy agency, rapid intervention in 'failing' schools and detailed 'delivery agreements' to be signed by each cabinet minister, committing them to specific targets and deadlines. It was unclear how these were to be enforced. **Collins Chabane**, the Minister of Policy Monitoring and Evaluation, said it was unlikely that punitive measures would be taken against underperforming ministers.

His department is standing in for **Trevor Manuel**'s National Planning Commission, which is still to announce key staff. Since Manuel's departure from the Treasury, analysts have looked for signs that the centre of gravity is shifting from Gordhan's Finance Ministry to Economic Development Minister **Ebrahim Patel**.

Confusion over roles has led to uncertainty about which department is ultimately responsible for macroeconomic policy, with insiders saying it is likely to be Economic Development. Democratic Alliance parliamentary leader **Athol Trollip** said Zuma's speech was 'marked by a very particular and distinct ideological shift towards a socialist agenda.' If macroeconomic policy devolves to Patel, a former unionist, Cosatu's demands to re-examine South African Reserve Bank policies such as inflation targeting may well be on the agenda. The South African Chamber of Commerce and Industry said business was being affected by the lack of clarity about such issues, with the business confidence index down from 83.5 in December to 81.2 in January.

Despite murmurs of disapproval from the public and within the ANC, Zuma's approval ratings appear not to have dipped much since polls late last year. A TNS survey conducted in the week of his parliamentary address showed that his popularity hinged on service delivery rather than his sex life. The survey, conducted among a sample of 2,000 adults in seven cities, showed Zuma's approval level rose from 40% at the beginning of 2009 to 58% last November.

Protests about services have flared in several municipalities during Zuma's reign, particularly in Mpumalanga Province,

MALEMA, MINES AND THE YOUTH LEAGUE

As the African National Congress leadership tries to dampen factional rivalries, some are asking whether **Julius Malema**, the firebrand President of the ANC Youth League, has moved from being one of President **Jacob Zuma**'s staunchest supporters to one of his biggest liabilities. Malema, who once said he would die for Zuma, now says he will mobilise against any ANC presidential candidate who does not commit a future government to nationalising South Africa's mines (AC Vol 51 No 3). Zuma knows that such a policy is anathema to his business friends but he can neither publicly endorse the strategy nor disavow Malema.

'We reiterate that nationalisation is not government policy,' Zuma said. 'We have noted that political formations, including the ruling party's Youth League, have decided to debate the matter. Debate the views of Malema and don't confuse a debate raised to policy of government,' he added cautiously. Zuma will not give his personal views on the matter – despite Malema's promptings – but most believe he is strongly against it.

So, the question becomes whether he has the political resilience or inclination to face down Malema and the Youth League. For Zuma, whose own political views are centre-right, the Youth League has proved a useful counterweight to the power of the trades unions and the Communists in the government.

The League could be useful again to him in the coming weeks. Zuma's current troubles have strengthened the leftists in the government (who oppose nationalisation of the mines as bailing out private capital) and weakened Malema and allies. 'What Julius Malema epitomises is a very, very dangerous axis between demagogic politics and cowboy capitalists, white and black,' a senior minister told *Africa Confidential* in Cape Town last week. 'What we [the ANC] have to do is consolidate the centre-left and isolate elements that are just demagogic, opportunistic and fundamentally corrupt, who are corroding everything. I consider them right-wing, even proto-fascist.'

Such senior ANC figures regard Malema's claims to have been a kingmaker in Zuma's accession to the presidency as grossly exaggerated and he certainly was not the 'decisive factor.' Housing Minister **Tokyo Sexwale**'s patronage of Malema is attracting growing criticism as ANC activists argue that it is creating instability in the party. Others argue that the coming Treasury investigation into suspect tenders in Northern Province could prove very bad news for Malema, whose personal businesses have prospered in the province and who is tipped to become its Premier.

However, such campaigns will not diminish the growing importance of the youth factor in South Africa: 'We've got a very dangerous brew, 2.5 million South Africans between 18 and 25 who are neither in school nor work, who are marginalised, without hope,' the minister said. 'There is a tinderbox of marginalised youth and a variety of political agendas...and Malema [is] one example of that.' ●

where youths in Siyathemba township went on the rampage two days before his speech, looting shops and setting fire to the library. Grievances include dissatisfaction with local councillors and

labour recruitment but ANCYL leaders have hinted that opposing ANC factions may be behind the violence.

Protests may well continue as slow government programmes fail to dent

living conditions or offer opportunities to young people – 75% of the unemployed. The ability of the government to change those realities will determine Zuma's political future. ●

ZIMBABWE/BOTSWANA

A clash at the border

A confrontation between Harare and Gaborone over a wandering pride of lions has escalated into a serious bilateral rift

The formulation of foreign policy in Zimbabwe is the jealously guarded function of the President's Office and, through it, the Central Intelligence Organisation. The Foreign Ministry is more of a clearing house and its ministers rarely have much influence at home or abroad. They wait for their cue from State House; when reacting, they prefer a megaphone to a telephone. In this latest clash between neighbours, it may be that someone in Harare wanted to reply to Botswana President **Ian Khama's** criticism of **Robert Mugabe**.

For most of its length, the 1,000 kilometre border between the two countries is badly demarcated. Last month, three Botswana National Parks officers tracking a pride of lions near Kazungula, up river from the Victoria Falls, strayed into Zimbabwe and were detained. Such incursions are common because wildlife rangers try to cooperate in the fight against poachers and smugglers, especially in Kazungula, where the borders of Botswana, **Namibia**, **Zambia** and Zimbabwe converge amid plenty of game.

Usually, the trespassing rangers are pointed in the right direction with a cheery wave. This time, they were arrested by Zimbabwean security officers and thrown into gaol, charged with entry by evasion, smuggling and possessing unlicensed firearms; their weapons were impounded along with their vehicle.

Harare did not return initial telephone calls from Botswanan officials. Gaborone's Foreign Minister, **Phandu Skelemani**, twice summoned Zimbabwe's Ambassador, **Thomas Mandigora**, for an explanation. In Harare, Botswana's Ambassador was calling on Zimbabwe's Foreign Ministry without much effect. At last month's African Union summit in Addis Ababa, **Ethiopia** Botswana's Vice-President, Lieutenant General **Mompati Merafhe**, asked for a meeting with President Robert Mugabe but Zimbabwean officials said the President's aeroplane had left early.

After this snub, Botswana announced the recall of its Defence and Intelligence

attachés by the end of February and said that it expected Zimbabwe to recall its counterparts in Gaborone by the same date. Finally, the alarm bells rang in Harare. The co-ministers for Home Affairs, **Kembo Mohadi** (Zimbabwe African National Union-Patriotic Front, ZANU-PF) and **Giles Mutsekwa** (Movement for Democratic Change, MDC) told a press conference on 8 February that the law would have to take its course and they could not intervene in the spat with Botswana. Yet the rangers were arraigned the following day, found guilty on one count, fined US\$100 and sent home.

Mutsekwa accused Botswana of overreacting; he failed to address the dismissive and diplomatically insulting way in which Zimbabwe had treated Botswana's representations. He added that once lions crossed the border, they were no longer Botswana's animals and the rangers had no right to pursue them.

Mutsekwa is one of three MDC ministers under an internal party

investigation for corruption. Harare's Foreign Ministry took another week to react, claiming that the Minister, **Simbarashe Mumbengegwi**, had been abroad, an implausible excuse in the age of internet and mobile telephones.

In Gaborone's view, Zimbabwe's handling of the matter has amounted to a rebuff, whether through intent, indolence or ignorance. Botswanan diplomats do not expect an apology. We hear that Zimbabwean prosecutors have been instructed to appeal against the court's dismissal of two of the three counts against the Botswanan rangers. Harare has not yet returned their guns or their vehicle.

The diplomatic saga may rumble on. Last week, Botswana's Defence, Justice and Security Minister, **Dikgagamatso Ramadeluka Seretse**, announced that the two Zimbabwe Police Officers arrested last year while in possession of elephant tusks had been handed over to the Zimbabwean authorities. 'We hope they will be prosecuted in their own country,' he added.

This apparently conciliatory gesture may turn out to be provocative. Last year, a poaching trial in which Defence Minister **Emmerson Mnangagwa** and Information Minister **Webster Shamu** (both ZANU-PF) were billed as star witnesses had to be shelved when the file docket disappeared in the prosecutor's office. ●

PETRIFIED POLITBUROS

The old ruling party's new Politburo, announced on 11 February, is anything but new. The Zimbabwe African National Union-Patriotic Front's 49-member policy-making committee, announced by **Robert Gabriel Mugabe**, national President and First Secretary of ZANU-PF, reflects the party's crisis over its leadership succession and its obsession with regional and ethnic balancing.

Some of the old guard – **Nathan Shamuyarira**, **Naison Ndlovu** and **Kantibhai Patel** – gracefully moved to the reserves' bench and resigned their party portfolios. That made the reshuffle easier for Mugabe. The biggest surprise was a non-event: **Jonathan Moyo** failed to secure the Secretary for Information's post as successor to Shamuyarira; indeed, he failed even to be appointed to the Politburo, despite the confident predictions of the state media that his career was heading skywards. Instead, the little-known **Rugare Gumbo** is the new Information Secretary.

Mugabe, whose use of English is fastidious, admires Moyo's mudslinging. Other Praesidium members, led by **John Nkomo**, who regards Moyo as a cheeky *mafikozolo* (one who arrived yesterday) who does not respect his elders, were unconvinced. **Joice Mujuru** and **Simon Khaya Moyo** have no wish to upset Nkomo or help **Emmerson Mnangagwa's** succession campaign by boosting his lieutenant, Jonathan Moyo.

Chris Kuruneru, a former Deputy Minister of Finance and Economic Development (AC Vol 43 No 24) and a business associate of First Lady **Grace Marufu Mugabe**, also failed to make it onto the Politburo. As a result, the very substantial figure of **Obert Mpofu** fills the economic seat. Kuruneru was briefly Finance Minister before his arrest and year-long detention for breaking foreign exchange rules in a deal linked to Grace Mugabe and the impresario **John Makamba**, who now lives in exile. ●

Beating up the bankers

A Congressional probe shows how banks in the USA welcomed stolen funds from Angola, Equatorial Guinea, Gabon and Nigeria

Among the offending banks named in a new Congressional report on money laundering and corruption are HSBC Holdings, Europe's largest bank, and Bank of America. They are accused of failing to scrutinise suspect accounts. HSBC is to be referred to the US bank regulators

for facilitating transfers of funds from Angola which other banks had rejected as suspect. Bank of America was criticised for opening an account for the now-convicted arms dealer **Pierre Falcone**, who helped to break United Nations' sanctions on **Angola**. An HSBC official said the bank

feared opening branches in Africa because the 'reputational risks' were too high.

The 325-page Congressional report, entitled 'Keeping Foreign Corruption out of the United States', with 300 more pages of damning exhibits, was released on 4 February, after two years of investigation. It reveals how criminal politicians and businesses in Africa work with Western bankers to funnel their gains into the financial system. It was compiled by the bipartisan Subcommittee on Investigations chaired by Democratic Senator **Carl Levin**. A few compliance and security officers in the big banks refused to take the dirty money; more of them did the deals.

In 1999, the Subcommittee reported on four cases of heads of state or their relatives who used Citibank Private Bank to deposit at least US\$100 million each in suspect funds. In 2001, working with the Chairman of the Banking, Housing and Urban Affairs Committee, Senator **Paul Sarbanes**, the Subcommittee pushed through the Patriot Act, which made the knowing acceptance of foreign corruption proceeds an offence. Financial institutions were required to exercise enhanced due diligence before opening a private bank account for a senior foreign political figure, immediate relative or close associate, with suspicious transactions reported to law enforcement. The latest report wants those provisions speedily applied and points to loopholes.

The second report, in 2004, focussed on Riggs Bank, Washington's largest bank, specialising in services to diplomatic missions. It was shown to have helped to move corrupt funds for the late **Chilean** dictator **Augusto Pinochet** and the President of **Equatorial Guinea**, **Teodoro Obiang Nguema Mbasogo**, and pointed out some disturbing banking activities by **Saudi Arabian** diplomats. It also showed the complicity of international oil companies in making corrupt payments into Riggs accounts. For some reason, those companies and individuals escaped scrutiny by the US Department of Justice for what appeared to be blatant breaches of the Foreign Corrupt Practices Act. Riggs Bank was sold, its name was changed and its secrets concealed to history.

The Subcommittee shows that, despite greater vigilance about terrorist financing, millions of stolen dollars are brought into the USA thanks to inadequate screening by banks. Shell companies set up by wily lawyers and agents disguise these criminal transactions. One of the report's four case studies shows how **Teodoro Obiang Nguema Mangué (Teodorín)**, the free-spending son of President Obiang Nguema, bought a \$23 million mansion in Malibu without sanction and was identified when Global Witness, a **British** campaign group, raised the issue with the Miami authorities. At a hearing on 4

IF YOU SINCERELY WANT TO BE RICH

In February, the United States Senate Subcommittee on Investigations produced evidence on the transfer of illicit and suspect funds from African regimes to the USA. Its report highlighted lax US regulatory standards and the dubious activities of high-profile people and institutions. Here are some of its findings:

● **Pierre Falcone**: In 1989-2007, Falcone and some of his relatives had nearly 30 accounts at Bank of America. BoA was aware of his status as an arms dealer with ties to the **Angolan** regime, but it did not designate his accounts as high-risk nor treat him as a politically exposed person (PEP). After the Subcommittee's inquiry into the Falcone accounts in 2007, BoA conducted new due diligence and closed the accounts.

● **Aguinaldo Jaime**: In 2002, the then Governor of the *Banco Nacional de Angola* tried to transfer US\$50 million from the BNA to a private account in the US only to have the transfer blocked. The transfer was characterised as an investment to produce humanitarian aid but documents indicate it was part of a fraudulent 'prime bank' investment scheme. During a second attempt, this time to purchase \$50 mn. in US Treasury bills for transfer to a private securities account, HSBC and Citibank allowed, then reversed, the transactions. Partly due to the concern raised by these transfers, Citibank closed the accounts it had for BNA and all other Citibank accounts for Angolan entities in 2003.

● **Banco Africano de Investimentos**: A \$7-billion private bank whose largest shareholder is state-owned oil company Sonangol, BAI gained entry to the US financial system via HSBC accounts in New York using wire transfers, foreign currency exchange and US dollar credit cards for BAI clients, despite troubling answers about its ownership and its refusal to disclose its anti-money laundering procedures. HSBC designated Angola a 'high-risk country' and conducted annual reviews of the BAI account but explicitly decided not to treat BAI as a PEP client.

● **Teodoro Nguema Obiang Mangue ('Teodorín')**: From 2004 to 2008, **Equatorial Guinea's** Forestry Minister and presidential son used the services of US attorneys, real estate and escrow agents, and insurance brokers to transfer more than \$100 mn. in suspect funds. The escrow company First American Trust helped Teodorín Obiang to purchase a Malibu property without using a mortgage, accepting \$30 mn. in wire transfers from Equatorial Guinea to complete the sale. Obiang used third-party accounts to obtain access to banks that had previously closed his accounts and declined to do business with him.

● **Omar Bongo Ondimba**: The late **Gabonese** President used a US lobbyist to bring \$18 mn. in suspect funds into the US to buy armoured cars and C-130 Hercules aircraft. He also brought in \$1 mn. in cash to support his daughter, **Yamilee Bongo-Astier**. She used her accounts to do business for her father. HSBC, Commerce and JP Morgan Chase banks provided her with services for several years without being aware of her PEP status. Current President Ali Bongo's first wife, **Inge Lynn Collins Bongo**, also kept substantial funds in the US, using a trust to open accounts that masked her connection to the Bongo family and at the same time claimed poverty – and food stamps.

● **Atiku Abubakar**: **Jennifer Douglas Abubakar**, a US citizen, is **Nigerian** former Vice-President Abubakar's fourth wife. The Subcommittee looked at how, from 2000 to 2008, she helped him transfer over \$40 mn. in suspect funds, including at least \$1.7 mn. in bribe payments from Siemens AG and over \$38 mn. from little-known offshore companies. The banks were unaware of her PEP status and allowed large transfers to her accounts. Over time, they began to question the transfers, but Douglas said the funds came from her husband and professed little familiarity with the offshore corporations. ●

February, two lawyers for Teodorín and the registered agent for his father took the celebrated Fifth Amendment to the US constitution and refused to answer the Subcommittee's questions. **Wiecher Mandemaker**, Director of General Compliance at HSBC Bank USA, give some answers, including, 'quite frankly, Senator, we are not perfect.' The report's recommendations include the following:

- Implementing the stronger controls proposed in a recent World Bank report,

- requiring banks to use reliable databases, ownership forms to expose beneficiaries and annual reviews of suspect accounts;
- Requiring US corporations to identify their beneficial owners;
- Ending exemptions granted in 2002, so that real-estate and escrow agents must know their customers, evaluate the source of their funds and refuse suspect clients;
- Toughening immigration and visa rules to make foreign corruption a legal basis for barring entry into the USA.

This report will not end the looting of treasuries by corrupt African politicians and US middlemen. Yet it will provide ammunition for financial investigators, prosecutors and non-governmental organisations. The banking system does not properly enforce laws and it profits from these criminal transfers. This might change if the bankers and lawyers who facilitate such transactions faced gaol sentences. Even in the current banker-bashing climate, that seems unlikely. ●

GUINEA/USA

The junta explains...

The putschists use former Pentagon officials to polish their image

Blamed for the massacre of over 100 civilians last September, the junta in Conakry is trying to improve its image via a **United States**-based public relations company run by two former Department of Defense (DOD) officials. **David Crane**, who was the first Chief Prosecutor at the Special Court for **Sierra Leone** before his departure in 2005, has made a surprise return to West Africa as a consultant to Guinea's embattled military junta, the *Conseil National pour la Démocratie et le Développement* (CNDD).

Crane, together with the Special Court's former Chief Investigator, fellow US citizen **Alan White**, has set up a consultancy called CW Group International. According to a copy of a report written by CW Group International obtained by *Africa Confidential*, the Guinean government engaged its services on 15 October 2009, some three weeks after the 28 September massacre at Conakry's national sports stadium that brought international notoriety to the CNDD (AC Vol 50 Nos 20 & 22). The agreement was for CW Group to conduct 'a confidential investigation into the recent allegations of shootings and sexual assaults' at the stadium.

On 21 October, members of the CW Group arrived in Conakry. It is not clear whether Crane and White arrived alone. Two days later, the then CNDD leader, Captain **Moussa Dadis Camara**, received them. The CW team then spent some eleven days interviewing people about events at the stadium. They concluded that the violence had begun when opposition leaders led a demonstration which the government had banned.

CW claims in its report to the junta that during the morning of 28 September, demonstrators attacked a police unit, injuring several officers, and later attacked two police stations, stealing 45 weapons and damaging property. They broke into the national stadium to hold their illegal meeting. Only later in the day

did a military force enter the stadium and take action, with the result that 52 people – according to Crane and White's figures – lost their lives.

They identified 14 cases of rape or other sexual assault, allegedly perpetrated by military. They said the military force that attacked the demonstrators at the stadium was a unit of red berets led by Lieutenant **Aboubacar Sidiki Diakité 'Toumba'**. Dadis, CW reported, had specifically ordered the military not to respond. No sooner had the assault taken place that morning than Dadis took 'immediate and appropriate action to ensure the safety and security' of the opposition politicians in the stadium, it continues.

Crane and White's findings run counter to those of other observers, most notably the United Nations' investigation which found that more than 150 people were killed and that dozens of women were raped and otherwise assaulted. Others put the number of deaths still higher. The UN found that those responsible for the killings included not only Toumba but also Major **Moussa Tiegboro Camara**, Secretary of State for the Suppression of Drugs and Organised Crime – and Dadis himself. A Guinean military commission headed by **Siriman Kouyaté** found that 63 people had died, 58 in the stadium and five in hospital, but concluded that Dadis Camara bore no responsibility.

Crane and White make the lowest death estimate of any of the inquiries. They support the official military view that the killings were the responsibility of Toumba alone. He admitted shooting Dadis on 3 December 2009 (AC Vol 50 No 25) but he told *Radio France Internationale* that it was because he was being lined up as the scapegoat for September's killings.

In its report, CW doubts that there are grounds for international legal action against the perpetrators of the stadium killings. There can be no question of war crimes since these events were not part

of an internal or international armed conflict, they note. Nor can there be grounds for suspecting a crime against humanity, since the crimes committed do not appear to have been either widespread or systematic, as defined under Article 7 of the Rome Statute, which established the International Criminal Court.

Crane's involvement in the Guinean imbroglio complicates matters for his former colleagues at the Sierra Leone Special Court, now working on the trial of **Liberian** former President **Charles Ghankay Taylor**. This is now reaching its climax with the final stages of his cross-examination by prosecutors **Brenda Hollis** and **Nicholas Koumjian**. Taylor's defence team makes much of some of Crane's extravagant claims about their client during his time at the Special Court.

Crane campaigned for Taylor to be tried after he fled into exile in **Nigeria** in August 2003. Crane argued that Taylor was continuing to stir up trouble from his base in Calabar. He accused Taylor of being behind an attempted assassination of Guinea's President, **Lansana Conté**, whose death in December 2008 paved the way for the CNDD to seize power. Crane insisted that the war in Sierra Leone, which he accused Taylor of masterminding, was solely a fight over diamonds.

White once served as Director of Investigative Operations for the DOD Inspector General, in charge of law enforcement within the Department, while Crane was a senior Inspector General. He also worked as Assistant General Counsel for the US Defence Intelligence Agency.

Crane and White are the latest in a line of US public servants involved with Liberia to set up consultancies that have won contracts with governments in Monrovia. A former Assistant Secretary of State for African Affairs at the Department of State, **Herman Cohen**, and a retired DOD Deputy Assistant Secretary, **Jim Woods**, set up a public relations firm, Cohen and Woods International, in 1994.

Although his firm is now defending the Guinean junta, in 2006-7, while he was an academic at Syracuse University, Crane helped to launch an online publication called *Impunity Watch*, which seeks expose human rights violations in real time. ●

Acting President Jonathan sets out his plans

From the surrealism of 'missing president' Umaru Yar'Adua, linked to the outside world via a ghostly voiced interview with the BBC, and with attendant disputes of legitimacy and sovereignty, Nigeria has solved the crisis in its own way, by effecting what some call a 'democratic coup'. One by one, the elected institutions of state (the powerful governors' forum and both houses of the National Assembly) and several non-elected regional councils met and agreed to support the handover to Vice-President Goodluck Jonathan.

THE DOCTRINE OF NECESSITY

Whatever the constitutional doubts that remain, the 9 February resolution by the National Assembly, citing the 'doctrine of necessity', to recognise Vice-President **Goodluck Jonathan** as Acting President was warmly welcomed by Nigerians who had watched the country teeter for over 70 days. A deciding factor was Jonathan's own base in the Niger Delta: the prospect of a return to widespread militant attacks against oil installations there in protest at the blocking of his political elevation was enough to convince most of the political class that it was time to suspend **Umaru Yar'Adua's** attempts at ruling from a hospital ward in Jeddah, Saudi Arabia.

Neighbouring countries have delicately pledged support for the Acting President. An Economic Community of West African States summit in Abuja on 16-17 February confirmed Jonathan as ECOWAS Chairman. **Ghana**, which is the first port of call of exiled Nigerians in times of political turmoil, breathed a sigh of relief and its President **John Atta Mills** wants to discuss a raft of bilateral issues such as Abuja's unfulfilled pledge to send some of its gas along the West African pipeline to Accra.

The governments running Africa's biggest economies in Johannesburg, Cairo and Nairobi are too embroiled in their own turmoil to say much about mysterious developments in Nigeria. Since the exit of President **Olusegun Obasanjo** in 2007, Nigerian diplomacy has had a diminishing impact on the continent; last month, Nigerian diplomats at the African Union summit reported the most common greeting was a sympathetic nod.

Few expect Jonathan to change much at the international level, although some of his advisors suggest he should make a brief tour to show the flag once he has consolidated power in Abuja. Both the **United States** and **Britain** have offered cautious welcomes to his takeover; Washington was alarmed when there was no one on the presidential hotline during the crisis over **Farouk AbdulMutallab** on 25 December (AC Vol 51 No 1).

Others are keeping their counsel before showing too much enthusiasm for the new order. A critical question asked in Abuja is what **China** will do. So far, the replies have been enigmatic, given that billions of dollars of business in Nigeria are waiting for some commitments from Beijing. Partly because of previous difficulties in Nigeria and partly because of the greater international competition, China is moving far more slowly than it did in **Angola**, **Congo-Kinshasa** and **Sudan**.

We hear there has been little movement on last year's bid by the China National Offshore Oil Corporation to pay some US\$50 billion for 6 bn. barrels of oil reserves, a sixth of Nigeria's total stocks, some of which would come from assets sold by retreating Western oil companies. The letter acknowledging an offer and ordering officials to prepare data on the 23 blocks under consideration came from **Emmanuel Egbogah**, Yar'Adua's

oil advisor, whose future role seems uncertain for now. Chinese investors recall bold and broken promises of oil contracts made towards the end of the Obasanjo government; this time it seems they are prepared to wait, at least until the Jonathan takeover has been recognised by the constitution. They may have also picked up that Chinese oil companies are unpopular in the Delta and seen as having even less scruples about environmental despoliation than their Western counterparts.

The other China test is the third and latest attempt to privatise Nigerian Telecommunications. Despite jubilant announcements on 17 February that a consortium, which included China's second-largest mobile phone company, China Unicom, and Dubai's Minerva FZ, would spend \$2.5 bn. to buy 75% of Nitel, most of the claimed participants denied their involvement. Nobody doubts that China wants to move into Nigeria's profitable telecoms market but local analysts question whether buying into one of the worst-run state companies on the continent is a viable strategy.

As investors stand on the sidelines, Jonathan faces a flurry of courts cases, some helpful, some less so. One challenges the constitutionality of his ascension. Cases requesting that the Federal Executive Council invoke Section 144 of the Constitution have also been filed, which could trigger a declaration that Yar'Adua is incapacitated and Jonathan will assume full powers as President. The possible candidates for Vice-President remain pretty much the same: state governors **Abubakar Bukola Saraki** (Kwara), **Sule Lamido** (Jigawa), **Isa Yuguda** (Bauchi), **Ibrahim Shema** (Katsina), as well as former director of military intelligence **Aliyu Mohammed Gusau** (AC Vol 50 No 25).

THAT GOODLUCK CHARM WINS OUT

Jonathan's allies waged a skilful but persistent campaign to win approval from the legislature and some of the executive. After the stasis of the past two months, Jonathan promised to transfer some \$2 bn. to federal, state and local institutions. On 4 February, all 36 governors, led by Kwara State Governor **Bukola Saraki**, agreed to urge the National Assembly to pass a motion recognising Jonathan as Acting President.

In the run-up to the National Assembly vote, several attempts to establish the state of Yar'Adua's health were rebuffed. **Turai Yar'Adua** rejected requests by Sultan of Sokoto **Sa'ad Abubakar** and Yar'Adua's Principal Secretary **David Edevbie** to see her husband. A four-man People's Democratic Party delegation comprised of PDP Chairman **Vincent Ogbulafor**, Deputy National Chairman **Harilu Bello Mohammed**, National Secretary **Abubakar Kawu Baraje** and Deputy National Secretary **Musa Babayo** returned from Jeddah without seeing Yar'Adua. Benue Governor **Gabriel Suswam**, Katsina's Shema and Bauchi's Yuguda (who is also Yar'Adua's son-in-law) were blocked too.

Friends say Jonathan is not given to score-settling, so he may be grateful that some of the realignment within the elite is automatic. Yar'Adua's closest and most powerful civilian allies – his wife, **Turai**, and **Tanimu Yakubu**, his economic advisor – drew their authority directly from the presidency. Although the Yar'Adua circle will fight to retain influence, Jonathan can fill presidential advisory positions without appointees facing confirmation hearings at the National Assembly. Jonathan will rely heavily on **Mahmud Yayale Ahmed** either as Secretary to the Government of the Federation or Vice-President. A veteran civil servant, Yayale is charged with coordinating the ministries and presidency. As a former Defence

Minister, he can negotiate with remaining Yar'Adua loyalists like National Security Advisor **Sarki Muktar**.

Within the cabinet, Jonathan may move against those who attempted to obstruct his takeover. Agriculture Minister **Abba Ruma** was a member of that inner circle, but **Rilwan Lanre Babalola** is more important. He was hailed as the man to address crippling electricity shortages when he took over at the Power Ministry in December 2008 – but he came nowhere near meeting last year's target of 6,000 megawatts of capacity. Jonathan says improving power is a priority, and Babalola is close to Yakubu, the mention of whose name enrages Jonathan.

Outside cabinet, among those most exposed is former Delta State Governor **James Ibori**. He was a major backer of Yar'Adua's election campaign and his legal travails eased significantly during the tenure of Attorney General **Michael Aondoakaa**. Within a day of taking over, Jonathan demoted Aondoakaa, who then flew to **Senegal** on an undisclosed mission and Ibori flew to Dubai. Neither are thought to be in a hurry to return to Nigeria.

Jonathan's advisors say he wants to shore up the amnesty programme with its five ministerial committees launching projects to rehabilitate the Delta. He will continue Yar'Adua's early discussions with the Movement for the Emancipation of the Niger Delta's Aaron team.

Electoral reforms are also part of Jonathan's agenda. The plan is to force out the discredited electoral commission chairman **Maurice Iwu** and implement Justice **Uwais**'s electoral reform report, with a few tweaks. Jonathan's announcement that he would 'strengthen the capacity of the anti-corruption agencies and give them a free hand to prosecute the anti-corruption war' presages a shake-up in the Economic and Financial Crimes Commission, currently under the management of former policewoman **Farida Waziri**.

Britain's attempts to pursue what it said were stolen funds laundered on Ibori's behalf stuttered when Aondoakaa stopped cooperating. The London trial of Ibori's associates begins this month and offer the first test of the willingness of new Attorney General **Adetokunbo Kayode** to cooperate in this politically sensitive prosecution. Another test for Jonathan is whether former EFCC Chairman **Nuhu Ribadu** returns to take up a role in government.

Some suggest Ribadu could be appointed as an ombudsman charged with probing opaque public procurement. That might prove tricky to organise, and Ribadu has already told *Africa Confidential* that he is in no hurry to return. One whimsical scenario punted on Nigerian websites is that Jonathan reforms the electoral system and sacks Iwu, doubles the resources for the EFCC and prosecutes all those officials in receipt of largesse from Halliburton on the \$6 bn. gas export plant, then stands down from the presidency to make way for Ribadu as his successor. He finally applies for the **Mo Ibrahim** leadership prize.

Although some question their relationship, Central Bank of Nigeria Governor **Lamido Sanusi** says he gets on well with Jonathan and is set to preside over more banking consolidation this year.

Doubtless those whose banks were targeted for restructuring last year will try to use their influence with Jonathan to rein in the Governor. Given the powerful families and businesses involved, several Lagos financiers believe Sanusi will have less licence for moves such as last month's new tenure rules for bank chief executives which ousted titans **Tony Elumelu** of the United Bank for Africa and **Jim Ovia** of Zenith Bank.

A lower profile might not be too much of a problem for Sanusi, who probably has enough enemies already. Instead he can turn his attention to cajoling legislators into approving the creation of an asset management company to take on about N500 bn. of toxic bank assets. He might also need to convince Jonathan of the wisdom of selling a few banks to foreigners, such as FirstRand of **South Africa**, which has been sending its emissaries to Lagos in search of bargains. For bankers and politicians alike confused by the absentee president, the dawning of the Goodluck era offers the possibility of yet another new start in a country that looked as if it was running out of options. ●

GOODLUCK WITH THE MONEY

Now a man in a hurry, Acting President **Goodluck Jonathan** has to stamp his authority on Abuja and quickly decide which ministers and officials can help him and which to drop. Within two days of assuming office, Jonathan swore in 17 permanent secretaries and met with oil company executives. Whether he turns out to be a stopgap leader or a strong contender for the presidency in 2012, he talks obsessively about policy goals: pushing the Petroleum Industry Bill through the National Assembly and consolidating the amnesty in the Niger Delta, which has been fraying at the edges in the past month.

Jonathan sees the two as critically linked. The aim of the PIB is to boost state revenue from the oil and gas sector with a price-based system of royalties and to raise development finance for projects from the local and international money markets, which should mean more accountability with regular audits. Some US\$600 billion has passed through the accounts of the Nigerian National Petroleum Corporation over the past four decades without the benefits of a comprehensive audit.

Oil sector reform started winning supporters in the Niger Delta once the government announced that some 10% of the equity in NNPC holdings would be handed to the oil producing communities. Although that has made the PIB more popular in the Delta, it has reinforced the doubts of many northern politicians about the proposed law, which seems to be rewarding the south for its geology.

International oil and gas companies are divided over the bill: their finance departments will complain about the loss of potential revenue under the new dispensations, new constraints on their cost structures and ability to claim tax write-offs. Yet if it helps to consolidate a truce in the Delta, it will open access to Nigeria's gas reserves, perhaps the fourth biggest in the world.

More widely, many Nigerians remain unconvinced about the effects of deregulating the oil and gas sector, especially the end of fuel price subsidies. Even if the main beneficiaries of the current state subsidy regime are gasoline smugglers, many people fear that the net effect of deregulation will be inflationary across the economy. So Jonathan's advisors will counsel caution on such policies before next year's elections: even if Jonathan did not stand in the presidential poll, the governing People's Democratic Party would be punished by voters.

However, Energy Minister **Rilwanu Lukman** has staked his position on seeing the PIB into law and seems to have convinced Jonathan that the moment is right: the political payback would be higher government revenue from oil sales, which could be made available to the treasuries of those state governments that had helped push the bill through. It was, after all, the promises of payments to the 36 state governments from the excess crude account that seemed to swing the state governors' support behind Jonathan's takeover of the presidency.

The national budget is due to rise to 4.1 trillion naira (US\$27 billion) in 2010 from N3 trn. last year – even without the likely pre-election spending boom. An average of government projections and those of independent economists and the International Monetary Fund suggests that Nigeria should see three years of substantial GDP growth: 6% in 2010; 8.5% in 2011; 7.5% in 2012. That would be enough to help to finance substantial investment in his home base in the Delta and in the troubled poor communities in the north and Middle Belt and, with the introduction of some emergency rehabilitation programmes, start to move towards meeting the government's failed target of generating 6,000 megawatts of electricity. ●

Dos Santos prepares for power, again

After three decades in power, the President chooses his next team

Intending to run for another term in office in 2012, President **José Eduardo dos Santos** has moved close allies into key ministries. He faces a vote not by electors but by Parliament, where his *Movimento Popular de Libertação de Angola* (MPLA) controls 87% of seats.

Dos Santos has promised to get tough on corruption (see Box) and has commissioned the consultancy firm Ernst & Young to report on how public finances are run. The newly-created role of vice-president went neither to Engineer **Manuel Vicente**, boss of state oil company Sonangol, nor to General **Manuel Hélder Vieira Dias Junior 'Kopelipa'**: both were ineligible since the vice-president must be a member of the National Assembly. Instead, the job was

awarded to **Fernando da Piedade Dias dos Santos** ('Nando'), a loyal apparatchik who will have almost no independent power and is not a credible replacement for the President, who has a history of prostate problems (AC *passim*).

Military chief Kopelipa's promotion as one of three ministers of state makes him the government's nominal number four behind Dos Santos, Nando and Civil Chief of Staff **Carlos Maria da Silva Feijó**, a long-time presidential advisor. Fifth in line is another Minister of State, the Economic Coordination Minister **Manuel Nunes Jr.**, who has steadily usurped the Finance Ministry's remit to manage the economy, as it did under former Finance Minister **José Pedro de Moraes**; the Ministry now mainly looks

after the government's accounts.

Kopelipa, who joins the Council of Ministers, also heads the military oversight body, the *Casa Militar*, with a security apparatus to manage a smooth re-election for Dos Santos. He also remains in charge of the *Gabinete de Reconstrução Nacional* and the Chinese infrastructure money – though we hear that will soon be taken over by his close ally, **José dos Santos da Silva Ferreira**, the Minister of Urbanism and Construction.

BEIJING BOOSTERS

Both China and Angola hope to boost trade above last year's US\$17 billion (down from \$25.3 bn. in 2008, when oil was at its peak). Last April, the China Development Bank announced a \$1.2 bn. loan over four years for agriculture and this month, **Xu Yan**, Director General of the little known Sitaibo International Group, said he was looking at several large agroindustrial projects in Kwanza Sul Province. China's state oil company Sinopec hopes for juicy concessions in next year's expected licensing round.

So far, Angola has little to show for China's billions. Bar a new hospital in Luanda and some repaved roads, none of the President's mega-projects is complete and the Benguela railway has yet again been delayed until 'next year'. Some contractors linked to Kopelipa are suspected of corruption, for which the long-time Minister of Public Works, Brigadier Gen. **Francisco Higino Lopes Carneiro**, has been shown the exit, along with **António Burity** (Education), **Salomão José Luheto Xirimibi** (Fisheries), **Virgílio Fontes Pereira** (Territorial Administration) and **Manuel Rabelais** (Social Communication).

Finance Minister **Eduardo Leopoldo Severim de Moraes** (who succeeded José de Moraes in 2008) was also shown out after being implicated in a \$137 million embezzlement scandal at the central bank, the *Banco Nacional de Angola*, that led to the arrest of 18 minor officials this month. Investigators say that ministers could be implicated but it is unlikely that tough action will be taken. Tipped to lead the new Capital Market Commission, his departure could delay Angola's first sovereign bond issue.

Also threatened is **Aguiinaldo Jaime**, head of the *Agência Nacional para o Investimento Privado* and former Deputy Finance Minister. He and his old boss, José de Moraes, were the respectable public faces (especially in the West) of Angola's economy. On 4 February, **United States Senator Carl Levin**, Chairman of the Permanent Subcommittee on Investigations, named Jaime in a probe of illicit transfers in the US using an Angolan bank (see US/Africa Feature). ●

THE BID TO CLEAN UP MPLA INC.

President **José Eduardo dos Santos** says he laments the rise of grand corruption in Angola as it undermines the social fabric. If so, some members of his government may be in trouble. Any serious anti-corruption campaign must tackle key institutions, including the ruling *Movimento Popular de Libertação de Angola* (MPLA) and foreign corporations involved in oil, gas, diamonds and construction.

The anti-corruption campaigner **Rafael Marques** wants investigators to look at the MPLA's own business interests which, his investigations show, play a growing role in the national economy. The party controls a big investment company, *Sociedade de Gestão e Participações Financeiras* (GEFI), established in September 1992, a week before Angola's first multiparty elections, by a string of MPLA people. The founders are MPLA member of Parliament **Francisco Magalhães Paiva 'Nvunda'**; ex-Interior Minister **José Mateus Adelino Peixoto** on the Central Committee and ex-Chief of Staff to Dos Santos; **António de Campos Van-Dúnem**, Dos Santos's former legal advisor; **Augusto Lopes Teixeira**, former MPLA Politburo member and Chairman of state-owned Angola Telecom; **Carlos Alberto Ferreira Pinto**, MPLA MP and Politburo member; and the *Fundação Sagrada Esperança* (Sacred Hope Foundation), the party's charity and social investment arm.

GEFI has stakes in 64 companies. Its involvement in hotels, industry, banking, fisheries, media, construction and property indicate that many foreigners do business in Angola by cosying up to the MPLA and ceding its members a slice of the action. This is despite conventions on corruption (incorporated into Angolan law) with the United Nations, African Union and Southern African Development Community.

In April 2009, Transport Minister **Augusto Tomás** authorised Kenya-based airline Fly540 to begin operating. GEFI's subsidiary Planar owns 51% of Fly540, with 49% for Lonrho, which is listed in London and Johannesburg, and is now back operating in 17 African countries, it says. Tomás had approval from the Council of Ministers, whose Secretary, **Joaquim António Carlos dos Reis Junior**, owns 20% of Planar. This pattern is familiar in the economy's most lucrative non-oil sectors.

In March 2006, GEFI's alliances included partnerships with the state oil and diamond companies, Sonangol and Endiama; Luanda port; *Grupo Ensa* (insurance); and the forthcoming Angolan stock exchange, *Bolsa de Valores e Derivativos de Angola*. GEFI's accounts are neither audited or published. Some MPLA politicians point out that another party holding company, *Maboque*, presents annual accounts. *Maboque* is well known for its annual journalism prize worth \$100,000, which in 2009 went to **João Melo**, Editor of the magazine *África 21*. He is, not surprisingly, an MPLA MP. ●

For further details of GEFI's investments, go to www.africa-confidential.com

Maize splits the Grand Coalition

The Kibaki-Odinga courtship is over again and presidential contenders head for the brink before the 2012 elections

Prime Minister Raila Odinga's 16 February call for his allies to boycott cabinet meetings until the furore over his right to suspend ministers is settled shows how quickly and deeply government schisms can open up (AC Vol 51 No 3). Ostensibly, the row was sparked by Odinga's announcement on 14 February that he was suspending Agriculture Minister **William Ruto** and Education Minister **Sam Onger** for three months to facilitate investigations into corruption allegations which independent investigations have made against them.

Although suggesting that government ministers stand aside while they are under investigation is standard practice, President **Mwai Kibaki** countermanded Odinga's instructions, told the ministers they should stay put and that Odinga did not have the power to fire them. The growing row has put new strains on the Grand Coalition. Odinga, the **United States** and **Britain** are calling for former United Nations Secretary General **Kofi Annan** to return to Nairobi to resolve the dispute. Kibaki's Party of National Unity (PNU) allies insist, though, that Odinga was acting unconstitutionally and it is he that should be suspended from office or, better, resign from the coalition and leave Kibaki to finish his presidential term.

None of those options is likely. Odinga is determined to keep the coalition together (and his post as Prime Minister) until the next elections, when he will stand for President and Kibaki will retire. For most of the members of parliament, the pay and the perks are too good to risk early polls and the possibility of getting Odinga and his Orange Democratic Movement to walk out of the Grand Coalition looks remote.

Just over a week ago, Kibaki and Odinga claimed they were allies in the fight against corruption. Then Odinga called on Onger, a leading light in Kibaki's PNU, to resign to facilitate an investigation into the diversion of 103 million Kenyan shillings in aid funds in a primary education project. Former Minister of Justice and Constitutional Affairs **Martha Karua** accused Odinga of being hypocritical, given the claimed involvement of Odinga's political allies and family members in the earlier Triton oil, maize and molasses scams. With suspiciously fortuitous timing for Kibaki and his allies, a PricewaterhouseCoopers (PWC) report on the 2008 maize scandal

that had been languishing in the office of Finance and Deputy Prime Minister **Uhuru Kenyatta** since December 2009 was suddenly leaked.

Awkwardly for Odinga, the PWC report implicated key officials in his office: Administrative Permanent Secretary **Caroli Omondi**, Permanent Secretary in the Office of the PM **Mohamed Isahakia**. Also named in the PWC report are Agriculture Permanent Secretary **Romano Kiome**, Permanent Secretary for Special Programmes **Ali Daud Mohamed** and Managing Director of the National Cereals and Produce Board **Gideon Misoi**. Others in the Agriculture Ministry and the Strategic Grain Reserve.

Kibaki's allies have exploited these revelations ruthlessly, arguing that Odinga should demand the resignation of all the aides named and perhaps resign himself. In response, Odinga's officials say they would resign if an investigation found they had acted improperly; his Chief of Staff, Omondi, claimed the cabinet had authorised his actions. So Odinga's suspension of Ruto and Onger was both a response to Kibaki's allies and a way of bringing the personal rift between them to crisis point.

HAPPY TO OBEY KIBAKI

Odinga only partially succeeded. He focused attention on the crisis but both ministers ignored the suspension and were happy to obey Kibaki's instructions to keep working. Kibaki insisted that the power to dismiss ministers was the President's under Article 16(3)A of the constitution and Art. 4(5) of the National Accord and Reconciliation Act. He also claimed that Odinga had not consulted him. Odinga countered that according to Section 15A of the constitution and 14(1) of the National Accord, he was one of two principals with the power of suspension and was charged with both the coordination and supervision of government. Also, he said, he had consulted beforehand with relevant government authorities. He also maintained that he had simply exercised his powers by telling Onger and Ruto to step aside for three months pending an investigation and had not called for their dismissal. Before this, Kibaki had asked eight officials to step down from their posts pending investigation of the maize and education scandals.

The 2008 maize crisis prompted

the importing of maize to avert famine and reduce consumer prices. However, the imported maize was sold cheaply to fictitious companies and individuals who then resold it to millers: the effect was that the retail price of maize stayed high and the middlemen who received the state-subsidised maize pocketed as much as KSh2 billion (US\$26 million) in profits from the deal, according to PWC.

Several high-level officials, including cabinet ministers, profited from this scheme although PWC tactfully omits to mention the names of the beneficiaries above the level of permanent secretary. An earlier and much criticised parliamentary investigation into the maize scandal had cleared key officials, including Ruto, who insists he is innocent. Before this latest stand-off, it seemed that many Kikuyu politicians were trying to straddle the gulf between Kibaki's PNU and Odinga's ODM. Uhuru Kenyatta aligned himself with Ruto and **Kalonzo Musyoka** in what is being called a Kikuyu, Kalenjin and Kamba, or 'KKK', alliance. At the same time, Kibaki and Odinga had seemed to be working more harmoniously. Having dumped Ruto and done Kibaki's dirty work by insisting that squatters, who are largely Kalenjin, be evicted from the Mau Forest, Odinga (a Luo) was planning a trip to the Kikuyu heartland of Murang'a. Some were speaking of a revival of the pre-independence Kikuyu-Luo alliance.

For some, the latest battle is proof positive that the coalition is about to fall apart, probably to Kibaki's huge advantage. Some see the crisis as manufactured, to draw attention away from the requests for those accused of sponsoring and organising the 2008 political violence to be tried at the International Criminal Court (AC Vol 51 No 1). Yet others see it as part of the positioning for presidential nominations and the 2012 elections. The front-runners – Odinga, Kenyatta, Karua, Musyoka and Ruto – want to undermine their opponents before the elections. Kibaki's battle with Odinga looks as if it is being fought on behalf of Kenyatta's presidential bid. More probably the current stand-off will damage both sides if it develops into a more generalised crisis.

The bigger question is where this brinkmanship stops. If the government breaks down, many think the crisis will trigger violence. Activists have organised grassroots protests in Rift Valley constituencies to counter Odinga's call for Ruto to stand down. Odinga's elder brother **Oburu Odinga** (a Gusii from Kisii) was booed at a funeral in Kisii. Without credible mediation between the two sides, the attempts at political and electoral reform will grind to a halt. At worst, the new crisis could mobilise two heavily armed camps to test each other's strength on the ground again. ●

SWAPO's big guns in the fray

With five years to go, rows are already under way about the next presidential candidate and the last election results

President **Hifikepunye Pohamba** will be sworn in for his second five-year term at the end of March after the ever-governing South West Africa People's Organisation was awarded an apparently decisive victory in November's presidential and National Assembly elections. Nine opposition parties are as usual challenging the results in court. They include the new parliamentary opposition, the Rally for Democracy and Progress (RDP). However, the real political action is within SWAPO itself. The constitution limits a president to two five-year terms, so Pohamba will not be allowed to stand again in 2014. Amid much bitterness, several would-be successors are now lining up.

The Vice-President and Minister of Trade and Industry, **Hage Geingob**, had seemed sure to be chosen as SWAPO candidate for the national presidency at a special party congress due early in 2013. Last year, anxious to affirm unity before the elections, SWAPO's Central Committee confirmed that as SWAPO Vice-President, he would 'automatically' get the nod. Geingob, who was Prime Minister from 1990 to 2004, clearly wants to be the next president. He faces enemies within the party, though, not least among those who stand by **Sam Nujoma**, Namibia's first President and Founding Father, now aged 80. Nujoma had appeared to accept Geingob as Pohamba's successor. Now, he is said to be lobbying quietly for his eldest son, **Utoni Daniel Nujoma**, 57, the Deputy Justice Minister. He is expected to become a full minister, probably of Justice, in a cabinet reshuffle next month. That would give more impetus to his dynastic claim.

Neither very senior nor very well qualified, Utoni has not been impressive in his present job and Nujoma Senior may not manage to convince even his loyalists that he is the right man. Geingob's possible rivals, Justice Minister and Attorney General **Pendukeni Iivula-Ithana** (also 57) and Minister of Regional and Local Government, Housing and Rural Development **Jerry Ekandjo** (62), both leading Nujomaists, are said to be 'unamused' by Utoni's ambition. An extra twist is that many of the ethnically Oshivambo northerners who are SWAPO's main backers would oppose Geingob, who is from the minority Damara people. Oshivambos (like Nujoma and Pohamba) also hold an estimated 70-80% of top jobs in the army, government and parastatal

management and are therefore resented.

Yet Geingob's minority status may not increase his appeal to non-Oshivambo within the party. The issue was brought out into the open at the end of January by **Kazenambo Kazenambo**, Deputy Regional and Local Government Minister; he is Herero, from the nation's second-largest community. In a local newspaper interview, he called for the election of a non-Oshivambo as next president and failed to endorse Geingob.

The census records the population by region rather than ethnic origin, so precise numbers are unknown but it is estimated that about a million of Namibia's 2.1 mn. people are Oshivambo, some 200,000 are Herero (including Ovahimba and mainly in north-western Kunene), with about 380,000 other northerners (Kavango and Caprivan), 150,000 Damara and 120,000 Nama (mainly in the south). The rest are mainly white, mixed-race (Coloured and Rehoboth Baster) and San (Bushmen).

KAZENAMBO IS FRANK

Kazenambo's frank interview may lead to him being censured by SWAPO's Central Committee, of which he is a member. There is no obvious Herero contender for the presidency and the ethnic group's traditional leaders support opposition parties, notably the National Unity Democratic Organisation led by Herero Paramount Chief **Kuaima Riruako**. The best-known Herero in politics is **Peter Katjavivi**, formerly Vice-Chancellor of the University of Namibia, now head of the National Planning Commission. He is not thought to want the leadership and would probably be vetoed by Nujoma, with whom he had difficulties while the SWAPO leadership was in exile.

SWAPO must first fend off the prospect that the High Court will order a rerun, not just a recount, of the November elections. The opposition appeal after the 2004 polls produced a recount but no change to the official results. Pohamba, who is praised for his non-ideological leadership, has said that the government will accept the Court's ruling. At a meeting in early February with the **German** Economic Cooperation and Development Minister, **Dirk Niebel**, Pohamba and the Assembly Speaker **Theo-Ben Gurirab** offered assurances that Windhoek respects the rule of law and an independent judiciary.

The government looks to the Electoral

Commission of Namibia to see off the challenge but the ECN is deeply suspect. All but the most partisan supporters view SWAPO's management of the polls and the count as at best deeply flawed and possibly illegal. An affidavit from the RDP's Director General of Administration, **Libolly Haufiku**, claimed that irregularities in the elections and the counting process, along with violations of the Electoral Act, had affected the outcome. The opposition claims there was a 'sudden and unexpected' vote count at verification centres throughout the country, for which no provision is made in the Act, instead of results being checked at the stations where votes were cast.

Before the elections, the ECN published at least three versions of the number of registered electors, ranging between just over 1 mn. and 820,000, the latter figure being provided just two days before voting began. On this basis, the opposition claims that the official turnouts of 812,000 for the presidential election and 811,000 for the legislatures are not credible, implying turnouts of over 100% in some of the 1,010 constituencies. In reply, the ECN claims that the register of 1.2 mn. electors was published in the official *Government Gazette* two weeks in advance, making the turnout a more credible 69%. The ECN Director, **Moses Ndjarakana**, acknowledged that there had been mistakes 'here and there' but rebutted claims about the verification centres to which, he maintained, election agents and observers had had access; he said the agents were largely unprepared and sometimes left before counting and verification were complete.

The RDP is sure it was cheated, although its leader, former minister **Hidipo Hamutenya**, has kept quiet. The party had been sure it would collect about 20 members of parliament but ended up with eight. One, **Anton von Wietersheim**, a former Agriculture Minister, claims that the opposition has evidence of ballot-rigging, with the counterfoils for some used voting forms which were not completed as they should have been. He claims this indicates that voting papers may have been used to stuff ballot boxes.

SWAPO's support will be tested at a 24 February by-election for a regional councillor for Okahandja, 90 kilometres north of Windhoek. SWAPO has selected a political novice, **Steve Biko Booyis**, in preference to the community activist **Ben Katamila**. He was expelled from SWAPO and is standing as an independent. Several opposition parties have joined forces to back the RDP candidate, former Okahandja Mayor **Christophine 'Kitto' Paulus**. SWAPO has thrown its big guns into the fray and a defeat for Booyis would be a big snub by the voters and boost opposition ranks. ●

Protection in the arms bazaar

A plea bargain deal in the UK and USA has set back investigations into arms trade crookery in South Africa and Tanzania

The US\$450 million in fines that BAE Systems agreed to pay on 5 February to halt investigations into corrupt payments on arms deals adds to its financial woes. And it covers only part of the claims against its businesses. BAE's profits for 2009 fell 43% to £982 mn. (\$1.5 bn.) after it lost a US army contract and paid fines on its **Saudi Arabian** and **Tanzanian** contracts. Yet it remains one of the world's biggest arms companies and its plea deal looks cheap. **Germany's** Siemens paid \$1.3 billion to settle similar corruption claims and the USA's Halliburton paid some \$600 mn. in a plea bargain with the US Department of Justice and Securities and Exchange Commission for its corrupt payments on **Nigeria's** \$6 bn. gas export plant.

BAE's payments to Britain's Serious Fraud Office on its Africa contracts are widely seen as derisory: it is to pay £28 mn. to the SFO because of its non-reporting of payments to officials (including former Attorney General **Andrew Chengé**) in Dar es Salaam in 1999, when it sold Tanzania a military air traffic control system – although Tanzania does not have an air force. Investigators say that about

a third of the contract price was diverted to offshore accounts. President **Jakaya Kikwete** told *Africa Confidential* that he expects help from the SFO to track down the money and assist local prosecutions.

Lobbying from British Premier **Tony Blair** helped secure the Tanzania contract despite opposition from the late Foreign Secretary **Robin Cook**, Development Minister **Clare Short** and the World Bank. In return for the £28 mn. payment, the SFO will drop its current investigations of BAE contracts, including the \$4.6 bn. arms deal in South Africa promoted by Blair and ex-Premier **John Major**.

Campaigners such as former African National Congress member of parliament **Andrew Feinstein** see the deal as badly managed given the amount of evidence that the SFO gathered. Insiders claim that the SFO had initially required BAE to pay £300-£500 mn., admit to corrupt payments and name the individuals implicated. Instead, BAE has made no payments on the South African case and admitted only an accounting error in Tanzania.

The SFO's deal with BAE will add to the political pressure on South Africa's

own investigations. The only officer on the case, former Scorpions investigator **Johan du Plooy**, lacks resources and President **Jacob Zuma's** government has shown even less interest than its predecessor in securing convictions or compensation. We understand the SFO will not be destroying its documents on the South African case and would, in principle, be able to make these available to future investigations.

British anti-corruption campaign group Corner House launched a judicial review of the SFO deal on 12 February but it is unlikely to change the substance of the agreement. Investigations are continuing in **Switzerland**, where the authorities have frozen bank accounts used to deposit illegal commissions, including one linked to key intermediary **Fana Hlongwane**.

The US Justice Department reserves the right to prosecute agents paid commissions in US dollars and goes to court on 1 March to decide the terms of the BAE plea bargain. We hear that some US investigators want to probe the role of **John Bredenkamp**, now barred from the USA under its **Zimbabwe** sanctions regime. The BAE subsidiary Red Diamond paid Bredenkamp's Kayswell Services at least £26.8 mn. into a US-dollar and sterling account in the British Virgin Islands (AC Vol 49 No 16).

Despite pressures, South African investigators have launched a probe into the purchase of warships from the German Frigate Consortium for \$454 mn. in 1999. This came after arms expert **Richard Young** sent fresh information to the police about \$3 mn. in bribes. ●

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Rwanda/Belgium

A WELCOME FOR MONSIEUR Z

■ The International Criminal Tribunal for Rwanda has asked Belgian Foreign Minister **Steven Vanackere** if he will issue a visa for **Protais Zigiranyirazo**, known as 'Monsieur Z' (AC Vol 50 No 14), brother-in-law of President **Juvénal Habyarimana**, whose death triggered the 1994 genocide. In November, the ICTR acquitted Zigiranyirazo, who now lives in **Tanzania**, due to technical irregularities in his initial trial in 2008. This had found him 'guilty of genocide for his participation in a joint criminal enterprise to kill Tutsi civilians in the Gisenyi Prefecture on 8 April 1994.'

We hear Monsieur Z is applying for the visa under family reunification provisions: his son lives in Belgium. If he gets his visa, it will reunite the *akazu* ('little house' in Kinyarwanda) in Europe: *akazu* is also used to mean Habyarimana's entourage. Monsieur Z's younger brother **Séraphin Rwabukumba**, financier of the *akazu*, also lives in Brussels. They would be close to their sister, **Agathe Kanziga Habyarimana**, Habyarimana's widow, who lives in Paris.

The Belgian government is yet to receive a formal request for the visa. The ICTR is testing the water and may have requested visas from **France** and **Canada**. A Belgian diplomat tells us that Monsieur Z also has family in those countries. Belgian officials know the affair could cause embarrassment and complicate relations with Kigali. After Monsieur Z's acquittal, Rwandan Justice Minister **Tharcisse Karugaramana** called the ICTR's decision 'a sad moment', especially for those that know Monsieur Z's history in the genocide. Genocide survivors were also outraged by the decision. **Eric Gillet**, a Belgian lawyer who has defended survivors and victims' families, wants Brussels to issue a visa to Zigiranyirazo for different reasons: 'We will give him a good trial,' he said.

Sudan/United States

QUIET TRIPS TO DC

■ The National Congress Party (aka National Islamic Front) wants to stop the world challenging its planned April election victory. A quiet push last month on debt relief and the United States' sanctions may not succeed this year but the diplomacy boosts the NCP politically.

A delegation to Washington on 9 January included party stalwarts **Sayed Mohamed el Hassan el Khatib**, head of Khartoum's Centre for Strategic Studies, former London Embassy official and Comprehensive Peace Agreement negotiator; Ambassador **Nasr el Din Wali**, heading the Foreign Ministry's US desk;

and Major General **Yahia Hussein Babiker**, presidential advisor, formerly Lieutenant Gen. **Salah Abdullah Mohamed 'Gosh'**'s deputy intelligence chief and veteran of meetings with the Central Intelligence Agency (and with **Uganda**) and on the CPA. They met the representative of the Treasury's Office of Foreign Assets Control, with State Department officials present.

Arranged with help from US Special Envoy Gen. **Scott Gration**, the encounter was the second such at OFAC, said a US ex-official, adding the talks 'weren't officially secret but they were under the radar'. Officials said it was simply a working-level opportunity to explain sanctions. The participation of Sudan Airways executives and Kenana Sugar boss **Mohamed el Mardi el Tijani**, however, suggests more concrete matters. The team also visited PL Thomas, one of few US gum arabic importers exempted from sanctions.

Another delegation, under Finance and former Oil Minister **Awad Ahmed el Jaz**, State (junior) Finance Minister **Lual Achuek Lual Deng** (Sudan People's Liberation Movement, close to the leadership) and central bank Deputy Governor **Badr el Din Mahmoud Abbas**, visited on 23-28 January. They came to meet World Bank President **Robert Zoellick**, a former US Deputy Secretary of State and banker. A source said the meeting was cancelled because Zoellick was travelling; the delegation instead met some member countries' executive directors. On 25 January, we hear, Awad el Jaz privately met International Monetary Fund boss **Dominique Strauss-Kahn**.

Somalia

MONEY MUDDLES

■ Western governments publicly back Somalia's 'moderate Islamist' government but have not disbursed the promised funds. The Transitional Federal Government (TFG), now besieged in its capital by *Al Shabaab*, is pressuring donors to pay nearly all its budget. It said it would close its embassies in Africa, Europe and Asia; exceptions will include **Ethiopia**, Washington and New York. Last April, the United Nations, African Union and European Union jointly pledged over US\$250 million in aid. In December, President **Sharif Sheikh Ahmed** said no more than \$3 mn. had arrived.

Meanwhile, *Al Shabaab*'s forces in Mogadishu are building. It can call on 3,000-4,000 fighters, including around 800 foreigners (not the 1,500 it claims). It recently gained the support of the *Ras Kamboni* militia, a faction of *Hizbul Islam*. Another *Hizbul Islam* group, the Anole militia, is also about to join *Shabaab*. Both are based in the Kismayo area and will add a few hundred more fighters. *Shabaab*'s greatest strength is that it pays its fighters \$450-600 a month; the TFG cannot pay its troops (AC Vol 51 No 3).

Shabaab's main funding comes from within the Somali business community in Somalia, **Kenya** and the **United Arab Emirates**; some is voluntary, much from 'protection' payments. More is channelled through **Eritrea** from **Libya**, **Iran** and **Qatar** to pro-*Shabaab* businessmen in the Eastleigh district of Nairobi. They buy consumer goods or food in Nairobi and ship them to Kismayo or the Bakara market in Mogadishu, where they are sold and the proceeds handed to *Shabaab*. The UN sanctions against Eritrea, imposed on 23 December but yet to be implemented, are unlikely to affect this, as they are targeted at specific Eritrean military and political officials. Although it denies it, *Shabaab* also gets a cut from ransoms collected by some pirates operating out of central Somalia and from deals between pirates and foreign trawlers to allow fishing.

Togo

DYNASTIC DYNAMICS

■ President **Faure Gnassingbé** is set for an easy victory against a divided opposition in the 4 March national elections: the main opposition parties plan to boycott the vote (AC Vol 50 No 9). This follows their complaints that the electoral register has been inflated in favour of the *Rassemblement du Peuple Togolais* (RPT), which has dominated politics since 1969. The *Commission Electorale Nationale Indépendante* (CENI) made matters worse by barring two top opposition leaders – **Gilchrist Olympio** (for medical reasons) and **Franco-Togolese** politician **Kofi Yamgnane** – from standing for president.

Mediation by **Burkina Faso**'s President **Blaise Compaoré** late last year to reform the CENI did not help much. The opposition still had a long list of unanswered complaints about inflated registers in the north, verification procedures and a second round of voting. The government's response was to postpone the polls from 28 February to 4 March. Unconvinced, especially about the register, opposition parties withdrew from CENI, first the *Union des Forces de Changement* (UFC) on 12 February, then Yamgnane's *Comité d'Action pour le Renouveau* and **Brigitte Kafui Adjamagbo-Johnson's** *Convention Démocratique des Peuples Africains*.

Yet the opposition is split. Olympio and Yamgnane have clashed. Asked about backing Yamgnane, Olympio replied: 'You never see an elephant follow a dog.' In fact, Olympio's UFC, the largest opposition party, faces meltdown. Olympio keeps quiet about the internal ructions: National Secretary **Jean-Pierre Fabre** submitted his own presidential candidacy to the CENI, even though the last UFC congress chose Olympio as candidate. After his expected victory, Gnassingbé says he will form a government of national unity, a ploy that will further divide the opposition.

BLUE LINES

South African President Jacob Zuma has been accused of kowtowing to President Robert Mugabe in his attempts on 4 March to persuade British Premier Gordon Brown to lobby for the lifting of European Union sanctions on Zimbabwe. In fact, Zuma is searching for leverage with Mugabe, suggesting that sanctions could be quickly reimposed if pledges are not kept. Zuma's team of advisors on Zimbabwe – foreign policy specialist Lindiwe Zulu, ANC veteran Mac Maharaj and former Home Affairs Minister Charles Nqaqula – have made some headway in negotiations on political and security issues despite reports of hardline ZANU-PF elements stepping up attacks.

Many sanctions on Zimbabwe are, though, under review: its voting rights at the IMF have been restored. The IMF and the World Bank are working on a plan to tackle its arrears and speed up disbursement for the short term recovery programme – despite the United States' and Britain's veto on loans. That too may change after some diplomatic clodhopping.

Last year, British Foreign Secretary David Miliband said that it was up to the MDC to decide when sanctions were lifted. Since then, Premier Morgan Tsvangirai has written to EU leaders calling for a general review of sanctions and Finance Minister Tendai Biti has asked the EU to lift sanctions on eight specific companies; it quickly complied. However, the last set of sanctions – the targeting of ZANU-PF officials and their business friends – is likely to stand for many months yet.

NIGERIA

Yar'Adua goes into extra time

The reappearance of the President has worsened the political paralysis – and the splits in the PDP government

On 3 March, the state governors decided to block a vote that could have set in motion President Umaru Musa Yar'Adua's enforced resignation on medical grounds. This has won his supporters in Abuja more time but does nothing to resolve the crisis caused by the power vacuum at the centre of government. Three days earlier, Acting President Goodluck Jonathan had tried to address the crisis by appointing a 26-member Presidential Advisory Council to speed up the implementation of government policy on key issues: the amnesty in the Niger Delta, rehabilitation of the electric power grid, electoral reform and stronger anti-corruption measures.

Chaired by the former Defence Minister, Lieutenant General Theophilus Danjuma, the Advisory Council's members include Ben Nwanbueze as Deputy Chairman, banker Fola Adeola, oil expert Basil Omiyi, former Inspector General of Police Muhammadu Yusufu, former Commonwealth Secretary General Emeka Anyaoku, businessman Kase Lawal, Mohammed Hayatudden, Justice Salihu Modibo Alfa Belgore, businessman Bamanga Tukur and Ismaila Isa.

Nigerians welcomed the initiative in the hope that it would speed up government machinery and tackle some pressing problems. One of the biggest concerns in Abuja was that the amnesty deal in the Delta would come apart if the government did not accelerate the release of funds to the agreed projects there. In the last few weeks, militants have resumed attacks against oil installations and warned of further escalation. There were also hopes that the Council would help to steer through the reforms recommended by Justice Mohammed Uwais's Commission

to give the coming national elections some credibility. Jonathan tells his allies he is determined to boost electricity output to the 6,000 megawatts he had promised to deliver by the end of 2009.

However, all these measures depend heavily on the will of the National Assembly and the 36 governors who have been flapping in the wind during the crisis over President Yar'Adua's medical leave. After months of inaction, the Chairman of the Governors' Forum and Kwara State Governor Abubakar Bukola Saraki in February backed a formal transfer of authority from the ailing Yar'Adua to Jonathan. Given that Saraki is regarded as one of the frontrunners in the 2011 presidential election, this move hugely strengthened Jonathan's camp.

A CLANDESTINE RETURN

It may have also prompted First Lady Turai Yar'Adua's decision to bring her husband back to Nigeria, to step up the fight against those seeking his forced resignation. It seems that the Yar'Adua camp (see Box) has influenced several state governors to try to limit Jonathan's authority as Acting President. Some governors were critical of the choice of Danjuma, a northern Christian, to chair the Advisory Council. Others said Danjuma has his own constituency in the military and is independent of groups backed by General Ibrahim Babangida and former President Olusegun Obasanjo.

The governors may also fear that the Council could diminish the importance of their role and that of the ministers that they appointed to the cabinet. Yet their decision not to proceed with a detailed medical assessment of Yar'Adua, a preliminary

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It all adds up

A centrist budget annoys the people who got President Zuma elected and still leaves some unanswered questions.

GHANA

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Oil and optimism

The President's grand development plans contrast with partisan manoeuvres in Parliament and beyond.

CONGO-BRAZZA

Sassou's reforms on trial

The IMF and World Bank give Sassou a clean bill of health but anti-corruption lobbyists disagree.

CONGO-KINSHASA

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Kabila's new slim-look cabinet

A cabinet reshuffle brings in a few new faces but fails to find the promised seats for the CNDP.

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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step to forcing him out, solves nothing. The danger is now that both they and ministers are divided over how to resolve the crisis. No one is predicting Yar'Adua's early return to full-time politics. The stasis suits some ambitious politicians.

The governing People's Democratic Party will hold its national conference in November and will choose its presidential candidate then. Suddenly, veterans of past military regimes – such as Gens. Aliyu Mohammed Gusau and Babangida –

have become extremely active within the PDP caucus. In the shorter term, the stand-off between the Jonathan and Yar'Adua camps will have to be resolved. Yar'Adua's clandestine return, accompanied by a retinue from the Brigade of Guards in the small hours of 23 February, jangled nerves. We hear Governors **Isa Yuguda** (Bauchi State), **Bukola Saraki** (Kwara), **Usman Sa'idu Dakingari** (Kebbi), **Ibrahim Shema** (Katsina) and **Mohammed Danjuma Goje** (Gombe) met Yar'Adua's group to warn of the heightening political tension over the power vacuum.

Popular sentiment has moved against the Yar'Adua group and Turai faces vilification in the press and from civil society. Yet these groups also criticise Jonathan's lack of determination to wield power in his new role. Steeled by the Secretary to the Government, **Mahmud Yayale Ahmed**, Jonathan had been pushing ahead with more political plans, such as forming the Advisory Council.

Jonathan will need the combined experience of that panel to make progress with the state governors. Statements from **Britain** and the **United States** backing him may cut both ways: adding to his authority in some quarters (there was talk of visa bans on some of Yar'Adua's officials) but also allowing his opponents to cast him as a Western puppet.

More importantly, he has been unable to meet Yar'Adua and plan a coordinated government which could include appointees from both camps. The next step will be a cabinet reshuffle but it will be difficult to coordinate that with the governors, who demand influence over appointees from their states. **Dora Nkem Akunyili**, the outspoken Communications Minister, accused Yar'Adua's camp of 'gaining from the confusion'.

Signed on Yar'Adua's sickbed, the supplementary budget expires this month. Without agreement on a new budget, state spending could grind to a halt, jeopardising political plans. The need to cooperate may prompt a wider political deal.

The PDP is in poor shape and the crisis has damaged it further. The weak leadership of National Chairman **Vincent Eze Ogbulafor** has not helped: the party has fissured and new alliances have emerged. In the north, young reform-minded professionals are vying with the veteran clique, mainly in their 60s and 70s, now in charge. They are calling on former anti-corruption czar **Nasir El-Rufai**, ex-Federal Capital Minister **Nuhu Ribadu** and former Bauchi Governor **Ahmed Adamu Muazu** to reform the party. They also support a full transfer of power to Jonathan. That might be why Turai Yar'Adua has been accused of sending plaintive e-mails to El-Rufai, seeking his support for her husband and his determined retinue. ●

ON HER MAJESTY'S SECRET SERVICE

Wits in Abuja have taken to referring to First Lady **Turai Yar'Adua** as 'Her Majesty' and her coterie of apparatchiks as the 'Secret Service'. She organised the clandestine return to Nigeria of her husband, President **Umaru Musa Yar'Adua**, on 23 February. Her plan has, at least temporarily, staunched the draining of power away from the Yar'Adua faction, most of whom are presidential appointees or business allies.

Turai's political base is Katsina State, where her husband served two terms as Governor; she also wields influence through her two sons-in-law, **Usman Sa'idu Nasamu Dakingari** and **Isa Yuguda**, Governors of Kebbi and Bauchi states respectively. Turai also effectively chairs the kitchen cabinet of advisors and allies, based in the Presidency at Aso Rock. Its leading members include former Delta State Governor **James Ibori**; Yar'Adua's Principal Secretary, **David Edegbie** (formerly Delta State Finance Commissioner under Ibori); and former Attorney General **Michael Aondoakaa**. The other key members are:

- Chief Security Officer **Yusuf Muhammed Tilde** has been styled as 'the man behind the President'. Even before Yar'Adua's departure to Jeddah, Tilde was handling presidential affairs beyond his official remit: treating files, endorsing documents and granting approvals on behalf of the President. Tilde, who is from Bauchi State, was appointed without being interviewed, as required, by the Director General of the State Security Services, **Afakriya Gadazama**. Tilde is utterly loyal to Yar'Adua and keeps Gadazama out of the loop. Gadazama and Yar'Adua attended Barewa College, where in 1971 Gadazama succeeded Yar'Adua as house prefect. Most in Tilde's 'unified security corridor' are northern Muslims; particularly important is the 'wily and streetwise' **Dahiru Dodo**, an SSS Assistant Commissioner who is administration officer at the presidential villa.

- The Chief of Army Staff, Lieutenant General **Abdulrahman Bello Dambazau**, hails from Katsina State, like Yar'Adua. He has been linked to contracts with security companies run by Ibori and **Israeli** arms dealer **Alon Nelken**.

- The Commander of the Brigade of Guards, Brigadier Gen. **Abdul Mustapha**, is responsible for security at the presidential villa and was key to organising Yar'Adua's return. He and Dambazau supervised the deployment of soldiers. On the night of 22 February, they dispatched 300 soldiers from Kebbi State (their mobile telephones seized to prevent video recordings) to provide the armed guard for the presidential return.

- **Abdullah Aminchi**, Ambassador to **Saudi Arabia**, was previously Deputy Governor to Yar'Adua in Katsina. He was Turai's spokesman in Jeddah, trying to convince journalists about the President's 'tremendously' improving health.

- The Executive Council of the Federation: Chief Economic Advisor to the President **Tanimu Yakubu**; Minister for the Federal Capital Territory **Muhammadu Adamu Aliero**; National Security Advisor **Abdullahi Sarki Mukhtar**. Two have a **Russian** connection and led negotiations for Gazprom's investments in Nigeria. Tanimu studied economics in Russia. Mukhtar, a retired army general, was ousted as Chief of Army Staff during the late Gen. **Sani Abacha**'s regime; prior to this, he was Ambassador to Moscow. They were all briefed about the plan for Yar'Adua's return, unlike Minister of Agriculture **Abba Sayyadi Ruma**, who had left for Saudi Arabia with five other ministers to try to see Yar'Adua.

- **Dahiru Mangal**, a Katsina-based business magnate with interests in haulage, air charter and controversial cross-border trade deals contributed generously to Yar'Adua's gubernatorial and presidential campaigns. The PDP's main financier in Katsina State, Mangal has good access to the President.

- **Mustapha Onoedieva**, Yar'Adua's Aide de Camp, an infantry colonel from Edo State. He and Tilde are the only ones with access to Yar'Adua. **Shehu Inuwa Imam** is a member of parliament from Katsina State and Yar'Adua's childhood friend. **Inuwa Baba**, the President's Senior Special Advisor on Protocol, is an old family friend. Baba is so loyal to the family that he got himself imprisoned with the late President **Shehu Musa Yar'Adua**, Umaru's elder brother who was gaoled by Abacha on a fictitious coup charge. ●

Tightening the welfare belt

A centrist budget annoys the people who got the President elected and leaves some economic questions unanswered

South Africa is now the biggest welfare state in the developing world and the implications for public finances are frightening. As the recession tapers off, the rising public debt is set to peak in 2013 at an overwhelming 40%. Economists such as **Iraj Abedian**, Chief Executive of Pan-African Advisory Services in South Africa, argue that a government faced with a fiscal crisis cannot afford to commit the largest portion of its budget to public spending, such as social grants.

Finance Minister **Pravin Gordhan's** budget speech in Parliament on 17 February showed that social services consume more than half of all national and provincial expenditure. The largest item is education, followed by social grant expenditure, which takes about 4% of gross domestic product. The government is raising the age limit for child-support grants to those turning 18, adding an extra two million people to the social welfare payroll in 2012.

According to economist **Mike Schussler**, there is now one taxpayer to three social grant recipients, which is unsustainable. Moreover, Gordhan expects to receive 69 billion rand (US\$9.2 bn.) less in tax this year than expected. Consolidated revenue will be R658 bn. in 2010, R32 bn. less than last year. The increases in welfare expenditure mean that not enough money is left for the capital programmes that are crucial to sustained growth. The governing African National Congress (ANC) will not be able to fulfil the ambitious fiscal promises it made in its 2009 election manifesto. Public services will get worse in the disaffected townships and isolated protests could snowball. Over the past two years, there have been an estimated 2,000 public protests.

The ANC had promised job creation, poverty reduction and faster economic growth. Gordhan's budget is dominated by the need for fiscal austerity to manage the country's debt. The ANC and its associated left-wingers had hoped that, by backing **Jacob Zuma's** election campaign, they would strengthen their own hand. They are disappointed and, with the party's next elective congress in 2012, a succession battle has commenced.

For now, the centrist economic view prevails. This was the first clear message since Zuma took power last April of what his government is going to do. Gordhan carefully noted the political sentiments

of the left-wing alliance partners but his budget presented nothing to reassure them and closed down several areas which had previously been open to debate. The most significant was inflation targeting; Gordhan made it clear that the target of 3-6% inflation would remain in place. He also clarified some confusing statements from the office of the Minister for Economic Development, **Ebrahim Patel**, about fixing the exchange rate. 'We need a stable and competitive exchange rate, though in today's world, this cannot be translated into a straightforward fixed price of the rand,' said Gordhan.

The controversial scheme for national

health insurance was all but shelved. Economists have calculated that, in the form the Left calls for, the NHI would push the country's tax base up to 70%. On public-sector pay, he said, 'It will now be necessary to moderate salary increases', following a doubling in civil servants' salaries over the past five years.

Gordhan also nimbly introduced the idea of a two-tier labour market, always a major sticking point for the trades unions. He spoke of relaxing labour regulations for workers aged between 18 and 25, with state subsidies to reduce the cost of employing them. The inflexible labour market has long been cited as an impediment to international investment but labour has always resisted any suggestion of change. The key question since Zuma's election last April was whether it would move South Africa significantly to the left. The budget shows that the Left's power is greater on the street than in its impact on government policy. It is on the street, though, that a president's power can be strengthened or broken. ●

SMALL PRINT, BIG FIGURES

● **Monetary and exchange-rate policy:** In October, Finance Minister **Pravin Gordhan** hinted at big economic changes. The South African Reserve Bank's inflation strategy would be amended, the 3-6% target range for official inflation would be widened and the SARB's primary duty to protect the value of the currency would be relaxed. Gordhan and Reserve Bank Governor **Gill Marcus** held long discussions and the outcome is that those changes will not take place. In his budget speech on 17 February, Gordhan insisted that long-term improvements in international competitiveness can come only from 'lower wage-inflation, lower budget deficits, larger reserves and a more flexible and dynamic productive sector.' South Africa's inflation rate is higher than that of its main trading partners. So Gordhan reaffirmed both the 3-6% target and the Bank's independent duty to manage consumer-price inflation after watching growth, employment, asset-price inflation, financial-sector stability and exchange-rate competitiveness.

● **Fiscal policy:** Tax revenue this year will be down by almost 70 billion rand (US\$9.33 bn.). This implies a budget deficit of 7.3% of gross domestic product. The growth forecast for 2010 is 2.3% (from 1.5% in October 2009) but revenue will grow more slowly. Most tax rates and thresholds are unchanged ('sin' and fuel taxes excepted). Yet the budget projects a 12% increase in total revenue, mainly from higher charges for electricity, water and transport.

● **Public spending:** Projected total spending in 2010/11 is R907 bn. More than half the increase is focused on a few priorities. Education, the largest item, gets an increase of almost 11% and health is up by almost 7%. Yet quality has risen more slowly than quantity; central government pays but the spending is done by often incompetent provincial governments and Gordhan wants that changed. Social grants (including state pensions and disability grants) in 2010/11 will cost R89 bn. (3.5% of GDP).

● **Budget deficit:** With growth forecast at 3.2% in 2011 and 3.6% in 2012, Gordhan hopes to reduce the deficit to 4% of GDP. Yet the national debt, now at 23% of GDP, will keep on rising until 2016. The Treasury can limit the damage only by establishing a 2% annual limit on increases in spending – double the limit proposed by Gordhan in October and against the political pressure of local elections, due in 2011.

● **Growth prospects:** Even without big tax increases, living standards will be under pressure from higher user charges, inflation and job losses. Consumer spending is held back by high debt, tight credit and the lack of jobs. The month-long soccer World Cup, which starts on 7 June, will boost spending temporarily. Rises in share and property prices help the middle class. The latest statistics show that growth speeded up in the last quarter of 2009, to 3.2% on an annualised basis, 3.8% if agriculture is excluded. Aside from government spending, the growth has been entirely in mining, as world prices bounce back, and in manufacturing, as customers rebuild their stocks. Yet output was well below its level of March 2009. ●

Oil and optimism

The President's grand development plans contrast sharply with partisan manoeuvres in Parliament and beyond

In a year's time Ghana should be producing 150,000 barrels of oil a day and its economy should be growing at well over 10% a year (AC Vol 50 No 25 & Vol 51 No 1). Its party political barracking might even have become more constructive and less personalised. That at least is the hope of President **John Evans Atta Mills**, the tax law specialist-turned-politician who is battling to use oil revenue to finance an industrialisation programme.

On 25 February, President Atta Mills made his second State of the Nation Address since winning power in January 2009 and stepped up the visionary rhetoric. Using commercial oil and gas production starting this year, his aim is to create a diversified economy for the 21st century. A petrochemical industry is to produce cheap fertiliser to boost farm production and an Agricultural Development and Investment Fund will be established to finance cash-strapped farmers.

Downstream development plans for oil and gas include a salt-based industry to produce other industrial chemicals such as ammonia; a vertically integrated aluminium industry using local bauxite;

and an iron and steel industry using iron ore deposits at Opon Manso in the Western Region, an area rich in hydrocarbons and other natural resources. A massive investment programme is also planned to extend the national power grid, increase electricity and water supply, and modernise the national road network and the Western Railway corridor, following a lengthy pay strike.

All this is set against the government's forecast for an average growth rate of over 8% from 2010 to 2012, up from 5% gross domestic product growth last year. Yet Mills and the National Democratic Congress are finding it hard to convince people. Consumers have faced a wave of tax-induced price increases since the NDC took over in January 2009. The government has imposed value added tax at a higher rate to replace the existing duties on basic items and has raised road tolls by up to 1,000% in some cases.

The International Monetary Fund and World Bank are backing the Mills plan with over a billion dollars of cheap loans. Ghana is to sign a second Millennium Challenge Compact of some US\$547 million with the **United States** to finance poverty

reduction programmes in the countryside and improvements to trunk roads to speed up the transportation of goods. The money will be available in 2012, an election year. Middle class voters, some of whom backed the NDC for the first time in 2008, speak with frustration about the deterioration in living standards, although most of the financial statistics are improving.

The cedi is rising against the major trading currencies – US dollar, sterling, euro and CFA franc. Inflation has dropped since mid-2009, when it hit 20%, and now hovers around 15%. The cost of money has fallen, following Bank of Ghana Governor **Paa Kwesi Bekoe Amissah-Arthur's** decision to cut prime interest rates from 18% to 16%.

Finance and Economic Planning Minister **Kwabena Duffuor** complains that lending rates are too high and stifle economic activity. Lending and Treasury Bill rates have edged down since the beginning of the year, but banks blame his belt-tightening policies for the squeeze on commercial credit. The IMF and World Bank want to see further tightening on commercial credit and a squeeze on new public service recruitment, a key condition for continuing their lending programme, agreed with Duffuor last year.

The other conditions include a Right to Information Bill and the appointment of a substantive minister to push through thoroughgoing public service reforms. Mills scrapped the Public Sector Reform Ministry created by former President **John Agyekum Kufuor** after coming into office, in a bid to form a lean government with fewer ministers.

BURNING PASSIONS

A bizarre series of fires at government buildings has led to a whispering campaign reminiscent of the spate of brutal murders before the 2000 election campaign, which Flight Lieutenant (Retired) **Jerry Rawlings** had claimed were organised to damage the then National Democratic Congress (NDC) government.

In the last six months, fires have broken out at the Ministry of Information (twice), the six-storey Ministry of Foreign Affairs, the Tema Oil Refinery (at a cost of US\$2.5 million), an office of the Volta River Authority at Akosombo, a building belonging to the Accra Metropolitan District Office of the Ghana Education Service, the Accra branch of Ecobank and the Akosombo Textiles factory. Some NDC officials insist this spate of fires is part of a planned campaign of sabotage.

The house where the family of former President Rawlings was living, an elegant colonial bungalow raised on stilts, was burned to ashes, amid several explosions. This prompted speculation that there might have been weapons and ammunition hidden inside. Although they have built a house for themselves in the expensive residential suburb of Adjiringanor, in East Legon, the former first couple are asking to be rehoused at state expense. This request embarrasses the NDC government. At the time of the fire on St. Valentine's Day, Rawlings was scuba diving in the Volta Region, while his wife and son were attending a party in the early hours of the morning.

The New Patriotic Party's **Nana Darkwah Baafi** suggested on the private TOP radio station in Kokomlemle, Accra, that Rawlings had somehow set fire to his own house. Within minutes Darkwah was arrested and then his case was heard within a record seven hours. He was remanded in Nsawam Maximum Security Prison for two weeks. He was released following a statement of concern from President **John Atta Mills** and increasing criticism from the opposition parties in Parliament. The Rawlings family argued that it would not set fire to its own property (known locally as 'Boom Junction'). ●

GHANAISANS NEED JOBS

The visiting IMF First Deputy Managing Director, **John Lipsky**, said in Accra last month that the cost of public administration and financial management remained too high. It holds back efforts to boost jobs and absorb the tens of thousands of school leavers. Instead, the number of hawkers on the streets of the big cities are growing; last year, a record number of companies declared bankruptcy in the recession. A bid by Mayor **Alfred Oko Vanderpuije** to relocate the hawkers from Accra city centre seems to have faltered for lack of political support.

Both the two big political parties, the NDC and the New Patriotic Party, seem to be consumed by doubts and internal rivalries. Over the past month, both have held congresses to elect new executives. The NPP has emerged from the recent factional rows in better shape than the governing NDC. Both camps have suffered from the scourge of 'monetocracy' – or vote buying. **Nana Addo Dankwa Akufo-Addo**, the NPP's defeated presidential candidate in 2008, has consolidated his position in the party and is favourite for the

presidency in 2012. His main challenger in the NPP, **Alan Kwadwo Kyerematen** (aka 'Alan Cash'), is well positioned to take the running-mate ticket for the NPP. His slate of delegates at the party Congress held at the Baba Yara sports stadium on 27 February won just two of the top jobs on offer – **Alhaji Moctar Musa Bamba** as National Organiser and the youthful and telegenic **Otiko Afisah Chrissie Djaba** as Women's Organiser. The other seven executive positions went to supporters of the Akufo-Addo camp.

While Akufo-Addo's ally, **Jake Otanka Obetsebi-Lamprey**, won the most important post of National Party Chairman, Bamba emerged with the highest poll of any candidate for any party post, scoring 3,500 of the 4,400 delegates' votes. Obetsebi-Lamprey and Akufo-Addo are soul mates: their fathers were both members of the 'Big Six', the group of pre-Independence politicians who led Ghana to statehood. Akufo-Addo's uncle, **Joseph Kwame Kyeretwie Boakye Danquah**, founded the United Gold Coast Convention, the grouping from which **Kwame Nkrumah** broke away in 1949 to found the Convention People's Party, which formed the first post-Independence government. Like **JB Danquah**, Obetsebi-

Lamprey's father, **Emmanuel Odarkwei Obetsebi-Lamprey**, died in prison after being gaoled under the Preventive Detention Act introduced by **Geoffrey Bing**, Nkrumah's British Attorney General and professed socialist.

ADVANTAGE NPP

Now the regional balance of the two main parties favours the NPP. Obetsebi-Lamprey has twice been elected Chairman of the Ga-dominated Greater Accra Region. **Sophia Horner-Sam** from the Western Region and **Esther Dzifa Ofori**, the new Party Treasurer from the Volta Region, represent areas where the NPP vote collapsed due to bad organisation.

The electoral college for the next NPP presidential candidate will be 120,000-strong, making it virtually impossible for a candidate from the monetocracy to buy votes from delegates. Although Alan Cash was Kufuor's wealthy business ally, Akufo-Addo was the favourite with the NPP grassroots. At last year's congress, Cash's supporters opposed plans to reform the NPP constitution and increase the size of the electoral college to elect the flag bearer. However, the college has been increased fourfold, to 4,400, and now the nomination of the NPP flag bearer

will be in the hands of 120,000.

The NDC also has had to tackle vote buying. Ex-President and party founder **Jerry John Rawlings**, who hand-picked his then Vice-President, John Atta Mills, as his successor in 1999, has been leading a campaign known as 'You take your government and I'll take my party.'

Rawlings publicly complained that Mills's government is too slow and filled with 'sycophants, greedy bastards and mediocrities'. Since the NDC congress in January, Mills has appointed Rawlings-supporters to ministerial positions. Minority leader **Alban Sumani Kingsford Bagbin**, Deputy Leader **John Akologo Tia** and **Enoch Teye Mensah** – all Rawlings-loyalists – were shuffled from Parliament to ministries.

Rawlings also won NDC executive posts for his camp. Former First Lady **Nana Konadu Agyeman Rawlings** and **Ekwow Spio-Garbrah** won slots as national vice-chairpersons. Mills has promoted his own loyalists – **Cletus Apul Avoka**, **Abdul-Rashid Pelpuo** and his 2004 election running mate, **Martin Amidu** – to ministerial positions. Yet it overbalances the regional weight of the executive heavily in favour of the three northern regions. ●

CONGO-BRAZZAVILLE

Sassou's reforms on trial

The IMF and World Bank have given Sassou-Nguesso a clean bill of health but anti-corruption lobbyists disagree

The Extractive Industries Transparency Initiative's determination to tackle corruption in Congo-Brazzaville will be tested on 9 March. EITI directors will meet to consider upgrading their verdict on the country, from its current 'candidate' status to 'compliant', which means it would be judged to have substantially improved the accountability of state finances. If the directors fail to give President **Denis Sassou-Nguesso**'s government the green light and raise yet more doubts about accounting in the state oil company, then they will also be questioning the judgement of the World Bank and International Monetary Fund.

Last month, the Fund and Bank approved Congo-Brazzaville as the 28th country to reach the completion point in their Enhanced Highly Indebted Poor Countries (HIPC) Initiative. Congo now saves US\$1.9 billion in debt-service payments, about half of its remaining foreign debt. The World Bank controversially admitted it to the process in March 2006, in spite of revelations

about the use of national oil revenue for luxury living by President Sassou-Nguesso and his family.

The deal with the World Bank followed the government's dissolution of *Congolaise de Trading* (Cotrade), the sales arm of the state oil company, the *Société Nationale des Pétroles du Congo* (SNPC). Cotrade was revealed in 2007 to have been the key instrument in a scheme to divert oil revenue into companies controlled by members of the presidential entourage (AC Vol 48 No 15).

Cotrade was headed by presidential son **Denis-Christel Sassou-Nguesso**, although as *Africa Confidential* went to press, its website still boasted a welcome from him as 'administrateur-général'. If the President's son can fall, observers said, then so can others. Question marks now hang over the future of his friend **Blaise Elenga**, also implicated in the scandals of 2007, and the regime's chief oil strategist, **Denis Gokana**, President of SNPC and owner of Africa Oil and Gas.

According to the principles of the debt-cancellation programme, the money

a country saves in debt repayments is meant to be spent on alleviating poverty, as specified in a formal Poverty Reduction Strategy Paper. Despite the centrality of this requirement, Congo has agreed only one such paper since 2005.

The Congo affiliate of the Publish What You Pay lobby group cautiously welcomed the IMF news but warned that the most recent audits of the SNPC still failed to certify the accounts and that the country was a long way short either of full transparency or of good management of its principal natural resource, in spite of its importance as one of the IMF's 'trigger points' for Enhanced HIPC.

In their quarterly reviews of the oil sector and SNPC, auditors KPMG carefully point out that it does not 'certify' the accounts and does not have access to the original commercial documents normally required in an audit. Despite the obstacles, the reports still show dubious selling practices and mysterious cargo movements (AC Vol 50 No 21).

KPMG has remarked on instances of Congo's oil being sold at below market price. Brazzaville activists also point out that a government stabilisation fund created in 2006, into which funds earned from the difference between projected oil prices and the higher market rates would be placed, has still not been audited and no one knows how much is in it. ●

Kabila's new slim-look cabinet

A cabinet reshuffle brings in a few new faces but fails to find the promised seats for the CNDP

It was supposed to be a reshuffle for austerity, in preparation for next year's elections, and the government's heavyweights hold on to their jobs, notably **Alexis Thambwé Mwamba** (Foreign Affairs) and **Charles Mwando Nsimba** (Defence). It was also supposed to mark a cleanup, to keep the donors lending (AC Vol 51 No 2). Yet President **Joseph Kabila's** latest government changes could prove a disappointment on both counts. They may not advance the cause of peace in the troubled Kivu provinces, either.

The new cabinet does not include anyone from General **Laurent Nkunda's** former guerillas of the *Congrès National pour la Défense du Peuple*. The CNDP had demanded several ministries and expected at least one, now that Nkunda himself is under house arrest in **Rwanda** and since 2008 his fighters are (in theory) being

integrated into the government's *Forces Armées de la République Démocratique du Congo* (FARDC). Secretary General **Kambatshu Ngeve** says his CNDP was promised a place in government under the peace agreement signed in Goma in March 2009. Kinshasa says the CNDP is already adequately involved in politics because some of its members are in the North Kivu administration. CNDP President **Philippe Gafishi** says he still stands by the peace accord.

Communications and Media Minister **Lambert Mende Omalanga**, who keeps his job in the new government, insists that it will keep its promises to the CNDP; most Kinshasa politicians play down the risks entailed in keeping the former rebels out of government. The danger is limited now that Rwanda no longer backs the Tutsi Nkunda, says one Congolese diplomat.

That could be a mistake by Kabila and his coalition allies, Prime Minister **Adolphe Muzito** of the *Parti Lumumbiste Unifié* and Deputy Premier **François-Joseph Nzanga Mobutu Ngbangawe**, of the *Union des Démocrates Mobutistes* and a son of the late President **Mobutu Sese Seko**. One foreign diplomat suspects that by pursuing political integration Kabila may have wasted an opportunity to integrate the ex-rebels into the army. Fighting could still start again in Kivu.

Kabila had to choose between that risk and displeasing many Kinshasa politicians, such as the former President of the National Assembly, **Vital Kamerhe**, who disapproves of the government's joint operation with Rwandan forces in early 2009 against another armed opponent, the exiled Rwandan Hutu of the *Forces Démocratiques pour la Libération du Rwanda*. The presence of soldiers from the Tutsi-led CNDP alongside the FARDC increases the ethnic pressure in Kivu.

Donors pressed Kabila to have fewer ministers in his new government – he now has 43 instead of 54. Of the new team, 23 are holdovers from the former line-up and 20 are new. Kabila has promoted the former head of his own office, **Adolphe Lumanu Mulenda**, to Vice-President, with responsibility for the Interior Ministry. He takes over from **Célestin Mbuyu Kabango**, who becomes Hydrocarbons Minister; the outgoing Minister, **René Isekemanga**, had annoyed neighbouring **Angola** by negotiating an agreement with **Italy's** **Eni** to explore in offshore waters.

Another victim is **Pierre Lumbi Okongo**, replaced at Infrastructure, Public Works and Reconstruction after negotiating a contract with **Sinohydro-China** Railway for infrastructure development in return for mining resources. The agreement had to be revised after pressure from the World Bank and International Monetary Fund: the Assembly's Economic and Financial Commission (Ecofin) had found it involved a massive diversion of funds involving the courts and officials of the state company *Gécamines*. Yet Lumbi was given a new job as Special Advisor on Security Matters. That could mean trouble with Rwanda, since Lumbi is from South Kivu where anti-Rwandan feeling is strong.

Finance Minister **Athanase Matenda Kyelu** (aka 'Monsieur 40%') and Budget Minister **Michel Lokola Elamba** are out, having negotiated a three-year agreement with the Bank and Fund. They are replaced by **Mapon Matata Ponyo** from the office which looks after aid, the *Bureau Central de Coordination*, and **Jean-Baptiste Ntahwa Kuderwa Batumike**, also from South Kivu. Ecofin had accused Matenda and Lokola – and Muzito, too – of misusing state funds, so the changes mark no obvious advance towards clean government. ●

HUSH HUSH MONEY

Prime minister **Adolphe Muzito** would like to hush up a report from the Economic and Financial Commission (Ecofin) of the National Assembly, which urges the government to manage Congo's oil records better. The report should have been debated in a special 15 January to 15 February parliamentary session, but Assembly President **Evariste Boshab** chose to keep it under wraps, so protecting Muzito and others from public criticism.

Ecofin, chaired by **Modeste Bahati Lukwebo**, condemns the 'mismanagement of the public finances'. It notes the evaporation of almost half the US\$50 million paid in 2009 by **Sinohydro-China** Railway to the state company *Gécamines*, for entry rights giving access to deposits of copper and cobalt. It also speaks of 'connivance' between officials of *Gécamines* and of the justice system in Lubumbashi, saying it facilitated the theft of \$23.7 million; it regrets that the Infrastructure, Public Works and Reconstruction Minister, **Pierre Lumbi Okongo**, who signed the Chinese contract, has declined to meet members of parliament seeking more information.

Further rebukes are directed at the then Finance and Budget ministers, **Athanase Matenda Kyelu** and **Michel Lokola Elamba**, for having agreed that the state owes \$68.6 mn. to a private bank, the *Banque Congolaise*, and for having instructed the *Banque Centrale du Congo* in 2008 to pay out \$84.7 mn. (the debt plus interest) in settlement of the supposed debt. Ecofin asks how the ministers came to pay, from public funds, such a dubious debt that had not been certified by the office for debt management, the *Office de Gestion de la Dette Publique*. They want the Assembly to hear evidence from the two former ministers, from *Banque Centrale* Governor **Jean-Claude Masangu Mulongo**, from *Banque Congolaise* Chairman **Roger Alfred Yaghi** – and from Muzito himself.

Also on Ecofin's list for questioning by the Assembly is the Minister in charge of State Assets, **Jeannine Mabunda Lioko**; the ex-President of the diamond company *Société Minière de Bakwanga* (Miba), **Gustave Luabeya Tshitale**; and the Managing Director of Emaxon Finance International, controlled by Israeli businessman **Dan Gertler** who is close to President **Joseph Kabila**. The *Banque Centrale* Governor had issued a note to Emaxon for \$25 mn. Ecofin reckoned it was owed at most \$15 mn. and probably nothing at all – and that equipment supplied by Emaxon was never used because it was faulty. The \$25 mn. payment, Ecofin said, was a 'mismanagement of public funds'. The report identified clear political purposes behind the outlays of the *Bureau Central de Coordination* on schools, health centres and transport. Bceco was set up to manage funds received as aid, following a recommendation from the World Bank. ●

Another temporary fix

No government, no electoral commission, no firm date for elections – the President has got what he wanted

Once again, President **Laurent Gbagbo** has driven democratisation off the rails. On 12 February, he used Article 48 of the Constitution, which allows him to take exceptional measures when the state's institutions are threatened, to dissolve both the government and the *Commission Electorale Indépendante* (CEI), saying it was not independent enough. Elections, once due in December, then postponed to February or March, are put off yet again, for the sixth time (AC Vol 51 No 1). Late April or early May are now talked of. Yet Gbagbo's term in office officially expired in 2005.

Gbagbo thinks there are not enough supporters of his *Front Populaire Ivoirien* (FPI) on the electoral register; his people say the CEI has registered 430,000 'bogus voters'. He belongs to the minority Bété group and can win only by ensuring that people from his own tribe and region (Gagnoa) are all signed up to vote. The big rival parties are the *Rassemblement des Républicains* (RDR), led by **Alassane Dramane Ouattara** and including many northern Muslims, and ex-President **Henri Konan Bédié's** *Parti Démocratique de Côte d'Ivoire*, solidly based among the mainly southern Akan-speakers, especially the Baoulé.

Prime Minister **Guillaume Soro**, from the northern former rebels of the *Forces Nouvelles* (FN), also needs time. His followers are disliked in the southern districts where their 'zonal commissioners' have held on to their prerogatives, some supporting Soro's party, while others prefer Ouattara. Moreover, it is by no means certain that, even if the parties agreed to hold elections in the south, they could also be held in the north. Three years after the Ouagadougou Agreement which was supposed to unify the country, the 'confidence zone' between north and south has been bridged yet the nation remains divided in two.

The FN control 60% of the territory, with their capital at Bouaké. There, it is generally believed that the warlords, **Chérif Ousmane Ouattara Zoumana** (alias 'Wattao') and others, will cling to power. A United Nations experts' report, sent to the UN Security Council in October, showed that both government and rebel sides have broken

the UN embargo on arms purchases. The experts described a heavy flow of trade in diamonds, gold and goods with **Burkina Faso** and **Mali**. It is not in the rebels' interest to end it.

In the south, though, Gbagbo's assault on the government and the CEI may have stirred things up more than he expected. Everywhere, even in Gagnoa, there have been protests and demonstrations, organised by the opposition coalition, the *Rassemblement des Houphouëtistes pour la Démocratie et la Paix* (RHDP, named after the country's founding President, **Félix Houphouët-Boigny**). It brings together the RDR and PDCI with the *Mouvement des Forces d'Avenir* (MFA), led by **Innocent Anaky Kobena**, and the *Union pour la Démocratie et la Paix en Côte d'Ivoire* (UPDCI), led by **Albert Mabri Toikeusse** and loyal to the memory of the late military ruler, **Robert Gueï**, as well as **Francis Wodié's** *Parti Ivoirien des Travailleurs*. In Gagnoa, Gbagbo's loyalists ordered a police charge which, according to the army and the Red Cross, caused seven deaths.

GBAGBO SKIRTS THE CRISIS

In face of the protests, Gbagbo gave way a little, although some arrests were made. He no longer wants a new 'non-political' electoral commission but has barred from its presidency the incumbent, **Robert Beugré Mambé**. Interior Minister **Désiré Tagro** accuses him of having organised an electoral 'fraud' against his FPI. On 27 February, a consensus was reached on forming a new government, headed by outgoing Premier Soro, who said his task was to move the country towards elections in April or May.

That seems to indicate that a deep crisis has been avoided. Not necessarily. Since Soro's statement, Gbagbo has changed his line. He has rejected most of the ministerial nominees from the opposition parties, though he has named the PDCI's **Youssouf Bakayoko**, a former Foreign Minister, as CEI President and kept on **Jeanne Peuhmond** of the RDR as Minister of Women's and Family Affairs. He wants to dismiss the Infrastructure Minister, **Patrick Achi** of the PDCI, and Agriculture Minister, **Amadou Gon Coulibaly**, of the RDR.

That leaves Bakayoko with an

awkward task. By 21 March, he is supposed to have dealt with the FPI's demand that 430,000 names be struck off the electoral register, a procedure not foreseen in the agreement setting up the CEI, eleven of whose members are from the opposition, ten from the FPI, with ten judges. The opposition complains that the President's camp controls *Radio Télévision Ivoirienne* and the FPI has a grievance about the FN's hold on *TV Notre Patrie* (Our Homeland). The list of polling stations has not been established nor have the presiding officers and other staff been trained. Hardest of all, there is no agreement on how to identify voters. Gbagbo's followers stand by their principle of 'Ivoirité', the ethnic/national 'purity', which they use to deny citizens' rights to some fellow-countrymen, especially Muslims from the north. This is the issue that triggered the conflict back in September 2002.

As *Africa Confidential* went to press, Soro's new government had not been named. The opposition activists of the RHDP seemed to regret their leaders' acquiescence to Gbagbo's leadership, as shown by their willingness to form a new government with the FPI. Gbagbo seems to have achieved one of his objectives, by setting leaders such as Konan Bédié and Alassane Ouattara against their followers. The militants think the leaders too soft towards the President, who is known in Abidjan as 'le Boulanger' (the Baker), because he 'rolls his opponents in flour'.

Kouadio Konan Bertin, President of the PDCI youth movement, says his members will remain active until their comrades who were arrested during February's demonstrations are released. 'I am sure he will do something to us within a few days,' he says. Among the President's hardliners, **Charles Blé Goudé**, leader of the pro-FPI militias, loudly proclaims his dissatisfaction with the electoral commission and so does the *Congrès National de la Résistance pour la Démocratie* (CNRD), led by the writer **Bernard Binlin Dadié**, who stands up for 'Ivoirité'.

The process is mediated by the Burkinabè President, **Blaise Compaoré**, who announced agreement on elections in April or May. That still seems highly optimistic. **France** no longer wishes to meddle in Côte d'Ivoire's affairs and is keeping quiet.

Choi Young-jin, UN Special Representative and head of the *Opération des Nations Unies en Côte d'Ivoire* (ONUCI), says carefully that a definitive electoral register must be established, followed soon by elections. Unless someone can put pressure on President Gbagbo, this game could run and run. ●

SOMALIA/ERITREA

Target Asmara

UN experts identify Asmara's troublemaking in Somalia but the Security Council may not do much about it

A new United Nations investigation, still under wraps but seen by *Africa Confidential*, will lead to further quarrels in the UN Security Council over what to do about Eritrea's troublesome regime. In December, **Britain** and the **United States**, backed by **Uganda**, pushed through the UNSC limited sanctions on arms sales to Asmara and laid the groundwork for sanctions against some of its officials. This was a response to Eritrea's apparent support for the Islamist militias fighting the Transitional Federal Government (TFG) in Mogadishu.

On 22 February, Eritreans turned out in San Francisco, Washington, Geneva and Canberra to protest against the sanctions. They seemed to be backed by President **Issayas Afewerki's** government, which blames the UNSC for failing to impose the border agreement drafted by the Eritrea-Ethiopia Boundary Commission in 2002. We have seen correspondence between Foreign Minister **Osman Saleh Mohammed** and US Assistant Secretary of State for African Affairs **Johnnie Carson** which underlines Eritrea's diplomatic isolation.

Osman's 25 November letter said he regretted that Carson had informed the Eritrean Ambassador in Washington that no meeting would be possible between Osman and US Secretary of State **Hillary Clinton**. It said he was still available for a meeting and that this was the fourth time Eritrea had said it was willing to 'engage' with the USA. Issayas said so twice in letters to President **Barack Obama**.

On 7 December, Carson replied, asking Eritrea to stop supporting *Al Shabaab* in Somalia (AC Vol 50 No 23). 'A visit to Washington would be inappropriate at this time given the difficulties of our current relationship,' wrote Carson, who also complained that Asmara had taken two years to approve the arrival of US Ambassador **Ronald K. McMullen**, restricted Embassy activities, intercepted diplomatic pouches and refused a call from Clinton. Two weeks later, the UNSC imposed the arms sanctions.

Some UN diplomats fear that sanctions could further exacerbate Issayas's sense of isolation and enhance Eritrean links to Somali and other militants in the Horn and beyond. In the last year, there have been reports that Eritrea has harboured **Iranian** officials supplying arms to Hamas in Gaza and to Houthi rebels in northern **Yemen**.

Others complain that Asmara still offers **Israel** a listening post and space to park unmanned aerial vehicles, some of which may have been used to bomb a convoy of Iranian arms as it passed through **Sudan** last year en route to Gaza. In a rare public interview on 19 February with *Al Jazeera* television, Issayas denied these and other rumours, adding, 'We don't need weapons. We have more than we need, we can arm three or four governments.'

In 2005, the UNSC re-established the Somalia Monitoring Group of experts to investigate breaches of the 1992 UN arms embargo. One focus is Eritrea's role, including identifying the officials responsible. The SMG, which reports to the UNSC's Sanctions Committee, has evidence of state support for Somali militants, notably the Alliance for the Re-liberation of Somalia, which in 2007 split into two factions, one based in **Djibouti**, the other in Asmara. The Asmara faction includes the Islamic Courts Union (ICU) and *Al Shabaab*. The experts have documented several deliveries of weapons from Eritrea to Somalia since 2005 and say there are links to **Yusuf Mohamed Siad 'Indha Adde'**, ARS's military chief.

The SMG will report to the UNSC in mid-March and will then start monitoring Eritrea, too. So far, the UNSC has not ordered sanctions against any group or individual named by the SMG, such as *Al Shabaab* and its ally, *Hizbul Islam* (Party of Islam). Sheikh **Hassan Dahir 'Aweys'**, leader of ARS-Asmara, is on the separate *Al Qaida* and Taliban sanctions list, with other Somali individuals and entities.

Diplomatic sources say that in mid-2009, the SMG recommended that Eritrea's intelligence chief Colonel **Te'ame Goitom**, Public Information Minister **Ali Abdu Ahmed** and the head of Political Affairs for the ruling People's Front for Democracy and Justice, **Yemane Gebreab**, be designated for sanctions. Its report will produce more evidence of links between ARS-Asmara and its host, which decides its leadership and which financed and facilitated its officials' transport from Asmara to Somalia in early 2009.

The USA will hope that the 15-member UNSC unites against Eritrea and makes the sanctions operational. **Libya**, which voted against sanctions last time, is not on the UNSC now but a decision for sanctions against Eritrean officials is unlikely. **China** abstained from the vote to target Eritrea

in December. It seeks to reduce the power of all UN expert groups, including those which blamed China for supplying arms to Khartoum and reported it to the UNSC last year for selling arms to **Congo-Kinshasa's** government in breach of notification procedures. Time is on Asmara's side, as the SMG will not get the extra resources it needs until the Secretariat approves a budget proposal.

Meanwhile, the SMG has uncovered links between businessmen close to Somalia's President **Sharif Sheikh Ahmed** and *Al Shabaab*. Sheikh Sharif, once leader of the ICU, is now described by Clinton as the 'best hope' for his country for some time, a view shared by many governments (AC Vol 51 No 4). Diplomats have told AC that the SMG will name three businessmen – **Abukar Adani, Abdulkadir Nur** and **Mohamed Deylaf**, contractors for the UN World Food Programme – whom it suspects of diverting funds to opposition militants. In a letter to Secretary General **Ban Ki-moon** in September 2009, Sheikh Sharif asked Ban not to allow the UNSC to sanction the businessmen without consulting him first. He called Abdulkadir a 'conscientious, diligent and hardworking person', insisting that the others were 'highly respected in and outside the country for their commitment to peace, stability, the greater good of Somalia'.

The USA, the largest donor of aid to Somalia, has reduced its contributions this year, for fear that resources could be diverted by *Al Shabaab*. The top UN Development Programme official in Somalia, **Mark Bowden**, has insisted that there is no evidence of aid being diverted to militants. The WFP has said nothing but the US Ambassador to the UN, **Susan Rice**, has pointed out that the WFP has pulled out of parts of Somalia following intimidation by militants. The naming of the three could increase the scepticism of some US officials about Sharif's ability to unify Somalia using groups less Wahabist than *Al Shabaab*. His new alliance with the moderate Sufi group *Al Sunna Wal Jama'a* could give the TFG an extra 20,000 fighters to help push back *Al Shabaab*; its leaders want to take over ministerial posts when Sharif has removed *Shabaab* sympathisers from the TFG.

UN officials say **Sharif Hassan Sheikh Adan**, Finance Minister, Deputy Prime Minister and member of ARS, is reluctant to see Sharif Sheikh broaden his alliances, and that other officials, like the influential Posts and Telecommunications Minister **Abdirizak Osman Hassan**, are keen to maintain business arrangements built around the TFG. Corruption and desertion remain key problems. The SMG estimates that roughly 80% of foreign military assistance to the TFG is lost in desertions and defections from the Somali Armed Forces. ●

Doubts over Darfur

Foreign governments welcome claims of a peace deal in Darfur but many Sudanese see it as another pre-election trick by Khartoum

The latest Darfur peace deal announced on 23 February meets the strategic aims of the ruling National Congress Party (aka National Islamic Front, NIF): to consolidate a fragmented Islamist movement; to contain the **Chad** and Darfur conflicts so as to focus on the South; and to reinforce the NCP's position, both at home and abroad, before next month's national elections. The signatories to the deal are the NCP and the Justice and Equality Movement (JEM), widely seen as Islamist; none of the secular Darfur groups have signed up so far.

In Darfur, outside the JEM heartland of the Zaghawa people in Western Darfur, the Darfur Framework Agreement (DFA) was met with indifference at best: the NCP followed it with air and ground attacks on eastern Jebel Marra, stronghold of the Sudan Liberation Movement faction of **Abdel Wahed Mohamed Ahmed el Nur** (SLM-AW), reportedly killing hundreds. Aid workers fled towns such as Deribat, leaving tens of thousands of people without health care. Even in JEM's areas, the welcome was tainted: as the United Nations Office for the Coordination of Humanitarian Affairs confirmed, Khartoum had bombed JEM's areas in January and early February – just before the ceasefire agreement.

The NCP often combines peace deals with military onslaughts: it began its main attacks on Darfur in 2001, once it had joined the negotiations that led to the Comprehensive Peace Agreement with the South. Now, many believe it is doing the reverse: reining in the Chadian rebels it arms and finances while containing the Darfur conflict so it can concentrate its political and military attention on the South, before the Southern and Abyei referenda due next January.

The NCP-JEM pact brings together apparently divided Islamist factions. JEM leader **Khalil Ibrahim Mohamed** was an NIF minister who led jihad in the South. **Suleiman Jamous**, a Zaghawa in his 60s and the SLM Humanitarian Coordinator who moved to SLM-Unity and then to JEM, acknowledged to *Africa Confidential* in 2008 that he had been a senior NIF official in the early 1990s. Though JEM says it wants democracy and even, sometimes, political secularism, many see it as 'the armed wing of the Popular Congress Party' – the PCP of **Hassan Abdullah el Turabi**.

The PCP is now in the Juba Alliance of Northern opposition parties which includes the Sudan People's Liberation Movement. However, from SPLM to the Umma Party, no one has forgotten that Hassan el Turabi was the real leader of a regime that killed or tortured tens of thousands of Sudanese. The main Juba parties pulled out of the Media Commission of the National Election Commission on 1 March protesting about the NCP's control of radio and television.

The opposition is debating whether to boycott April's national elections, which almost everyone (except a few Western diplomats) expects to be decisively rigged by the NCP. In Juba this week, the head of the African Union Panel of Experts, **South African** ex-President **Thabo Mbeki**, told the Juba Alliance that a high-ranking delegation of AU election observers would 'assess all phases of the coming elections'. Sudanese, though, say the polls were fixed long ago, largely through the contested census, electoral registration and buying off local leaders. 'It's just like slaughtering after skinning!' said one veteran activist.

GRATION'S NEW FRIENDS

The DFA boosts Khartoum's image as peacemaker. The NCP rallied the AU, Arab League, Organisation of Islamic Conference and Non-Aligned Movement by claiming the International Criminal Court's arrest warrant for President **Omer Hassan Ahmed el Beshir** threatened peace, in both the South and Darfur. Therefore the NCP can mitigate any international electoral criticism by claiming this threatens imminent peace in Darfur – especially when **United States** Special Envoy **Scott Gration** is a driving force in the **Qatar** peace process (AC Vol 51 No 4).

The NCP knows how to exploit Western ambivalence towards stolen elections and oft-broken peace treaties. After meeting on 21 February Vice-President **Ali Osman Mohamed Taha**, who epitomises the NCP's Islamist spirit, Major General (Retired) Gration was quoted as saying: 'It is wonderful to be able to meet with the people that I have gotten to know as the leadership but also as friends.'

The NCP has resuscitated some friendships. During Chadian President **Idriss Déby Itno's** visit to Khartoum, Field Marshal **Omer el Beshir** announced on 10 February that relations with Ndjamenahad been 'normalised' and that war had

ended. Then, Khartoum signed the DFA and Omer announced that the Darfur war was over, too. 'It's great to have all these agreements, peace breaking out all over the place, but where are the fighters coming back or handing over their weapons?' the former Coordinator of the UN Panel of Experts on Sudan, **Enrico Carisch**, told *Africa Confidential* (AC Vol 50 No 23). 'Is JEM-land being evacuated?'

A full agreement is due on 15 March but JEM has been threatening to pull out of the DFA if other groups sign, too. Gration's grand plan is two-track negotiations, with JEM on one track and SLM groups on the other. How they will meet is unclear: SLM factions do not trust JEM and JEM knows that they challenge its claims to supremacy on the ground. We hear **Khalil Ibrahim** is talking to Déby about abandoning the DFA.

Eight other Darfur factions (the 'Road Map' or 'Addis Ababa' Group) had been trying for months to unite, in talks facilitated by Gration and AU mediator **Djibril Yipènè Bassolé**, financed by host Qatar. However, mediators apparently lost patience and on 22 February, the eve of the DFA, three Road Map leaders 'disappeared and the next thing we were told we were unified and **El Tigani Seisi** was being congratulated as leader,' said one participant, labelling it 'political piracy'.

The trio was **Taj el Din Beshir Nyam** (United Revolutionary Front, **Bahar Idriss Abu Garda's** group), **Abdel Lateef Mazoul** (SLM-Mainstream, one of the smaller outfits) and **Babiker Khalid** (SLM-Democratic, led by **Ali Abdullah Karabino**, formerly of SLM-U, before that, with **Minni Arkou Minnawi**). Echoes of the failed 2006 Darfur Peace Agreement, signed only by Minni's SLM faction, are deafening.

El Tigani Seisi Mohamed Ateem seemed an ideal candidate. A personable former Umma Governor of Darfur with a master's in business studies from **Britain**, he has spent years at the UN Economic Commission for Africa in **Ethiopia**. He left the Darfur Union he once headed because of internal politicking and is supposed to be a figure of reconciliation. Mediators were seeking a Fur to replace **Abdel Wahed**, who refuses to come to Doha.

However, the Liberation and Justice Movement that **El Tigani** now heads has in fact split the Road Map group. As *Africa Confidential* went to press, the other groups – which included the major SLM-U, SLM-AW, SLM-**Abdel Shafie** and the (Arab) United Revolutionary Forces Front – were still in Doha, just. Increasingly criticised at home, Gration was pushing hard for a quick fix, to the delight of the NCP. Sighed one delegate: 'A wadi [seasonal river], when it rains, it collects everything in its way.' ●

A coup to stop a coup

The officers who threw out President Tandja must quickly prove they're serious about constitutional rule

So far, Niamey's new military leaders have played by the new-model putschists' book. They ousted controversial President **Mamadou Tandja** on 18 February, then promised a rapid restoration of democracy and on 23 February appointed a civilian prime minister, **Mahamadou Danda**. Five days later, the new head of state, **Salou Djibou**, announced that no member of the ruling *Conseil Suprême pour la Restauration de*

la Démocratie (CSRD) or the transitional government would stand in the coming presidential election.

Djibou has done little public posturing but is hugely popular among the crowds demonstrating in favour of the coup-makers. Impatient supporters of the new regime ask why foreign observers will not accept its reform promises, instead of repeatedly comparing the CSRD to **Guinea's** megalomaniac **Moussa Dadis**

Camara, who after eleven months in power was shot by one of his own lieutenants, following September's massacre of over 150 opposition supporters in Conakry.

The African Union, Economic Community of West African States (Ecowas) and international donors remain to be convinced of the military's good intentions. Along with the temptations of self-interest, the new leaders take over a country facing profound economic, social and political challenges. A democratic rebirth will not be easy. Niger was caught up in the wave of democratisation that swept away authoritarian regimes across Francophone Africa in the early 1990s. **Benin** and **Mali** won two decades of peaceful pluralism but Niger suffered infighting between the presidency and parliamentarians and the 1996 military coup d'état by General **Ibrahim Baré Maïnassara**, himself assassinated in a 1999 coup in which some members of today's new CSRD were involved.

After eleven months, those soldiers restored power to the civilians and elections brought Tandja to power. Ten years later, he crushed the independent media, the Constitutional Court and the National Assembly to instal himself as a potential lifelong ruler. A fresh transition and new elections will not necessarily produce a durable democracy, after two decades during which the country's elites have grown accustomed to changing power through coups. Economic pressures could help the democratic transition. Niger has huge reserves of uranium but the government's severe financial constraints will tighten as donors withhold aid until constitutional rule is restored.

A firm line will have support in West Africa; Ecowas has in recent years endorsed tough tactics against those who overthrow constitutional rule. Under its outgoing President, **Mohamed Ibn Chambas** of **Ghana**, Ecowas gave evidence against the Tandja regime when the European Union (EU) reviewed its aid to Niamey last year. The day after the CSRD seized power, Chambas, with two **Algerians** – **Said Djinnit**, the United Nations Special Representative for West Africa, and **Ramtane Lamamra**, AU Commissioner for Peace and Security – flew in to press for a return to constitutional rule.

The UN rates Niger as the least developed country on earth, below even **Afghanistan** and **Sierra Leone**, and donors will probably seek to maintain basic social and rural programmes. Yet budget aid will be turned off, putting the CSRD under intense pressure to recover donors' favour before it runs out of money. Niger passed its latest International Monetary Fund review in early February but the IMF's money needs to accompany larger cash flows from Brussels and Paris.

Ordinary soldiers have suffered from

NAMIBIA: URANIUM BATTLEGROUND

The race to develop new uranium mines in the central Namib Desert is led by **France's** nuclear giant Areva, pursued by smaller **Australian** and **Canadian** exploration companies. Areva plans to bring Namibia's third uranium mine, Trekkopje, into production next year, behind schedule because of difficulties with new technology for processing very low-grade ore. Australia's Extract Resources and Bannerman Resources are planning large mines at their Rossing South and Etango projects in adjoining licence areas.

The government (AC Vol 50 No 25 & Vol 51 No 4) claims that by 2015, Namibia will be the world's number three yellow cake producer; at present it is fourth, with 5,500 tonnes last year, behind Australia, after **Kazakhstan** replaced Canada as top producer in 2009. The hope is for 700 new direct jobs and several thousand indirect ones. To placate environmentalists and the vital tourist industry, the government has commissioned a strategic environmental impact assessment, whose management plan is to be implemented this year, with help from the Chamber of Mines of Namibia. It will be paid for by Areva, Rossing Uranium (69% owned by the **Anglo-Australian** Rio Tinto) and Langer Heinrich Uranium (wholly owned by Australia's Paladin Energy). They hope to produce 8,000 tn. or more between them by 2011/12.

China and **Russia** are frustrated, because Western companies scooped up Namibia's best uranium prospects in the boom of 2005-06. Later this year, Mines and Energy Minister **Erkki Nghimtina** is expected to lift the moratorium on new exploration applications amid intensive company lobbying. A project by VTB Capital, a joint venture between Russia's foreign trade bank, *Vneshtorgbank*, and the local Capricorn Investment, is not thought worth mining on its own. Namibia-China Mineral Resource Investment and Development has two unpromising exploration licences but has not yet grasped the industry's 'uranium stewardship' standards. It recently dumped unprotected exploration samples in a dry riverbed and the Chamber of Mines had to remind it about responsible management of radioactive materials. The incident was hushed up. China has taken over from **Germany** as Namibia's largest bilateral aid donor.

A battle is on for the ownership of Rossing South, perhaps the world's largest and richest deposit of hard-rock uranium with further potential southwards. Extract hopes to confirm a commercially viable mine bigger than Rossing. Rossing is out of favour with the government since, two years ago, it tried to organise a local lobby against the introduction of royalties on minerals other than diamonds. The standard uranium royalty rate is 3% on gross sales but the government ordered a 6% impost on Rossing last year in punishment. **Inge Zaamwani-Kamwi**, Managing Director of Namdeb, the diamond producer owned by government and De Beers, is a non-executive director of Extract, in which the government is expected to acquire a minority stake through its new state-owned Epangelo Mining. So Nghimtina may not allow Rio Tinto to lead the development of Rossing South.

Rio has big minority stakes in Extract and its 40% shareholder, Kalahari Minerals. Attempts by Rio to buy more of Extract will be resisted, especially by a group of minority shareholders run by Canadian mining tycoon **Stephen Dattels**. With uranium holdings in **Central African Republic** and **Niger** as well as in Namibia, they are defying some of Areva's ambitions. They may eventually sell out but the price will be high. ●

the relative success of the peace process in the Saharan north; the end of the conflict with Tuareg rebels means that they no longer receive combat pay and some have faced a 65% drop in income. Even hard cash would not on its own have kept the military on side. Late last year, Tandja tried to cajole senior officers with the offer of villas and cash payments of up to 50 million CFA francs (76,000 euros); the Deputy Chief of Army Staff, Colonel Garba Maikido, refused the perks.

As a Hausa/Kanouri easterner, Tandja knew he could not count on automatic loyalty from the many western Djerma in the army. A fellow easterner, **Hamidou Maigari**, led his 600-strong Presidential Guard. Some officers publicly supported Tandja's dismantling of constitutional constraints on presidential power but many deeply disagreed with this creeping authoritarianism and the Army Chief of Staff, General **Mamadou Ousseini**, was known to be sceptical.

The armed forces did not respond to opposition calls for peaceful disobedience but the military turnout in the August referendum that supposedly endorsed Tandja's constitutional changes was no higher than that among civilians. Anti-Tandja campaigners claim that only 10% of soldiers voted in Tahoua. Tandja's attempt to buy military support failed. Even some Presidential Guard units took part in the coup. Now external pressure will weigh upon the CSRD. It needs the cooperation of donors, who insist on governance requirements, such as those in the Cotonou Accord between the EU and

WHO'S WHO IN THE NIGERIEN COUP

Salou Djibou, commander of the main armoured unit in Niamey, led the assault on the Presidency which culminated in the capture of President **Mamadou Tandja** and his ministers on 18 February. He is now President of the *Conseil Suprême pour la Restauration de la Démocratie* (CSRD,) and on 28 February he broadcast his promise that no member of the junta would stand for the presidency.

Born in 1965 in Djerma region in the west, Djibou joined the army as a private in 1987 and the troops like and respect him. After officer training in **Côte d'Ivoire** and artillery school in **China** and **Morocco**, he served two years as a United Nations peacekeeper in Côte d'Ivoire and then in **Congo-Kinshasa**.

Colonel **Goukoye Abdoukarim** read the announcement that the CSRD had seized power but the junta's main public face is its Spokesman, Col. **Djibrilla Hamidou Hima**, a lover of football from the Tchanga people of the south-west. He was a senior figure under Tandja, having played a key role in the 1999 coup that eventually restored the democratic structures under which Tandja was elected President.

The CSRD's selection of **Mahamadou Danda** as Prime Minister was a surprise. He was non-partisan, a political advisor to the **Canadian** Embassy in Niamey. However, he has political experience, as Communications Minister and Spokesman in the regime that followed the 1999 coup; he had been a minister in the late 1980s military regime which eventually gave way peacefully to a multiparty system.

The CSRD's first West African diplomatic overtures were made by Col. **Mossi Hassan**, who led a delegation of officers and officials to **Nigeria**, **Togo**, **Ghana** and **Burkina Faso**, on 25-26 February. Other prominent members include Col. **Salifou Mody**, who was Tandja's Deputy Chief of Military Staff, and the new regime's Permanent Secretary, Col. **Abdoulaye Badié**. In the hope of building some trust, the CSRD published its full membership on 27 February, with photographs of all 22 in the junta. ●

Africa, Caribbean and Pacific countries.

Immediately after the coup, there was speculation that uranium might have been an issue. Nuclear energy is fashionable and uranium prices have risen. The giant **French** nuclear group Areva produces 3,000 tonnes from the Cominak and Somaïr mines and hopes this year to extract 5,000 tonnes from its Imouraren

mine, in which it is investing 1.2 billion euros. **China** Nuclear International Uranium Corporation is developing the Teguida mine. If any Nigerien regime breached agreements with big long-term investors or sought other potential partners, such as China or **Iran**, it would prejudice future international investment and disrupt existing operations. ●

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Tanzania/Britain

BAE SYSTEMS REFUNDS FRAUD

■ BAE Systems could face another round of legal problems on its arms contracts in Africa, Eastern Europe and **Saudi Arabia** following an injunction obtained by British lobbyists Corner House on 3 March to freeze the company's US\$450 million plea-bargain deal with Britain's Serious Fraud Office and the **United States** Department of Justice (AC Vol 51 No 4).

The injunction gives the High Court in London until 20 March to consider whether there should be a full judicial review of the deal. Under the plea bargain, all US and British investigations into BAE's arms deals were to be halted. *Africa Confidential* understands that if the deal is blocked, the SFO will proceed with a corruption case against BAE (formerly British Aerospace) on its Eastern European contracts, followed by a prosecution over its contract for a superfluous military air traffic control system in **Tanzania** (AC Vol 43 No 8).

BAE explains the inflated £28 mn. (\$36 mn.) contract in Tanzania – a third of which was diverted into offshore accounts – as an accounting error. However, when presented with a report of the SFO's investigation into the deal, BAE agreed to refund the entire £28 mn. to the Tanzanian government, as the SFO demanded. This insistence, apparently reinforced by SFO Director **Richard Alderman**, that BAE should repay Tanzania directly for the full price of the contract is significant. In previous plea-bargain cases negotiated with Western prosecutors, the offending company pays large fines to Western treasuries but with no compensation to the country whose people suffered the losses from the corrupt deal. The SFO's action here could set a legal precedent.

Director of Tanzania's Prevention of Corruption Bureau **Edward Hoseah** has already written to the SFO welcoming the promised payment and suggesting procedures to ensure that the repatriation of funds will be done transparently. BAE's plea-bargain deal in Britain would have no automatic effect on the Tanzanian government's own investigations into corruption in the deal.

This model might appeal to anti-graft campaigners in **South Africa**, as well as officials in the country's cash-strapped Treasury. However, BAE refused to admit any guilt for corrupt payments in the \$4.6 billion South African arms deal and we understand it was not on the formal agenda of this week's talks in London between South African President **Jacob Zuma** and British Prime Minister **Gordon Brown**.

Rwanda/France

RAPPROCHEMENT AND OPPORTUNITY

■ The meeting between Presidents **Nicolas Sarkozy** and **Paul Kagame** in Kigali on 26 February enables France to regain a foothold in central Africa and allows Rwanda to normalise diplomatic and commercial relations with Paris. Sarkozy did what was necessary to end the big freeze: he referred to 'mistakes' by France and others who failed to recognise the scale of the 1994 genocide against Rwanda's Tutsi people.

After visiting the Genocide Memorial Centre in Kigali, Sarkozy fell short of offering an unambiguous apology to Rwanda of the kind made by former United Nations Secretary General **Kofi Annan** (head of UN Peacekeeping at the time) and **United States** President **Bill Clinton**. Nor was Sarkozy prepared to discuss publicly the support that France's military gave to the Rwandan army before the genocide in terms of training and weapons. However, on leaving the Genocide Memorial, he said that France would do everything possible to ensure that 'all those responsible for the genocide are found and punished'.

Five days later, Sarkozy began to deliver. On the morning of 2 March, French police arrested **Agathe Kanziga Habyarimana**, widow of the late Rwandan President **Juvénal Habyarimana**, at her home in Courcouronnes, Essonne, near Paris. She is the subject of an arrest warrant for 'genocide', issued by Rwanda.

For now, Kanziga is in limbo. French judges have refused to repatriate genocide suspects to Rwanda, arguing they would not get a fair trial, although French courts have dispatched three Rwandan suspects to the International Criminal Tribunal for Rwanda in **Tanzania** (AC Vol 51 No 4). The neutralisation of Kanziga and inconclusive legal proceedings against her may suit both Paris and Kigali in the short term; it will also send a message to countries such as **Cameroon** and **Kenya**, which harbour genocide suspects.

Meanwhile, France will be pushing ahead with its diplomatic and commercial plans. That means that, notwithstanding next week's lavish welcome summit for Rwanda's membership of the Commonwealth, Kagame will attend the Francophone summit in Nice in May.

Sarkozy wants to host an international conference on development in the Great Lakes countries, **Burundi**, **Congo-Kinshasa** and Rwanda. The focus would be on the *Agence Française de Développement's* financing of the Ruzizi III Dam in Congo-Kinshasa. After the warming of Paris-Kigali relations, last year's decision by Kagame and Congolese President **Joseph Kabila** to exploit jointly Lake Kivu's methane gas to generate electricity also offers more opportunities to French companies.

Kenya

TRUTH AND KIPLAGAT

■ The position of **Bethuel Kiplagat**, Chairman of Kenya's Truth, Justice and Reconciliation Commission, is under serious threat since the calls for his resignation by **South African** Archbishop **Desmond Tutu** and ten other heads and members of earlier truth commissions. The crisis will go deeper than Kiplagat's personal position and raises questions about how long the TJRC will last or whether it will be able to operate at all.

Kiplagat's critics include the head of the **Mauritanian** Truth and Reconciliation Commission, South Africa's **Alex Boraine**; the former Chairman of **Sierra Leone's** TRC, Bishop **Joseph Christian Humper**; and the ex-head of the **Peru** TRC, **Salomón Lerner Febres**. They question Kiplagat's political independence, citing claims about 'his role in the former [Daniel arap] Moi government' and 'perceptions that he labours under an unavoidable conflict of interest'. These calls follow similar demands from Kenya's Centre for Multiparty Democracy, the International Centre for Policy Conflict and the Release Political Prisoners Group and New York's International Center for Transitional Justice.

They point to allegations in the Ndung'u Report of Kiplagat illegally acquiring land, to accusations in the Parliamentary Select Committee's report into Foreign Minister **Robert Ouko's** murder in 1990, accusing Kiplagat of being 'untruthful' in his testimony to them, and to writings alleging he had a role in the Wagalla Massacre in Kenya's North Eastern Province, where security forces murdered around 3,000 Kenyan Somali Muslims in 1984.

Kiplagat has responded robustly and shows no signs of going quietly (AC Vol 50 No 16). He says he was a close friend of Ouko's and certainly not party to a cover-up. He denies he was at the meeting which planned the Wagalla massacre in 1984, as some allege, and he gives details about his land holdings which appear to contradict his accusers' claims. Beyond Kiplagat, the future of the Commission itself looks in doubt. Copies of leaked memoranda are circulating, with comments about divisions among the Commissioners themselves. Deputy Chairperson **Betty Murungi**, who recently asked Kenyans to give the TJRC a chance, now says she might resign if questions about its credibility continue.

Most civic organisations argue that Kiplagat fails to meet the highest standards of ethics necessary for the post and call on the European Union, the **United States** and the United Nations Development Programme to withhold the 3 billion Kenyan shillings (US\$39 million) funding. Yet Justice Minister **Mutula Kilonzo** and US Ambassador **Michael Ranneberger** insist that Kiplagat should continue at the TJRC, as do elders from Kenya's South Rift.

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THE NEXT REVOLUTION

The crisis at Telecel Zimbabwe points to the political and economic problems with the new indigenisation laws, which many see as yet another form of patronage for the Zimbabwe African National Union-Patriotic Front. Telecel is the second largest mobile telephone operator after Econet; **Egyptian** shareholders controlled 60% of its shares through Telecel International. After a court case in 2007, Telecel International agreed to sell an 11% stake to a group of 'indigenous Zimbabweans' (defined as people disadvantaged before Independence in 1980), led by **Jane Mutasa** and the impresario **James Makamba** (this group owned the other 40% of Telecel Zimbabwe).

Makamba is Telecel's buyer of choice for the 11% stake but he has long since been *persona non grata* at State House, having left Zimbabwe hurriedly in 2005. Insiders say that President **Robert Mugabe** was incensed by Makamba's close relationship with First Lady **Grace Marufu Mugabe**. There was also an attempt to snag Makamba in the same foreign exchange investigation that saw ex-Finance Minister **Chris Kuruneru** detained without trial for almost a year.

With Makamba in exile in London, Mutasa was well placed to take over the Egyptian equity. She also had good political connections as founder of the Indigenous Businesswoman's Organisation. Yet last year, she accused Telecel International of favouring foreign management, siphoning off millions of dollars and failing to favour indigenous suppliers. After her complaints, the **Ivorian** Managing Director, **Aimable Mpore**, was deported. Then Mutasa was arrested on charges of trying to defraud Telecel of US\$750,000 by issuing fake mobile phone charge cards. Now everyone is wondering whether a mystery buyer will emerge to take 51% of a thriving business or whether Telecel International will be pointed in the right direction by the Minister. Quite how this will be managed is up to ZANU-PF's rising star, Minister for Indigenisation and Empowerment **Saviour Kasukuwere**.

With Mugabe's nephew **Patrick Zhuwayo** and former Mashonaland East Governor **Ray Kaukonde**, Kasukuwere is part of a group of Young Turks in ZANU-PF's caucus. They operated in loose alliance with General **Solomon Mujuru**'s faction at the congress in December. Kasukuwere's career started in the Central Intelligence Organisation and he was a leading light in the Affirmative Action Group before entering Parliament. He represents Mount Darwin in Mashonaland Central, **Joice Mujuru**'s old seat.

With **Philip Chiyangwa**, Kasukuwere profited from the fuel crisis two years ago through a Commoil operation in which the generals had a stake. Commoil bought fuel at heavily subsidised rates from the new (indigenous) farmers and then sold it to the public at market prices. This enriched the new farmers and Commoil but did little for production or employment.

The Indigenisation Act was passed in 2008 but has only come into force with the gazetting of regulations by Kasukuwere last month. He bypassed cabinet and the Prime Minister's legislative committee, ignoring the complaints of both Prime Minister **Morgan Tsvangirai** and Industry Minister **Welshman Ncube**.

The regulations could be challenged on constitutional grounds but the Movement for Democratic Change fears a new political trap. With fresh elections looming, the MDC doesn't want a repeat of its posturing on land reform: if it opposes Kasukuwere's plans, ZANU-PF will accuse it again of doing the bidding of its foreign white paymasters and opposing empowerment. Tsvangirai hopes to refine the regulations gradually but Kasukuwere may prove a tough opponent.

Foreign companies may not wait to see the outcome. In recent years, Mobil, Coca-Cola, Lever Brothers and Heinz have left Zimbabwe for more amenable neighbouring states. Those with minority stakes in local companies (such as Amec in Zimplow) are open to offers for their holdings. The already depressed Zimbabwe Stock Exchange fell a further 10% after Kasukuwere announced his plan. The regulations cover any non-indigenous business worth \$500,000. By the end of April, they must present plans for disposing of 51% of the business to indigenous Zimbabweans over the next five years. A board chaired by **David Chapfika**, former ZANU-PF Deputy Finance Minister, includes some permanent secretaries and empowerment experts. It will adjudicate on disputed valuations and other matters.

Non-compliance carries a five-year gaol sentence. A business can restructure by keeping 49% of its operations in undiluted ownership while disposing of 51% in full. Some platinum mines might try this route, surrendering undeveloped claims to the value of the target. Angloplats and Zimplats are already in talks with the government over a new structure and publicly hail the indigenisation moves.

The **Babiolkis** family (who have relocated to **Australia**) have sold their quoted Interfresh shares but retained their Sunspun banana plantations. Delta Corporation has already started to transfer holdings in OK Bazaars and Schweppes beverages to management and worker trusts. ●

AFRICA CONFIDENTIAL

73 Farringdon Rd, London EC1M 3JQ, UK

Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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Having reasserted his authority after reversals last year (AC Vol 50 No 21) Mugabe can live with the *status quo* but has said that if God and the party want it, he will happily be a candidate for the next election. Using his extensive presidential powers, he can continue implementing controversial policies such as business indigenisation (see Box), on the basis that the enabling legislation predates the February 2009 unity agreement, so the regulations he approves are purely administrative. He can also delay post-agreement reforms and appointments.

Fear of elections and losing power also galvanises ZANU-PF and dampens the faction-riddled race to succeed the 86-year-old Mugabe. Those within ZANU-PF who fear the party is in terminal decline will want to delay polls to maximise revenue from the current sources of patronage: farm seizures, diamonds, rhino horn and now, compulsory takeovers of foreign/white-owned businesses.

If Zuma is unable to speed up electoral and constitutional reform, elections next year are likely. When asked in London this month whether he would support credible external monitors from the United Nations and Commonwealth for Zimbabwe's elections, Zuma avoided the issue. Holding elections with a flawed register and few credible monitors amid rising violence would be disastrous for Tsvangirai's MDC.

Now the MDC-T lacks a majority in the lower house, it cannot use its parliamentary weight to push through reforms. In the Senate, ZANU-PF still has an unelected blocking majority. Elections would be organised under the existing flawed system, as would a referendum on any new constitution. Even before the outreach teams started setting out options for a new constitution, ZANU-PF had been mobilising the rural areas against any option other than its Kariba draft, with a strong centralised presidency.

If elections prove too problematic for all sides, the parties might agree to hold the 20 or so outstanding by-elections, now that that moratorium (agreed as part of the Global Political Agreement) has expired. It would be a relatively low risk strategy and might allow the likes of Dabengwa and Makoni to return. ●

FPR dissidents break cover

Some former allies of President Kagame lead a campaign against him as grenades explode in Kigali and dissidents are accused of terrorism

The ruling party faces a challenge from within. On 19 February, as people were on their way home from work, three grenades exploded in Kigali, killing three people and injuring about 30. The government promptly accused the extremist Hutu militias implicated in the 1994 genocide, and the Police Spokesman, Superintendent **Eric Kayiranga**, announced three arrests. Then, after two more grenades exploded on 4 March, police announced that **Déogratias Mushayidi**, former representative in **Switzerland** of the governing *Front Patriotique Rwandais* (FPR, aka Rwandan Patriotic Front), had been detained in neighbouring **Burundi's** capital, Bujumbura. United Nations investigators said last November that Mushayidi was linked to the *Forces Démocratiques de Libération du Rwanda* (FDLR) in **Congo-Kinshasa** (AC Vol 51 Nos 4 & 5).

The attacks resembled those carried out in the Kigali markets by hardline followers of President **Juvénal Habyarimana** in the years before his murder in 1994. Senior political sources in Kigali said that Mushayidi had been in contact with several Rwandan opposition parties. We hear that several more grenade caches have been discovered and that the authorities are now much better informed about the networks. Intelligence sources in Kigali say that the threat is not so much from the FDLR as from inside the establishment – or perhaps from an alliance between them, since Mushayidi is connected to both.

Three days after the first bombing, a prominent Hutu sought refuge in the **British** High Commission in Kigali, in a stage-managed operation that embarrassed Whitehall, which remains close to President **Paul Kagame's** government, not least through **British** ex-Prime Minister **Tony Blair**. This was **Victoire Ingabire**, who returned to Rwanda in January and wants to stand for Parliament for the *Forces Démocratiques Unies-Ingiki*. She complained the regime was harassing her, after the Criminal Investigation Department had summoned her three times in less than two weeks. November's UN report said that Ingabire was in regular contact with FDLR leaders, some of whom were guilty of genocide.

On 2 March, more sensational news broke. The Chief Prosecutor, **Martin**

Ngoga, accused the former Army Chief of Staff and now Ambassador to **India**, Lieutenant General **Faustin Kayumba Nyamwasa**, of having set up the 'terrorist' attacks. He left the country on 25-26 February after attending a meeting of all ambassadors called by the Minister of Foreign Affairs, **Louise Mishikiwabo**, and his mother's funeral. Kayumba was anyway in disgrace and the only senior figure at the funeral was his cousin, the present Chief of Staff, Major Gen. **James Kabarebe**. The Prosecutor said Kayumba had been plotting with Colonel **Patrick Karegeya**, a former boss of the External Security Organisation (ESO), who is now a refugee in **South Africa**.

Kagame usually pays no heed to defectors from his regime. This time, he formally accused Kayumba and Karegeya of being behind the blasts, surprising everybody by declaring 'there is no risk of a coup' and implicitly accusing journalists from independent newspapers of having interviewed Karegeya before the explosions; everyone believed he meant **Charles Kabonero** of the weekly *Umuseso* and **Jean-Bosco Gasasira** of *Umuvugizi*.

The 4 March explosions injured 16 people. One was in a car wash near the Genocide Memorial, the other in a bus station. On the following day, Mushayidi, a former journalist, was extradited to Rwanda. In 2000, he had moved from

Switzerland to **Belgium** and set up the *Parti Démocratique National-Igihango*.

Although Tutsi, Mushayidi had, like many dissidents, approached Hutu extremists, including Lt. Colonel **Christophe Hakizabera**, who belonged at that time to the *Commandement Militaire pour le Changement* faction of the Congo-based FDLR. In 2008, Mushayidi switched to another FDLR faction, the *Ralliement pour l'Unité et la Démocratie* (RUD)-*Urunana* and founded yet another coalition, the *Partenariat-Intwari*. The Prosecutor said that he had been arrested because his latest party, the *Pacte de Défense du Peuple* (PDP)-*Imanzi*, had committed acts of violence.

The UN experts established that Mushayidi had been in telephone contact with the FDLR. Meanwhile, Mushayidi's website talks of revolution in Rwanda. No proof has been found of a link to the Kigali bombs but Mushayidi is an obvious suspect. His friends, though, say he was arrested while preparing for a press conference in Bujumbura to launch his party there.

The FDLR could be to blame. Having come home from Congo, thousands of its former members are debriefed near Ruhengeri and released to move around freely. Some may have kept contact with their leaders. Yet how could that fit in with Kayumba and Karegeya, veterans of the Tutsi-led *Armée Patriotique Rwandaise* which brought Kagame to power? Rwandan intelligence officers say that Mushayidi and Karegeya were in touch. Mushayidi has been at work since 2000 to unite all Kagame's opponents, Hutu and Tutsi, genocidal or not, and even followers of the Tutsi monarch **Kigeri V**, who lives in Virginia, **United States**.

Kayumba, also exiled in South Africa (where he fled via **Uganda**) denies plotting

THE PRESIDENT'S WOULD-BE RIVALS

Lieutenant General **Faustin Kayumba Nyamwasa** has often been seen as a potential rival to President **Paul Kagame**. He enlisted among the Inkotanyi Tutsi exiles in **Uganda** who formed the *Front Patriotique Rwandais* (FPR, Rwandan Patriotic Front), at first as a second lieutenant, rising to command the Directorate of Military Intelligence (DMI) in time for the invaders' triumph of 1994. Four years later, he was Army Chief of Staff and he was fierce: 'We have the will, we will kill until they lose appetite for war,' he told the BBC, speaking of the Hutus who had become rebels in exile in **Congo-Kinshasa**.

In the late 1990s, there were rumours that he was plotting against Kagame, who (one army officer told us) blamed him for his quest for 'cheap popularity' and for promoting his army favourites. That was one reason why Kagame promoted Major Gen. **James Kabarebe** to Chief of Staff, while Kayumba was sent on a training course in **Britain**. The following year, he made a comeback and was promoted to chief of the National Security Service, which runs internal and foreign intelligence.

We hear that Kayumba's friend Colonel **Patrick Karegeya** organised his flight to **South Africa** in February. Karegeya, an older FPR veteran, spent 18 months in gaol before going into exile. One of the 'Boys' (*Basagya*, in Luganda), he thought himself above the rules, a talkative extrovert, unlike Kayumba or Kagame; he was in charge of recruiting allies in Congo, including the late **Laurent-Désiré Kabila**. In 2005, Karegeya was forced out of the DMI. Like Kayumba, he has been a dangerous enemy for Kagame. ●

to overthrow Kagame and says he has no political ambitions; the accusations, he told the *Kampala Monitor*, were just 'malicious propaganda'. Kagame, he adds, is dictatorial and persecutes his wife **Rosette**, who is under house arrest at the Rwandan Embassy in **India**; he himself, he says, was intimidated at a top-level meeting in the FPR offices in Kigali. A blogger on 256news.com, **Godwin Agaba**, claims (without providing evidence) that Kagame staged the bombings as a pretext for arresting his enemies.

Even if he had nothing to do with the bombs, Kayumba's flight in mid-campaign shows the level of discontent among the Tutsi Rwandans who led Kagame's 1994 uprising from their bases in Uganda. Yet that same group has produced most of the regime's leaders and should be happier than any other group – the Tutsi genocide survivors, those who came home from Burundi or Congo and, above all, the Hutu. A member of the Uganda group, **Frank Habineza**, got together last year with the FPR's first President, **Charles Kabanda**, to found the Green Party. It has many members from among the discontented but perhaps not as many as it claims.

Habineza has denied that they include the former Vice-President of the African Union, **Patrick Mazimphaka**; Senators **Joseph Karemera** and **Aloisea Inyumba**; Brigadier Gen. **Charles Gasana**; and the former Youth and Sports Minister, **Jacques Bihozagara**. However, the list of defectors from the FPR does include the former Speaker of Parliament, **Joseph Sebarenzi**, who went into exile in 2001. In 2007 **Théogène Rudasingwa**, formerly Kagame's Chief of Staff, and **Gérard Gahima**, former Vice-President of the Supreme Court, also left the country.

Kayumba may also be lining up with another of the President's critics, **King Kigeri**, who could divide the ruling Tutsi minority. Kayumba belongs to the Abanyiginya clan, which produces the Tutsi kings; Kagame is from the Abega, who produce the queens. With his family's prestige behind him, Kigeri styles himself monarch of all Rwandans, including the Hutu, and has said he will do his best to return to Rwanda by the end of this year.

The diplomatic complications are intense. Rwanda has asked South Africa to extradite Kayumba but no extradition treaty exists. Kayumba is, moreover, the object of two international arrest warrants. One, issued by a **French** judge, accuses him of complicity in the murder of President Habyarimana; separately, a **Spanish** judge has a warrant out for him and 39 others, including Kagame himself, in connection with the killing of a Spanish missionary and some Spanish humanitarian volunteers in 1994 and 1997. ●

SOMALIA

More troops for Mogadishu

The government has new allies against Al Shabaab but the facts on the ground remain much the same

The Transitional Federal Government has a new component. On 15 March in Addis Ababa, the TFG signed an agreement with *Ahlu Sunna wal Jama'a*, the council (and militia) that administers Galgadud and other areas. It gets the right to five ministers, one minister of state, five assistant ministers, ten director generals and directors, three ambassadors and twelve other diplomatic posts, and the deputy commanders of the armed forces, police and security. ASWJ troops will become an integral part of the TFG army. A joint committee is to try to implement the agreement within a month.

This was a top-level deal, signed for the TFG by Sheikh **Sharif Hassan Sheikh Aden**, Deputy Prime Minister and Minister of Finance, and for the ASWJ by Sheikh **Mahamoud Yussuf Heefaw**, who became Chairman in January, in the presence of its spiritual leader, Sheikh **Mahamoud Sheikh Hassan**. The witnesses were Ethiopia's Foreign Minister, **Seyoum Mesfin**; Gabon's **Jean Ping**, Chairperson of the African Union Commission; Ambassador **Ahmedou Ould-Abdallah**, the United Nations Secretary General's Special Representative for Somalia; plus representatives of the Inter-Governmental Authority on Development Partners' Forum and the League of Arab States.

The accord is based on the **Djibouti Agreement**, which brought President **Sharif Sheikh Ahmed** into the TFG early last year. He missed the signing, being in London on another of his frequent overseas tours (see Box).

Some ASWJ members complain the agreement favours leaders from Galgadud and from the Ayr/Habr Gidir/Hawiye, to which both Heefaw and Mahamoud Sheikh Hassan belong. The critics include a former Chairman of ASWJ's Executive Council, Sheikh **Mohamed Omar Roble** (Murasade/Hawiye) from Mogadishu.

The ASWJ has leaders and supporters from numerous clans but is widely seen as mainly Hawiye. It began as an *ad hoc* group of Sufi clerics, angry at the desecration of Sufi graves by *Al Shabaab* and other Salafi extremists; its aim is to promote 'traditional Islamic practice and shared traditional values of the people of Somalia in order to combat foreign extremist and terrorist ideologies'. Since January 2009, it has driven *Al Shabaab* and the Salafist *Hizbul Islam* out of most of Galgadud, Mudug and much of Hiraan,

and it is raising forces in Middle Shebelle, Bay, Bakool and Gedo regions.

The new alliance should strengthen the basis for the offensive planned by the TFG's new Chief of Staff, General **Mohamed Gelle Kahiye** (a hangover from **Mohamed Siad Barre's** regime in the 1980s). TFG troops trained abroad are now back in Mogadishu, paid with funds from Western governments. Control of the city and surrounding region would allow aid to reach many of the displaced people along the Afgoye-Mogadishu corridor.

TAKING BACK KISMAYO

The TFG and its military supporters in the African Union Mission in Somalia (Amisom) have already taken over parts of the capital; further planned military operations would use Somali troops (mostly from Ogaden) trained in **Kenya**, with others from Gedo, to advance on Kismayo. Ogadenis see it as their own territory but *Al Shabaab* brings in most of its arms and ammunition via Kismayo, exporting cattle and charcoal.

Last year, *Al Shabaab* defeated its former ally, *Hizbul Islam*, under Sheikh **Ahmed Mohamed Islaan 'Madobe'** and retained control of Kismayo but Madobe's fighters are still active there, threatening *Al Shabaab's* control of Lower Juba; towns such as Dhobley near the Kenyan border have changed hands several times.

Following the loss of Kismayo, in late January one of *Hizbul Islam's* four component groups, the *Ras Kamboni* militia, headed by Sheikh **Hassan Abdullahi 'Al Turki'**, decided to join *Al Shabaab*, though by no means all its men obeyed. *Al Turki's* entry into *Al Shabaab* was overseen by the Emir of *Al Shabaab*, Sheikh **Mukhtar Abdurahman Abu Zubeyr**, and other *Hizbul Islam* groups were invited to join 'a global *jihād*', form an Islamic state in Somalia and liberate East Africa from its 'Christian rulers'.

Last month in Kismayo, a *Shabaab* meeting discussed tactics for countering any possible TFG or ASWJ advance from Gedo or Mogadishu. Sheikh **Mukhtar Robow 'Abu Mansur'** (Rahenweyne) and others wanted Sheikh Madobe declared an apostate. Sheikh *Al Turki*, another Ogadeni, reportedly refused point-blank.

The TFG and its allies are likely soon to try to retake Belet Weyne in Hiraan, which has changed hands several times, and Baidoa in Bay region, and to drive

Al Shabaab right out of Galgadud. The advance will involve troops trained in Djibouti, Ethiopia, Kenya and **Uganda**, and by Amisom. Although both Addis Ababa and AWSJ deny it, Ethiopia seems to have provided ASWJ with considerable logistical assistance over the last year.

Moreover, the **United States** has sent arms and ammunition, and promises aerial intelligence from unmanned aerial vehicles (drones); it may do more now that **Fazul Abdullah Mohamed**, a **Comoran** terrorist wanted for the 1998 US East Africa Embassy bombings, has taken over a senior command in *Al Shabaab*. His predecessor as the main *Al Shabaab*-*Al Qaida* link, **Saleh Ali Saleh Nabhan**, was killed by a US helicopter in September.

Western observers see the deal between ASWJ and the TFG as an essential part of building a 'moderate' Islamic option in Somalia, although there are doubts about President Sharif's moderation and some members of ASWJ perceive Wahabi elements within the TFG. Although Sheikh Sharif was Chairman of the Islamic Courts Union in 2006 (AC Vol 47 No 16), his differences with Sheikh **Hassan Dahir 'Aweys'**, the Chairman of *Hizbul Islam*, were fundamental. Aweys sent **Adan Hashi 'Ayro'** to **Afghanistan** and later encouraged him to set up the group which developed into *Al Shabaab*.

When Sheikh Sharif – himself the founder and chair of the ICU in 2005 and early 2006 – said in June 2006 that he wanted a deal with the TFG, Aweys took over *Hizbul Islam* and appointed all the members of a *Shura*, or guiding council. It met only once, to control policy and ensure that Sharif would be subject to the authority of Aweys. Sharif, like the ASWJ, would like to implement *Sharia* (Islamic law) in Somalia but he shows no interest in the extreme measures called for by *Al Shabaab*.

There is widespread agreement on the need for reconciliation but the differences between *Al Shabaab* and Sharif's faction remain fundamental. Both **Britain** and **Canada** have just put *Al Shabaab* on their terrorist lists but the influential Washington think tank, the Council for Foreign Relations, still wants the USA to bring *Al Shabaab* in from the cold and involve Somalia's hard-liners.

The Council's latest report, 'Somalia: A New Approach', repeats last year's proposal for 'constructive disengagement', with the USA accepting an Islamist authority (including *Al Shabaab*) in Somalia, as long as it does not impede international humanitarian activities and refrains from regional aggression or support for international *jihād* or *Al Qaida*.

Certainly, some clan and business interests back *Al Shabaab* for practical

WHITEHALL STRENGTHENS SHARIF

No one was left in any doubt about the purpose of President **Sharif Sheikh Ahmed's** four-day trip to **Britain** last week. He wanted, he told a 9 March audience at the Karimia Institute, political, economic, humanitarian, military and security support. This included money, training and continued acknowledgement that he was the voice of religious moderation. To stabilise Somalia, he told an 8 March meeting at the Royal Institute of International Affairs (Chatham House), 'The only way is to strengthen the government – everything needs strengthening'. To audiences packed with officials of many kinds, he proved adept at appealing to the diplomatic urge to find someone to engage with.

He proved less adept at being presidential. There was little sense of his Transitional Federal Government (TFG)'s policies and he wove detours around question, aided by his own able interpreter. He had rejected one from the Foreign and Commonwealth Office (FCO), we hear. His biography says he speaks English but he showed no sign of it.

Sharif may not control even Mogadishu but he controlled what he wanted to tell his audiences. Two themes emerged: the threat from *Al Shabaab* and other groups he called 'terrorist', and the peaceful nature of Islam. He made clear his politics remain Islamist but distanced himself from the violent version of his enemies. 'I have the same Islam I had yesterday', he said, but later ignored the first part of a question that began, 'You used to be allied with *Shabaab*'. He talked much about the chopping off of limbs but not of the political and economic issues of an Islamic constitution.

Referring to Somalia's long tradition of secularist politics, *Africa Confidential* asked if he would allow 'space for that and for different interpretations of Islam'. He replied only that it was 'found in Islam to choose leaders in free and fair elections'. This reflects the shifting of the goal posts which Sharif's 'moderate Islamism' has achieved. The Islamic Courts Union he once led and its TFG successor have redefined political normality.

The British counter-extremism think tank Quilliam did not shy away. Describing itself as founded by 'former leading ideologues of UK-based extremist Islamist organisations', Quilliam receives UK government funding. Sharif was to speak there on 9 March; Quilliam's invitation called the ICU 'a hard-line Islamist militia movement that repeatedly violated human rights while seeking to restore a measure of peace and stability to Somalia'. It had 'enacted hard-line *sharia* as state law and stoned a number of individuals to death... Killed people for watching football... Conducted suicide bombings against the then Somali government and its supporters... Sheltered known members of *al-Qaeda*... Threatened to kill Somalis who didn't pray five times daily...'. Sharif, it continued, had split from the more hard-line members in 2007 but in 'February 2009 he again introduced *sharia* as state law in place of the country's secular constitution.' Sharif then refused to go to Quilliam, *ACHear*s. Karimia took over. It also gets Whitehall funding but is less political about Islam, though it called for support for Sharif.

Support was forthcoming. Sharif met Premier **Gordon Brown** (briefly) and five other ministers. A 'Joint UK-Somalia press statement' spoke of 'open and frank discussions on issues of mutual concern'. Sharif still left with promises of an 'additional £7.5 million to support humanitarian activities', bringing the Department for International Development's 2009/10 spending to £19 mn., plus £5.8 mn. to support 'reconciliation and local peace building initiatives between clans and communities'. Military aid is hidden in the European Union Foreign and Security Policy. Officers will train 2,000 TFG soldiers in **Uganda** later this year, an FCO source told AC. Sharif deferred a UK offer to help build a new Defence Ministry.

Sharif and his UK consultants, Albany Associates, may have hoped for more. Albany says it is 'delivering communications and public diplomacy strategies' and even 'visions'. At least Sharif survived. London's Westminster Central Hall) was bristling with watchful police, as was Chatham House. Britain's terrorist-listing of *Al Shabaab* just before Sharif's visit may explain the seven-vehicle, two-motor-bike police convey which swept him around London. 'That's serious security!' observed one police onlooker.

Neither the FCO nor Quilliam used the 'Sheikh' title Sharif chooses. 'He's not a real Sheikh', said one analyst. 'He's a Geography teacher.' His CV says he registered for a geography degree at **Sudan's** University of Kordofan in 1992. Many Somalis and other Muslims flowed into Sudan in that period. The National Islamic Front (now National Congress Party) founded the People's Arab Islamic Congress, now seen as a precursor of *Al Qaida*. **Usama bin Laden** was a welcome guest and the killing, torture and arrest of opponents was rampant. Sharif then says he went on to **Libya**, to study law. ●

economic reasons. Yet the organisation's core is Salafi, Afghanistan-trained and *Al Qaida* linked, and its leadership openly supports global *jihād*. It is extremely unlikely that *Al Shabaab* might refrain

from regional aggression towards Ethiopia (aggression required by its backer, **Eritrea**), cut its links with *Al Qaida* or moderate its extreme version of *Sharia*. The fight is likely to continue. ●

The north makes its stand

The prospect of the opposition uniting behind a single candidate against President Museveni in next year's election is diminishing

A year ago, opposition politicians agreed to form a national alliance, the Inter-Party Organisation for Dialogue, to defeat incumbent President **Yoweri Kaguta Museveni**, now in his 24th year in power. On paper, most oppositionists still support the idea but some candidates are rethinking strategy and may prefer to run on their own.

The latest entrants into next year's presidential election are both from northern Uganda and not yet signed up to the opposition coalition; they are former member of parliament **Norbert Mao**, for the Democratic Party, and former United Nations diplomat **Olara Otunnu**. He ended the 50-year grip of the late President **Milton Obote's** family on the Uganda People's Congress by defeating Obote's son, MP **Jimmy Akena Obote**, in the race to replace Obote's widow, **Miria Kalule Obote**, as party leader.

Mao and Otunnu join **Jaberi Bidandi Ssali**, who was fired from cabinet after he opposed Museveni's move to amend the Constitution and stay in office in 2005, and was named by the small People's Progressive Party as its candidate.

The last major component of the opposition constellation is the Forum for Democratic Change, where there is heated competition for the presidential nomination: **Warren Kizza Besigye Kifefe** is running against the former Army Commander, Major General **Gregory Mugisha Muntu**, for the chance to take on Museveni for the third time.

Mao's nomination could change the game for the opposition. He will be the youngest serious presidential candidate and his campaign appeals to the more than 70% of electors under 30. Like Otunnu, Mao is from Gulu, northern Uganda, which has suffered the brunt of two decades of insurgency by the Lord's Resistance Army. Northern Uganda has voted for the opposition in the last three elections but National Resistance Movement (NRM) loyalists say four years of peace and promised spending on rebuilding will boost Museveni's standing.

The opposition wants to field a single candidate. However, Mao's DP is not a member of the Inter-Party Organisation that will select the joint candidate and he has shown little interest in joining.

Mao's chances of winning the 2011 election are small but a trial run will put him in a firm position for a serious bid in

2016, when Museveni's NRM will probably have an untested candidate. Mao's allies say he is unwilling to join the Organisation unless he is nominated as joint candidate, because 'the coalition needs him more than he needs a coalition'.

Otunnu will offer himself but may also keep his options open if he is not selected as the joint candidate. The two men's decisions will prove critical for the opposition. If they join and support a coalition candidate, they will help form the strongest alliance yet against Museveni, with a realistic chance of winning the presidency or at least denying the NRM the two-thirds parliamentary majority required to amend the Constitution. If Mao goes it alone, he will split the opposition vote and help Museveni to win. Mao's DP also traditionally enjoys support in Buganda. If Mao makes a futile run for the presidency, it could harm the opposition in the north and centre.

FDC'S CHOICE: BESIGYE OR MUNTU

The FDC has a dilemma: Besigye is a recognisable, respectable candidate who can stand up to Museveni but he is haunted by his previous electoral failures. Some question whether this former ally and near contemporary of Museveni's can appeal to younger voters seeking change. Muntu is sober and calmer than Besigye but not as eloquent. Mao is unlikely to support Muntu, who might be his rival in 2016. All this complicates opposition calculations. If Besigye wins the FDC nomination, he might just persuade Mao to back him in an opposition coalition. Yet some younger activists who back Muntu might break with the FDC. A Muntu nomination might boost the FDC in the south but would probably alienate Mao and the north. The FDC decides on its candidate on 16 April.

Amid the regional alignments and alliance-building, Parliament is due to debate proposed amendments to the election laws tabled by Attorney General **Khiddu Makubuya**. The reforms, brought in under pressure from the opposition and Western countries, do not answer all the queries the Supreme Court has raised over the last two disputed elections but will pass anyway. NRM insiders have quietly plotted constitutional amendments that include removing the right to bail for suspects in corruption trials, deciding the presidential election by a simple majority and allowing for two vice-presidents.

These will be debated by Parliament later this year and will change the rules of the game yet again; they may even offer the possibility of a **Kenyan-style** grand coalition if Museveni comes under threat.

The NRM will decide on its candidate in May: it will, of course, be Museveni by acclamation. With the prospect of oil and continued regional muscle (see Box), he is bullish about winning the presidency and a comfortable parliamentary majority.

Relations between the government and Mengo, seat of the populous Buganda Kingdom, look beyond salvation, so Museveni's hopes to drive a wedge between the influential **Kabaka** (King), **Ronald Muwenda Mutebi**, and electors in Buganda. The closure of the pro-Buganda CBS Radio during September's riots has left the Kingdom unable to mobilise against government policies. After passing unpopular amendments to the Land Act, government hardliners now want the radio off-air until after the elections.

To win the villages, the NRM has a war chest to sponsor opinion leaders for Parliament and local government positions, particularly in Buganda. Baganda royalty may get sticks but Bunyoro Kingdom, sitting on the oilfields of the west, will get carrots. The government has been quietly buying chunks of land there from absentee landlords and handing it to indigenous Banyoro. A government office will be set up this year to channel in more money.

Within the presidential household and extended family, there are signs of change which add to the high election stakes. The second most powerful man in the country, Museveni's brother General **Caleb Akandwanaho** aka **Salim Saleh**, recently retired as Commander of the Reserve Force and plans to run for Parliament.

Museveni's long-serving Principal Private Secretary, **Amelia Kyambadde**, is Uganda's third most powerful person by virtue of her access to the Presidency. She is also taking position for a post-Museveni scenario by running for Parliament. Both Saleh and Kyambadde are expected to join a future Museveni cabinet with First Lady **Janet Kataha Museveni**, who is running for re-election, giving the President two right-hand women he can depend on.

The role of securing the family increasingly falls to the First Son, Lieutenant Colonel **Muhoozi Kainerugaba**. His Special Forces unit was recently put in charge of the army's armoured and mechanised brigades, all under the Presidential Guard Brigade. At over 12,000 troops, a quarter of the whole army, the PGB is now the best trained and best armed force and guards all strategic installations. Unless the opposition can unite quickly and develop a coherent message, Muhoozi will have another five years to protect his father. ●

Aid strike in Maputo

Relations between President Guebuza's government and the West are deteriorating fast – that will mean less aid

Diplomats and foreign aid organisations are due to meet in Maputo on 19 March to decide whether to call off what amounts to an aid strike against President **Armando Guebuza's** government. It is the latest trial of strength between his hard-headed regime and the Western states vying for diplomatic influence.

Many countries in the 'Group of 19' have suspended aid disbursement to the government, which won a crushing election victory in October 2009 (AC Vol 51 No 22). Foreign monitors pointed to concern that the opposition *Movimento Democrático de Moçambique* (MDM) was banned from 80% of constituencies, that civil servants were forced to attend rallies for the governing *Frente de Libertação de Moçambique* (Frelimo) and that state property was used in the campaign.

International financial institutions and Western governments pay about US\$490 million a year in direct support to the national budget. The G-19 accuses the Maputo government of a slow-motion crackdown, which is undermining political pluralism, independent institutions and the rule of law.

Privately, members of the group say Frelimo has treated their requests with contempt. It was the party's brusque response to a cautiously worded G-19 memorandum on 'governance issues' that prompted the aid strike in December.

Under President Guebuza, the old one-party state ethos has re-emerged. Frelimo, the state structure and private business are effectively merging and Mozambicans find it hard to make progress without party membership or at least support. Frelimo grandees and their families are increasingly active in business and ignore concern about conflicts of interest.

Guebuza has sharply changed economic strategy: the state is no longer being rolled back but is being promoted as the key economic driver. At the same time, the government is stalling on promised reform of the justice system, policing and anti-corruption laws. Quoting successive economic reports, many critics point to the poor performance of aid projects, because of corruption and weak management.

The most critical members of the G-19 speak of breaches of agreements for a 'free and democratic political process' and justify the suspension of aid. Should they continue indefinitely with the aid strike,

there would be mounting pressure on the government, cuts in the state budget, currency weakness and a sharp drop in economic confidence.

For now, the effects of the aid strike have been strictly limited. Big donors such as the World Bank and European Union had made substantial disbursements before the strike started in December, and it is only now beginning to hit government finances.

President Guebuza has gone public on the issue, putting pressure on those diplomats and aid officials who wanted a more discreet dialogue and better relations with the government. They were disappointed. Minister of Planning and Development **Aiuba Cuereneia**, a confidant of Guebuza's, liaises with the G-19 and has offered few concessions. In February, he referred to a long-established matrix of policy issues that the government is working towards. Press reports warn of a nationalist backlash, due to growing resentment against foreign intrusion into national sovereignty.

STALIN'S LEGACY

Solidarity among the G-19 members is weakening as they pursue their sectional interests. Maputo's strongest supporters, the 'Like Minded Group' – which includes **Canada**, the **Netherlands**, and the Nordic countries – together with **Britain's** Department for International Development, take the strongest line.

The Southern European countries, particularly **Portugal** (almost an emissary of Frelimo on aid matters), are far less enthusiastic and worry more about **China's** influence. So the G-19 is looking for a face-saving solution, if the government makes minimal concessions. On 11 March, the government offered to change the electoral law. There was no mention of concern about Frelimo's takeover of state institutions.

Nor is the government willing to end restrictions on the opposition MDM in Parliament: the party wants full speaking privileges and the right to propose legislation. Because of the ban on most of the MDM's campaigning in the elections, it fell short of the minimum numbers of parliamentary seats to get the right to speak or propose laws.

The government insists that it must be Frelimo members of parliament who decide on the rules and points to complex

regulatory hurdles. The issue will not be examined again by Parliament until May and the heat will be off by then. Frelimo adeptly retreats behind procedure to delay something it opposes but quickly circumvents obstacles when its own interests are at stake.

The matter does not end here, however. Having provoked a showdown that they were unable to win decisively, donors are reflecting on their strategy, the limits of their influence in Mozambique and their relationship with the host government. If the G-19's aid strike results in a clear defeat for the group, it may prompt some to a wider rethink of strategy in Mozambique. There are clear conceptual differences between the two sides.

The foreign aid givers see the political and economic changes of the early 1990s as having ushered in democracy and a market economy, which have allowed political freedom, produced economic growth and cut poverty. Many Frelimo leaders accept only half of the bargain: the political reforms that ended the one-party state are seen as temporary compromises. Having adopted the outward forms of pluralism, Frelimo has undermined them in practice as it has regained its own confidence since the end of the war with the *Resistência Nacional de Moçambique* (Renamo).

Foreign support for the state's poverty reduction strategy helps to reinforce Frelimo's bid to legitimise itself through good works. Talk of partnership has been undermined by both sides: after the war in the 1990s, the Maputo government almost unquestioningly implemented a foreign-formulated development agenda; now, almost all foreign policy prescriptions meet scepticism, if not outright opposition. Frelimo tells diplomats to see the government as a platform for channelling aid to cut poverty, not as a partner in democracy.

Guebuza and his allies look forward to the prospect that revenue from new mineral and possibly even petroleum resources will eclipse foreign budget support within a decade. However long that takes, it seems that Western budgetary support in Mozambique has reached its high-water mark.

Although aid disbursement will resume this year, future commitments are likely to decline. The pricklier relationship between Maputo and foreign aid organisations is unlikely to change under Guebuza and the government will increasingly look to Asia for capital, concessionary and commercial.

Indeed, that may suit the cash-strapped Western treasuries which fell far short of meeting aid levels pledged for 2010 and are likely to continue cutting aid budgets over the next five years at least. ●

US military calls up Europe

Washington wants the European Union to work with its African military missions, which may be more complicated than it seems

The United States Africa Command (Africom) wants help with its task of promoting stability and fighting terrorism on the continent and hopes to get it from the European Union. On 4 March, an Africom team from its base in Stuttgart travelled to Brussels to meet European ministers and staff of the European Commission Secretariat to discuss how to coordinate their programmes. Military cooperation has to involve arrangements for troops and hardware from individual EU member states (some formerly colonial ones but also others including **Poland**), backed sometimes by money from the EU's Cooperation budget.

To sort out this problem, Africom has assigned two officials with, between them, one investigative name: Major General **Richard J. Sherlock** and Ambassador **J. Anthony Holmes**. Sherlock is Director, Strategy, Plans and Programs Directorate; Holmes is Deputy to the Commander for

Civil-Military Activities. They will evaluate how they and the EU 'could complement one another when working with African partners on security issues'.

The most urgent case for Sherlock and Holmes is **Congo-Kinshasa**. The United Nations' military mission, the *Mission des Nations Unies en République Démocratique du Congo* (Monuc), which was intended to help to stabilise the country, will start pulling out in July, says **Alain le Roy**, of the UN Department of Peacekeeping Operations. Therefore the two EU operations – Eupol, which is intended to reinforce the capacity of the Congolese police, and Eusec, which aims to separate Congo's army pay from its chain of command – will become more important. Officers often steal their soldiers' pay and a lack of training and discipline has led to instability and racketeering. Separately, **Belgian** and **British** teams have trained some Congolese officers and units.

MILITARY MONEY

In budget-cutting Washington DC, European cooperation is welcome even if European budgets are a fraction of United States' funds. The US government has cut its Africom budget to US\$278 million this year, compared to \$310 mn. in 2009. Africom has about 1,300 staff and oversees about 5% of US aid to Africa. Washington's military operations in Africa remain tiny, less than 1% of its operations in Asia, Europe and Latin America.

Outside Africom, US military assistance to Africa – arms, training and construction – is growing slowly. It rose to about \$600 mn. in 2007/08 from less than \$80 mn. in 2000. It occasionally includes direct action, such as giving intelligence and logistic support to the **Ugandan** army's pursuit of the Lord's Resistance Army (December 2008) or flying supplies to **Malian** counterinsurgency troops (September 2007).

Washington's third biggest counter-terrorism programme, after those in **Iraq** and **Afghanistan**, is Operation Enduring Freedom-Trans-Sahara (OEF-TS). It was allocated more than \$436 mn. in 2005/09 and involved up to 170 US soldiers training local armies on the ground. Regular regional military exercises include Natural Fire (East Africa, involving 600 US troops), African Lion (**Morocco**, 700 US troops), Africa Endeavour (Central Africa, 60 troops) and Flintlock in the Sahel, due in May, with about 600 US troops headquartered in **Burkina Faso**.

US soldiers and diplomats combine to train peacekeepers under the Africa Contingency Operations Training and Assistance Program, whose funding grew from \$15 mn. in 1997 to over \$81 mn. in 2008 (\$49 mn. in 2009) for 24 countries, training about 20 battalions a year. ACOTA's headquarters are in the US Department of State while the Defence Department's Africom takes the lead in the direct training of peacekeepers and provision of military equipment.

In 2008, it helped to deploy 1,600 Ugandan peacekeepers to **Somalia**; in January 2009, the 17th Air Force, based at Ramstein, **Germany**, airlifted two recovery vehicles to **Rwandan** peacekeepers in Darfur, **Sudan**. Both Africom and the State Department's Bureau of African Affairs are helping to overhaul military and civil security in **Congo-Kinshasa**, **Liberia**, **Somalia** and South Sudan. Before 2008, Africom's Military Information Support Team (MIST) in Somalia received \$600,000, while the Embassy's Public Affairs Office got \$30,000. Officials said that the military 'is stepping into a void created by a lack of resources for traditional development and public diplomacy'. ●

To emphasise the US military interest, Holmes and Sherlock visited Kisangani in late February for the opening of a training programme for an 800-1,000-strong battalion of light infantry.

The 80 trainers include 50 US Army officers and 30 employees of the Virginia-based private company Military Professional Resources Incorporated (MPRI). The training is intended to last until October at a cost of US\$35 mn. and to produce (according to Sherlock) a 'centre of excellence' within the *Forces Armées de la République Démocratique du Congo*, with soldiers taught how to operate within the rule of law and to address issues of sexual violence. Congo's government is supposed to pay the soldiers and Africom will try to work with it and foreign organisations to see that the men get their pay. The US team is studying the past experience of their Eusec allies.

US-European military cooperation is also under way in **Somalia**, on land as well as in the anti-piracy campaign, for which the navies of European and other countries work together in Operation Atalanta (AC Vol 51 No 3 and Vol 50 No 25). The European Council and the Commission's development division have agreed that Africom will equip 2,000 soldiers serving the Transitional Federal Government, to be trained by European instructors at Bihanga camp in **Uganda**, starting in May. Africom itself also intends to train troops for the TFG, which, according to **Italian** politician **Roberto Gualtieri**, needs 7,000-10,000 men. The US contribution could involve helping Somali troops to cope with improvised explosive devices, such as car bombs. The Sherlock-Holmes team reckons that this pattern of US-EU cooperation may increase, since both parties see the security of African countries, especially resource-rich ones and ones targeted by Islamists, including **Al Qaida**, as a priority.

The Gulf of Guinea's oil and gas industry makes it especially interesting to the USA, which buys about a fifth of its oil from the region. The Pentagon has been working in **Guinea Bissau**, too, a hub through which **Colombian** drug cartels move their product into Europe. The cartels also operate in other West African states, such as **Gambia**, **Ghana** (where local authorities have cracked down over the past year) and **Senegal**. The USA has sent ships to Guinea Bissau and trainers for local navies, while a European contribution started in February 2008, when the EU began an advice and assistance mission, with 21 trainers to support security sector reform, at an annual cost of about 6 mn. euros (\$8.23 mn.). It will last until May and is intended to help the army, police and customs service curb drug trafficking.

A politically sensitive point is the aim of cutting Bissau's army in half, from

5,000 men when the programme began. Quasi-military cooperation involves the training by American and Belgian instructors of naval officers from **Benin, Cameroon, Congo-Brazzaville and Togo** in Douala, where they are taught how to observe and suppress piracy at sea. The first course, aboard the Belgian command-and-logistics vessel *Godetia*, runs from 1-23 March, under the framework of the African Partnership Station, set up by Africom as part of its programme.

Africom's operations in **Equatorial Guinea and Nigeria** also involve MPRI, a division of L-3 Communications, which has a \$58 mn. multiyear contract with the Malabo government to establish a Maritime Security Enhancement Programme. It is trying to recruit former US Navy or Coast Guard staff for this. In **Guinea-Conakry**, Africom hopes to include the EU in its expansion plans. 'I think we will be working together under some sort of UN umbrella', says Holmes.

In the Sahel, where Touareg and other local opposition movements overlap with externally backed Islamist movements, Africom is involved in the Trans-Sahara Counterterrorism Partnership. Trainers working with the Xe private military company (it was called Blackwater Worldwide until it got into trouble in **Iraq**) support, among others, the army of **Burkina Faso**. Africom's main concern is to curb illegal flows of arms, goods and people through the region. Holmes also says, suitably vaguely, 'It wouldn't surprise me if something came out of **Niger** and the transition to democracy in this country.'

Africom has International Military Education and Training Programs in 16 African countries and runs an Africa Contingency Operations Training and Assistance Program to help governments to respond quickly to crises. So far, ACOTA has trained approximately 45,000 African soldiers and 3,200 African trainers to support peacekeeping operations in **Burundi, Congo-K, Côte d'Ivoire, Liberia, Somalia, Sudan (Darfur) and Lebanon**.

European involvement in African defence has moved on since Lisbon's Europe-Africa summit of December 2007. That was followed by Euro Recamp-*Amani Africa* to strengthen Africa's capacity to mount peacekeeping operations. Recamp (Reinforcement of African Peacekeeping Capabilities) was originally **French** while '*Amani*' is 'Peace' in Kiswahili.

A network of training centres is being developed, including the **Kofi Annan International Peacekeeping Centre** in Accra and the International Peace Support Training Centre in Karen, **Kenya**. The aim is to help African governments to follow through political decisions, up to and including the deployment of peacekeeping forces from within Africa itself. ●

NIGER

Confusion after the coup

The new military rulers promise an anti-corruption purge and elections but are thin on detail

The 18 February coup was almost surgical and was popular with the many people who wanted President **Mamadou Tandja** ousted, but the follow-up appears more improvised and chaotic (AC Vol 51 No 5). The group of Djerma officers (mainly colonels and captains) first had to contend with attempts by Tandja's supporters to undermine the junta from within. General **Ali Saidou**, who was head of state in 1987-93, has also been drafted in to give the troops some wise words.

The junta has unveiled its ideas for Niger. Colonel **Goukoye Abdoukarim** announced that a Consultative Council, drawn from all spheres of society, would help the junta and civilian Prime Minister **Mahamadou Danda's** government of technocrats to guide Niger through the still-undefined transition period. The Council is meant to help reconciliation, draft a new constitution and produce a sensible date for polls.

It is still not clear how much real power the Premier or this Council will have but the soldiers in the *Conseil Suprême pour la Restauration de la Démocratie* have been very vocal about one thing – cleaning up the corruption they say left Tandja's rule rotten to the core. Although not yet spelled out, their repeated vows to 'clean up the house' have gone down well on the street.

Local media reports about kickbacks which those close to Tandja were allegedly receiving in return for mining contracts has fuelled calls for the end of impunity. **Hadiatoulaye Tandja**, one of the ex-President's sons, and **Ibrahima Hamidou**, a former journalist who set up a firm to help mining companies win uranium prospecting contracts, are two names that investigators most often cite. Another row stemmed from a **Chinese** contract to build hundreds of school classrooms, the cost of which local media said had been grossly inflated.

Civil society groups wholeheartedly support the military's promises to clean up politics and business, as they have little faith in politicians from any side carrying through anti-corruption campaigns once in power. Donors, however, are more hesitant. Many diplomats say that that is not the job of the army and they fear an open-ended transition.

Six ministers, including those in charge of Mines and Finance, were held for two weeks after the coup. All, except

former Interior and Decentralisation Minister **Albaldé Abouba** and Tandja, have been released but the junta has apparently asked the Justice Ministry for access to the dozens of corruption cases on file. Junta members had suggested that **Morocco** might be willing to offer Tandja exile, though Rabat has so far denied the report. **Kassoum Moctar**, Spokesman for the ousted government, has made Tandja's release a prerequisite for his camp taking part in the process of national reconciliation which the soldiers promise.

The junta has been quick to reverse Tandja's policy of denying food shortages, set to hit Niger yet again this year. The government has publicly appealed for US\$123 million in food aid. It has claimed millions of people are threatened by famine. Aid workers admit this may not quite be the case but hope it is a sign of them being allowed to talk about real hunger more openly.

Although humanitarian aid was not cut in protest against Tandja's meddling with the constitution last year, long-term development and military assistance was. Donors fund around half of Niger's 700 billion CFA franc (\$1.47 bn.) budget and, against the backdrop of the food crisis, must decide how and when they might re-engage with a country in the hands of another, albeit popular, unconstitutional government. Diplomats worry the European Union's slow machinery and diverse membership will take a long time to decide its stance on renewing assistance. Meanwhile, the **United States**, which has few economic interests but has been active in counterterrorism training in Niger, hopes to have some influence over the new regime as some of the soldiers now in charge have passed through their schools for military training.

Unsurprisingly, Tandja's *Mouvement National de la Société de la Développement* appears to be the biggest loser from the coup. The MNSD has weakly protested and party Vice-President **Ali Sabo** defended Tandja's record of fighting for Niger's sovereignty but never called for him to be reinstated. Some members even openly blame the first family's excesses for their downfall. Speculation is rife over the possible return from exile of former President **Mahamane Ousmane**, leader of the *Convention Démocratique et Sociale*, and **Hama Amadou**, former MNSD

Secretary General and Prime Minister, who fell out with Tandja and was caught up in an anti-corruption campaign.

For now, the coup seems unlikely to have any impact on peace in the north. In any case, although there has been no official peace deal with the Tuareg, while Tandja was under attack, the main rebel leaders were already swanning around Niamey with fists full of money which **Libya** had handed out to buy peace in the north. Some Tuareg chuckle at the irony of Tandja being ousted by men using the weapons that he had bought,

using Chinese mining money, to finish off their rebellion. More of a concern, however, is the banditry that continues in the north since the end of the fighting and the activities, not always unrelated, of *Al Qaida* in the Islamic Maghreb. Both are hitting tourism in **Mali** and **Niger**.

Mining companies are excited about Danda being Premier. Many cite his years as a political and economic advisor in the **Canadian** Embassy in Niamey as a reason for optimism about the transition. Some say they are going to encourage him to visit London and Toronto to ease

investor fears. French mining giant Areva has put on hold, for now, a visit by boss **Anne Lauvergeon**. Officials say this is more to let the dust settle than a reflection of concern over the company's uranium mining in the north.

Another potential target for Niger's clean-up could be the multibillion oil project with China. Transparency organisations have called for details to be published on how a CFA 127 bn. signature bonus was spent. Diplomats say overturning the contract would, however, be a step too far for the soldiers. ●

TOGO

Tarnished triumph

As President Faure's regime cracks down on protest against his election fraud, the opposition dithers

Opposition politicians say the results of the 6 March elections were fraudulent but show little stomach for confronting the heavily militarised regime in Lomé or elsewhere. **France** and would-be mediators in neighbouring **Burkina Faso** stayed quiet. The official results gave President **Faure Essozimna Gnassingbé** 61%, **Jean-Pierre Fabre** of the *Union des Forces de Changement* (UFC) 34% and former transitional Prime Minister **Yawovi Agboyibo's** *Comité*

d'Action pour le Renouveau just 3% of the votes cast. Implausibly, these figures repeat the official numbers recorded after the 2005 elections.

The UFC called for a general strike but set no date. Fearing repeats of 2005's post-poll violence, few opposition supporters took to the streets. Six parties have appealed to the Constitutional Court but not the UFC. Supporters of Faure's *Rassemblement du Peuple Togolais* kept a low profile, as did Faure, flying to the

Burkinabè capital, Ouagadougou, within hours of having voted. In the interim, the Interior Minister and RPT Spokesman **Pascal Akoussoulelou Bodjona** was acting President. He swiftly banned protests and worked to present investors and donors with a peaceful aftermath.

Paris was quick to congratulate Faure after the army crushed the opposition uprising in 2005 but it is more discreet under President **Nicolas Sarkozy**: as *Africa Confidential* went to press, it had yet to comment. Burkina's President **Blaise Compaoré**, a regional peacemaker in **Côte d'Ivoire**, **Guinea** and now **Togo**, was first to publicly congratulate the official winner. Like **Libya's** Colonel **Moammar el Gaddafi**, who quickly expressed solidarity with Faure, Compaoré plays in the diamonds-and-arms trade with the Gnassingbés. **Benin's** President **Boni Thomas Yayi** and the **Ghanaian** delegates from the Economic Community of West African States followed suit.

Nigeria's Acting President **Goodluck Jonathan** gave his blessing and former President **Olusegun Obasanjo**, Chairman of the African Union Observer Mission, visited the main opposition candidate, Fabre, at his home to persuade him to accept the result. **North Korea** sent congratulations, **China** (with a big share in Togo's Free Trade Zone) said it hoped for continued bilateral cooperation. The European Union (EU) praised the peaceful run-up to the elections but underlined problems in the judicial framework and reserved comment.

The UFC had joined forces with the Alliance party, the *Pacte Socialiste pour le Renouveau* (PSR), the *Alliance des Démocrates pour le Développement Intégral* and the *Association Sursaut-Togo* to form a coalition called the *Front Républicain pour l'Alternance et le Changement*; it insists that Faure won. The main coalition leaders are **Maurice Dahuku Péré**, a former National Assembly President; former French member of parliament **Kofi Yamgnane**, from the north; and ex-Justice Minister **Jean Tchessa Abi**, a Kabyé. Incoherent campaigning prevented the coalition from winning both northern and southern

THE MEN AT THE CENTRE

● **Faure Essozimna Gnassingbé**, 44, won a second five-year term, on a platform of economic development and reform, with few details. He will be sworn in on 3 May, after the Constitutional Court (despite complaints) confirms the provisional results.

● **Jean-Pierre Fabre**, 57, previously Secretary General of the *Union des Forces de Changement*, became the opposition coalition's candidate in defiance of the once-charismatic **Gilchrist Olympio**, 73, who wanted to run himself. Olympio, the party's founder, will be sidelined in the next chapter of Togolese politics. Rival insiders in Faure's circle are **Pascal Bodjona**, 43, a Kabye, Spokesperson for the ruling *Rassemblement du Peuple Togolais* and Minister of Territorial Administration (Interior Minister), and Cooperation Minister **Gilbert Bawara**, a Niamtougou northerner.

● Other ministers with the President's ear include **Georges Oulegoh Keyewa** (Communications and Culture Minister), **Guy Madjé Lorenzo** (Commerce) and **Victoire S. Dogbé Tomégah** (Prime Minister's Office). The Premier, **Gilbert Fossoun Hounbo**, is a former United Nations Development Programme official and an independent (but was seen to campaign for Faure). In a unity government, his job could become available.

● Leading army support for Faure, General **Essofa Ayevea** replaces Gen. **Zakari Nandja** as Chief of Staff. Colonel **Damehane Yark**, head of the national police and the electoral security force, oversaw the arrest of some opposition supporters.

● **Jean Tchessa Abi** (*Pacte Socialiste pour le Renouveau*), a Kabye northerner and former Minister of Justice in Faure's government, is a member of the opposition coalition the *Front Républicain pour l'Alternance et le Changement*, along with fellow northerner and Alliance party leader **Dahuku Péré**, former National Assembly Speaker. This helped FRAC to appeal to northern electors, along with **Kofi Yamgnane**, 64, a Bassar from the north. Yamgnane was a Secretary of State in **France** in the early 1990s and member of the European Parliament.

● Another Bassar, **Issifou Tabiou Taffa**, joined the Independent National Electoral Commission in 2005 and became Chairman in 2009. He was formerly an advisor in the Territorial Administration Ministry, under Pascal Bodjona. ●

votes, and there was only late and reluctant support from the UFC's founder, **Gilchrist Olympio**, who had himself hoped to be the coalition's candidate.

The RPT ran a controlled campaign from the outset, striving for votes in regions usually hostile to Faure, with money channelled through local administrators. Poor organisation and shuffling of posts to suit the ruling party curbed the Independent National Electoral Commission's powers.

Faure's campaign was launched before the legal date and he was accused of using state resources to outspend his opponents. Complaints that the electoral register was inflated – an unlikely 3.28 million electors in a population of 6.2 mn. – were met with a token four-day postponement of the election date, talks with Compaoré and bickering. Eventually, the government used a partially updated version of the contentious register from the 2007 parliamentary elections.

Faure tried to distance himself from the 38-year reign of his father, President **Gnassingbé Eyadéma**, with campaign posters that did not mention the Gnassingbé family name. Yet he still relies on the northern-dominated army and police, with electoral security supervised by a *Force Spéciale Election Présidentielle* under Lieutenant Colonel **Damehane Yark**; the sight of 12,000 soldiers may have encouraged electors to stay home. Official turnout was about 2 mn. and the EU suggested there was some double voting, mainly by gendarmes and soldiers.

Faure won in the northern, thinly

populated Kara, Savanes and Centrale regions. The UFC's inclusion of three northerners (Yamgnane, Agboyibo, Péré) made no impact. Less plausibly, Faure clinched votes in *préfectures* that were hotspots during the 2005 violence, including Ogou and the southern Lacs. The trend continued in opposition strongholds but the UFC's win in the southern Maritime and Plateaux regions was less sweeping than the RPT's in the north.

The government's reaction suggested jitters. Bodjona banned demonstrations and dispersed a few hundred protestors with tear gas. Damehane oversaw the arrest of 30 opposition deputy leaders, youth leaders and members; most were soon released but **Fulbert Attisso** and **Guillaume Coco Messan** from the *Mouvement Citoyen pour l'Alternance* are still in gaol with other youth leaders.

The security forces seized electoral paperwork, computers and voting records from UFC headquarters in Lomé on 5 March, neutralising the chance for appeals, which must be lodged at the Constitutional Court within two days of the provisional results. The UFC said it could have proved a strong majority in the Lomé and Lacs regions, with a quarter of the electorate. Olympio, at 73, will have to hand over soon. The UFC will sorely miss his financial support. He said nothing about the results except: 'If Faure wants to know all about losing, I can teach him.'

Opposition leaders have little loyalty to one another and few resources. Faure talks of extending power beyond the tight-knit RPT – a tactic that helped to bring

back international donors after more than 15 years of ostracism. The UFC rejects a unity government but the regime has deep pockets. There have been five prime ministers in the past five years and the post may be open to new offers. Oppositionists may be tempted by jobs in the state-run cotton and phosphate industries (although the International Monetary Fund and World Bank want them privatised). Faure has widened the army's ethnic base and made efforts at separating the judiciary from the ruling elite.

Multi-lateral lenders resumed assistance after the 2007 parliamentary elections were deemed largely free and fair. In 2008, Togo qualified for US\$174.8 mn. in loans and grants from the IMF and World Bank. Investors are sought for four state-owned banks: *Banque Togolaise pour le Commerce et l'Industrie*, *Banque Internationale pour l'Afrique*, *Union Togolaise de Banque* and *Banque Togolaise de Développement*.

Power is still concentrated around a clique that includes Bodjona, Cooperation and Planning Minister **Gilbert Bawara** and army chief General **Essofa Ayeva**. Faure's family rallied to support him during the campaign, with the exception of his brother **Kpatcha Gnassingbé**, held in a gilded cage since April last year for his alleged role in a coup; he had been pushing for reform in the RPT.

Faure retains the loyalty of the northern-dominated army and consolidated it by replacing the Chief of Staff, Gen. **Zakari Nandja**, a loyal confidant of his father's, with the little-known Essofa. ●

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Sierra Leone

KABBA ON TRIAL

■ The energetic Director of the Anti-Corruption Commission, **Abdul Tejan-Cole**, is scoring some success, with the suspension of the third minister in President **Ernest Bai Koroma's** government on charges of abuse of office. It was Tejan-Cole's persistence that boosted the independence of the ACC and strengthened the anti-corruption laws. Although Koroma has backed Tejan-Cole, he had hand-picked all three suspended ministers, partly to keep his fractious coalition together.

After the ACC investigations, Fisheries and Marine Resources Minister **Afsatu Kabba** was charged on 17 counts of corruption – including accepting a bribe, abuse of office, and personally benefiting from the sale of fishing licences – in Freetown on 15 March. **Joseph Koroma**, previously Minister for Presidential and Public Affairs, will replace Kabba.

Local businesses are waiting to see how Kabba's sacking will affect ManoCap, a London-based private equity firm that secured US\$5 million from the British government's CDC Group, in turn financed by its Department for International Development, to promote business (AC Vol 50 No 23). One of ManoCap's Advisory Board, **Lisa Curtis**, is also DfID's Private Sector Advisor for Sierra Leone. Working closely with the Freetown government, ManoCap had invested in Sierra Leone's largest fishing company, the previously **Lebanese**-owned Sierra Fishing Company, and will see substantial returns if it is able to resume substantial exports of local stocks of crayfish and barracuda to Europe.

Last November, Health and Sanitation Minister **Sheku Tejan Koroma** was charged with abuse of office, the first indictment of a serving minister. He was convicted on 11 March and sentenced to five years in gaol or a 150 million leone (US\$38,000) fine; he remains in prison. Transport and Aviation Minister **Ibrahim Kemoh Sesay** was sacked after a record haul of 70 kilogrammes of cocaine in Freetown in July 2008. Sesay couldn't convincingly explain why he was at the airport as the consignment arrived.

Sudan/Britain

DEATH OF A SUDANESE ACTIVIST

■ British police are investigating whether the murder of Sudanese human rights activist **Abdel Salam Hassan Abdel Salam** in south London on the night of 12-13 March was political or purely criminal. Abdel Salam, 56, who was stabbed to death in a prolonged attack at home but was not robbed, was widely believed to be helping the International Criminal Court

gather evidence to prosecute Khartoum officials for war crimes in Darfur. The brutal murder of a much loved human rights activist has fuelled fear among Sudanese.

Abdel Salam had fled the National Islamic Front (NIF, now National Congress Party) regime after its 1989 coup. He was a resolute political secularist, with a deep knowledge of Islam. He headed the Sudan Human Rights Organisation before it moved to Cairo, under NIF attack. He later worked for Justice Africa, then Redress, an organisation seeking reparations for torture victims. It has a law reform project in Sudan, on which he worked, and has also focussed on the security services.

Human rights activists in Sudan, including ones Abdel Salam worked with, last week received threats; *Al Rai al Aam* (seen as close to government) published a warning about political assassinations. Three activists linked to Redress were in 2008 detained and tortured after publicly supporting the ICC, which last year issued an arrest warrant for President **Omer Hassan Ahmed el Beshir**.

Angola

SONANGOL GULPS

■ Sonangol, Angola's state-owned oil company, could take a controlling stake in Portugal's Galp oil company as part of its ambitious overseas acquisition strategy. In late February, Sonangol Chairman **Manuel Vicente** said there was a 'possibility' of Sonangol buying Italian state oil company ENI's 33% stake in Galp; Sonangol already controls a third of Galp's shares via a holding company, *Amorim Energia*, 45% of which is owned by Sonangol subsidiary Esperaza Holding BV.

Sonangol's minority partner in Esperaza is Exem Holding AG, based in the Swiss canton of Zug. Exem's Director, **Konema Mwenenge**, told British lobbyists Global Witness that he had a 'professional' relationship with **Sindikia Dokolo**, the husband of **Isabel dos Santos**, who is the daughter of President **José Eduardo dos Santos** (AC Vol 51 No 4).

Amorim is controlled by Portugal's **Américo Ferreira de Amorim**, but its board members include Dokolo and Sonangol Vice-President, **Mateus de Brito**. Galp, ENI and *Amorim* have all been awarded oil concessions by Sonangol recently.

Such a deal might lead to greater scrutiny of Sonangol's accounts in Europe; accordingly Vicente says that Sonangol's involvement in Galp is 'a delicate subject'.

United States regulators will be watching closely if Sonangol pursues its planned New York listing, which it deferred last year. Another politically connected Sonangol partner, Cobalt International Energy (which has two offshore blocks, 9 and 21) listed on the New York Stock Exchange in December. Another joint venture company, **China** Sonangol, has

bought several properties in New York, among them an apartment tower in the JP Morgan Chase Building complex.

Congo-Kinshasa/Uganda

THE NEXT OIL SCRAMBLE

■ A new battle for oil blocks has started in the troubled north-east after **France's** Total announced that it was seeking acreage in the Lake Albert basin, in alliance with **Ireland's** fast-growing Tullow Oil (AC Vol 51 No 3). That sets the scene for a repeat of the drawn-out battle on the other side of Lake Albert in Uganda, where the Total-Tullow alliance last week secured three oil blocks. This was against strong competition from **Italy's** ENI, which was trying to buy Heritage Oil's stake in two blocks. Amid claims of massive inducements on offer, the contest brought Italy's Foreign Minister **Franco Frattini** to back ENI's bid in a meeting with Ugandan President **Yoweri Museveni** in Kampala.

To no avail: Museveni blocked Heritage's effort to sell to ENI and backed Tullow's plan under which the Irish company bought Heritage's blocks for some US\$1.5 billion, then brought in Total and the **China** National Offshore Oil Corporation in a three-way consortium. The companies have pledged to build a refinery in western Uganda and a pipeline to Kenya's Mombasa port.

The Congo battle will be still more complex. Congo's Albertine Graben, part of the Great East African Rift System which takes in Lake Albert, Lake Edward and some land, too, is now divided into five blocks: Tullow and Heritage are partnering in two of the blocks but their relationship is badly strained after the Uganda battle. Insiders say Tullow is likely to side with Total and try to edge out Heritage. This time, Heritage says, it won't leave quietly, because that makes no commercial sense.

Despite the receipt of signature bonus payments, President **Joseph Kabila** is yet to ratify any licences in the east. The government is unlikely to decide before Parliament passes the new hydrocarbons code later this month and new Oil Minister **Célestin Mbuyu** reviews the concessions. Total met ministers in Kinshasa last week in a show of money and muscle, claiming they are already with Tullow in Congo.

Tullow says no such agreement yet exists, but it would, however, like to partner with Total. Even if Total makes progress with Blocks 1, 2 and 3, along with other harder-to-reach spots in the vast Cuvette Centrale, it will have to battle a **South African** consortium led by the Divine Inspiration Group, which has paid \$4.5 million in signature bonuses, agreed with former Oil Minister **Lambert Mende**. Insiders in Kinshasa are pinning Divine's prospects to an improvement in relations between Kabila and **South Africa's** President **Jacob Zuma**.

BLUE LINES

A report explaining how Africa has lost more than US\$850 billion between 1970 and 2008 in illicit financial flows – mainly through corporate tax evasion, trade mispricing and overpriced supply contracts – suggests that long-standing debates over the merits of foreign aid are wrongly directed. Illicit outflows from Africa, orchestrated by international companies and corrupt officials, have run at well over double the levels of foreign aid sent to Africa from rich countries, according to the report from Washington-based Global Financial Integrity.

The authors, including former IMF economist Dev Kar, suggest Africa's illicit outflows from 1970 to 2008 could total as much as \$1.8 trillion if transfer pricing schemes and mispricing of the trade in services with Africa are taken into account. Africa's biggest economies were worst hit: Nigeria was reckoned to have lost \$89.5 bn., Egypt \$70 bn., Algeria \$25.7 bn., Morocco \$25 bn. and South Africa \$24.9 bn.

Private businesses organise most of the outflow but government agencies fail to staunch it. The proceeds of commercial tax evasion account for about 65% of the losses, drug trafficking and counterfeiting for about 30%, and bribery and theft involving state officials for about 3%. The report raises policy questions for the World Bank, which launched its own detailed study (financed by Norway) into capital flight. Only South Africa has made a serious effort to stop trade mispricing and corporate tax evasion.

KENYA

A blow against impunity

The International Criminal Court is to probe election violence and may put some leading politicians and business people on trial for crimes against humanity

The 31 March decision by the judges of the International Criminal Court to approve an investigation into the 2007 election violence follows two years of obfuscation and ambivalence by the Kenyan government (AC Vol 51 No 1). The Court's Prosecutor, **Luis Moreno Ocampo**, who recommended the investigation, has a list of 20 key suspects and says he plans to focus the probe on about six individuals. The cases may come to trial within 18 months. Many of the country's senior politicians oppose the ICC's intervention and fear that they or their political allies could be implicated in the probe – although few have been prepared to say so publicly.

This is also the first time that the ICC judges have approved a formal investigation on a recommendation from the Prosecutor: until now, the Court's cases have resulted from incumbent governments inviting the court to investigate suspected crimes or, in the case of **Sudan**, being directed by the United Nations Security Council to investigate the mass killing in Darfur.

Although former UN Secretary General **Kofi Annan**, who mediated negotiations to establish a grand coalition government in Kenya (see Feature), welcomed the ICC's decision as a move against impunity, the case will test the ICC's political standing and practical capacity to protect witnesses and uncover compelling evidence. Local rights activists say that the decision has come too long after the crimes, as the organisers of the violence have destroyed most of the evidence and intimidated possible witnesses. Organised militias and police killed over 1,100 civilians following President **Mwai Kibaki's** disputed election victory in December 2007

and chased more than 300,000 people from their homes.

Now the ICC can investigate crimes committed between 11 June 2005, when Kenya joined the ICC, and 26 November 2009, when **Moreno Ocampo** made his initial submission to the Court. In a two-to-one opinion*, with Judges **Ekaterina Trendafilova** and **Cuno Tarfusser** in the majority, the Pre-Trial Chamber decided that the Kenya case met the threshold for the Court to take up the case under articles 15 and 7 of the Rome Statute which founded it. In their argument, the judges ruled that 'systematic and widespread...crimes against humanity' had been committed against civilians in pursuit of state or other organisational policies related to the 2007 post-election violence in Kenya and that nothing was likely to be done locally to prosecute those most responsible.

POTENTIAL DAMAGE TO THE COURT

Dissenting, Judge **Hans-Peter Kaul** said his two colleagues had set their threshold too low and had dangerously broadened the scope of the Court. He argued that their action could 'turn the ICC into a hopelessly overstretched inefficient court', could 'invite politically motivated and frivolous investigations' and could have 'a negative effect on its credibility'. Kaul insisted that 'widespread and systematic crimes against humanity' had to be authorised at the policy level by a high-level or a state-like organisation as opposed to what he termed 'human rights crimes'. According to Kaul, there was not a 'reasonable basis' to launch such an investigation in Kenya.

Judges **Trendafilova** and **Tarfusser** said

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The failure to agree on serious reform risks a repeat of the 2007 crisis.		With a new cabinet in place, the acting President wants to push through reforms.		A dispute over diamond fields in Chiadzwa could turn into an international lawsuit.		Sudan is set to become the first country to elect an indicted war criminal as president.		BURUNDI	9
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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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that an 'attack consists of a campaign or operation carried out against the civilian population' and that for something to have been a state policy, it did not have to have been 'conceived at the highest level'. The key issue raised by the judges – and one likely to be central in any trial in the Hague – is the level of organisation behind Kenya's political violence. Many senior politicians claim that most of it was a spontaneous reaction to electoral fraud and the remainder was legitimate self-defence. The argument among the three judges deliberating on the extent of organisation behind the violence suggests much scope for defence lawyers to try to exonerate at least the most senior political figures.

In contrast to the other two judges, who argued that 'the formal nature of a group and the level of a group's organisation should not be the delineating criteria' but rather its 'ability to perform acts which infringe on basic human values', Kaul insisted that 'criminal gangs don't have the command and control to carry out policy', also questioning whether most non-state actors 'constitute an organisation' in terms of 'structure, membership, duration, and means to attack'.

Questioning the assessments of the Waki Commission and the Kenya National Commission on Human Rights, Kaul insisted that the submissions did not prove that the attacks had been instigated by state or organisational policies against civilians. He said, for instance, that he 'failed to see an organisation in the North Rift'; instead he attributed the post-election violence there to 'spontaneous gatherings of marauding youth gangs'. Kaul reached similar conclusions about other flashpoints.

Sponsors of violence may try to use similar arguments to counter allegations of their involvement. Kaul argued that the violence resulted from 'numerous violent attacks launched by different groups against different groups'. He suggests that the violence mostly stemmed from actions by 'local leaders' or 'partnerships of convenience'. Yet many human rights activists say that most of the local leaders were taking orders and supplies of weaponry from senior politicians.

THE NAMES IN THE ENVELOPE

The ICC has been doing a situation analysis in Kenya since December 2007. After the investigations, the Prosecutor's office will submit its findings to the Pre-Trial Chamber and issue summons to appear or warrants for the arrest of those named, either publicly or under seal. Before this, it will have to decide where to hold its trials, at the ICC headquarters in the Netherlands or elsewhere, whether to conduct its investigation from Kenya or outside the country and how to protect witnesses, given the already grave violence and intimidation perpetrated against them.

Two major investigations by the Waki Commission and the Kenya National Commission on Human Rights handed their evidence to the ICC in several boxes of files last year. The Waki Commission also handed to Kofi Annan a sealed envelope naming politicians it judged most responsible for the violence: that envelope is now with the ICC but the names are yet to be made public. If they are published – the names are thought to include at least two cabinet ministers – this may further polarise politics in Kenya.

Many months of tough investigation and negotiation lie ahead before warrants are likely to be issued and before arrests can be made. The ICC is critically dependent on the willingness of its member states to make arrests on its behalf. In the hope of effecting surprise arrests, the ICC may choose not to make the names public but hand sealed warrants to the authorities within Kenya or other countries. Yet it would be difficult to keep such warrants secret, given the high stakes involved.

Earlier this year Moreno Ocampo said the ICC had no witnesses as it had not yet got a case and until it had, it was up to the government of Kenya to protect witnesses. The ICC will have to move quickly to protect its evidence and sources. In spite of the horrific and widespread political violence seen in Kenya, it will struggle to collect testimony, establish criminal intent and definitively reply to some of Judge Kaul's objections about the 'spontaneity' of the violence which are likely to be raised by the defence. ●

*<http://www.icc-cpi.int/iccdocs/doc/doc854287.pdf>

KENYA

A dangerous compromise

The politicians' failure to agree on serious reform of the government risks a repeat of the 2007 election crisis

The 20-year quest for a new constitution looks set to end in a dangerous compromise. At the end of March, when Parliament debated the Harmonised Draft Constitution, it was clear that the disagreements left over from the 2005 constitutional referendum remain unresolved. Members of parliament inserted 150 amendments to a draft constitution already watered down by earlier compromises, and the public is frustrated after seven years of broken promises.

Constitutional reform was the campaign platform of the National

Alliance of Rainbow Coalition (NARC) that, in 2002, broke the hold on power of Daniel Toroitich arap Moi and the Kenya African National Union (KANU). Taking office, President Mwai Kibaki vowed to deliver a new constitution in 100 days. Wrangles snuffed out that promise in 2005, when Kibaki's faction of the NARC government resoundingly lost the referendum. The current, two-year-old coalition led by Kibaki and Prime Minister Raila Amolo Odinga, still has to deliver a new constitution as part of the 2008 political agreement between the parties. The coalition's performance has been

woeful; a recent opinion poll suggests that the government and Parliament are among the most unpopular institutions in the country. Infighting between the coalition partners and corruption scandals have blocked the reform agenda (AC Vol 51 No 4). The coalition is held together by corruption, as competing factions build campaign war chests for the 2012 elections. The debate, begun quietly last year with the appointment of a Committee of Experts, has turned into a political Babel, with the coalition's competing factions regarding the draft constitution as a vehicle to secure ethnic and regional supremacy.

Late last year, the Experts published the Harmonised Draft Constitution, a synthesis of the three drafts produced before the 2005 referendum. This latest draft proposed a hybrid executive, with presidential power divided between a president, a prime minister as leader of the majority party and much authority devolved to a three-tier regional system.

The colonial-era provincial authorities would be abolished and replaced by regions administered through counties, whose political power would be invested in a Senate.

In February, the Parliamentary Select Committee cut these proposals during an eleven-day meeting. The Committee opposed the erosion of presidential authority, arguing that a popularly elected president should not cede power to a prime minister. When the draft returned to the Experts, they yielded to this crucial amendment. New political divisions quickly emerged.

With its slim majority in Parliament, the Orange Democratic Movement (ODM) had initially backed the Experts in preferring a parliamentary to a presidential system but differences developed between Prime Minister Odinga and his former ally, Agriculture Minister **William Ruto**, whose followers among the Kalenjin people had delivered to Odinga the key Rift Valley vote in the 2007 election (See charts).

Ruto did not support Odinga during the parliamentary hearings in February. Odinga's positions on several issues directly affecting the Kalenjin had alienated Ruto, who sought new friends across the political divide. The discord within ODM became apparent during the constitutional talks, held at Naivasha in the Rift Valley, when the old KANU conservatives came shining through. Ruto led his faction of the ODM in trading off the party's position of a parliamentary system for the presidential authority agenda of Kibaki's Party of National Unity (PNU).

ODM had until then wanted a parliamentary system, shifting executive power to a prime minister, leader of the majority party in the National Assembly, and called for the devolution of authority to 47 district counties. At Naivasha, the ODM climbed down and agreed with the PNU's proposal for a **United States**-style system, with an executive president directly elected by the people and with wide latitude in selecting his/her cabinet from inside or outside Parliament, subject to checks by an independent legislature and judiciary (AC Vol 51 No 3). This was sharply at odds with the Committee of Experts' original draft.

The Experts' Committee, led by the veteran constitutional lawyer **Nzamba Kitonga**, was a product of the post-election National Accord of February 2008, brokered by former United Nations Secretary General **Kofi Annan** between Kibaki and Odinga. Its broadly liberal members included legal scholars and activists, as well as foreign specialists. Infighting among the Experts and their Secretariat spilled over into the news, amid rumours of divisions between the PNU and ODM. Yet it produced a document, which struck a careful compromise and included the essential elements of the three controversial drafts proposed before the 2005 constitutional referendum.

DILUTING PROPOSALS

At Naivasha, though, the PNU managed to keep most of the president's powers in the constitutional proposal, thanks to votes from Ruto and his allies. Moreover, the proposal to create an upper House of Senators was watered down; the Parliamentary Select Committee's draft would give the Senate only limited legislative authority, an arrangement that appears to privilege current sitting MPs. Other proposals, such as a clause allowing MPs to decide their own salaries, indicate that the Naivasha participants were determined to retain as much as possible of Parliament's current privileges, at the taxpayers' expense.

This new agreement among the politicians owes much to Ruto's rapprochement with his former colleague, KANU Chairman **Uhuru Kenyatta**, who is likely to inherit Kibaki's Mount Kenya support base. Odinga's key allies, Lands Minister **James Orengo** and the party Secretary General, Professor **Peter Anyang' Nyong'o**, have put a brave face on it but Ruto's defection to the PNU side determined the direction of the talks. Ruto has turned to his old friends, particularly Uhuru Kenyatta, with whom he cut his political teeth under Moi. They are united against Odinga, who is – according to recent opinion polls – easily the most popular politician in the country.

The Premier has hurt Ruto both by taking politically risky positions, especially on the eviction of illegal settlers from the Mau Forest complex, and by his

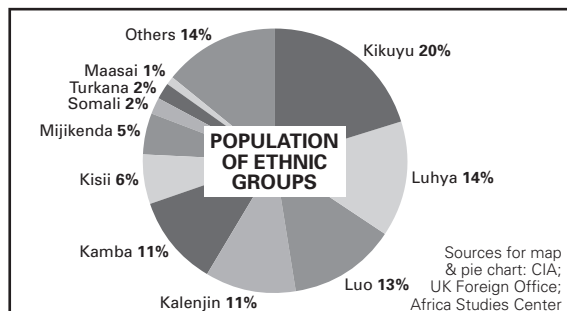
anti-corruption agenda.

Kenyatta and Ruto have teamed up against Odinga in an alliance of political and perhaps legal convenience. Both men are thought to have been among those named as responsible for political violence in 2008 in a confidential report to the International Criminal Court. Their position could get trickier still following the ICC's announcement this week that it is opening a formal investigation (see Box). Ruto and Kenyatta are also allied with Vice-President **Kalonzo Musyoka**, another veteran of the Moi-era with his own presidential ambitions.

Civic activists made initial if muted criticism of the Select Committee's draft, arguing that the Committee had gone beyond its mandate. That draft was returned to the Committee of Experts, which – under pressure – retained the idea of an executive president but still held out for a Senate with significant authority.

To muddle the picture, clauses on abortion offended some Christians, with Catholic and Evangelical leaders saying they would mobilise a 'no' vote at the referendum. Odinga, after years of wanting to dilute the president's powers, went with the flow. Insiders say he is determined to deliver a new constitution at any cost, even if it means amending it later. Then devolution took centre stage. New compromises increased the number of counties from 47 to 80, while regions (previously known as provinces) grew from eight to 18. This is about ethnic arithmetic. More regions for any community would translate into more money from central government, so more ethnic political patronage.

The hope had been that the constitutional debate would avoid such divisions and that Kenya would not repeat the divisive referendum campaign of 2005. Instead, the politicians have used the constitutional debate to build up ethnically backed grassroots support but have failed to address issues such as the lack of political accountability and massive electoral fraud. Some Kenyans fear that the coming referendum could restart the political violence that nearly consumed the country in 2008. Many more are too tired of the cynical games to resist an old order dressed in new clothes. ●



2007 PARLIAMENTARY ELECTION Seats won

Central PNU: 18, Safina: 3, KANU: 2, Sisi kwa sisi: 2, FORD-A: 1, FORD-P: 1, PICK: 1, PPK: 1

Coast ODM: 12, PNU: 3, NARC-K: 2, ODM-K: 1, FORD-P: 1, KADU Asili: 1, KANU: 1

Eastern ODM-K: 14, PNU: 7, KANU: 4, CCU: 2, NARC: 2, ODM: 2, DP: 1, NARC-K: 1, PICK: 1, Safina: 1, Mazingira: 1

Nairobi ODM: 5, PNU: 2 (plus one repeat election)

North Eastern ODM: 5, KANU: 4, Safina: 1

Nyanza ODM: 25, KANU: 2, NARC: 1, NLP: 1, DP: 1, FORD-P: 1, PDP: 1

Rift Valley ODM: 32, PNU: 11, KANU: 1, Kenda: 1, NARC-K: 1, ODM-K: 1, UDM: 1

Western ODM: 18, PNU: 2, New Ford-K: 2, FORD-K: 1, KADDU: 1

Source: ECK

Jonathan and the securocrats

With a new cabinet in place, the acting President wants to push through some economic and political reforms

The next stage of the political plan mapped out by Acting President **Goodluck Jonathan** and his advisors is taking shape, following the Senate's confirmation of the list of 38 ministerial nominees they submitted a week ago. By most measures, the list is an improvement on the cabinet appointed by President **Umaru Musa Yar'Adua**, who remains medically incapacitated (AC Vol 51 No 5).

The still unresolved power play between the Jonathan and Yar'Adua camps, the threats of unrest in the Middle Belt states and attacks on oil installations in the Niger Delta mean that security dominates Jonathan's concerns. That explains his reliance on three veteran generals: Lieutenant General **Theophilus**

Danjuma, former Chief of Defence Staff Gen. **Owoye Andrew Azazi** and former Director of Military Intelligence Gen. **Aliyu Mohammed Gusau**.

There have been some security improvements under new Inspector General of Police **Ogbonna Onovo**. Several protest rallies have been held peacefully; investigations into the murder of journalist **Bayo Olu** and the assassination of **Dipo Dina**, an Action Congress candidate from Ogun State, have made headway. Hundreds of suspects linked to recent massacres in Jos have been arrested and arraigned.

Onovo has enemies, such as the former Police Affairs Minister, **Ibrahim Lame**. Some barons in the governing

People's Democratic Party (PDP) suspect that Onovo's better policing in Anambra, Edo and Jigawa states has led to the party's recent electoral defeats there.

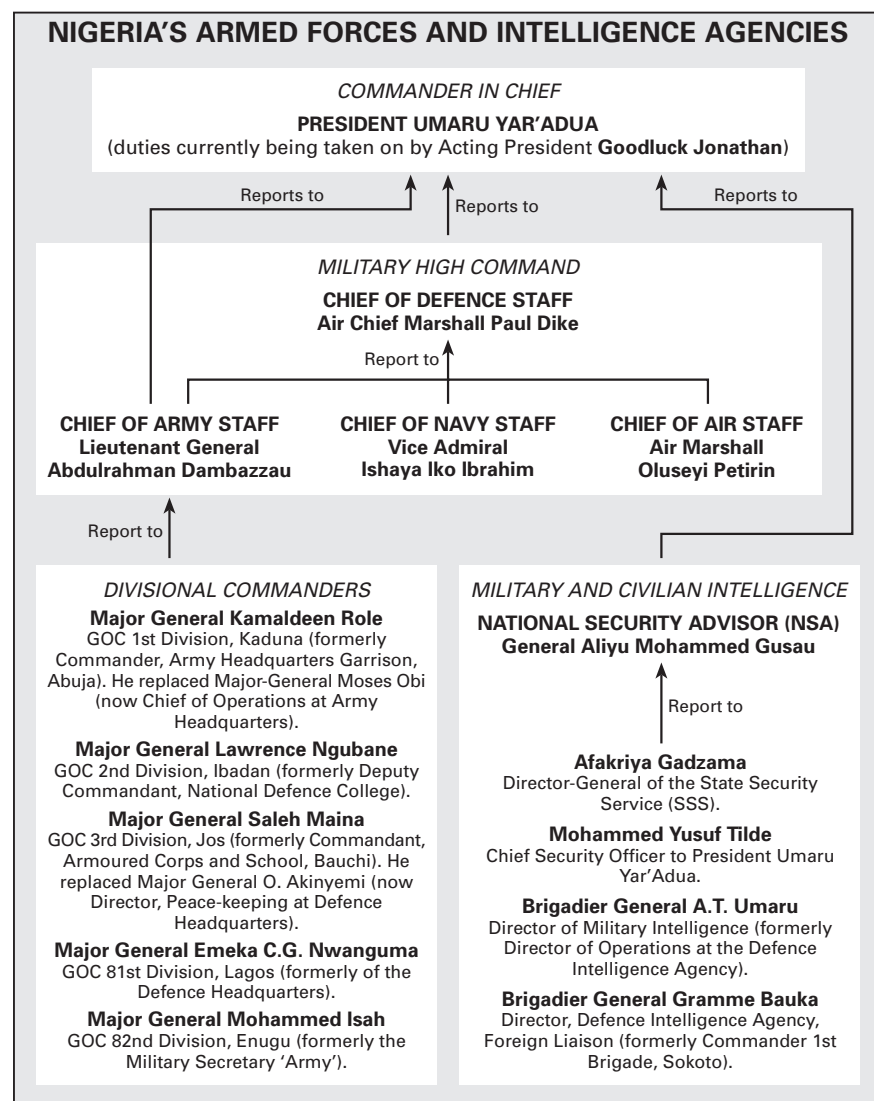
In consulting the 36 state governors on the choice of ministers, Jonathan seems to have improved relations somewhat between his camp in Abuja and the states. There are some residual tensions: **Timipre Sylva**, the Governor of Bayelsa (Jonathan's own state), greatly resents facing an investigation into his affairs by the Economic and Financial Crimes Commission. Some expect the return of its former Chairman, **Nuhu Ribadu**, to Nigeria to take up an ombudsman role; others suggest he might be appointed as an interim Vice-President.

On the cabinet list there is an embarrassment of ministerial talent in some areas: in finance for example, Goldman Sachs banker **Olusegun Aganga** is on the list, as is former Finance Minister **Shamsudeen Usman** and former Deputy Finance Minister **Remi Babalola**.

It is likely that former Deputy Oil Minister **Henry Odein Ajumogobia** will be given the full portfolio and lead the effort to steer the much-criticised Petroleum Industry Bill through the National Assembly. **Godsday Orubebe** is tipped to replace his former Minister in the Niger Delta portfolio.

Once Jonathan has named all the ministers, he has to decide how to consolidate power. Providing he can count on the loyalty of his new appointees, he could ask the cabinet to rule that Yar'Adua is medically unfit to govern. If two-thirds of the cabinet supported the motion, Jonathan would become the constitutionally legitimate President. He might then run for the party's presidential nomination in next year's election.

Jonathan's new and highly influential National Security Advisor, Gen. Gusau, might advise against such a move: some of the northern barons in the PDP (of whom Gusau is one) might see the move as disrespectful to Yar'Adua, who comes from the far-northern state of Katsina. Gusau, whom many believe wants to run for the presidency next year, might also see it as a personal complication. If Jonathan becomes full President, that would leave a vacancy for a new Vice-President, who would have to come from the north and who would also be a front-runner for the presidential nomination next year. The most likely candidates include Kwara State Governor **Abubakar Bukola Saraki** (who has cleverly distanced himself from Yar'Adua), Jigawa State Governor **Suleu Lamido**, Bauchi State Governor **Isa Yuguda** and Ribadu as a long shot. How Jonathan moves in the next few weeks will determine the survival of his presidency and perhaps the success of next year's elections. ●



The diamond mine drama

A politically charged dispute over ownership of diamond fields in Chiadzwa could turn into an international lawsuit

Hot Springs, some 100 kilometres south of Mutare, once aspired to be a spa resort but the gouty planters in its colonial-style hotel have been replaced by **Lebanese** dealers from West Africa. The town's featureless hinterland seems to contain the largest alluvial diamond field uncovered in the last half century. Or so some say.

Diamonds were first identified in the area almost ten years ago. The giant De Beers corporation deemed them commercially unviable, though, and let its exclusive prospecting order lapse. It was succeeded by African Consolidated Resources (ACR), a London-registered company with strong Zimbabwe connections, which registered claims in the Manicaland provincial mining commissioner's office over some 4,000 hectares and began small-scale mining in what is now called the Chiadzwa Marange diamond field.

Word got out that the find was richer and more extensive than had been thought and up to 30,000 small-scale illicit panners moved in. They were followed by the army, ostensibly to keep order, who sealed off the area and, according to human rights groups, treated the panners brutally.

Rumours spread that Chiadzwa was a laundry for blood diamonds from elsewhere on the continent. Sales from Zimbabwe were suspended while the Kimberley Process Certification Scheme decided whether its rules had been complied with. The KPCS's first appointed monitor was **British**, so Zimbabwe vetoed him. After a hiatus, the Kimberley Process founding Chairman, **South Africa's Abbey Chikane**, was given the job.

ACR's rights had been arbitrarily reallocated to two small **South African** companies – Mbada Diamond Mining and Canadile – in joint ventures with the parastatal Zimbabwe Mining Development Corporation. ACR's Chief Executive, **Andrew Cranswick**, a Zimbabwean, says ZMDC has entered into strange, lopsided agreements with non-transparent operators of no technical standing. Pursuing a campaign to regain ACR's concessions at Chiadzwa, Cranswick complained that Mbada and Canadile were the beneficiaries of decisions that suggested political patronage and corruption; some members of parliament agree.

In evidence to a parliamentary committee this month, Mines Minister

Obert Mpofu (Zimbabwe African National Union-Patriotic Front, AC Vol 51 No 6) admitted that his Ministry had no diamond expertise, that in his opinion everyone in the diamond business was crooked and that, desperate for foreign currency, there was no option but to go along with the ones who seemed least crooked. Mpofu thought diamonds could earn the country between US\$1.2 and \$1.8 billion a year, a huge sum which would take Zimbabwe into the same league as **Botswana** – the world's second producer after **Russia** – with 15 million carats. He did not speculate on how such an influx might affect international prices.

The two mystery companies initially refused to appear before the committee; some reports suggested that the Ministry of Mines had advised them to stay away. Then Attorney General **Johannes Tomana** pointed out that they could be held in contempt of Parliament and detained until they did. However, the companies' testimony did little to clarify production or values.

Mbada's **David Kassel** claimed to have recovered 2.5 mn. carats already, with throughput of 90,000 tonnes yielding between 5 and 25 carats per tonne. Canadile's **Adrien Taylor** estimated throughput at 800 tn. a day, with an average daily recovery of 2,000 carats. They claimed that values could not be revealed, under the joint venture agreement with ZMDC. Together, these statements could imply an annual recovery of 1.5-2.0 mn. carats a year – substantial but well short of Mpofu's claim. Mbada claimed that at current production rates, its 2,000 hectare concession would be mined out by the end of the year but it hoped it would be extended into the as yet unallocated surrounding 40,000 ha.

Meanwhile, south of Chiadzwa, there are reports that the Development Trust of Zimbabwe-Ozogo is recovering diamonds with army protection on the Charleswood Estate, formerly the property of **Roy Bennett**. The DTZ is Zimbabwean and Ozogo is the Harare-registered subsidiary of Russia's state-owned All Russian Foreign Economic Association on Geological Prospecting, said *ZW News*. Although Bennett was named as Deputy Minister of Agriculture by the Movement for Democratic Change (MDC), he has been barred by President **Robert Mugabe** from assuming ministerial duties on

the grounds that state prosecutors have launched a case against him for trying to overthrow the regime (AC Vol 50 No 21).

Further south, there are reports of another large find near Chipinge, where for political reasons there is already a strong army presence. The world price of diamonds stays high largely because the producers, coordinated by De Beers, rigorously match market supply to expected demand and back the Kimberley Process to keep uncertified stones off the market. Zimbabwe's threat to bypass Kimberley and sell all it can find will not please other African producers.

When facing credible allegations of grand corruption, ZANU-PF's barons start investigations, lock up a few suspects and generally the furore dies down. Mugabe, Mpofu and the Reserve Bank of Zimbabwe Governor, **Gideon Gono**, have all claimed there was massive pilfering of diamonds, first by De Beers from the mid-1990s, then by ACR, whose mining rights (they said) had been dubiously awarded by a junior official at the provincial mining commissioner's. ACR was accused of illicit diamond dealing and its officers threatened with arrest if they visited Zimbabwe. Yet the courts had found in ACR's favour and its rights were awarded by the mining commissioner himself.

Chief Justice **Godfrey Chidyausiku** issued a court order for nearly 130,000 carats in disputed ownership to be lodged under seal with the Reserve Bank for safe keeping; their speculative value has been put at an improbable US\$18 mn. In defiance of the order and before the Bank had finished cataloguing the stones for valuation, Mpofu directed the police to remove them to the Zimbabwe Minerals Marketing Corporation.

Earlier, the Zimbabwe Mining Development Corporation Chief Executive, **Dominic Mubaiwa**, had given the parliamentary committee some astonishing details of Mpofu's directives to ZMDC, whose partner Mbada Investments is named after a South African scrap metal dealer thought to be a front for more substantial figures. Mpofu ordered the appointment as its Chairman of **Robert Mhlanga** (a retired Air Force Vice-Marshall and former helicopter pilot on the presidential flight) and, as directors, of **Sthengisiwe Mpofu** (the minister's sister-in-law) and **Dingiswayo Ndlovu** (his personal aide), along with the little-known **Crystesona Kanjoma**.

Mpofu's appointments often annoy other powerful figures, not least because he insists on equal opportunities for his fellow Ndebele people. While he was on holiday in January, his ministerial office was burgled four times; he lost hard disc drives and documents. Some suspect that the Central Intelligence Organisation was involved. ●

As elections arrive, the opposition shuns Omer

Sudan is set to become the first country to elect an indicted war criminal as president. Yet the elections are deemed so unlikely to be free and fair that, as AC went to press, the focus was on the extent and effects of the opposition boycott. Oppositionists argued there was little to be gained by participating and lending credence to the elections as the regime had rigged a victory with a manipulated census and elector registration, gerrymandered constituency boundaries and used state funds to buy loyalty.

TOUGH DECISIONS

In the face of blatant preparations for election rigging, the Sudan People's Liberation Movement decided on 31 March to boycott the national presidential election and all elections in Darfur but it will stand in the South, where it dominates the Government of South Sudan (GOSS). As *Africa Confidential* went to press, the SPLM's partners in the National Consensus Forces (NCF, or Juba Alliance) – the National Umma Party (NUP), Democratic Unionist Party (DUP) and Sudan Communist Party – had decided to withdraw from the presidential vote and, with other parties in the NCF, were still discussing whether to boycott other polls. Hassan Abdullah el Turabi's Popular Congress Party said it would not boycott.

THE MOST COMPLEX ELECTIONS

The combination of one of the most elaborate and time-consuming electoral systems and mass illiteracy across most of the country virtually guarantees chaos in Sudan's elections on 11-13 April. Compounding such logistical problems is the political one of the ruling National Congress Party's (NCP, aka National Islamic Front, NIF) determination to rig the polls, according to Sudanese of many political shades and several March 2010 reports* by independent organisations.

The NCP's tactics include 'buying' local leaders, especially important in Darfur, an inaccurate and partial census and chronically flawed elector registration, says the International Crisis Group.

An Islamist regime that has ruled for nearly 21 years through several security organisations has many electoral options. There are 450 National Assembly seats, only 270 of which are on a majority ('plurality') geographical vote. The others are on lists, by proportional representation: 112 from women's lists and 68 from party lists, by state (province). It was through manipulating 'graduate' and expatriate constituencies that the NIF won 28 seats in the 1986 elections, though it had less than 10% of the Northern geographical vote.

There are 749 seats in the state assemblies and 171 in the Southern Sudan Legislative Assembly. With the national and Southern presidential and state gubernatorial ballots, this provides what one report called the world's most complex electoral system. This complexity, with up to 20 candidates per ballot, is 'the regime's secret weapon', observed one analyst.

Northern voters will have eight separate ballot papers and Southerners, twelve. About 80% of Southern men cannot read, 92% of women. United Nations figures for women are 62% and 54% nationwide in Darfur. Test runs have shown that it takes a literate person 19 minutes to complete the Southern ballots. ●

* *Rigged Elections in Darfur and the Consequences of a Probable NCP Victory in Sudan*, International Crisis Group, Brussels; *Government Repression Threatens Fair Elections*, Human Rights Watch, New York; *Electoral Designs: Proportionality, representation, and constituency boundaries in Sudan's 2010 elections*, Rift Valley Institute; *The Sudanese Elections of April 2010: A Missed Opportunity for Peace and Democracy*, Waging Peace, London; *Preliminary Statement on the Final Stages of Sudan's Electoral Process*, The Carter Center, Atlanta.

A furious President Omer Hassan Ahmed el Beshir had threatened on 29 March that if the SPLM were to boycott the polls, he would delay January's Southern independence referendum, the most important issue in Southern political life.

The Northern opposition was shaken by the SPLM announcement as it had expected any move to be a joint one with the SPLM. Southern Vice-President Riek Machar Teny Dhurgon jumped the gun by announcing the decision, taken by the SPLM Political Bureau that afternoon, before the SPLM had informed its NCF allies, said an SPLM source. The SPLM presidential candidate who had withdrawn, Yasir Saeed Arman Saeed, who is head of the SPLM-Northern Sector, was deep in discussion at Umma leader El Sadig Sadeeg el Mahdi's house in the small hours, we hear.

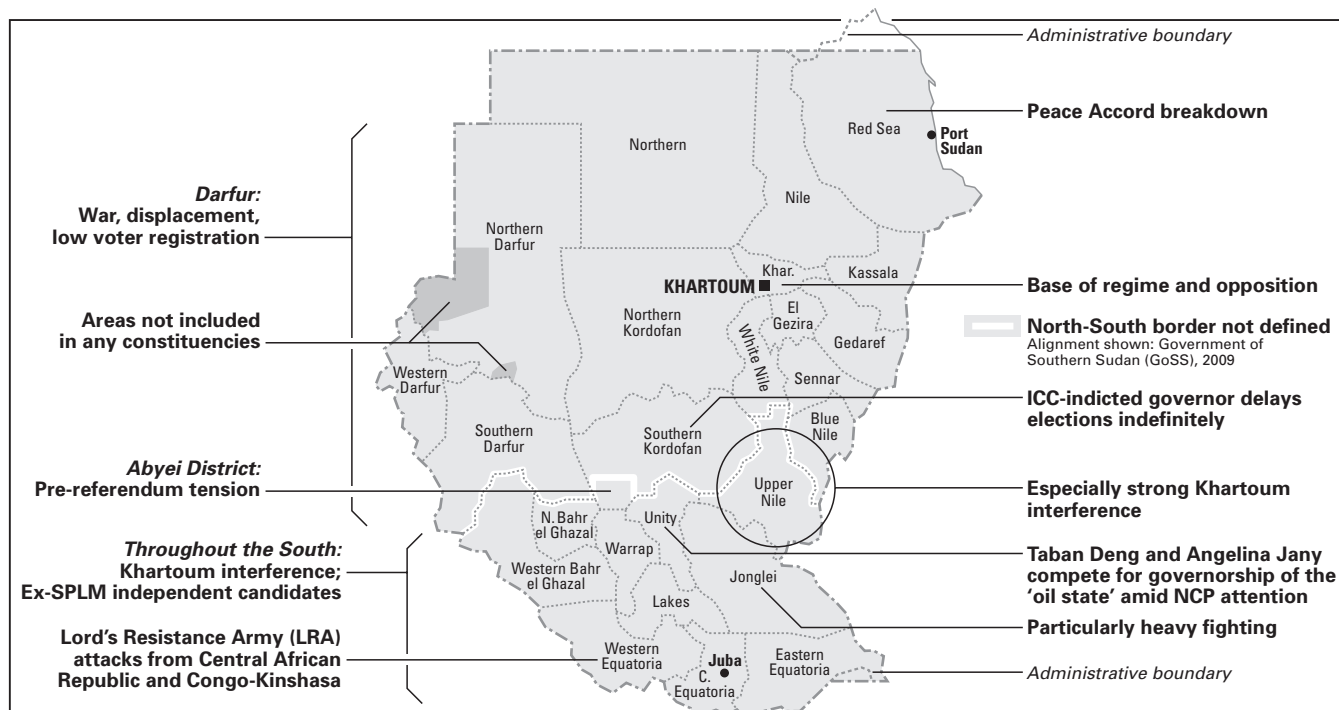
Interested governments were also jolted by the SPLM's move. Alluding, unusually, to 'restrictions on political freedoms', the Comprehensive Peace Agreement (CPA) 'Troika' of Britain, Norway and the United States issued an anxious 1 April plea for the polls to proceed 'peacefully and credibly'. Governments have shown every sign of preparing to judge the elections 'credible enough'.

The key will be how the ruling National Congress Party (aka National Islamic Front, NIF) acts next. NCP leaders are far more subtle than Omer, whose knee-jerk antics help to disguise the party's long-term policy planning. On that same day, it had cancelled a crucial meeting of the Presidency, which comprises Field Marshal (formerly Brigadier General) Omer, First Vice-President and SPLM Chairman Salva Kiir Mayardit (in permanent minority) and Vice-President Ali Osman Mohamed Taha (long Turabi's deputy in the NIF). The opposition had agreed to postpone its boycott decision until after that meeting.

It is a tough decision for opposition politicians. There is much enthusiasm for the elections: in the North, with no free polls since 1986, many had hoped these would restore the democracy and human rights the NIF took from them in its 1989 coup. There are also politicians who dream of returning to power, even in coalition with the NCP, especially Umma leader El Sadig el Mahdi, the Premier the NIF overthrew, and Mohamed Osman el Mirghani, head of the DUP, who has lately been closer to the regime than has El Sadig.

FIRST-TIME VOTERS

The other major complicating factor is GOSS policy. The Southern public has no experience of democratic elections but is impatient for the independence referendum. The SPLM sees elections in the South as giving it a strong mandate for the referendum and to counter interference from Khartoum. The GOSS wants to maintain its compliance with the 2005 CPA, which it signed with the NCP, making the two parties theoretical partners in the Government of National Unity.



The NCP has exploited this 'partnership' from the start, using the guaranteed majority that the CPA gives it and having planned for a post-electoral world where it can ignore the SPLM and other governments. The SPLM Chairman and GOSS President, Lieutenant General Salva, repeated on 28 March that the SPLM would participate in the polls. He and a top-level delegation flew in from Juba for talks with the NCP, in a bid to win more concessions. However, the extent of NCP rigging reported by Sudanese and foreign analysts means that late concessions would change little.

There is a 'multiplicity of layers of deliberate and happenstantial confusion, covert and overt manipulation, delay and diversion' noted one Western academic (see Box). These are difficult to detect for outsiders with no experience of Sudan, that is, the vast majority of foreign election observers. Northern Sudanese protest that most rigging has already happened, with a disputed population census in 2008 and then rigged elector registration last year.

In the South, the issues also centre on the ruling party, the SPLM, but in a very different way. Everyone (except for those in the NCP pocket) is focused on independence and politicians are positioning themselves for their role in the world's next independent state. Complaints about the GOSS are more practical than ideological: that it has not paid civil servants (including teachers), has not met promises of education, health and employment, and is corrupt. Many complain of Dinka domination.

Politicians from other Southern parties exploit these and local issues. Many complain of harassment, most conspicuously **Lam Akol Ajawin**, again detained by Sudan People's Liberation Army security officers this week and whose SPLM-Democratic Change the SPLM initially and clumsily tried to ban. Even former SPLM candidates – around 350 of them – are standing as independents. One of the founders of the SPLM, **Alfred Ladu Gore**, is standing as an independent for the governorship of Central Equatoria against the SPLM's **Clement Wani Konga**, who controls several militias in the area.

Independents complain that the state (provincial) electoral colleges, which chose two candidates per constituency to submit to the SPLM Political Bureau, were weighted against them; Gore claims that he won in the electoral college but was rigged out. A GOSS source admitted that the system, supposed to be on a

US model, had not always worked but blamed the colleges. The SPLM is trying to win independents back after the polls; it fears that such divisions undermine the party and government in the South in the lead up to the referendum.

The SPLM and, especially, the Northern opposition expected far more international help than has been forthcoming. This hope was based on promised foreign support for the CPA. After the CPA was signed, Britain and the USA focused on the South, paying scant attention to the Northern opposition which, despite its faults, represented the majority of the Northern public. Most interested foreign governments, the United Nations and non-governmental agencies have continued to engage with the NCP regime and to treat the elections as if they would be free and fair, something few Sudanese believe, at least in the North. This has allowed the NCP free rein.

As NCP inner core members such as Ali Osman and Presidential Advisor **Nafi'e Ali Nafi'e** toured Northern Sudan last year, the campaign had effectively begun. The promises of local development and the buying of leaders who could 'deliver the vote' meant the polls were effectively fixed already, noted one Sudanese analyst at the time. Elector registration was enthusiastic in some areas but distorted partly by being based on the disputed census (AC Vol 49 No 9).

The South ended up with registered electors numbering 108% of those eligible, according to a census which the SPLM had challenged, later changing its mind to avoid more conflict with the NCP. The figure even made its way into a generally uncritical report by UN Secretary General **Ban Ki-moon** in January 2010. Most Western governments were reluctant to speak out about electoral abuses before the vote.

PROMISES TO JIMMY CARTER

The usually reticent Carter Center spoke out on 17 March, though. After complaining last year about the electoral procedures, it confronted Omer el Beshir directly: 'The Carter Center expresses concern regarding restrictions on citizens' freedom of assembly and freedom of speech under certain provisions in the National Security Forces Act, Press and Publications Act, and the criminal justice legislation that are incompatible with Sudan's CPA and the Interim National Constitution (INC).

The Center urges Sudanese authorities to uphold the commitment President Al-Bashir made to former US President

Jimmy Carter during his February 2010 visit to refrain from enforcing these laws with respect to political parties and candidates during the electoral period’.

President Omer’s reaction deepened concern: ‘We wanted them to see the free and fair elections, but if they interfere in our affairs, we will cut their fingers off, put them under our shoes, and throw them out,’ he said of foreign election monitors. Khartoum’s response referred to the Carter Center’s call for a slight delay in polling but what worried it was the echo of opposition calls for postponement and the reference to the failure to turn the National Intelligence and Security Service into a purely information gathering agency, as the CPA stipulates.

This may have encouraged others to take on Omer. Referring to the Carter Center report, an editorial in the influential daily *Al Ayyam* said: ‘I could not understand the statements and threats made by the President of the Republic and the candidate of the National Congress Party for the presidential elections against the organisations and the international monitoring group. I could not

understand whether these statements were made in his capacity as the current president of the country, while he is in the heat of his electoral campaign in Port Sudan. I believe this was neither appropriate nor needed, especially at this time.’

Meanwhile, the Southern Parliament Speaker and SPLM Deputy Chairman, Gen. **James Wani Igga**, declared, ‘I want to condemn El Beshir over his decision on the international observers that it is million times wrong.’ This could spread. The Carter Centre also drew attention to a movement the regime would rather forget, because it reminds them of the successful popular uprisings of 1964 and 1985: the youthful movement *Girifna*, meaning ‘We are fed up’. Videos circulate on the internet of eloquent young men and women gathering interested if passive crowds as they lecture on freedom and human rights, with slogans such as ‘*Sagata ya keizan!*’ (‘Down with the cups!’ a nickname for the Islamists coined after a Turabi speech).

This was unthinkable a few years ago and several have been arrested as have other election activists, as the Carter Centre complained. One of the Sudanese in the Center’s Domestic Observation Program (separate from the international one) was briefly detained and interrogated this week: **Abdel Majeed Saleh**, head of the Darfur Democratic Forum. Domestic Observation’s Deputy Director, **Ammar Abboud**, a **Lebanese**, was deported last month. This has all encouraged an opposition largely ignored by Western governments, aid agencies and press.

INTERNATIONAL REACTION

The NCP has tested international reaction to its electoral manipulation. This week, both Gen. **Scott Gration**, the US Special Envoy, and **Haile Menkerios**, the new UN chief in Sudan, have encouraged Sudanese to vote. Menkerios is an **Eritrean** former Ambassador to **Ethiopia** who broke with President **Issayas Afewerki** and rose rapidly through the UN system after working in **Congo-Kinshasa**. He has been expected to be feistier than his **Pakistani** predecessor, **Ashraf Qazi**, a master of diplomatic silence short-listed for the UN SG’s post before Ban won it.

On 30 March, opposition leaders walked out of a live television broadcast, protesting that the National Elections Commission had been given too much time. Politicians and the public see the NEC as too influenced by the regime. Its Chairman, **Abel Ali**, 75, is a lawyer and former Southern President, known for his enthusiasm for dialogue. His more active deputy is Professor **Abdullah Ahmed Abdullah**, who was Agriculture Minister under President **Ja’afar Mohamed Nimeiri** before becoming Northern Region Governor. Two others of the nine Commissioners are senior police officers.

One recent NEC election flyer said Southerners had six votes, when in fact they have twelve. Key sections on its website are blank, in both Arabic and, especially, English versions. Faith in its ability to deliver sound election results is not universal. Whether they are accepted by the international community may depend largely on the opposition, North and South. ●

THE MANY WAYS TO WIN THE ELECTIONS

Independent analysts identify Khartoum’s efforts to rig the polls and logistical difficulties (which the regime can exploit):

- The regime tried to print the ballot papers. Khartoum sources say the National Elections Commission accepted a tender to print the presidential and governorship ballots from the government press for US\$6 million (a **Slovenian** company bid less than \$1 mn). The United Nations, which was paying the bill, rejected the government bid, so then the NEC said it would pay for the ballots itself. Most ballots have been printed in **South Africa** or **Britain** but the national and southern presidential ballots are from Khartoum’s Currency Printing Company, which said on 30 March that it had ‘no relations with any political party’.
- The regime tried to use the military to fly the ballots to the South; after opposition protests, the UN took the job.
- Constituency boundaries: ‘Constituency boundaries are often unclear, are unmapped, and have been determined inconsistently from state to state. Many villages have not been specifically assigned to constituencies; in some cases, notably North Darfur, entire sections of states have been left out of the delimitation process,’ said a Rift Valley Institute report.
- Abyei District: its controversial boundaries have still not been demarcated.
- The North-South boundary: the Comprehensive Peace Agreement requires it to be demarcated before the polls but it has not been.
- Intimidation: The National Intelligence and Security Service has harassed both party politicians and civic education workers, sometimes arresting and beating them.
- The Sudan People’s Liberation Army security and the Southern Sudan Police Service stand similarly accused in the South.
- Opposition parties and the Sudan People’s Liberation Movement in the North have been largely kept off the state-controlled radio and television.
- Parties have to give the authorities 72 hours’ notice of election meetings, even in their own buildings.
- President **Omer Hassan Ahmed el Beshir**’s campaign manager in the South is his Security Advisor and former NISS Director, General **Salah Abdullah Mohamed ‘Gosh’**.
- Violence in Darfur and the South prevents safe voting or even registration. Worst hit areas are Jonglei, Western Equatoria (by the Khartoum-backed Lord’s Resistance Army) and Jebel Marra (by government ground and air attacks).
- Displacement: over 250,000 Darfur people in **Chad**; hundreds of thousands in South and Darfur unable to vote.
- NEC: monitors charge ‘belated and inadequate preparations’. Ensuring efficiency and probity at 17,914 polling stations will be challenging (21,000 were planned; the reduction may affect voting).
- A lack of independent and properly trained police to protect voters in both North and South.
- Biased or inexperienced poll monitors: the NCP claims there are 200,000 monitors and observers, but these would be mostly local party agents. The few hundred international monitors mostly do not speak Arabic or local languages and few have detailed knowledge and experience of Sudan. ●

A united opposition protest

The President fears he may not be re-elected in June; his opponents fear they may be eliminated

Twelve worried opposition parties got together on 24 March to issue a joint communiqué denouncing a 'macabre plan' by President **Pierre Nkurunziza's** government, in the lead-up to the presidential election due on 28 June (AC Vol 50 No 18). Most unusually, their protest brings together both Hutu and Tutsi opposition voices.

From the Hutu side, the communiqué is signed by **Agathon Rwasa** of the former guerrilla *Forces Nationales de Libération* (FNL); by former Interior Minister **Léonard Nyangoma**, of the *Conseil National pour la Défense de la Démocratie* (CNDD); and by the *Front pour la Libération Nationale* (Frolina). The leading Tutsi signatory is former President **Jean-Baptiste Bagaza**, alongside former Vice-President **Alice Nzomukunda**, who leads a breakaway from Nkurunziza's CNDD-*Forces de Défense de la Démocratie*, the *Alliance Démocratique pour le Renouveau-Urunani* *Rw'Imvugakuri*; the Tutsi *Alliance Burundo-Africaine pour le Salut* (Abasa); and the *Mouvement pour la Solidarité et la Démocratie* (MSD), led by **Alexis Sinduhije**, founder of *Radio Publique Africaine*.

This unlikely solidarity was inspired by the murder of militants from yet another opposition group, the *Union pour la Paix et le Développement*, another CNDD-FDD breakaway, led by its former Secretary General, **Hussein Radjabu** (AC Vol 48 No 1). He was convicted in August 2007 of plotting against the state and is now held in the grim Mpimba prison. In January, a UPD official in Bubanza Province, **Sylvère Niyonzima**, was killed, shortly after the killing of another party official in Nyanza-Lac. The opposition document claims that in March, there was also an attempt on the life of a member of parliament from Nyangoma's CNDD, **Charles Niyungeko**, and that the police did nothing about it although the identity of the attackers was well known. In Gitega Province on 21 February, five buckets of human excrement were found on a desk at the MSD's office, it is said. In January at Cankuzo, another member of the MSD was injured by a grenade.

To make matters worse, the government had moved out senior policemen who did not obey orders to intimidate its opponents and had failed to demobilise all *Imbonerakure* militias, the

'far-seeing ones' of the CNDD Youth League who intimidate the party's opponents. Others tell of occasional murders in the hill country, with most victims opponents of the government; police never track down the killers. In June last year, non-governmental organisation Human Rights Watch told of harassment by militiamen who paraded with sticks and clubs in the streets of Kayogoro, in Makamba Province in the south. HRW claimed that the youths used Kalashnikov rifles and grenades for training. All this violence seems to indicate that the CNDD-FDD is no longer sure it will win the presidential election in June and the parliamentary polls which follow in July.

The ruling CNDD-FDD is divided. In March its 'Council of Wise Men' polled its members and found that the list of candidates they preferred was headed by the President of the Senate, **Gervais Ruffyikiri** (with 32% of preferences), followed by the party President, Colonel **Jérémie Ngendakumana** (28%), while Nkurunziza scored only 25%. In other words, the national President risks not being selected as a candidate to succeed himself. The party congress at Kayanza a year ago had already exposed the hostility between Nkurunziza and his two rivals. Party unity was seriously upset by Radjabu's ousting as Secretary General in February 2007.

The big question now is whether the CNDD-FDD will hold primary elections to pick its candidates. There is a real risk of a split, managed by Nkurunziza if he is not nominated or by his rivals if he holds on to his job. Party members may have to choose between three or even four candidates at the presidential poll. Nkurunziza and/or Ruffyikiri and Ngendakumana will face two dissidents. **Pascaline Kampayano**, one of the 22 MPs in Radjabu's faction who were thrown out in 2007, was selected on 20 March as candidate for the UPD-Zigamibanga, and Nzomukunda, a former Vice-President, will stand for the ADR-*Imvugakuri*.

Amid this faction-fighting, the CNDD-FDD's main rival at the 2005 elections, the mostly Hutu *Front pour la Démocratie au Burundi*, has only 25 MPs to the CNDD-FDD's 59, and Frodebu's presidential candidate, ex-President **Domitien Ndayizeye**, does not seem as popular in the countryside as he once was. Rwasa, the former FNL guerrilla, seems to be the

choice of many people in the rural areas, especially around Bujumbura. His faction has not been in power, avoiding blame for the scandals that affect the others.

Frodebu, formerly the leading Hutu party, faces humiliation if it is overtaken by the largest mainly Tutsi party, the *Union pour le Progrès National* (Uprona), which has 10 MPs and is led by **Charles Mukasi**, or even by Nyangoma's CNDD, which has only four MPs but is campaigning hard. The municipal elections due in May should shed light on the parties' standing.

The latest opposition protest was inspired by some strange happenings. On 21 and 22 March, shots were fired at the President's offices and the **Ugandan** Embassy; nobody was hurt but windows were broken. The authorities have so far identified no suspects but the Defence Minister, Lieutenant General **Germain Niyoyankana**, has laid the blame on 'ordinary villains'. There is speculation about the risk of confrontation between the army, which is more or less neutral in politics, and the national police, regarded as close to the CNDD-FDD.

'The army is living through a crisis,' said Niyoyankana on 25 March, calling it the longest in its history. He was speaking at the start of the trial, under army rules, of 18 soldiers accused of a military plot. In December, six soldiers were arrested and eight dismissed for distributing pamphlets calling for a mutiny.

Troops and police accuse their officers of embezzling their pay – a practice common in next-door **Congo-Kinshasa** but regarded as disgraceful in Burundi with its tradition of firm discipline. In February, shooting in a Bujumbura encampment left one soldier dead. A recent World Bank report said that in East Africa, only **Kenya** was more corrupt than Burundi. Many observers expect that, unless there is massive rigging, the political landscape which the CNDD-FDD has overwhelmingly dominated since 2005 will fragment. This could bring about a coalition government.

Another scenario fears a confrontation between the CNDD-FDD *Imbonerakure* militias and those of the FNL, the *Ivyuma vy'Indege*, the 'aircraft spare parts', which are suspected of having arms caches and could ally themselves with Frodebu's *Intaganzwa*, the 'Invincibles'.

In November 2009 at Kizi in Muyinga Province, clashes took place between the CNDD-FDD's *Imbonerakure* and Frodebu's *Intaganzwa*. Then, on 20 January, several dozen people were injured in fighting in the Kinama suburb of Bujumbura between the *Imbonerakure* and the FNL militia. The next day in Kirundo Province, more nasty fighting took place between the *Imbonerakure* and the youths of the breakaway faction UPD-Zigamibanga. ●

A vote about corruption

Amid corruption concerns, a power struggle is growing within the governing party

It is an overwhelming certainty that the governing *Chama cha Mapinduzi* will win elections on the mainland again in seven months' time. Yet behind the scenes, there is a battle for power within the party, fuelled by growing concern about grand corruption and the influence of business interests on Parliament. Politics in Zanzibar will be still less predictable. The question is whether the islands' CCM government under President **Amani Karume** will keep its promise of free and fair elections, as agreed last year with **Seif Shariff Hamad**, leader of the opposition Civic United Front (CUF).

On the mainland, the CCM is in the lead because it is familiar, not because it is popular. Corruption among its leaders is widely resented and labour unrest reflects general cynicism about the party's performance. Despite its continued wealth and dominance of state institutions, the elections will be tense. Business people and investors will be watching for populist measures, in a political climate troubled by internal party divisions.

In April, a new mining bill is due to be tabled in Parliament and the industry

expects it to oblige mining companies to offer the state a 15% share in new ventures. In the short term, that is likely to discourage investment in extraction and to delay exploration. The government had hoped that a flow of investment would help its finances; there has been no new investment in mining since 2008 and the future trend of world prices is uncertain.

The inactivity may continue for a couple of years if the provisions are passed. The CCM feels compelled to respond to the widely held distrust of foreign investors, particularly in mining, and the opposition will take full advantage of that during the election campaign. The government may, however, find ways of softening the blow to existing mining interests. Terms have been modified before, as in 2007, when extra levies for local government were introduced, some tax breaks revoked and the gold giant Barrick guaranteed an annual payment of US\$2 million for seven years. Yet the company might not so easily give up 15% of its Tanzanian holdings. Potential investors will be nervous, not only in mining but in the promising oil and gas sector off the coast.

Four trades unions have called for nation-wide strikes in May, seeking a minimum wage, lower taxes and better pensions. They may not have much effect. The unions have not got the resources to support strikers or the organisational capacity to ensure strikes. Nevertheless, there is general dissatisfaction at the government's failure to provide jobs and a better quality of life.

UNWANTED INQUIRIES

The issue that dominated President **Jakaya Kikwete**'s first term was grand corruption. Unlike his predecessor, **Benjamin Mkapa**, he did not campaign on the issue: it was forced on him and suspects with strong party connections were left untouched when, in the External Payments Account case, some Bank of Tanzania officials and businessmen were charged with offences (AC Vol 50 No 25). In the Richmond scandal, the 2008 resignation of Prime Minister **Edward Lowassa** and two ministers shook things up but no fundamental reform has been introduced. Tackling corruption means taking on vested interests within the party; Kikwete would try that at his peril.

The resulting divisions within the CCM are bitter. The party's self-styled 'anti-corruption caucus', grouped around **Samuel John Sitta**, the Speaker of Parliament, stands against Lowassa and his supporters. Conflicts will be bitter as the candidate nomination process begins. A party commission under former President **Ali Hassan Mwinyi** is desperately trying to paper over the rows and reconciliation (even if merely cosmetic) is likely for the sake of the elections.

In August, constituency party members will pick their candidates. Kikwete is playing it cautiously. No party leader wants to oversee a long-predicted split in its ranks. So the President is reaching out to members in a series of regional tours, while not openly taking sides. The options seem to be either a clean-out of Lowassa's camp or an unhappy marriage of the rival factions. Sidelining the 'anti-corruption' interests would be widely unpopular and probably lead to a split anyway.

The opposition parties are still too weak to matter much, and the CCM controls wealth, most media and the oversight bodies. *Chama cha Demokrasia na Maendeleo* has made an impression, in Parliament and beyond, on mining and corruption, but internal tensions have robbed it of its bite and the mining bill may weaken it further. Chadema's lustre has been dimmed by the marginalisation of **Zitto Kabwe** (AC Vol 50 No 1), the young MP who challenged party leader **Freeman Mbowe** in internal elections last year but was persuaded to withdraw.

His quest for a more prestigious constituency than his home base of

THE FRONT LINE OF POLITICS

- **Jakaya Mrisho Kikwete**, fourth President of Tanzania, has deep roots in both the ever-governing *Chama cha Mapinduzi* (CCM) and the armed forces. His first challenge as he ends his term is to maintain the unity of his split-prone party; his second is to keep it popular, despite its unfulfilled promises of 'a better life for all Tanzanians'.
- **Samuel Sitta**, previously head of the Tanzania Investment Centre, now Speaker of Parliament and mastermind of the CCM's anti-corruption caucus. Attempts to oust him from the party in 2009 failed. As the election nears, he is likely to be less vocal and busy trying to ensure the re-election of fellow caucus members.
- **Edward Lowassa**, forced to resign as Prime Minister after the Richmond generator scandal. He blames his one-time ally, Sitta, and campaigns bitterly to push him out of the party and off the Speaker's chair. Believed to have his eye on the presidency in 2015.
- **Zitto Kabwe**, representing Kigoma North since 2005, the most vocal and ambitious opposition member of parliament but increasingly isolated in his *Chama cha Demokrasia na Maendeleo* (Chadema) party.
- **Rostam Abdulrasul Azizi**, MP for Igunga, implicated in the parliamentary inquiry into the Richmond scandal. A key CCM fundraiser, he controls five national newspapers.
- **Mohammed Dewji**, 35, Managing Director of Mohammed Enterprises Tanzania Limited, represents Singida and sits on the CCM's National Executive Committee. Says little about the party's quarrels but his contributions count, since METL companies claim to make up 2% of gross domestic product.
- **Reginald Mengi**, controls much of the nation's print and broadcast media. Has shown support (backed by funds) for Sitta and the anti-corruption caucus, not least by accusing Rostam Azizi and others of being sharks.
- **Seif Shariff Hamad**, leader of the Civic United Front, may win the Zanzibar presidency if outgoing President **Amani Karume**'s promises of free and fair elections are kept. If not, Zanzibar's union with the mainland could again be in doubt. ●

Kigoma North has brought accusations of excessive personal ambition but he needs to prove his drawing power in a constituency without the advantage of local connections. For now, Chadema needs more seats in Parliament. Mbowe, its presidential candidate in 2005, will contest his home constituency in Kilimanjaro region. Nationally, Kabwe might have been better at exploiting dissatisfaction with the government.

The CUF's focus is on Zanzibar, where its likely candidate is its Secretary General, Seif Shariff Hamad. Zanzibar President Karume is at the end of his second and final term and his legacy is an agreement made last year with Hamad, which may lead to fairer elections on the islands; its details are still confidential but for the first time the CUF recognises the legitimacy of the CCM government in Zanzibar.

The deal also resolved a row with the mainland government over oil rights. It was a somewhat personal bargain between Hamad and Karume and its implementation is not yet assured. The CUF had difficulty selling it to its members and the CCM, whose National Executive Committee was not consulted, also failed to welcome it. That makes the selection of a CCM candidate all the more delicate.

Karume was not the original choice of his party's Zanzibar team, which in both 2000 and 2005 preferred **Mohammed Gharib Bilal**. The National Executive twice overrode that choice but Bilal is still popular in the CCM. The only potential candidate to declare an interest so far is the President's brother, **Ali Karume**.

ALTERED IMAGE

Blatant corruption could jeopardise substantial aid funds for Tanzania's government. About a third of its 2009/10 budget of 9.51 trillion Tanzanian shillings (US\$7.29 billion) comes from cheap loans and grants from governments and multilateral institutions. Given the continuing economic stringencies in the West, many of these contributors are preparing to use concerns about graft to justify aid cuts.

Until the mid-2000s, Tanzania had presented itself as a country committed to economic and political reform. Criticism then began to mount of outgoing President **Benjamin Mkapa** and his successor, **Jakaya Kikwete**. Critics claimed that Kikwete moved too slowly to tackle a foreign exchange contract scandal at the Bank of Tanzania (AC Vol 49 No 22), inherited from Mkapa. President Kikwete's appointment of technocrat **Benno Ndulu** to reform the Bank was widely applauded. Evidently, Ndulu has made great strides in cleaning up the financial sector over the past 18 months although anti-corruption activists say that prosecutors have been far too slow in pursuing officials implicated in the Bank scandal, which cost the Treasury hundreds of millions of dollars.

Anti-graft campaigners are turning their attention to the mysterious middlemen who have appeared in negotiations for mining and hydrocarbon licences, demanding upfront fees for signings and arbitrary shares of export revenue. Some of the worst problems concern **British** companies working in the oil and gas sector and in military procurement. Last month, BAE Systems agreed to repay £28 million (\$43 mn.) to Tanzania's Treasury for an 'accounting error' on the supply; Britain's Serious Fraud Office says the contract for a military air traffic control system was grossly overpriced and some profits were diverted to an intermediary with political links in Dar es Salaam (AC Vol 51 No 5).

When the contract was being negotiated, General **Robert Mboma** was Chief of Defence Staff and we hear he has remained very active in government and private business. British investigators have sent the BAE dossier to their counterparts in Tanzania but there seems little prospect of locals being held to account for the contract.

Britain's total £140 mn. (\$227 mn.) aid for Tanzania included in 2008 £115 mn. for budget support. This was cut to £103.5 mn. in 2009 because Tanzania failed to earn a tranche of cash related to good performance. Britain provides over a quarter of direct budget support, the World Bank follows with 23.73%. **Sweden**, the European Union and African Development Bank provide over TSh80 bn. each direct to the government. ●

A government of national unity, as agreed in principle by the two leaders, is a strong possibility after the October elections, if Karume's successor holds

to the agreement. That would entail a constitutional amendment before the election and the Zanzibar Electoral Commission is getting ready for one. ●

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Zimbabwe/South Africa

EASTER PARADE

■ After South African President **Jacob Zuma's** 16-18 March trip to Harare, the abrasive Chairman of the African National Congress Youth League, **Julius Malema**, is due to arrive in Zimbabwe on 2 April for a four-day tour at the invitation of the dominant Zimbabwe African National Union-Patriotic Front.

Although Zuma is searching for a compromise deal to break the impasse between ZANU-PF and the Movement for Democratic Change, Malema will be addressing several rallies over the Easter weekend, extolling the virtues of ZANU-PF's indigenisation policy (AC Vol 51 No 5) and calling for South Africa to follow suit. With a taste for expensive motor cars, big houses and populist capitalism, Malema has much in common with his hosts, particularly **Saviour Kasukuwere**, the Youth and Indigenisation Minister.

Kasukuwere is leading a strident campaign on indigenisation in the build-up to the next elections. He stormed out of a business seminar on the regulations, accusing the organisers of peddling 'racist rubbish' and directing particular venom at Professor **Tony Hawkins** of the University of Zimbabwe. The state media is accusing white parliamentarian **Roy Bennett** (MDC Treasurer) and **Eddie Cross** (Economic Advisor to Prime Minister **Morgan Tsvangirai**) of defending the interests of their 'Western paymasters'. Kasukuwere has even lambasted President **Robert Mugabe's** close ally, Reserve Bank Governor **Gideon Gono**, for warning of the dangers of the same *jambanja* (violence) in the industrial sector that has accompanied land reform in the countryside.

Ghana

OIL SPILL

■ No end is in sight to the row between the government and the **United States'** Kosmos Energy over Kosmos's efforts to sell its equity stake in Ghana's Jubilee oil field to ExxonMobil (AC Vol 51 No 2). The government has no reason to change its opposition to what Kosmos claims is an 'exclusive agreement' with ExxonMobil, a legal advisor told *Africa Confidential*. Kosmos breached local laws by making geological data available to potential bidders without getting permission from the state-owned Ghana National Petroleum Corporation, he added.

State prosecutors have also launched a criminal investigation into the relationship between Kosmos and the two Ghanaian directors of EO Group, **Kwame Bawuah-Edusei** and **George Owusu**, who negotiated

a 3.5% stake in the Jubilee field from Kosmos and were close to the government of former President **John Kufuor**, which awarded the concessions.

The government was open to negotiations based on a 'fair market price' for Kosmos's stake, Energy Minister **Joe Oteng-Adjei** said at a conference on Ghana's oil prospects organised by the CWC Group in Accra on 22-24 March; oil experts value the stake at some US\$4 billion and note that Kosmos had secured better revenue terms than Tullow Oil and Anadarko. Oteng-Adjei said Kosmos had apologised for 'any misunderstanding' of its handling of negotiations at the Presidency in Accra with its backers Blackstone and Warburg Pincus. Last September, the normally mild-mannered President **John Atta Mills** was irate when he learned of the Kosmos sale from ExxonMobil officials on a trip to New York.

Relations between Kosmos and Accra officials worsened further last month after the *Wall Street Journal* and *Forbes* magazine published articles criticising Ghana's business environment, which officials believe drew on briefings from Kosmos. In a piece which infuriated GNPC Chairman **Ato Ahwoi**, the *Journal* described the government's stance on Kosmos as 'capricious government meddling' and the 'kind of official thuggery more frequently associated with **Nigeria**'. The *Journal* then suggested that the dispute means that the government has abandoned its duty to protect contracts. Other oil companies operating in Ghana such as Tullow, Anadarko and Vanco say such conclusions are unwarranted.

Kenya

KIPLAGAT'S TRUTH

■ The mounting pressure on **Bethuel Kiplagat**, the Chairman of the Truth, Justice and Reconciliation Commission, after the resignation of its deputy head **Betty Murungi** on 29 March, raises new doubts about the TJRC's future. In a column with Commissioner **Ronald Slye** (from the **United States**) in the *Sunday Nation* of 28 March, Murungi called for Kiplagat's resignation. Murungi and Slye said Kiplagat's position had been undermined by the Ndungu Report's claims about his acquisition of land, claims about his links to and knowledge of the Wagalla massacre in North East Province, and criticisms of his testimony to several commissions probing the assassination of Foreign Minister **Robert Ouko** (under whom Kiplagat served as Permanent Secretary).

Murungi and Slye said they would be in an 'awkward and at worst untenable position' if they had to report to Kiplagat as TJRC Chairman and also question him publicly as a witness to these developments. The outstanding allegations against Kiplagat and possible

conflicts of interest generated were the main concern, according to Murungi and Slye; some rights activists claim Kiplagat is ineligible because of his senior positions in President **Daniel arap Moi's** government.

The furore has damaged the TJRC but Kiplagat has promised to respond to the criticism. Murungi wants to remain a Commissioner, which looks opportunistic; if Kiplagat resigns, she may try to replace him as chair. Other Commissioners are divided over Kiplagat's suitability: they have to elect a deputy and perhaps a new chair, too. If he does not resign, it will be extremely difficult to unseat him according to the statutes that established the TJRC. Local rights groups and ten former truth commissioners from around the world led by Archbishop **Desmond Tutu** have called for Kiplagat's resignation, which he has steadfastly resisted.

Namibia

THE RISE AND RISE OF SON OF SAM

■ The prospect of a Nujoma dynasty looms with the promotion of **Utoni Nujoma**, the eldest son of founding President **Sam Nujoma**, to the senior cabinet position of Minister of Foreign Affairs. President **Hifikepunye Pohamba** made the announcement on Independence day, 20 March, after growing pressure from Nujoma Senior and his allies within the ruling South West African People's Organisation (SWAPO).

Nujoma Junior had been since 2005 a controversial, ineffective Justice Deputy Minister. Now, with a cabinet post, he can launch his bid to become SWAPO's presidential candidate at the next elections in 2014. By then, Pohamba will have served two terms and he is constitutionally barred from standing for a third.

A strong supporter of **Zimbabwe's** President **Robert Mugabe**, Nujoma publicly berates journalists who criticise his father. Former Foreign Minister **Marco Hausiku** was appointed Deputy Prime Minister after the long-serving, popular **Libertina Amathila** retired. The deputy prime minister's post is a non-job; even the Prime Minister, **Nahas Angula**, has little say in cabinet appointments. Although he won an overwhelming majority in the November 2009 elections, Pohamba couldn't resist the Nujomaists and their allies in the SWAPO Youth League.

Nujoma is from the majority Oshivambo ethnic group. At 57, he is younger than his rivals for the presidency such as SWAPO Vice-President and Trade and Industry Minister **Hage Geingob** (70), from the minority Damara. Geingob believed that as Vice-President he would automatically succeed Pohamba and says he will challenge Nujoma for the nomination. Insiders reckon the chances of Hausiku, a Kavango, are better than Geingob's – and that is why Pohamba promoted him.

BLUE LINES

The announcement this week by the Maradona of Nigerian politics – General Ibrahim Badamasi Babangida (aka IBB) – that he will stand as presidential candidate next year for whichever of the 51 political parties that will have him takes us back to the future. It comes just as Acting President Goodluck Jonathan tries to push through critical electoral reforms.

While some Nigerians are awed by IBB's name and reputation for political cunning, others dismiss him as the architect of the annulling of the presidential election won by Moshood Abiola in 1993 and the ensuing damage to the political fabric. Such are IBB's fabled powers that Nigeria's plentiful conspiracy theorists claim to see his hand in the coming to power of his former rival Gen. Sani Abacha, Abacha's demise in June 1998 and that of Abiola a week later.

To make headway, IBB will have to explain plausibly how and why the 1993 election was annulled and the source of his equally fabled personal wealth. A coalition of activists in Lagos led by veteran lawyer Femi Falana wants to help: they have filed a petition calling on the new Attorney General to prosecute IBB for his failure to account for the presumed US\$12.5 billion oil windfall earnings during the Gulf War in 1991.

Falana says that a report by the late economist Pius Okigbo showed that the extra-budgetary payments system set up to manage the extra funds was under the direct control of the presidency amid evidence of a huge misappropriation of funds.

SUDAN

An election victory that widens the North-South gap

Western governments accept the regime's rigged victory in exchange for what they hope will be a Southern referendum

Long before voting started on 11 April, it was clear that the ruling National Congress Party (NCP) in Khartoum would maintain its iron grip on power and that interested governments would accept this, despite the widespread evidence of fraud produced by Sudanese and foreign observers alike (AC Vol 51 No 7). The opposition decision to boycott spoiled the plan.

For Khartoum, internationally accepted elections would counter the International Criminal Court's arrest warrant for Sudanese President **Omer Hassan Ahmed el Beshir**. For Western governments, the elections were an essential building block in an orchestrated peace process which would culminate in next year's referendum on independence for Southern Sudan.

After the opposition threatened a boycott, the **United States** Special Envoy, Air Force General (Retired) **J. Scott Gration**, flew in to 'save' the elections, initially due to run on 11-13 April but then extended due to the chaos. He declared them 'as free and fair as possible'. A triumphant Field Marshal Omer told a 3 April rally in Blue Nile: 'Even America is becoming an NCP member. No one is against our will.' The ruling NCP (the rebranded National Islamic Front, NIF) cheered. Sudanese democrats felt betrayed.

Other concerns at this early stage include the growing estrangement between North and South and the divisions within the Sudan People's Liberation Movement (SPLM), linked to this widening gap. Meanwhile, the Northern opposition has surprised itself (and others) by its defiance of the NCP regime and will seek to use the coming year, when Khartoum will attempt to

sabotage the Southern and Abyei referenda, to rebuild itself and strengthen its challenge to the NCP. Foreign governments and non-governmental organisations will focus on the South, leaving a victorious Khartoum more scope in its war in Darfur and in combating the Northern opposition's attempts to restore democracy – and itself.

The NCP's victory celebrations took flight in the week between the initial SPLM boycott and the start of voting. Its victory, it told the public in rallies and the media, would be the people's victory, marking the democratic transformation (a key phrase) they had been waiting for since 1986 (date of the last multiparty elections, which were generally free – in the North, at least). A 6 April release by the very official *Sudan News Agency* (Suna) used the term 'free and fair' three times in three paragraphs.

PLAYING THE CROWD

The story was about the Ministry of Foreign Affairs Under-Secretary, **Mutref Siddig Ali**, briefing European Union ambassadors. 'He also emphasised the legal and logical necessity of an elected government to precede carrying out of the referendum to determine the future of south Sudan and realising the aspired democratic transformation in the country,' said Suna of Mutref, a stern inner-core NCP man who frequently travels abroad to lay down the party line. This line has never included democracy, for throughout its brutal two decades in power, the party would have lost any fair election. Now, it will claim it has just won one.

The NCP has also been careful to link the elections to the Comprehensive Peace

SUDAN

A moral dilemma

Western governments and the UN have been accepting the election results, however fraudulent.

SOUTH AFRICA

In a league of his own

The ANCYL's Julius Malema now faces a challenge from his own power base.

SOUTH AFRICA

Live by the sword

The murder of racist politician Eugene Terre'Blanche revives old hatreds and sparks new fears.

5

CONGO-KINSHASA

Le scandale pétrolier

President Kabila is blocking oil exploration contracts that were granted several years ago.

CONGO-K/OIL MAP

CONGO-KINSHASA

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amisshah

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Agreement of 2005, which formally ended the war between the NCP and the SPLM/Sudan People's Liberation Army. The culmination of the CPA is January's Southern referendum on independence, along with the often forgotten one in Abyei on whether the District should join the South or stay in the North. The governments involved in the CPA, especially the 'Troika' of Britain,

Norway and the USA, insisted these elections precede the referenda and see them as a crucial precursor. This is why they were endorsing the elections before they happened. In turn, Southerners widely see the referendum as the means to their liberation, with the elections as secondary.

This allowed the NCP to present itself as an enthusiastic proponent of both elections and peace. Omer el Beshir may have threatened to cut off the fingers, heads and tongues of foreign election monitors but the party calculated that, in the name of the CPA, it could get away with such threats and, indeed, with the aerial bombardment of Jebel Marra and Jebel Moon in Darfur that same week.

Another NCP tactic has been to present boycotts as merely reflecting the opposition's fear of failure. 'It is obvious that the opposition parties want to escape the competition because its

leaders discovered that they are unable to convince the voters after two decades of splendid isolation during which they lost most of their active cadres,' trumpeted the government's *Sudan Vision* on 7 April.

The isolation and loss of activists is true – regime harassment and cooption combined with opposition ineptitude and poverty have ensured that. Yet despite all this, it is clear that much traditional support remains for the religiously based mega-parties, the National Umma Party and the Democratic Unionist Party (DUP), and that in transparent elections they would do well. So would the main secularist alternatives, the Sudan Communist Party (SCP) and, most of all, the SPLM, which among Northerners has taken off from nowhere. This was fed by the ecstatic welcome for the late SPLM Chairman, **John Garang de Mabior**, in Khartoum in July 2005 and the fact that many Northerners embrace his vision of a 'New Sudan', politically secular and giving some of the Nile Valley elite's power to the country's marginalised peoples.

Foreign optimists also constructed the edifice of the CPA on the broad shoulders of the stubborn and charismatic Colonel Garang. This is one reason many Sudanese nation-wide believe 'Doctor John' was assassinated by the NCP. The crash of the **Ugandan** presidential helicopter in Equatoria on 30 July 2005 has never been fully explained.

ELECTION-RIGGING GUIDE BOOK

Interested governments may turn a deaf ear but the opposition is making sure no one, at home or abroad, can credibly claim the 2010 elections were free and fair. On 12 April, the doughty Paris-based *Sudan Tribune* listed the first day's irregularities:

- Ballots arriving late at polling stations.
- Insufficient ballots at stations.
- Stations opening later than scheduled.
- Names of candidates on ballots misspelled or assigned wrong party symbol.
- Names missing from the electoral register at the polling stations or relocated elsewhere.
- Political parties unable to get clearance for their representatives to monitor voting.
- Registering people at the stations and then allowing them to vote.
- Electoral officials instructing voters to pick the National Congress Party symbol.
- Children allowed to vote.
- NCP tents near polling stations.
- Some voters' fingers were not dipped in ink as required. Some ink used was not indelible.

Africa Confidential has heard, from both opposition and independent sources, of a range of fraudulent practices, mainly by the NCP or National Elections Commission, widely and publicly accused of not being neutral. Disparities between the electoral register and would-be electors are widespread, including in the South, and usually blamed on the NEC. So are missing candidates' names, symbols and photographs (vital for illiterate electors), as well as a lack of staff, shelter, furniture, ballots or boxes.

Many polling stations were amalgamated or otherwise moved and electors were not always told where they had gone (17,914 stations suddenly became '13,000'). AC had reports of this in the South and, especially, in Darfur, where NCP voters were routinely bussed to a new site. The Sudan People's Liberation Movement cited the impossibility of fair elections in Darfur when it pulled out of the Northern polls, as did the European Union, withdrawing its Darfur monitors.

Darfur towns were still buzzing with international monitors from the African Union, Inter-Governmental Authority on Development, Arab League and other organisations but few had any inkling of what was going on in the countryside and most, having been told by the NCP and United Nations alike that the war was over, were unprepared for the challenges of NCP-controlled elections in a war zone.

Here, as elsewhere, election organisers ensured that most outsiders would notice nothing amiss: most vote-rigging had been done at the time of registration. Sudanese observers were more restricted in Darfur: security officials rejected those deemed likely to challenge. Some were arrested. Also as elsewhere, it was routine for 'community leaders' to bring 'their' people to the polling station: amid the trauma of eight years of atrocities by the *Janjaweed* and NCP government, it takes a brave person to say 'no'. In any case, many *Janjaweed* have been absorbed into the police tasked with protecting the vote. ●

ELECTORAL GIFTS FOR THE NCP

After the complicity of foreign governments and the United Nations, the biggest electoral gifts to the NCP are the indecisiveness of the Northern opposition and of its ally in the National Consensus Forces (NCF, aka Juba Alliance), the SPLM. Confusion followed the SPLM's 31 March announcement that it would boycott the Darfur and national presidential elections. Doubt had already spread earlier that day after SPLM Chairman **Salva Kiir Mayardit** had denied in a BBC interview that any such boycott would occur. The explanation was reluctantly proffered that he had not wanted to announce the boycott, agreed at an SPLM Political Bureau meeting, before it was discussed with the SPLM's NCF allies.

His Deputy, **Riek Machar Teny Dhurgon**, had gone ahead and told the world anyway. Yet SPLM sources had already told *Africa Confidential* that, after meetings with the Northern opposition, a joint boycott was planned. When the SPLM made its unilateral announcement, some oppositionists accused it of doing a deal with its CPA 'partner', the NCP: 'You can win the elections, as long as we get our referendum'. Such a bargain of course implies both that the NCP was not already sure of winning the elections and that it would stick to such an agreement when it

has broken all previous ones.

Various SPLM leaders then went on to contradict each other over the boycott, with a clear division between Khartoum and Juba, leading one Movement official to make an analogy with Janus, the Ancient Roman god with two faces, looking in opposite directions. Indeed, the elections have brought out a lack of cohesion in SPLM policy and the contradiction at the heart of the CPA: that the SPLM is in legal (though not *de facto*) partnership in the 'Government of National Unity' with the NCP, which doesn't want the South to secede, while Southerners and most SPLM officials wait impatiently for January's referendum – and independence.

There is still, though, a group in the SPLM that believes in the New Sudan that lay at the core of the CPA for many of its foreign architects, who counted on John Garang to carry this through. During the CPA negotiations, both Britain and the USA were opposed to the independence referendum, one Western diplomat involved told *Africa Confidential* recently.

THE SPLM IN THE NORTH

In the SPLM, the unity group is seen as led by Secretary General **Pa'gan Amum Okiech** and his deputy for the Northern Sector, **Yasir Saeed Arman Saeed**, who spearheaded the election boycott by withdrawing as national presidential candidate on 31 March. Asked whether, in the case of an independence vote, he would go North or South, Yasir (a Northerner) answered 'North'. This has crystallised the idea of a Northern SPLM continuing after the referenda; till then, the SPLM theoretically remains a partner of the NCP, although relations seem unlikely to improve.

On 10 April, Yasir Arman sought to quash rumours of rifts: 'Myself, First Vice-President Silva Kiir Mayardit and Secretary General Pa'gan Amum are comrades for a quarter of a century. We will not be taken apart by three day elections,' he declared. Yasir, a former Communist from the Gezira, developed a charismatic campaign himself and Sudanese will hear more of him. It will be interesting to see which direction the equally articulate Pa'gan, a Collo (Shilluk) from Upper Nile, eventually takes. It is keeping SPLM strategists busy.

Differences in the Northern opposition are less grounded but more damaging: they prevented the NCF from presenting the united poll boycott that would have received a warm welcome in the North (contrary to the South, where a boycott was popularly perceived as threatening the referendum). Both the Umma Party and DUP have long suffered from factionalism but the boycott highlighted the ambivalence of their leaders. After much dithering, the Umma's **El Sadig el**

Sideeg el Mahdi had decided, eventually, not to boycott but was forced to cave in to pressure from senior party people. Over 100 wrote to him demanding a boycott, we hear. This may reflect the gradual internal democratisation that party sources say is now taking place in the dynastic institution.

Also dynastic is the DUP, now often called DUP-Original. Head of it and the Khatmiyya sect is **Mohamed Osman el Mirghani**, in the 1990s head of the then opposition umbrella, the National Democratic Alliance, and active in the mid-1980s peace talks with the SPLM which El Sadig long shunned and which the NIF coup was timed to terminate.

Mohamed Osman declared he would boycott but then, we understand, was approached by the NCP and changed his mind. His deputy, lawyer **Ali Mahmoud Hassanein**, had since December called for a boycott; he predicted to *Africa Confidential* this week that most Unionists

would boycott polling and called for the united opposition to stand firm.

That will be the post-electoral challenge for the Consensus Forces, which were unable to maintain their consensus enough even to boycott a poll they had all agreed was rigged in advance (including **Hassan Abdullah el Turabi** and his Popular Congress Party, who surprised few by rejecting the boycott by the opposition of which he was theoretically part). The NCP will offer ministerial but power-free portfolios to a handful of NCF leaders and call this a democratic consensus government.

Nevertheless, the genie has been allowed out of the bottle and it will not return. The greatest opposition momentum lies with the secularist parties, notably the SPLM and SCP, which may well reinforce their ties to the leading Sudan Liberation Movement groups in Darfur. A strengthened NCP will divide its strategy between them and the South. ●

A MORAL DILEMMA

There was no election boycott in Darfur by the Sudan People's Liberation Movement, **Ibrahim Agboola Gambari** told **Jimmy Carter** on 10 April. The **United States'** ex-President then told **South African** ex-President **Thabo Mbeki**, head of the African Union (AU) Panel on Darfur. Carter then gave a press conference in Khartoum to tell everybody else. Meanwhile, back in Darfur, the SPLM boycott has held, say sources on the ground.

Ibrahim Gambari is the United Nations-AU Joint Special Representative on Darfur. The Washington publication *Foreign Policy* last week described him as the UN's 'favourite dictator-whisperer' and noted that, as Foreign Minister to the late **Nigerian** ruler **Sani Abacha**, he knew how to talk to dictators. His appointment illustrates the international conviction that the National Congress Party (NCP) regime is a dictatorship that is open to leverage – or, at least, sufficient pressure to assuage external concerns, if not domestic ones.

There is what one source called 'a very concerted and united campaign' by the UN, European Union, USA, **Britain** and others to 'push the validity of this election and deny the reality of the boycott'. Carter insisted on coming to Sudan despite fears among some of his colleagues that, like US Special Envoy **Scott Gration**, he would be seen as conferring a US blessing on rigged elections. Not everyone within the Beltway agrees with this conciliatory policy but it has its own momentum. Hovering overhead is the idea that if everyone accepts the NCP's victory, the NCP will in turn accept a peaceful referendum in the South: NCP strategists will have hinted as much to foreign diplomats. A brief survey of NCP policy over two decades in power would show that party thinking is highly strategic and (like all Islamists but not most Westerners) long-termist. It would also show that the more the NCP is given, the more it takes.

Sudanese democrats are angry that the international support they expected is going to the regime they loathe and is helping to keep it in power. 'Democracy is very deep-rooted in Sudan, Gration can't come here and tell us what's democratic,' said Democratic Unionist Party Deputy Chairman **Ali Mahmoud Hassanein**. The West should 'stand with us at this critical moment in our political life', he complained. Diverse political and human rights activists told *Africa Confidential* they felt the same.

'It's a moral dilemma for the international community,' the Southern Minister of Presidential Affairs, **Luka Biong Deng**, told AC. The SPLM is well aware, if all outsiders are not, that a strengthened NCP will not facilitate the referenda. There might be 'a divergence of views' between monitors and governments, noted Luka Biong, who hails from Abyei, and the North needed to move towards 'the rule of law and democratic governance and move away from the one-party Islamic system'.

Interested governments and the UN seem to assume that the referenda (for the aftermath of which they are nevertheless unprepared) will go ahead. The challenge for Northern Sudanese would arise after the Southern referendum, one Western diplomat told us recently. Many Sudanese North and South think the challenge is now. ●

In a league of his own

Claiming that he made Jacob Zuma President, Julius Malema now faces a challenge to his own power base

This week, President **Jacob Zuma** has hard choices to make about **Julius Malema**, the vociferous leader of the African National Congress Youth League. Malema has several times publicly contradicted the government on local and foreign policy matters and has now publicly fallen out with Zuma and the party leadership. Yet Zuma's ambition to secure a second term as ANC President is premised on strong support from ANCYL. Now he may have to face down Malema publicly and oust him from the leadership, probably with support from other party structures and the wider electorate.

Such efforts could be helped by the tax authorities' investigation of Malema's business dealings in his home province of Limpopo. Media obsession with Malema has made him stand out in national politics, although ANC insiders claim that his real support, even within the Youth League, is narrow. Alternatively, Zuma could make a backroom deal under which Malema promises to tone down his public utterances in return for immunity from prosecution. We hear that Zuma telephoned him last week after he was televised abusing **British** Broadcasting Corporation journalist **Jonah Fisher** at an ANCYL press conference.

Aides to Zuma say the President told Malema he was 'bringing the ANC into disrepute'. Zuma and ANC leaders were also fuming about Malema's support for President **Robert Mugabe** and his **Zimbabwe** African National Union-Patriotic Front, backing their disastrous land reform and indigenisation policies, and denigrating ZANU-PF's coalition partner, the Movement for Democratic Change, calling it a 'popcorn' party.

When Malema visited Zimbabwe last week, he was ostensibly a guest of the ZANU-PF youth wing but he was feted by Mugabe as if he were making an official visit (AC Vol 51 No 7). MDC leader **Morgan Tsvangirai** has formally raised his concern with Zuma about Malema's bias towards ZANU-PF. At a hastily organised ANC press conference, Zuma insisted: 'We [the ANC] cannot and will not side with any one of the parties to the exclusion of the others.' Malema insists that he went to Zimbabwe and met Mugabe, ZANU-PF and its youth wing, with 'Zuma's blessing'.

Zuma seems to see Malema as a threat to the successful hosting of the FIFA

2010 World Cup, which starts on 11 June in South Africa, and to the President's efforts to mediate a deal within the unity government of ZANU-PF and the MDC. South Africa has had a bad press internationally, whether because money is short or there are fears about safety, and ticket sales have been slow.

Pretoria has been desperately trying to project a 'good news' story. Yet the week in which Malema backed Mugabe, sang 'Kill the Boer' and evicted the British journalist coincided with South Africa securing a World Bank loan for its energy utility, Eskom. The loan was on stringent terms and Western powers such as the **United States** and Britain objected that it would be used for coal-fired power-stations and that the ANC had a stake in a private company, Hitachi Power Africa, a business partner of Eskom (which anyway suffers from poor corporate governance).

ANC GRANDEES

We understand that senior ANC leaders, such as Deputy President **Kgalema Motlanthe**, ANC Treasurer **Mathews Phosa** and General Secretary **Gwede Mantashe**, along with **Zwelinzima Vavi** of the Congress of South Africa Trade Unions (Cosatu) and **Blade Nzimande** of the SA Communist Party (SACP), asked Zuma to reprimand Malema publicly. At his press conference on 10 April, Zuma called Malema's behaviour 'alien' and Malema seemed genuinely taken aback. He said angrily that Zuma should have raised his 'concerns' within party structures and uttered the ultimate insult, calling Zuma 'worse than **Thabo Mbeki**'.

General Secretary Mantashe has recommended that the ANC's National Executive Committee charge Malema with bringing the party into disrepute; a hearing is expected shortly, with Malema mobilising allies on the NEC such as former National Intelligence Agency head **Billy Masetlha**, **Winnie Madikizela-Mandela**, Deputy Police Minister **Fikile Mbalula** and **Tony Yengeni**. One youth leader told us that ANCYL leaders want a 'formal' meeting with Zuma to raise their 'objections' to his criticisms.

Meanwhile the South African Revenue Service is quietly conducting a 'lifestyle audit', closed to public access, to investigate the sources of Malema's wealth. Cosatu has been calling for such audits of senior politicians and civil servants, to explain

how some live the high life on public service salaries. Zuma is understandably cautious about lifestyle audits and has told *Africa Confidential* that there are already plenty of ways to hold politicians to account. Finance Minister **Pravin Gordhan**, answering a parliamentary question from the opposition Democratic Alliance last week, said that lifestyle audits were a long-standing best practice and that the Revenue Service used many sources of information to help to identify discrepancies between taxpayers' declared income and their apparent wealth.

Malema's friends insist that such a move would indeed be 'politically motivated', while the SACP and Cosatu support a lifestyle audit of Malema, one of their biggest detractors. Malema's allies in the ANCYL want Zuma to protect their leader from investigation as a payback for their electoral support. Malema co-owns SGL Engineering Projects with **Lesiba Gwangwa**, a company that won more than 20 road and sanitation contracts – worth between 500,000 rand (US\$69,000) and R39 million – in Limpopo Province in 2007-08. Malema is a director of at least three other companies.

After he played a leading role in ousting **Sello Moloto** as Premier of Limpopo, Malema's influence in the province rocketed. He is close friends with most of the municipal commissioners (who make the contract decisions) and most of all with the new Premier **Cassel Mathale**, who is himself a formidable businessman with directorships of more than 20 companies. Their friendship dates back to 2001, when Malema was President of the Congress of South African Students.

Malema owns luxury houses in Johannesburg's Sandton suburb and his fleet of cars includes an Aston Martin, a Mercedes-Benz and a Range Rover. His lawyers are scrambling to ring-fence his activities from the Limpopo companies now under scrutiny by the tax authorities: they are being helped by poor record keeping in the Limpopo government and the fear among officials that the investigators might bring down both Malema and Premier Mathale.

When it comes to investigations, Zuma faces his own ghosts – although the courts threw out the National Prosecuting Authority's corruption charges against him in April 2009. If Zuma goes for Malema, ANCYL and its supporters may try to topple him from the ANC presidency, just as they did Mbeki. Some of Malema's then financial backers say they did not anticipate that his ambitions would reach far beyond the ANCYL; many of them now want to oust Malema and his allies from the League leadership in its coming elections. His attacks on whites and their companies look like attempts to reinforce his radical credentials.

ANCYL branches in the North West, Western and Eastern Cape provinces have supported Zuma's criticism of Malema. North West provincial Secretary **Boy-Boy Makgetla** said the national leadership 'may have gone too far this time. We were very emotional, we may have went [sic] overboard.' Malema is running a fierce campaign to have his allies elected to key positions in ANCYL's provincial elections this year and won a major scalp when his ally **Frans Moswane** ousted **Lehlohonolo Masoga** as Chairman of the Limpopo Youth League; Malema personally ran Moswane's campaign and his opponents talk of dirty tricks, claiming that some of them were forcibly removed from the conference hall during elections. There were fist-fights and Moswane claims that Malema told local police to remove opponents for 'trespassing'. Bystanders say he threw chairs at delegates who sang songs denouncing his leadership style.

The Youth League shenanigans are not all that divides the ANC now. The party has been quarrelling with its alliance partners, Cosatu and the SACP; General Secretary Mantashe has accused Cosatu of wanting to 'break' the alliance. Mantashe, who is also SACP Secretary General (a much criticised dual role), sides with Zuma to shore up the centre: Zuma, in exchange, has publicly endorsed Mantashe.

The ANC will elect a new leadership at its conference in 2012. Many of the rows over policy and ideology are really about the influence of individuals and factions. This increase of personal politics helps to explain the appeal to activists of old-school politicians such as Deputy President Motlanthe, although he lacks the charisma of Zuma and Malema. The ANCYL and the nationalist and business wings of the party want to replace Mantashe as General Secretary with **Fikile Mbalula**. Serious competitors for the ANC presidency, such as **Tokyo Sexwale** and Mathews Phosa, seem ready to support ANCYL if it backs their bids to replace Zuma.

Cosatu and the SACP want to keep Mantashe but have not decided whether to push either Vavi or Nzimande for the party presidency. The ANCYL is hedging its bets, and Sexwale and Phosa are keen. If the ANCYL dropped both Malema and Zuma, Sexwale could be the main beneficiary and he has the funds for a serious party presidential campaign. The other ANC star-in-waiting, **Cyril Ramaphosa**, has kept clear of the infighting. His previous position was that he would not run for the presidency unless the party asked him. Many like the idea of a Ramaphosa presidency but there are also still plenty of supporters for the modest Motlanthe, whose backers are also lobbying ANCYL, SACP and Cosatu. His would be the safest pair of hands in the fractious climate which the ANC now inhabits. ●

SOUTH AFRICA

Live by the sword

The murder of racist politician Eugene Terre'Blanche could revive old hatreds and spark new fears

The timing could hardly have been worse. Only two months before South Africa hosts the football World Cup, incidents involving politicians at opposite ends of the political spectrum have again put the spotlight on race relations. On 3 April came the gruesome murder of **Eugene Terre'Blanche**. Rumours surround the killing. He was the founder of the racially supremacist *Afrikaner Weerstandsbeweging* (Afrikaner Resistance Movement, AWB). Meanwhile, the leader of the African National Congress Youth League (ANCYL), **Julius Malema**, was publicly defying the governing ANC, resuscitating an old 'struggle song' that calls for the killing of Boers, meaning white farmers (see Page 4).

Ex-policeman Terre'Blanche (aka 'ET') and six others founded the paramilitary AWB in a garage at Ventersdorp in 1973. It demanded the restoration of the long-gone Boer republics, offering citizenship to Afrikaners and to white English-speakers keen to embrace the racial supremacy delusion. The movement's red, white and black insignia had Nazi undertones.

Professor **Hermann Giliomee**, historian and author of *The Afrikaners: Biography of a People*, wrote, 'Terre'Blanche believed that any deviation from White supremacy and its underlying philosophical and historical interpretation spelled disaster.' Giliomee argued that Terre'Blanche's movement had active support from at most 2,000 men, mostly in the Western Transvaal, and passive support from 20,000-30,000 people. He was 'to a large extent, a creation of the media. Particularly for foreign journalists, he embodied the stereotype of uncouth, fanatical Boers prepared to plunge the country into a bloodbath to resist the inevitable victory of the black majority.'

Two Africans, aged 28 and 15, who claim Terre'Blanche owed them wages, were arrested. A few days before the killing, the High Court had outlawed the *Dubul'ibhunu* song (which, in Zulu, calls for the killing of Boers), classifying it as 'hate speech'.

Malema promptly sang it again, while in **Zimbabwe** on a 'fact-finding mission'. In South Africa, right-wing groups such as the Commando Corps and the *Pro-Afrikaanse Aksiegroep* (Praag, Pro-Afrikaans Action Group) unfurled the old South African flag, threatened revenge and spread rumours of a genocide being

planned against the white population – and in particular against Afrikaners. The University of Pretoria's Institute for Security Studies, using statistics from the Transvaal Agricultural Union, says that between 1993 and 2009, there were 1,073 murders of and 1,813 other attacks against white farmers.

The leader newly elected to replace 'ET', **Steyn van Ronge**, quickly joined leaders such as **Helen Zille** and President **Jacob Zuma** in calling for calm. Except for the ANC and its alliance partners, all mainstream political parties have argued that there is a link between Terre'Blanche's murder and Malema's Boer song. **Patrick Mosiuoa 'Terror' Lekota**, leader of the Congress of the People, challenged the ANC to discipline its members when conveying his party's condolences to the slain AWB leader's family.

In the 1990s, a former ANC Youth League leader (and Minister of Environmental Affairs and Tourism), **Peter Mokaba**, used the Kill the Boer slogan in public, to the chagrin of ANC moderates and leaders like **Nelson Mandela** and the late **Steve Tshwete**. The ANC censured Mokaba, and he gave it up. Yet some seasoned ANC activists have recently embraced Malema's populist streak. In an event to commemorate the execution of a guerrilla fighter 30 years ago, **Gwendoline Ramokgopa**, Mayor of Tshwane and **Nomvula Mokonyane**, Gauteng Premier, sang 'Shoot the Boer'.

Aubrey Matshiqi, an analyst at the Centre for Policy Studies, insists that talk of a racial war is exaggerated. He argues that the old flag and struggle songs are not the cause of poor race relations but symptoms of a deeper malaise. He regards the AWB as a spent force, moribund since Terre'Blanche was gaoled for six years on assault charges in 2001.

Independent political analyst **Harold Parkendorf** says the resurgence of the far right will not translate into a full-scale racial war and agrees that ET had long lost his sting. Yet there are fears of sporadic attacks by the lunatic fringe, like those that preceded the first democratic elections in 1994 and again before elections in the early 2000s and 2008. The ANC has finally demonstrated its intention to rein in the rabble-rousing Malema; Zuma, previously a defender, has denounced him, as have ANC General Secretary **Gwede Mantashe** and Treasurer **Mathews Phosa**. ●

Le scandale pétrolier

The country now produces a paltry 25,000 barrels a day but the big international oil companies are lining up to buy their way into Congo-Kinshasa. Smaller companies have been locked in wrangles with each other and successive Kinshasa officials for several years. New blocks are likely to be offered in a licensing round that will open up new parts of Congo to exploration; competition for disputed blocks is heating up. But will the oil boom boost economic development or just repeat the confusion and corruption of the mining sector?

WAITING FOR KABILA

President **Joseph Kabila** is blocking exploration contracts that were granted several years ago and the lack of his approval has left several companies hanging on in Kinshasa, hoping he will sign soon. He may be getting ready to. A new oil code, which

is being debated in the National Assembly, would open up blocks freshly apportioned in Lake Tanganyika and gas blocks in Lake Kivu for bids in a new licensing round expected this month. Congo has lagged behind its neighbour **Uganda**, with which it shares Lake Albert, and that is one reason why it is preparing to take on oil exploration in earnest.

Uganda's side of Lake Albert probably contains two billion barrels of oil; **Ireland's** fast growing Tullow Oil's hard-won partnership with **France's** Total and the **China** National Offshore Oil Company Limited (CNOOC, AC Vol 45 No 11) is conducting advanced exploration there. Total and Tullow are keen to replicate the deal on the Congo side and to use the same pipeline infrastructure to take Congo's oil out eastwards. Kinshasa officials want the oil to move within their own territory and seek terms as favourable as those their Ugandan counterparts have won (see Box II).

There are tensions between Kinshasa and Kampala over the new oil wealth, with two shoot-outs on Lake Albert between their forces. Congo's Ministry of Hydrocarbons has appealed to oil companies to pay for naval support and vehicles to help patrol the Lake. Total also faces competition from **Italy's** Eni (*Ente Nazionale Idrocarburi*), which signed a loose strategic agreement in August 2009, when the Italian giant expressed its interest in oil countrywide, including Lake Albert.

In April, Congolese Hydrocarbons Ministry officials will visit Paris, France, and Houston, **United States**, offering concessions in nine oil blocks on Lake Tanganyika and six gas blocks on Lake Kivu, where the Ministry says there are 60 billion cubic metres of gas; the gas reserves are growing by 350 mn3 a year, according to officials.

CHANGING THE RULES

The Petroleum, Oil and Gas Corporation of **South Africa** (PetroSA) is interested in Lake Kivu and in deep-water offshore oil; Sasol (originally the *Suid Afrikaanse Steenkool en Olie*) is interested in Lake Kivu. The USA's Chevron, CNOOC and Total are among those interested in Tanganyika. Albert is another story.

Mindful that it is running late, the Ministry has made several recommendations for changes to the draft oil code which has been seen by the Senate and is being debated in the Assembly. One would mean that the President had just 45 days to sign or reject any exploration licence; if he did not sign, it would go ahead automatically. Kabila is unlikely to accept this but the Hydrocarbons Ministry wants both to speed things up and to wrest more power for itself.

Some companies, including Tullow, have been waiting over three years for presidential ratification. Their plot is in dispute. Others, including **Britain's** SOCO International and Bermuda-based Dominion Petroleum, face no

CONTENTION AND CONTENDERS

In the Albertine Graben (Lake Albert, Lake Edward and land in between and around), the rivalry is international.

- Block 1, Albertine Graben, is the one everyone wants. It is under disputed licence to rival consortia, with all the current competitors willing to join the fray, including Total, Eni, Perenco (whose blocks out west are already producing), Chevron and SOCO. First in was Tullow which, along with Heritage Oil and *Congolaise des Hydrocarbures* (Cohydro), signed a partnership sharing agreement for Blocks 1 and 2 in July 2006. Tullow's **Tim O'Hanlon** and Heritage Oil's **Tony Buckingham** (AC Vol 45 No 5 *et passim*) agreed on a 55-45 split, making Tullow the operator. However, Congo's Hydrocarbons and Finance ministers at the time stopped the deal, saying the signature bonus of £500,000 (then \$0.9 mn.) wrongly covered two blocks and was signed by a deputy oil minister without the necessary authority.

Next, the Divine Inspiration Group (now more soberly known as DIG), a **South African** black economic empowerment company, made a deal for 51% of the block in January 2008, with PetroSA as its technical partner and backing from the SA government. Several other companies were thrown into the mix, including **Spain's** H Oil Congo with 37%; Congo's Cohydro (7%) and Sud Oil SPRL, run by **Pascal Kinduelo**, with 2%; and Congo Petroleum and Gas, run by **Jean Bosco** and **Muaka Khonde**, with 3% (AC Vol 49 No 10). Both Tullow and DIG still claim the block but neither has been granted a presidential decree for an exploration licence. Other interests wait in the wings.

- Block 2, Albertine Graben is also claimed by Tullow and Heritage. The government did not block this licence but it must be renegotiated since it originally came in a package along with Block 1. Tullow/Heritage will not negotiate, since that might imply doubts about their claim to Block 1. No decree has been granted; Total is also interested.

- Block 3, Albertine Graben: land only, 85% of it held since December 2007 by SacOil Holdings, in a 50-50 partnership with its parent company, DIG, and Encha Group. Cohydro has the other 15%.

- Block 4, Albertine Graben: mostly land, plus the northern tip of Lake Albert; not yet awarded.

- Block 5, Albertine Graben: no dispute. A consortium of Dominion Petroleum (46.75%) and SOCO International (38.25%) will start drilling onshore later this year, along with Cohydro (15%). Awaits a presidential decree.

- *Cuvette Centrale*: no disputes yet and no presidential decrees.

- Blocks 1,2,3: HRT Petroleum of **Brazil** has been assigned blocks, along with the *Compagnie Minière Congolaise* (CoMiCo), and has evaluated Busira sub-basin (Block 3) and Lokoro sub-basin (Blocks 1 and 2).

- Block 8 (plus Blocks A and B, which cover triangles to the northwest of parts of Block 1): DIG awaits a presidential decree and has access to 21 blocks.

- Block 7: SOCO International, about to start drilling in the west, awaits a presidential decree, as does Dominion Petroleum in Block 9. ●



dispute but have no presidential decrees, either. In the confusion, some companies have considered starting exploration since the President's say-so may not be necessary but have prudently held their fire.

Kabila does not want to be bounced into deals set up by others and seems to suspect the motives of many of those around him, such as the recently sacked Hydrocarbons Minister **René Isekemanga Nkeka** and his colleagues, who want him to sign. Only with strong presidential backing is the business likely to gather pace.

The new Hydrocarbons Minister, **Célestin Mbuyu Kabango**, was shifted from his senior post as Interior and Security Minister in February's reshuffle and is keen for action. Some think the prospect of a raft of new licences, along with signature bonuses that range from the mandatory US\$500,000 to, in some cases, \$2.5 million a block, may jolt the President into action. The cash could prove useful before elections, due in September 2011 but likely to slide into 2012. Kabila did not turn up at a triennial pan-African oil conference which Congo hosted this month.

Parliament was closed to make room for the gathering, which drew hundreds of investors and several African oil ministers.

Whatever the President's insights into previous bribes, something is clearly wrong with the payment system. Congo is trying to join the Extractive Industries Transparency Initiative, an international publish-what-you-pay scheme, by 15 June, after putting back the already postponed deadline from 9 March. It thinks EITI membership will help it to attract larger investors, which are subject to international scrutiny that should show their shareholders fair play. Congo-Kinshasa's first EITI report, covering 2007 but produced only this month, was a muddle of inconsistent, incomplete figures but it hopes to get the 2008 and 2009 reports out in time to qualify for membership before the June deadline (which coincides with the 50th anniversary of Independence from Belgium).

The 2007 report covers only five oil companies, including the French independent Perenco, Chevron and Teikoku Oil Co. Ltd., an affiliate of Japan's biggest exploration company Inpex Corporation. It reveals plenty of mayhem. The auditors

CONTRACTUAL CONFUSION

The disputes about Congo-Kinshasa's oil concessions, licences, claims and terms have grown so tangled that, we hear, President **Joseph Kabila** may ask **Uganda** for help with a review. There were armed clashes between the two countries' forces in 2007 over their rival claims to oil-bearing areas of Lake Albert and its islands. Amid the ensuing rapprochement, the Permanent Secretary of the Ugandan Ministry of Energy, **Fred Kabagambe-Kaliisa**, who led negotiations about his own country's agreements with investors, suggested to Congolese officials that they could get better terms.

Environmental activists have the usual concerns. Congolese civil society groups warn of the effects of oil exploration in the restive Ituri Province and plan to lobby Parliament. **Henri Muhiya** of the *Commission Episcopale pour les Ressources Naturelles* (CERN) says that even if revised contracts raise more revenue for Kinshasa, the people of eastern Congo may not benefit and that it is doubtful whether Ituri will even get the 40% share that the constitution provides.

Platform, a **British** lobby group which leaked details of three of Uganda's Lake Albert contracts in November 2009, says that both the Ugandan and Congolese terms offer the governments less than their counterparts in Asia and the Americas. Platform's **Mika Minio-Paluello** says the deals signed by Kampala with Tullow and Heritage give the companies excessive profits, endanger Uganda's sovereign control over the resource and provide few guarantees on human rights and the environment. Minio argues that Uganda's terms would give Congo-Kinshasa only slightly more than the present conditions.

The Lake Albert area is believed to hold up to one billion barrels of oil. In July 2006, Kinshasa assigned Production Sharing Agreements (PSAs) over Blocks 1 and 2 with Tullow Oil and Heritage. Then, in January 2008, the government reassigned Block 1 to **South Africa's** Divine Inspiration Group (DIG, see Box I).

After a political and legal wrangle, in March 2009 the Hydrocarbons Minister, **René Isekemanda Nkeka**, invited Tullow back into Block 1 if it agreed to work with 'new partners'. A decree is awaited from President **Joseph Kabila** and both sides are lobbying as high as they can reach.

Independent legal sources say Tullow has the best contractual case; others say the South African consortium offers higher revenue to the government. The South African firms have deployed business operators linked to former President **Thabo Mbeki**. **Tiego Mosenke** founded the Encha Group, which controls SacOil through the South African Resources Corporation. He is close to Kabila's brother **Zoé** and to **Nozi Mwamba**, a Congolese consultant to DIG.

Mosenke may have lost influence, since Mbeki lost the presidency last year, so Kabila may see little point in working with him. Moreover, there are allegations that the former Energy Minister, **Lambert Mendé**, had links to DIG and sought to elbow out Tullow/Heritage on its behalf.

A further twist is a report to Congo's Parliament by its Economic and Financial Commission (Ecofin). In November 2009, it concluded that there was an urgent need to certify oil reserves and to choose credible, well-resourced and well-equipped companies to exploit the oil around Lake Albert and Lake Tanganyika, and gas under Lake Kivu. Ecofin's leaders wanted their report debated in January and February this year but nothing happened. The report is potentially explosive, since it also points fingers at both the Finance Minister and Prime Minister **Adolphe Muzito** himself.

Ecofin has also urged the government to reclaim the deep-water oil blocks that are contested with **Angola** off the Atlantic coast, using the 1982 Convention on the Law of the Sea. There is general dissatisfaction in Parliament about the negotiations led by Mendé when oil minister, which led to the signing in July 2007 of a Joint Development Zone agreement by Presidents Kabila and **José Eduardo dos Santos** of Angola.

Congo's Minister for International and Regional Cooperation, **Raymond Tshibanda Ntunga Mulongo**, and Angola's Foreign Minister **Assunção Afonso de Sousa dos Anjos**, have agreed on a timetable for further talks within the two countries' joint commission.

Another joint commission is supposed to discuss defining the maritime frontier but nothing has happened beyond an agreement to meet. A Congolese parliamentarian told *Africa Confidential* that the two countries were preparing to take the matter to the International Court of Justice, particularly because Mendé's 2007 agreement had seemed to acknowledge Angola's sovereignty over areas claimed by Congo. The dispute will not be resolved until the offshore border has been legally determined. ●

PriceWaterhouseCoopers think that may be due less to corruption than to incorrectly recorded information. There is a shortfall of \$33 mn. between what the companies said they paid and the receipts recorded by the *Direction Générale des Recettes Administratives, Judiciaires, Domaniales et de Participations*. That could indicate missing funds and corruption in DGRAD. Yet the *Direction Générale des Impôts* (DGI) says it received \$42 mn. more than companies said they had paid, which would be an extraordinary triumph for a tax authority. In total, everything more or less evened out at \$405 mn. paid and received.

These companies are all focused on the *Bassin Côtier* (Coastal Basin), offshore and onshore in the south-west. Perenco and Chevron are paired on four blocks, both onshore and offshore, with offshore production at fewer than 10,000 barrels per day. Onshore, EnerGulf Resources, based in **Canada** and the USA, has a 90% stake in Lotshi block (the *Congolaise des Hydrocarbures*, Cohydro, has the rest) and is now exploring, with plans to drill two wells in late 2010 or next year. British-registered Surestream Petroleum has three exploration blocks – Yema, Matamba-Makanzi and Ndunda – all signed up in November 2005.

ASK ANGOLA

A lot more is at stake in Congo's dispute with **Angola** about their maritime borders (AC Vol 50 No 22). There is certainly a lot of oil under the deep waters off the shore of Cabinda and the short coastal strip where the Bas-Congo Province meets the sea, and in 2006 a Zone of Common Interest acknowledged an eleven kilometre-wide corridor for Congo out to the deep ocean. The agreement has not been implemented and Congolese officials say they hope to negotiate a new, larger zone. Rumours of new efforts at negotiation, involving Angola paying vast sums to Congo, have replaced talk of international arbitration. Politically and militarily, Angola has been a good friend to Congo's governments and whatever eventually happens is bound to involve presidential negotiations.

The biggest pipe dream is the *Cuvette Centrale*, the Central Basin, with a proposed \$3.5 bn. pipeline to match. This region covers 1.4 mn. square km. of near-inaccessible rainforest across the heart of the country and several companies, including Total, are interested in its 21 blocks, with four others on its fringe awaiting presidential decrees on exploration licences. There are ideas but no details about a 1,500 km. pipeline to transport the oil to Matadi port, which is also to be developed as a container terminal. The Hydrocarbons Ministry also wants to release extra blocks around the Central Basin, bringing the total to 80, and some smaller companies and new entrants are keen to snap up any opportunity in Africa's newest and as yet unproven oil hope. ●

Looking for a landslide

The ruling party is set to win next month's elections amid growing criticism at home and abroad

The government is determined to win by a landslide in the 23 May elections, to make up for the question marks over those of 2005 (AC Vol 46 No 11). The signs are that it will succeed, through bluster, bludgeon and a sense – in the towns, at least – that the economy is beginning to take off. Foreign supporters of the Ethiopian People's Revolutionary Democratic Front (EPRDF) regime in Washington and London are embarrassed by its strictures on the opposition parties and other vestiges of political pluralism. Yet they strongly support the government's international posture, especially its hard line against *Al Shabaab* and other Islamists in **Somalia** (AC Vol 51 No 1).

Some doubt the government's claim that the economy has been growing at over 10% a year for the past decade. There has been a huge upturn in coffee and sesame exports and a construction boom in Addis Ababa, along with much road-building in other areas. Prime Minister **Meles Zenawi** told Parliament on 13 April that the government estimated export earnings of US\$2.9 billion in the fiscal year that ends on 30 June, against \$1.5 bn. the previous year. He also claimed that average inflation slowed to 3.9% in March; in July 2008, it was 64.2% because of high fuel and food prices. Oppositionists say the government manipulates statistics to curry favour with electors. Yet the International Monetary Fund reckons the economy grew by 6.5% in 2009 and enthuses about investor interest in agriculture, hydropower, and oil and gas exploration.

There is little of the excitement that preceded the 2005 elections, when the opposition claimed it was on the brink of victory and dozens of demonstrators were killed in post-poll clashes. Registration in rural areas has still been high: the National Electoral Board is reporting 29,170,867 registered electors (up from 25.6 million in 2005) with 10,853,284 in Oromia and 7,335,246 in Amhara Region. Opposition politicians say the government has inflated the figures. The EPRDF dominates government and media, and the divided opposition has failed to mobilise.

The main opposition party remains the Forum for Democratic Dialogue in Ethiopia (FDDE or Medrek), chaired by **Beyene Petros** and bringing together the Ethiopian Democratic Unity Movement, Oromo Federalist Democratic Movement, United Ethiopian Democratic Forces

(which combines the Ethiopian Social Democratic Party and Southern Ethiopian Peoples' Democratic Congress), Oromo People's Congress and the gaoléd **Birtukan Mideksa's** Union for Democracy and Justice (UDJ). Medrek recently lost the Somali Democratic Alliance Forces after a row over the candidacy for Addis Ababa. Since the opposition groups have differing ideologies, ethnic allegiances and social intent, they find it hard to agree.

The Medrek parties have their own internal problems. Mideksa's UDJ faces a split: a third of members and former members of its 327-strong founding congress backing calls for an extraordinary general assembly of the party. Professor **Mesfin Wolde Mariam**, a founding member, objected to a change in the party statutes to permit the parachuting in as vice-presidents of former Defence Minister **Siye Abraha** and **Negasso Gidada Solon**, national President in 1995-2001, when he was expelled from both the Oromo People's Democratic Opposition (OPDO) and the EPRDF. When Mesfin objected, he was expelled from the UDJ along with a score of others but he is still trying to reverse the decision with significant support. His efforts may not succeed but are a distraction the party can ill afford. The UDJ is seen as Medrek's strongest element, with over 40,000 members and 58 offices throughout Ethiopia.

Medrek's leaders have been making repeated visits to the **United States** in the run-up to the elections. **Gebru Asrat**, leader of Arena Tigray for Democracy and Sovereignty, a Tigrayan party which is one of Medrek's components, is currently there with Negasso; when they return, Siye Abraha is due to fly out. Their timely absence tends to confirm what the EPRDF describes as Medrek's links to non-democratic diaspora support, perhaps even to organisations such as Ginbot 7, set up by **Berhanu Nega**, which openly supports armed struggle and looks to Eritrea for support.

The EPRDF is accused of a heavy-handed approach to the elections. The US Deputy Assistant Secretary of State for African Affairs, **Karl Wycoff**, a counterterrorism expert, spoke in November of a 'reduction in political space and the ability of opposition parties to operate'. In March, Meles said he intended (technology permitting) to authorise the jamming of Voice of America's Amharic

broadcasts and compared the station to the hate media that incited the **Rwandan** genocide in 1994. Addis Ababa's democratic claims are undermined by this interference, reports of violence against opposition campaigners and the continued imprisonment of Mideksa.

Foreign election observation organisations have been hesitant in agreeing to monitor this time. The Carter Centre refused, as its exploratory team was not allowed in to inspect the elector and candidate registration process, which ended on 23 February. The European Union also withheld its assent until the end of March, when **Andris Piebalgs**, the Commissioner for Development, announced its decision. **Ana Gomes**, who headed the EU's 2005 election observation team and was criticised by the government and others for lacking neutrality, has spoken out against EU representation in what she calls a sham election. The African Union has also agreed to send a delegation to the disgust of Medrek's Chairman Beyene, who calls the AU observers dishonest and inept.

Campaigning in Addis has been slow. On 8 April, a meeting of over 1,000 business people at the Addis Ababa Convention Centre raised 20 million birr (US\$1.5 mn.) for the EPRDF, while also raising concerns over tax collection and land allocation. The opposition has been moderately successful in the regions, with Medrek campaigning in Mekele, Tigray.

Neither government or opposition has done particularly well in the media debates and the opposition failed to gain traction on the EPRDF's 18-year-old policies. The leader who has done best in the debates is **Lidetu Ayalew**, head of the Ethiopian Democratic Party (formerly the United Ethiopian Democratic Party, UEDP-Medhin). He recently published a defence of his political Third Way, which was criticised for being too pro-EPRDF (which is true only in as much as he also criticises Medrek).

In 2005, Lidetu pulled his party (then the UEDP-Medhin) out of the opposition Coalition for Unity and Democracy, and defied its decision to boycott Parliament despite having won control of Addis. Recent developments have removed much of the stigma and he is expected to win a seat in his home area in Bugna in northern Amhara. The EPRDF found an impressive debater in **Redwan Hussein**, a member of its Executive Committee. For Medrek, Gebru Asrat was seen as unimpressive, avoiding the big issues and confining himself to allegations about corruption.

The EPRDF will win without the need for massive rigging. State harassment has prevented an effective opposition challenge while the opposition has done little to help itself. Single party domination is expected to continue. ●

A government in a hurry

In just twelve months Acting President Jonathan's team wants to fix the power crisis, reform the NEC and reorganise the state oil company

The mixture of military officers, bankers and feisty female politicians in Acting President **Goodluck Jonathan's** new cabinet has just over a year to make an impact in five key areas. These are electricity supply, accountability in economic management and financial sector reform, establishing a competent and independent electoral authority, passing wide-ranging reforms in the oil and gas industry, and consolidating peace in the Niger Delta.

When he swore in the new team on 6 April, Jonathan told them it would be a government in a hurry and that 'no distraction in our mission will be tolerated'. Asked in the **United States** this week whether he would be a candidate

in the 2011 presidential election, Jonathan would not answer but he said that the top priorities over the next year would be economic development and electoral reform. The new cabinet will be responsible for implementing the 4.6 trillion naira (US\$31 billion) 2010 budget, which Jonathan is yet to sign into law.

On 6 April in Washington, the Secretary to the Government of the Federation, **Mahmud Yayale Ahmed**, signed in Jonathan's stead a bi-national commission agreement with the US government. Then on 11 April, on the eve of the summit on nuclear proliferation, to which the US government had invited 50 heads of state, Jonathan and President

Barack Obama held a hastily arranged bilateral meeting at Blair House. The two are said to have discussed the development of Nigeria's oil and power sectors, antiterrorist measures and political reform. This sent a strong signal to Abuja of American support for Jonathan's new government after two years of poor relations with President **Umaru Musa Yar'Adua's** team. Jonathan was also invited to lunch on the following day with US Vice-President **Joe Biden**.

A relative innocent in the circles of international power politics, Jonathan was not helped by the group of quarrelsome state governors who accompanied him: **Rotimi Chibuike Amaechi** (Rivers), **Adams Oshiomhole** (Edo), **Ikedi Godson Ohakim** (Imo), **Mahmud Aliyu Shinkafi** (Zamfara) and **Godswill Akpabio** (Akwa Ibom). There was fierce competition among the governors about who should accompany the Acting President to the meeting with Obama.

APPROPRIATE LEADERSHIP

Jonathan reiterated his priorities on electricity generation, electoral reform and corruption: these chimed with US Assistant Secretary of State **Johnnie Carson's** comments on the need for change in the Independent National Electoral Commission (INEC) which, he told journalists, 'deserves leadership appropriate to the task'. Carson added that when the mandate of the current directors under Chairman **Maurice Iwu** expired in June, the government would appoint someone on the basis of a creditable track record. At briefings to the Council for Foreign Relations, Jonathan said the matter was a top priority for the government.

Although Jonathan would not be drawn into naming appointees under consideration for INEC, diplomats and local politicians have had extensive discussions on reform and staff at the Commission. Yet it is still unclear whether all the recommendations of the Electoral Reform Committee (ERC) will be adopted. A coalition of opposition parties, the Conference of Nigerian Political Parties, has raised a red flag. In a letter to Obama, the CNPP insisted on the passing of the report by Justice **Mohammed Uwais** into law.

The Judge had recommended that neither an incumbent president nor state governors should be able to appoint officials to INEC. 'We will make sure that we bring people on board [who], if you mention their names, people in the civil society will be happy that they will conduct free and fair elections', said Jonathan in DC.

Those tipped as candidates are **Olisa Agbakoba**, civic activist and former

THE GOODLUCK CABINET

- Minister of Finance: **Olusegun Olutoyin Aganga**. Academic accolades from **Britain's** Oxford University and lengthy stints in senior posts at Ernst and Young and as a managing director at Goldman Sachs demonstrate Aganga's qualifications for this key post but it will also test his political mettle. He has to cut public spending and introduce rigorous accounting procedures before next year's election.

- Minister of Petroleum Resources: **Diezani Allison-Madueke**. Top priority for Allison-Madueke will be steering the Petroleum Industry Bill through the National Assembly. International oil companies hope that her early career with Shell (as head of External Relations in Nigeria) will make her sympathetic to their opposition to the Bill. Shell and ExxonMobil argue that it will render billions of dollars of investment unprofitable.

- Minister for the Niger Delta: **Godsday Orubebe**. This is a critical portfolio: the success of this government depends largely on whether it can consolidate the peace deal in the oil-producing Delta. An Ijaw like **Goodluck Jonathan**, the former junior minister returns to the Niger Delta Ministry as full minister. The President will be counting on him to deliver 'peace dividends' to the Delta. Orubebe is credited with efforts to push forward the post-amnesty programme; he will oversee the restructured management of the programme, training of ex-militants (starting this month) and their reintegration into society by providing either jobs or seed capital to establish small-scale enterprises.

- Foreign Minister: **Henry Odein Ajumogobia**. Many expected him to be the new Oil Minister as he was Deputy Oil Minister under **Rilwanu Lukman**. Ajumogobia has the task of reshaping Nigeria's diplomacy, weakened by the internal political crises. The first efforts, concerning Jonathan's trip to Washington in the week ending 17 April 2010, seem to have worked. Ajumogobia hails from Akuku-Toru in Rivers State and has law degrees from the University of Lagos and Harvard Law School.

- Attorney General and Minister of Justice: **Mohammed Bello Adoke**. Rarely seen on the political stage, Adoke was unsuccessful in getting the Supreme Court to reverse **Nnamdi 'Andy' Uba's** bid to be declared Anambra's 'Governor-in-waiting' in 2009. His big test will be how he manages relations with the Economic and Financial Crimes Commission. During his screening by the Senate, Adoke admitted to handling some cases for former Delta Governor **James Ibori** which were referred to his law firm by former Attorney General **Michael Aondoakaa**, insisting that there was nothing personal about his relationship with Ibori and Aondoakaa.

- Deputy Power Minister: **Nuhu Somo Wya**. Jonathan remains the senior minister for now. An unassuming architect, Wya will do the technical work, coordinating with Jonathan for whom improvement of electric power supplies is top priority. ●

President of the Nigerian Bar Association (NBA); **Attahiru Jega**, one-time President of the Academic Staff Union of Universities (ASUU); **Jibrin Ibrahim**, commentator and Director of the Centre for Democracy and Development (CDD); Major General (Retired) **Ishola Williams**, President of Transparency Nigeria; and **George Oguntade**, retired Justice of the Supreme Court. Agbakoba, Jega, Ibrahim and Williams were members of the Uwais ERC. Oguntade's contributions to Nigeria's jurisprudence include dissenting judgements in the **Atiku Abubakar** and **Muhammadu Buhari** election cases in 2008.

An independent international electoral report (financed by **Britain** and the USA) was presented to Jonathan in February. The five-member assessment team was led by **Kwadwo Afari-Gyan**, Chairman of the **Ghana** Electoral Commission and its recommendations are in line with the unedited ERC report (which is being debated in the National Assembly).

The priority issues are the credibility of INEC, speedy resolution of election disputes and the internal democracy of political parties. Most politicians and activists profoundly mistrust INEC. Current legislation still allows the Electoral Commission to make discretionary administrative decisions.* Of the ten recommendations, only one requires major legal changes: that is, 'making INEC revenue a first line charge on the Consolidated Revenue Fund.'

Two new committees on the economy and electricity are planned. The new

power team, to be chaired by Jonathan, will work with **Bartholomew Nnaji**, head of the Power Sub-Committee of the Presidential Advisory Council (PAC). Bart Nnaji is Chief Executive Officer of Geometric Power Limited, a locally owned and operated \$386 mn. independent power project in Aba, an entrepreneurial hub in the south-east.

The power team may be looking to replicate this model, by raising tariffs to make power generation attractive to private investors. The new Finance Minister, **Olusegun Olutoyin Aganga**, has to work out how to finance a record budget deficit: he will be helped by a \$500 mn. Eurobond but will have to cut back sharply on some state spending. He will also be responsible for the Securities and Exchange Commission (SEC) and continuing reform of the capital market.

BREAKING THE MOULD

Nigeria's first female Petroleum Resources Minister, **Diezani Allison-Madueke**, arrives in her job as the passage of the Petroleum Industry Bill through the Senate and the House of Representatives reaches a critical point. The two versions are to be harmonised before being sent to Jonathan for signing into law, within the next three months. Her other major tasks will be managing this year's planned oil licensing rounds in which **Chinese** oil companies have expressed much interest. It will also be an important test of whether the oil industry reforms have dampened investor interest, as some international oil companies claim.

The other big theme is anti-corruption. Another shake-up looms in some of the policing and investigation agencies. We hear that the former Chairman of the Economic and Financial Crimes Commission (EFCC), **Nuhu Ribadu**, met Jonathan in Washington and may return to Nigeria as presidential advisor on anti-corruption policy. In that post, he might be supervising the Independent Corrupt Practices and Other Related Offences Commission and the Code of Conduct Bureau. There is also talk about a role for Colonel **Abubakar Dangiwa Umar** (Rtd.), former Military Governor of the old Kaduna State, to give the anti-corruption campaign some more muscle.

There is a heated debate between supporters and detractors about the future of the current EFCC Chairwoman and ex-Police Commissioner **Farida Waziri**. She will face heavy scrutiny in her handling of the case against **James Ibori** and other ex-state governors. For officials and politicians who enjoyed protection under the government of President Yar'Adua, the new politics may prove unsettling. ●

*Broad, inclusive consultation process in choosing INEC commissioners; full provisioning and sharing of information with civil society and political parties; accurate and improved voter registration and distribution of Permanent Voter Cards; transparent, verifiable results process; timely unbiased adjudication of election complaints; engagement of the police to prevent violence and voter intimidation and prosecute electoral offences; promotion of internal party democracy; voter education; equitable, impartial and balanced coverage of elections by state media.

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Zimbabwe

SPIRITING AWAY DIAMONDS

■ Backed by Police Commissioner General and junta member **Augustine Chihuri**, the Governor of Manicaland **Chris Mushohwe** has barred the parliamentary Portfolio Committee on Mines and Energy from visiting the controversial Marange Chiadzwa diamond fields (AC Vol 51 No 7). 'They might just pick up handfuls of diamonds,' he said, betraying a low opinion of his fellow politicians. As a relative of First Lady **Grace Marufu** and a former State House functionary, Mushohwe has much expertise in the diversion of official resources. Under the power-sharing agreement, he is due for replacement in Manicaland by a nominee of the Movement for Democratic Change but by that time, the diamonds may have gone.

British Ambassador Mark Canning calculates that Zimbabwe could be earning as much as US\$300 million a month from diamonds, enough to cover recurrent government expenditure three times over. The money is siphoned off with the high-grade gem-quality stones exported without proper documentation. Mines Minister **Obert Mpofu**, in evidence to the parliamentary Portfolio Committee, suggests Canning's figures are twice the real earnings. Few local or foreign officials seem to have a good grip on the intricacies of the secretive international diamond trade. Those that have believe substantial sums are lost to the state in a politically controlled export business benefiting a few individuals – and the Zimbabwe African Nation Union-Patriotic Front.

There is another more spiritual interpretation of the mass diamond theft in Manicaland. Traditionalists in the Marange area see the influence of the ancestral spirits in the appearance and disappearance of the diamonds. Their appearance in an area prospected by the world's leading miner, De Beers, over the last century was a gift from the spirits in the current troubled times. The abuse of these gems has infuriated the spirits, hence the gradual withdrawal of the gift.

Kenya/Germany

GERMAN EXILE

■ News that **Oku Kaunya**, a former deputy Commandant in the Administration Police, has gone into exile in Germany will concentrate the minds of the investigators from the International Criminal Court (ICC) who arrived in Nairobi last week. They are determined to probe the violence around the 2007 elections and Prosecutor **Luis Moreno Ocampo** is due in Kenya in early May (AC Vol 51 No 7).

There is concern about the ICC's ability to protect witnesses. Kaunya is a case in point: he clashed with his commanders before the 2007 elections and questioned orders to deploy undercover officers to work as election agents for President **Mwai Kibaki's** Party of National Unity in marginal constituencies in Western Kenya. We understand he gave details to Justice **Philip Waki's** Commission about the organisers of the violence and rigging. He left Kenya after being told there was a 3 million Kenya shilling (US\$39,000) contract on his head. About 60 Administration Police officers have disappeared in the past four years; most are thought to have been killed.

South Africa/Zimbabwe

THE MALEMA EFFECT

■ The royal reception accorded to South Africa's firebrand youth leader **Julius Malema** in Zimbabwe over the Easter weekend has proved counterproductive (AC Vol 51 No 7). As President of the African National Congress Youth League, Malema told President **Robert Mugabe** and his allies that their land resettlement policy had been a success and that South Africa would soon be adopting their economic indigenisation policy.

Within days of his return home, President **Jacob Zuma** and other ANC leaders repudiated Malema's comments and said that he would face disciplinary proceedings. Then on 13 April, Zimbabwean Prime Minister **Morgan Tsvangirai** announced the suspension

of proposals to compel all companies to sell 51% of their equity to indigenes.

Zimbabwe African Nation Union-Patriotic Front leaders treated Malema to a reception with Mugabe and gave him a mini-motorcade escort. His speech to the Youth League won rapturous applause as he heaped praise on Mugabe's polices and promised ANC support for ZANU-PF at the next elections. Some ZANU-PF activists, however, lamented Malema's apparent lack of enthusiasm for electoral violence.

Malema has targeted South African mines, so ZANU-PF helpfully took him to Zimplats Ngezi Mine, south-west of Harare, to see indigenisation in action. Zimplats has been one of the few companies to embrace the proposals; it did so hoping that assurances over the past five years would be honoured. The Youth and Indigenisation Minister, **Saviour Kasukuwere**, has dismissed Zimplats submissions on empowerment (AC Vol 51 No 6). Zimplats claimed it had already surrendered 39% of its value by handing over part of its original mining concessions, which it now intended to augment by endowing a workers' trust with a 15% shareholding. Such proposals are crazy, fumed Kasukuwere.

As Malema was shown around the mine, ZANU-PF's (middle-aged) youth leaders, **Absolom Sikhosana** and Mugabe's nephew **Patrick Zhuwawo**, berated the Zimplats management for their folly. Both are members of ZANU-PF's Politburo but neither holds ministerial office in the ruling coalition.

ALEKE KADONAPHANI BANDA 1939–2010

The death of Aleke Banda was announced on 9 April 2010. Although he was born in **Zambia** (then Northern Rhodesia), was educated in **Zimbabwe** (Southern Rhodesia) and died in **South Africa**, he was a true son of **Malawi** (Nyasaland). His home district was Nkhata Bay in the Northern Region. Banda's life in politics (1953–2008) was devoted intensely to his country as it fought for and won Independence from **Britain** in 1964, as it established the political and economic structures of an independent state under **Hastings Kamuzu Banda** and as it created the framework of a multiparty democracy under **Bakili Muluzi** (1994–2004).

Aleke Banda was close to the centres of power in Malawi, firstly as founder-member and Secretary General of the ruling Malawi Congress Party (MCP), then as a minister holding several important portfolios, including the key Finance and Agriculture ones, in the United Democratic Front government which succeeded it. His proximity to the Presidency proved risky: he spent twelve years in Kamuzu Banda's notorious Mikuyu prison after being touted as a likely successor. Later, Muluzi banished him from the UDF to the wilderness of the tiny People's Progressive Movement before the 2004 elections.

Aleke Banda was also accused of involvement in some of the thuggery of the Hastings Banda era (he had helped to create the MCP's notorious Young Pioneers) and in the financial shenanigans of Muluzi's reign. Yet he should also earn credit for some of the policies that have created economic well-being under **Bingu wa Mutharika**, especially the fertiliser and seed subsidies which have massively boosted farm production.

Relations had deteriorated between Banda and Mutharika. The government has attacked Banda's independent newspaper group, Nation Publications, by excluding its journalists and banning state organisations from advertising in Nation titles. Senior government officials were conspicuously absent during his final weeks in a South African cancer hospital. Banda will be more mourned, it seems, by the many Malawians who saw him as a wise and loveable elder-statesman. His voice in Parliament urging fellow-members to 'conduct ourselves with dignity and maturity' will be sorely missed. ●

BLUE LINES

Africa's journalists are being caught up in increasingly paranoid, and sometimes murderous, national politics. On 24 April, three journalists in Nigeria were killed in two separate incidents: Edo Sule Ugbagwu of *The Nation* was gunned down at home, and Nathan Dabak and Sunday Bwede of the *Light Bearer* were killed while reporting the communal violence in Jos.

In neighbouring Cameroon, three journalists – Serge Sabouang, Robert Mintya, and Ngota Ngota Germain – are being held in Yaoundé's Kondengui gaol accused of trying to discredit the Secretary General of the Presidency, Laurent Esso. And the government of Congo-Brazzaville has suppressed evidence about the burning to death of Franco-Congolese journalist Bruno Jacquet last year.

Last week, several African reporters explained to the Global Investigative Journalism Conference in Geneva how they chased stories such as human trafficking, arms smuggling and corporate connivance in corruption. Among the speakers were Mary Akuffo (Ghana), Annie Mpalume (Zimbabwe) and John Grobler (Namibia), all of whom investigated illegal mining operations. Joining them were Frank Nyakairu (Uganda), who wrote some groundbreaking reports on human trafficking, and Ken Opala (Kenya), whose stories on conditions for prisoners on death row have sparked calls for prison reform in Kenya. More than ever, their voices are needed.

SUDAN

Stolen votes yield a hollow victory for Khartoum

Vote-fixing in an election lacking any credibility has galvanised opposition in the North and may undermine the ruling party

Abeaming President Omer Hassan Ahmed el Beshir waved his stick triumphantly as his victory was announced in Khartoum on 26 April. Yet the ruling National Congress Party faces a succession of challenges after what many African and Western officials call deeply flawed elections – though mainly in private. The divided and formerly supine Northern opposition now looks determined to continue the struggle triggered by the polls.

The boycott of the elections in the North by much of the opposition was vindicated in the eyes of many independent observers when they saw the extent of the voting fraud by the NCP (aka National Islamic Front, NIF). This means that for both Sudanese and foreigners, such fraud has scuppered any idea that President Omer could claim a popular mandate for his defiance of the International Criminal Court's warrant to arrest him.

Ghana's ex-President, John Kufuor, who headed the African Union (AU) monitoring team, made emollient public statements about the polls but in a closed-door meeting with other monitors, he acknowledged that 'the irregularities were extremely apparent.'

Perhaps the NCP had hoped that by declaring that Field Marshal Omer had won 68.24% in the presidential vote, it might look reasonable in comparison with Salva Kiir Mayardit's 92.99% vote to succeed himself as Southern President, on the face of it a classic dictator's score. In fact, monitors agree there was far more fraud in the North than the South (see Box). Said one Western official of the South: 'Was there a systematic and deliberate campaign to rig the elections? No. Were there incidents? Yes.' Unlike the NCP,

the Sudan People's Liberation Movement (SPLM) did not need to rig the elections to win them.

In the North, as opposition protests grew, interested governments' public acceptance of the badly flawed process persisted. Attitudes ranged from enthusiasm from the Arab League, most of whose regimes do not aspire to credible elections; public enthusiasm and private disdain from the AU, amid a retreat in Africa from earlier democratic gains; and detailed but moderate criticism from Western governments, which said they could live with the outcome, which they had expected.

INTERNATIONAL APPROVAL

France, for instance, announced on 27 April that the elections did 'not meet international standards' but were a 'step forward' towards implementing the Comprehensive Peace Agreement (CPA), 'the guarantee of peace and stability in Sudan and the region'. Few in Darfur think they have peace or stability and many in the South fear they won't have for long, now the NCP has its victory.

One Egyptian diplomat had already made clear to *Africa Confidential* that his government could live with the expected NCP victory. On the day after his win, Omer flew to meet the President whom the NCP had tried to assassinate in 1995, Mohamed Hosni Mubarak. It summed up the strengths and weaknesses of Egyptian policy.

Cairo is convinced it can contain the NCP's Islamist operations within Sudan and concentrates its efforts on the deepening dispute over the Nile, where the two uneasy allies are this month pitted against the rest of the Nile Waters Agreement states: **Burundi**,

SUDAN	2	SUDAN	3	AFRICA/ECONOMY	4	KENYA	5	CLIMATE CHANGE	6
A good vote in Africa		Deals, votes and fraud		Out of the dip		Worrying the witnesses		NIGERIA	7
Contrary to widespread perceptions, elections are nothing new in Sudan.		There was plenty of rigging and fixing of votes but sometimes the best laid plans went awry.		Meeting in Washington, officials from the IMF, World Bank and African finance ministries predict a strong return to growth this year.		The people behind 2007's violence are threatening witnesses – and the international investigation.		ZAMBIA	8-9
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A GOOD VOTE IN AFRICA

Free, fair and good-humoured. They were organised and monitored entirely by Sudanese and their results were widely accepted as free and fair. Those were Sudan's landmark elections of 1986, which brought in a civilian government in the wake of a popular uprising against an autocratic regime.

The 1986 elections powerfully rebut external claims that the dangerous combination of rigging and chaotic organisation in the 2010 elections was inevitable in one of Africa's poorest states. In fact, Sudan has been holding elections since 1953, before Independence in 1956 – interspersed, it is true, with long periods of dictatorship, of which that of the National Congress Party (NCP) is the third.

Sudanese remember the 1986 polls almost as fondly as the *Intifadah* (popular uprising) of 1985 against the dictator **Ja'afar Mohamed Nimeiri**. The excitement of 'Abreel', the April uprising, gripped thousands of men and women, of all ages, classes and ethnic groups who ran out on to the streets. One slogan for the marchers was 'Westminster! Westminster!' – a way of demanding democracy and a word they might no longer choose today, given the **British** government's perceived appeasement of the NCP regime, which is far more detested than Nimeiri's.

The protests were coordinated mainly by the professional elite – doctors, teachers, lawyers – and some of those same people are still active in the political and human rights movements against the NCP. After a heady if not always constructive year of transition, they organised the elections. There was no foreign money (nor oil money), no outside organisers and *Africa Confidential* saw no external monitors.

People waited patiently for hours in the sun to vote and the pride was palpable everywhere. Or almost everywhere. As usual, the South was pretty well left out of the elections: it had been at war since 1983 and few polls were held. Southern President **Salva Kiir Mayardit** announced this year that this was the first time he had voted. The government elected in 1986 launched a credible peace initiative – which explains the timing of the 1989 coup by the National Islamic Front (NIF, which rebranded itself as the NCP): to sabotage the peace process.

The 1986 results were not unlike those of earlier elections and they demonstrated the power and popularity of the same Northern parties that stood (or boycotted) in 2010. The thrust of pre-NIF coup politics is indicated by the election of the two Sudan Communist Party leaders, **Mohamed Ibrahim Nugud** and the late **Izz el Din Ali Amr**, in Khartoum's two richest constituencies and the failure of NIF leader **Hassan Abdullah el Turabi** to win a seat in Khartoum as other parties formed an alliance against him.

Nevertheless, though it is commonly said that the NIF got less than 10% of the vote, it in fact won 18.7% in the geographical constituencies or 733,034 votes. This contrasts with the Umma Party's 1,531,216 (100 seats) and the Democratic Unionist Party's 1,166,434 votes (63 seats). Southern parties won 15 seats, despite the war.

Many, however, underestimated the NIF's long-term strategy and its power and daring. It carefully manipulated the 'graduate seats', a vestige of colonial times that gave the educated three votes to only one for Mister and Ms Average. At the same time, expatriate electors could register in a constituency of their choice. 'NIF people have said this to me, absolutely explicitly. They organised registration from expat voters and they encouraged those voters to register in places where their votes would count most,' noted Africa historian Professor **Justin Willis**. 'Since just over half of the graduates registered in Khartoum (which only had 3 of the 28 grad seats allocated to it), it was especially easy to pack the other provinces with expat voters.' It gave the NIF 28 seats and was an early example of how the party could use the rules to its own advantage – and outwit traditional parties and secularists alike.

Sadly many forgot the lessons of that political history. When journalist **Lubna Ahmed el Hussein** was gaoled last September for being 'indecently' dressed, she was wearing tunic, trousers and long scarf like those that were the mandatory uniform for young women in Sudanese secondary schools before the NIF took power. Yet this year's European Union election observers' Preliminary Statement noted that 'Progress has been made on gender equality in Sudan as a minimum of 25% of all legislative seats will be occupied by women.' Aside from the issue of a powerless National Assembly that has had an inbuilt majority for the NCP, the claim of progress would be loudly challenged by many women, at least in the largely Muslim North.

By the same token, many 'internationals' depict the 2010 elections as progress in themselves and a step forward towards democracy. Sudanese journalist **Ahmed el Zobier** lamented last week: "This is Africa (TIA [a reference to **Edward Zwick**'s film 'Blood Diamond']) you know", some argue patronisingly, there is no "perfect election", it will be "a step forward given Sudan's context". The ultimate and misplaced aim is to achieve a "milestone"...'. **Russia**, indeed, said the elections were fine – 'by African standards'. ●

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73 Farringdon Rd, London EC1M 3JQ, UK

Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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Congo-Kinshasa, Ethiopia, Kenya, Rwanda, Tanzania and Uganda – four of them Sudan's neighbours but none of them Egypt's.

Egypt is a major influence on Western, especially **British**, acceptance of NCP rule but this cannot assuage Egyptian fears that an independent South will somehow 'steal' the River which is its lifeblood and major strategic concern. Grandiose Egyptian financed and managed wheat-growing projects in the far north of Sudan depend critically on control of the Nile waters for intense irrigation. Egypt appears to be counting on the NCP to prevent Southern independence. Since Khartoum has not even attempted to 'make unity attractive' to Southerners as the 2005 CPA requires, this suggests the NCP will seek to undermine the referendum. This is certainly what the SPLM expects and is preparing for, we understand.

IGNORING DARFUR

Western governments focus on the referendum at the expense of, on the one hand, the Darfur crisis and, on the other, the national elections and the NCP rigging thereof. As one diplomat explained after the polls, 'The imperative of national self-determination took priority over the imperatives of democratic transformation.' Accordingly, the nightmare was that violently contested elections would jeopardise the referendum on Southern independence due in January 2011 and trigger the unravelling of the North-South peace. It is another question, however, whether meek or robust policies towards these elections would affect the NCP's tactics on the referendum.

Western efforts to placate NCP sensitivities over the elections reached extraordinary levels when the **United States** Special Envoy to Sudan, **F. Scott Graton**, attempted to 'save' the elections from Sudanese boycotters before voting began at the beginning of April. Citing generalised fraud and the impossibility of free elections in Darfur, the SPLM had announced it would boycott the presidential and Darfur polls. Although the SPLM likes Air Force General (Retired) Graton's policy emphasis on the South, it strongly opposed his recent revival of the idea of a confederal solution to the North-South relationship. Southerners say it is far

too late for that. So he was rebuffed when he asked senior SPLM officials to halt the boycott or otherwise withdraw and support the NCP. Southerners now worry that the 'Troika' of Britain, Norway and the USA plus other interested governments will not help them when the NCP concentrates its efforts on undermining the independence referendum.

Northern oppositionists say they have been abandoned by governments which they used to see as allies and which they had hoped might support them in their aspirations for democracy and human rights. In London on 25 April, the two big Northern parties, the National Umma Party and the Democratic Unionist Party (DUP), held a joint meeting, where angry speakers from the floor denounced the West's policy on Sudan and its acceptance of the NCP's fraudulent elections and lack of concern for democratisation.

Such a reaction is rare among Northern Sudanese, who are usually too pro-Western or too polite to make such public criticisms. Expectations of the AU and Arab League were lower. 'We don't trust them any more now,' said **Mohamed el Ansari Ali**, head of the Umma Party in Britain and Ireland. 'The AU and Arab League [monitors] used government facilities and this cannot make them independent.' Such comments are widespread and often couched less politely.

OPPOSITION CHALLENGE

Activists said the London meeting means the opposition will continue what it has started. It faces huge challenges. The DUP was represented by its Vice-President, veteran lawyer **Ali Mahmoud Hassanein**, one of few opposition figures to call openly for Omer to face trial at the ICC, which has issued a warrant for his arrest on charges of war crimes and crimes against humanity.

The DUP President, **Mohamed Osman el Mirghani**, continued his current balancing act in a style more usually associated with Umma leader **El Sadig Sadeeg el Mahdi**. Having decided to boycott the polls along with the SPLM and Umma, then changed his mind after talking to the NCP, the man who used to chair the National Democratic Alliance opposition coalition suddenly declared that the polls had been rigged and departed for Egypt, always seen as his party's material if not spiritual home.

This lack of opposition cohesion has helped the NCP to stay in power for nearly 21 years. It has also helped to prevent many diplomats and journalists from taking the election boycott seriously, even though the major parties took part, including the Sudan Communist Party, Umma, SPLM Northern Sector and many supporters of the DUP and other parties. The boycott got mixed reviews overseas, though the

THE DEALS, THE VOTES AND THE FRAUD

There was plenty of rigging and fixing of votes across the country but sometimes the best laid plans went awry.

● One of the clearest examples of electoral rigging was the video, distributed by reputable human rights activists and spread around the globe by YouTube and then the BBC, of election officials signing ballot papers and stuffing them into ballot boxes. A man wearing the characteristic waistcoat of eastern Sudan shakes the 'tamperproof' box to ensure the slips are well mixed. Khartoum said the film was a fake, then tried to jam YouTube.

● With impeccable timing on 26 April, the People's Democratic Struggle Group released four **South African** police officers from the United Nations-African Union Mission in Darfur, kidnapped 16 days before near Nyala. A man claiming to be from the previously unknown group had told the Sudanese media that the kidnapping was a mistake by a commander who didn't realise they had an agreement with the National Congress Party (NCP) regime. South Africa had sent a delegation to talk to Sudanese security, said SA sources, and President **Jacob Zuma** spoke to President **Omer Hassan Ahmed el Beshir** on the telephone.

● In Central Equatoria, which includes Juba, the ethnic militias of rival governorship candidates **Clement Wani Konga** (caretaker Governor, Sudan People's Liberation Movement, Mundari) and General **Alfred Ladu Gore** (Bari, AC Vol 51 No 8) were gathering to contest the result militarily. Mediation by church people and the SPLM cooled things down. Loser Ladu Gore is still furious, claiming massive fraud.

● Also furious is **Angelina Jany Teny**, national State (Junior) Energy and Mining Minister and former Southern First Lady (when her husband **Riek Machar Teny Durgon** headed the pro-NCP Southern government in the mid 1990s). Now SPLM again, she stood as an independent for Unity State Governor against the SPLM's **Taban Deng Gai**. She and many others claim massive fraud.

● The (Southern) Political Parties' Council, an initiative of SA ex-President **Thabo Mbeki**, issued a scathing report on the SPLM which even its representative on the PPC signed. It claimed arrests, torture, intimidation, rigging, as did other monitors; most saw these as localised incidents rather than SPLM policy. There was also inefficiency because of inexperience or NCP interference. One SPLM official described the Southern Sudan High Election Committee as 'zombies'. The SPLM says it has learned lessons for the referendum.

● We hear the NCP asked the SPLM to let it rig the gubernatorial race in Blue Nile, a Northern state but one of the 'Three Areas' seen as distinct and, with the Nuba Mountains, due under the Comprehensive Peace Agreement for an undefined 'popular consultation'. The SPLM angrily refused and veteran and popular former SPL Army commander **Malik Agar Eyre**, an SPLM Deputy Secretary General, won.

● Second Vice-President and NCP baron **Ali Osman Mohamed Taha** asked First Vice-President **Salva Kiir Mayardit**, we hear, to give Field Marshal Omer 40% of the Southern vote (an impossible figure the NCP press had been touting). This was also angrily rejected. What carrots and sticks were brandished is unknown.

● The National Elections Commission 'suddenly' decided around 22 April to order all its state level subsidiaries, North and South, to stop using the computer programme that cross-checked voting figures. This meant tabulation was entirely by hand with no independent checks. Election experts consider such checks essential, especially where there's a high risk of fraud. It means all results might well be inaccurate, especially where fraud was systematic, as in the North.

● One of the many international bodies the NCP has courted is the International Conference on the Great Lakes Region, which duly sent a monitoring team. The NCP made much of its praise for the polls but the ICGLR website's latest 'news' is from December 2009 and there is no sign of Sudanese elections. Sudan's information page is entirely in Arabic, a language little spoken in the Great Lakes. The Conference has eleven members: **Angola, Burundi, Central African Republic, Congo-Brazzaville, Congo-Kinshasa, Kenya, Rwanda, Sudan, Tanzania, Uganda and Zambia. Botswana, Egypt, Ethiopia, Malawi, Mozambique, Namibia, Somalia and Zimbabwe** are co-opted countries and **Gabon, Nigeria** and South Africa are 'friends'. Members, one of which is Sudan, have signed up to, *inter alia*, 'Accession to power through periodic, free, honest and transparent elections', 'Freedom of press and expression' and, most interestingly in the case of the NCP, 'Secularisation of the State and its institutions'. ●

opposition sees it as successful: having fixed the vote, the NCP could be defeated only on moral grounds. A senior Western diplomat said the opposition had little choice when confronted with such wide

-scale electoral crookery and had denied the ruling party a credible mandate.

Some outsiders argued that in 'transitional elections', protest is more effective than boycott. The opposition

had of course protested earlier and SPLM Secretary General **Pa'gan Amum Okiech** and SPLM presidential candidate **Yasir Saeed Arman Saeed** were both arrested and beaten for their pains. Yasir eventually decided to withdraw but his stature has grown enormously across the country, especially in the North, where his energy and relative youth mark him out from the veteran opposition leaders: the leaders of the three major Northern parties have been in post for 30-40 years.

The notion that the polls are part of a transition to 'democratic transformation' is widely held in foreign (though certainly not Sudanese) circles: for Southerners they are a step on the path to independence; for Northerners, they are either a means for the NCP to gain spurious legitimacy or perhaps a spur to an opposition revival. The elections had provided 'more political space' in the North, a senior Western diplomat told *Africa Confidential*.

The diplomatic capabilities of the main Western election monitoring groups, the Carter Center and the European Union, were sorely tested. Both issued their reports on 17 April, before votes had been counted or more abuses emerged: this was because US ex-President **Jimmy Carter** and EU team leader **Veronique de Keyser**, a Belgian psychology professor and member of the European Parliament, both had prior engagements, we hear.

Both organisations expect their reports on rigging during the subsequent counting and tabulation stages (see Box) to be hard-hitting, as will the final reports in a few weeks' time – but by then, the political moment will have been lost and the global news agenda will have moved on. While Sudanese civic groups doggedly monitored election abuses North and South, the only major foreign organisation to speak out loud and clear was Human Rights Watch.

The opposition is again beginning to think longer term, though. A big shake-up of the dynastic approach to politics may be in sight. The role of the SPLM will be crucial (AC Vol 51 No 8). The SPLM Northern Sector will gain greater autonomy and is likely to found a new opposition party, we hear, encouraged by strong support for its national presidential candidate, Yasir Arman.

Meanwhile, until January's referenda, the SPLM proper will be back in the Government of National Unity in Khartoum, although increasingly focussed on the South. Pa'gan Amum is likely to return to Juba, *Africa Confidential* understands, ready to help to prepare for a referendum that the SPLM expects the NCP to try – among other types of sabotage – to delay 'on technical grounds'. The SPLM wants none of it and is counting on the referendum going ahead. ●

AFRICA/ECONOMY

Out of the dip

Meeting in Washington, officials from the IMF, World Bank and African finance ministries predict a strong return to growth this year

The hiatus in Africa's economic growth caused by the global financial crisis appears to have been 'mercifully brief', according to the International Monetary Fund's Africa Director, **Antoinette Sayeh**. The revival in demand for African commodities means that the region's economies will grow on average by 4.75% in 2010, compared to growth of 2% in 2009, Sayeh said at the IMF and World Bank's spring meetings on 23 April in Washington. This is despite localised shocks, such as drought in East Africa – which has hit farm output in **Eritrea**, **Ethiopia** and **Kenya** – and continuing instability in **Guinea** and **Madagascar**. The IMF reckons that the economies will be growing on average by 5.75% in 2011.

Sayeh attributes the rapid recovery partly to the stronger budgetary positions of many African governments, which enabled them to maintain funding of important public projects. In 20 of Africa's 29 low-income countries, governments increased spending on health and education without running up dangerous deficits. Despite the global slowdown, almost three-quarters of African countries were able to increase government spending last year to buttress economic activity.

Sayeh insisted that a recovery was 'certainly under way in Africa', but she added that the crisis had held down living standards for millions of Africans and raised unemployment in many countries, especially middle-income ones. In South Africa, at least 900,000 jobs were lost. The World Bank's Africa economist **Shantayanan Devarajan** put it in still starker terms: 'An estimated seven to ten million people were driven into poverty... and an estimated 30,000 to 50,000 children died before their first birthday due to the crisis.'

On 24 April, **Congo-Brazzaville's** Finance Minister **Gilbert Ondongo** said that employment in the country's mainstay timber trade had halved as exports fell by almost 60%. **Liberia's** Finance Minister **Augustine Ngafuan** said his country's growth plans were held back because of similar losses in the rubber trade and the suspension of a US\$2 billion iron ore project run by ArcelorMittal. Some of the worst-hit countries were oil exporters: export revenues in **Angola**, **Chad** and **Equatorial Guinea** plummeted as global oil prices fell to an average of around \$50 a barrel last year from almost thrice that

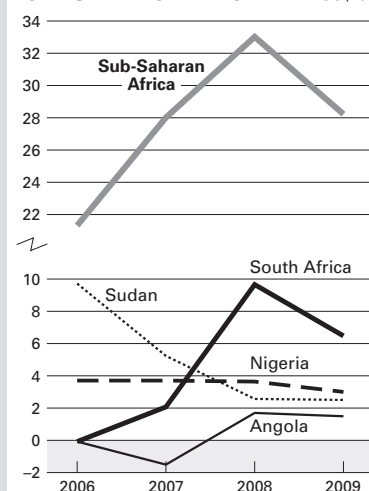
level in 2007. **Ugandan** Finance Minister **Syda Bbumba** said that, although flower exports had been hit, a fillip in regional trade meant that revenue collection was higher than in 2008, a trend he thinks will be reinforced by the further opening up of trade within the 130 million-strong East African Community this year.

This upbeat view of Africa's growing domestic market was reinforced by World Bank President **Robert Zoellick**: 'In the ten years to 2008, the private sector invested more than \$60 billion in information and communication technology in Africa; 65% of Africans are now within the reach of wireless voice services and there are 400 million mobile phones in use in Africa.'

According to Zoellick, external attitudes to Africa are changing, helped by recent history. Investors 'are not dissuaded by the risks – after Lehman Brothers and Greece, investors know developed markets can be risky too.' There remains a massive need for investment in Africa. According to the World Bank's own research, there is a demand for some \$93 billion each year in the financing of power plants, roads, railways and ports. African governments raise about \$45 bn. of the required finance and try to secure the remainder from the African Development Bank, World Bank and capital markets. The ongoing difficulties in raising finance for African markets points to concerns about security – despite Zoellick's point – and a lack of imagination and innovation. ●

AFRICA'S INVESTMENT PROFILE

FOREIGN DIRECT INVESTMENT US\$ bn.



Source: World Bank

Worrying the witnesses

The people behind the post-election political violence are threatening witnesses and trying to derail the international investigation

Claims that a senior official in the Kenya National Commission on Human Rights (KNCHR) has been handing over information to politicians about witnesses to the 2007 post-election violence threaten the viability of local enquiries into the killings as well as the investigation by the International Criminal Court (ICC), which is due to start formally next month.

The KNCHR attempts to protect witnesses but evidently this has been badly undermined (AC Vol 49 No 17). These problems in the Human Rights Commission date back to the report of October 2008 by Justice **Philip Waki**. Witness harassment started almost immediately.

It intensified in August-September 2009, when former United Nations Secretary General **Kofi Annan** handed over the sealed envelope containing the names of suspects. It then got worse after 26 November, when ICC Prosecutor **Luis Moreno Ocampo** made his first submission to the Court's Pre-Trial Chamber. It also gets worse every time the ICC goes to Kenya or makes public statements about the case.

In November, several key Kalenjin witnesses in the epicentre of the post-election violence, the North Rift, who had testified under oath to the KNCHR, said that they had been threatened. They named a commissioner who had been part of the KNCHR interviewing team, accusing him of meeting and passing on information about them to local councillors who were linked to a senior politician from the region.

The commissioner was later seen in the company of that politician. The story then broke this month in Kenya's feisty press after the Vice-Chairman of the KNCHR, **Omar Hassan**, admitted to journalists that there had been complaints. This has raised a storm at the KNCHR. Its Chairwoman, **Florence Simbiri-Jaoko**, has refused to talk about the details of the case but insists that the still unnamed commissioner was not part of the small inner circle that was dealing with the protection of witnesses.

Since that case became public knowledge, threats and attacks on witnesses have increased and at least one man who was sheltering a witness has been killed – apparently in a case of

mistaken identity.

Another witness, **Oku Kaunya**, the Deputy Provincial Commissioner for Nyanza and a former Administration Police College head in the run-up to the 2007 elections, has fled abroad after repeated attempts to talk to senior officials failed (AC Vol 51 No 8). He said that there was a 3 million Kenyan shilling (US\$38,800) contract on his life and that he was being trailed by Administration Police officers sent from Nairobi. **Millicent Kaunya** also claims to have been threatened since her husband fled the country on 11 April.

Of the 22 witnesses from the North Rift districts of Nandi, Uasin Gishu and Trans-Nzoia who testified before the KNCHR and Waki commissions into the post-election violence, most say their lives have been threatened. **Ken Wafula**, who runs the Centre for Human Rights and Democracy in Eldoret in the North Rift also tries to protect witnesses but is under scrutiny himself.

Although many more witnesses to the violence came after the release of the two detailed reports into the killings and persecution in 2008, Wafula says the witnesses could not trust either the KNCHR or the government's witness protection programmes because of suspicion that they had been infiltrated by agents close to the organisers of the violence.

WHISTLE-BLOWING WITNESSES

The government, which introduced a law to protect whistle-blowers in 2006, also runs a Witness Protection Unit in the Attorney General's Office but it is scarcely operational and not widely trusted. Under the amended Witness Protection Act, it will be able to appoint a director with security of tenure, secure financing from a range of sources and run a corps of undercover agents.

Several civic organisations also try to protect witnesses: the biggest is probably the KNCHR, a statutory body which enjoys substantial independence from government. The KNCHR's track record on witness protection is tarnished, though. This is the third time since the election violence in early 2008 that the KNCHR's integrity has been challenged.

In 2008 it was accused of failing to protect a police driver who gave information about how a special

'Kwekwe' police squad killed several young men accused of being members of the Mungiki sect.

The KNCHR was also accused of partisanship on the release of its main report on the post-election violence. Although it named several in President **Mwai Kibaki's** Party of National Unity that it suspected of involvement in the violence, it appeared more reluctant to name suspects in Prime Minister **Raila Odinga's** Orange Democratic Movement. Its list of ODM suspects emerged only in a special annex released after much public pressure. The KNCHR was then accused of ethnic partisanship, accusations that continue.

In October 2008, **Bernard Kirinya**, a policeman-turned-whistle-blower who was being protected by the Commission was gunned down and killed in broad daylight in front of a shopping mall in Nairobi. The KNCHR released its report 'Cry of Blood', based on Kirinya's statements to them about a secret police unit a few weeks before he was shot in cold blood, just days after the Waki Commission concluded its work.

The KNCHR failed to get Kirinya out of the country in time; instead it published the report and asked for protection for him from the state. At the time, the Commission looked just inefficient but now, this seems to reinforce suspicions that it has been infiltrated.

Given the pressures on human rights organisations and the turmoil within groups claiming to protect witnesses, the responsibility in Kenya will now fall mainly on the ICC, which has itself been criticised for its handling of sources and witnesses in **Congo-Kinshasa** and **Sudan**. Western diplomats have not responded enthusiastically to requests for funds for witness protection schemes. Only the **United States** has so far promised money.

Justice Minister **Mutula Kilonzo** has reiterated that the government fully supports the ICC investigations. Yet the Court's team will depend partly on the cooperation of the police and the Attorney General's Office, both of which have done little to probe the post-election violence and in some cases, have actively frustrated investigations.

That, together with the government's own highly ambivalent attitude to the ICC, seems guaranteed to make the work of the Court's investigators even harder when its Prosecutor, Luis Moreno Ocampo, arrives in Nairobi next month. There is anxiety about the ICC's plans to open an office in the Kenyan capital, which activists see as an invitation to government surveillance. For the ICC, its reputation is again on the line; and for Kenyans, the prospects of a free election in 2012 are still at risk. ●

Warming up in Cape Town

African governments are teaming up with Asia and Latin America to press rich countries for a legally binding pact on carbon emissions

In a challenge to the rich economies of the West, **South Africa, Brazil, China and India** are calling for a legally binding global agreement to limit climate change. Their new block, with South Africa replacing **Russia** in the BRIC group of Brazil, Russia, India and China, adds the acronym 'BASIC' to the United Nations' vocabulary. A meeting of their environment ministers in Cape Town on 26 April demanded agreement by 2011 at latest and may give fresh momentum to the initiatives that ran into the sand at December's UN climate change summit in Copenhagen, **Denmark**.

Rich countries are refusing to make new commitments beyond 2012 unless big developing states such as India and China also sign up. More world meetings are due at Cancun, **Mexico**, in 2010 and in South Africa next year. The **United States** has not agreed to the Kyoto Protocol, which binds about 40 developed countries to cutting emissions in 2008-12, with no agreed sequel. 'There is no breakthrough in sight...we have a long way to go,' said

Jairam Ramesh, India's Environment and Forests Minister.

Many African nations are demanding deeper cuts by industrialised countries in emissions of the greenhouse gases blamed for global warming. More than 100 countries (including the USA) back the non-binding Copenhagen Accord, intended to limit global warming to less than 2° Celsius (3.6° Fahrenheit) above the temperature in pre-industrial times but do not agree on how this should be achieved. Rich countries promised US\$100 billion a year in aid to help developing economies cut emissions, with no details on offer except that the deal would start with \$30 bn. a year and work upwards.

COAL-FIRED POWER FOR SA

Developing countries wish to maintain the 1992 UN Climate Convention, which details measures that rich nations must take to fight climate change. Yet developing countries say that they cannot afford not to use some polluting technology and South Africa itself has just secured a \$3.75

bn. World Bank loan for a huge coal-fired power plant. This year, China surpassed the USA as the world's biggest polluter.

In India in January, the BASIC group pressed developed countries to meet their Copenhagen promises to help mitigate climate-change effects such as food crises, floods and drought, and to speed up the launch of a \$10 bn. fund to help poor countries move towards 'adaptation and mitigation'. South Africa and India have each proposed candidates to head the Framework Convention on Climate Change, the top UN climate post; the current occupant, **Yvo de Boer**, steps down on 1 July to go to accountants KPMG.

The key number for ecologists is the average 2° Celsius temperature rise caused, they say, by mankind's greenhouse gas emissions. They say that exceeding it will lead to irreversible global warming. **Lumumba Stanislaus-Kaw Di-Aping**, Sudanese Chairman of the 'G-77 + China' group of 132 states of the Global South, says that temperature rises above the 2° limit would bring rises of 3.5° in southern Africa. **Kofi Annan**, the former UN Secretary General, says unless the necessary steps are taken, 'We are heading for certain catastrophe.' Worst affected would be **Kenya, Mozambique, Nigeria, South Africa, Tanzania and Uganda**. Africa produces just 1% of global emissions and in some parts of the continent, climate change is expected to cut farm yields by up to 50% by 2020.

The 2006 Stern Report on the economic consequences of climate change estimated that, by 2030, the number of hungry people worldwide would double to 75 million. The Global Humanitarian Forum (GHF), a think tank whose President is Annan, reckons that by 2020 the average annual rainfall in **Morocco** will decrease by 4% compared to 2000 levels and cereal yields could fall by 10-15% in dry years. The GHF Director, **Walter Fust**, predicts economic losses increasing to around \$340 bn. by 2030.

The Intergovernmental Panel on Climate Change recommended that industrialised nations reduce their emissions by 40% below 1990 levels by 2020, with all countries making substantial reductions by 2050. Annan wants South Africa, like other fast-emerging economies such as China and India, to move faster than the rest of sub-Saharan Africa. The pledges which many industrialised countries made after Copenhagen fell short of IPCC recommendations, although the \$30 bn. they propose for funds to support developing countries' anti-warming measures could pay for crops that can withstand higher temperatures, low-cost cooking stoves that give off fewer emissions and storm-resistant houses.

The Nobel Peace Prize-winning Kenyan environmentalist **Wangari**

KEY POINTS FROM COPENHAGEN

At the United Nations' climate change summit in Copenhagen in December 2009, African governments won a victory by stopping attempts by the West to kill off the Kyoto Protocol, agreed in 1997. Under the Kyoto deal, the richer countries are legally obliged to cut their emissions. The concession followed a standoff, culminating in a five-hour walkout, led by the African states. **Sudan's Lumumba Stanislaus Di-Aping**, Chief Negotiator for the G-77 group of 132 less industrialised countries, which Khartoum currently heads, said: 'We won because Africa and other countries stood up'.

The Copenhagen Accord contained little else to cheer about. Promises were made but without legal enforcement; the poorer nations will have to rely on the goodwill of the richer ones. The key provisions of the Accord for richer nations and African nations are as follows:

- Section 1: Global warming to be limited to 2° Celsius, with a comprehensive programme by all countries. African and island governments sought a warming limit of 1.5° Celsius.
- Section 2: No agreement on long-term targets to cut carbon emissions. Sudan's combative **Di-Aping** described the accord as 'asking Africa to sign a suicide pact'.
- Section 3: Building resilience in developing countries. Developed nations will help African countries to adapt. African countries will also have to adopt various measures, such as introducing cooking stoves which give out less smoke.
- Sections 4 and 5: Rich countries were to specify their emission cuts by the end of January 2010. The few that did promised 11%-19% cuts, which Greenpeace says is no change on previous pledges. African nations specify no targets but will outline intended actions; those funded by donors will be inspected, a key demand of the **United States**.
- Section 6: Deforestation cash will go to forest rich nations like **Brazil** and the **Congos**.
- Section 8: Promises to give poorer countries US\$30 billion a year to start fighting climate change, rising to \$100 bn. by 2020. Developing countries wanted \$400 bn.

The last Intergovernmental Panel on Climate Change report (AR4) recommended that richer nations reduce emissions by 40% (some promise 11-19%), and that emissions by African nations should substantially deviate from present levels by 2050. ●

Maathai says that in most poor countries, environmental issues are treated as a luxury. Fust of the GHF said that India and China were more forthcoming than Africa about practical ideas to limit warming. Some Western ministers wanted climate-change finance to be ring-fenced from other forms of aid.

Up to a quarter of greenhouse gas emissions come from tropical forest clearance; in central Africa, an area the size of Spain is controlled by logging companies, a third of that in **Congo-Kinshasa**. In the tussle between environmental measures and foreign earnings, the latter wins out.

CLIMATE CHANGE POVERTY TRAP

Amid the controversy about how fast the climate is changing and why, some climatologists question whether the earth's warming can be controlled by capping carbon dioxide (CO₂) levels. Many economists feel the climate change debate is a distraction for Africa, which would do better to concentrate on improving governance and economic diversification. Annan says: 'We must ensure action to tackle climate change does not come at the expense of trapping millions if not billions in abject poverty.' IPCC Chairman **Rajendra K. Pachauri** says developing countries such as **Ghana** should not follow the same development path that industrial nations have pursued but that for more Ghanaians to have access to electricity and a better infrastructure, the country's CO₂ emissions will have to stay at the 'business as usual' level for some decades.

South Africa, the world's 13th highest greenhouse gas emitter, will probably have a higher carbon allowance per capita than neighbouring countries. Di-Aping says Africa is currently being denied the scope to achieve significant economic growth. Fust argues that no country is exempt from cutting emissions although at present, low-carbon fuel is more expensive than fossil fuel.

In the next ten years, green energy production is likely to increase in Africa. **Egypt** and **Kenya** have ambitious plans for wind-farms and **Ethiopia's** scheme for a £190 million (\$288 mn.) 120 megawatt wind farm in Tigray represents some 15% of its current electricity capacity. Yet rising temperatures and resulting water shortages are affecting Africa's hydroelectric projects, notably along the Shire River in **Malawi**.

Furthermore, there is a risk that carbon trading, whereby poorer countries can sell unused carbon allocations, may tempt governments to trade their countries' future growth prospects against immediate income. 'I am concerned that those who are doing the trading will be the only ones earning,' remarked one senior development specialist. ●

NIGERIA

The gung-ho Governor

Last year's financial shakeout has worked well, says Lamido Sanusi, and foreign banks are welcome to invest in Nigeria

Nine months after he ordered the sacking of six bank chief executives and took their institutions into state management, the Central Bank of Nigeria Governor, **Sanusi Lamido Sanusi**, has lost none of his reforming zeal. A bill drawn up by Sanusi and his officials to set up an Asset Management Company is likely to be passed in the National Assembly by the middle of next month. This state-backed company will take over the debts of ten distressed banks, allowing them to raise capital. Sanusi expects at least five of the weak banks to merge with some of the stronger institutions in the market.

Some in Acting President **Goodluck Jonathan's** government, such as National Security Advisor **Aliyu Mohammed Gusau**, have strongly criticised Sanusi's policies, but the Governor insisted to AC this week that the banks had been strengthened by his radical surgery. 'At the end of the audit, we came out with a report that showed that 10 out of the 20 indigenously controlled banks had negative capital...We disclosed this

information fully, no creditor has lost and money and shares are still being traded.'

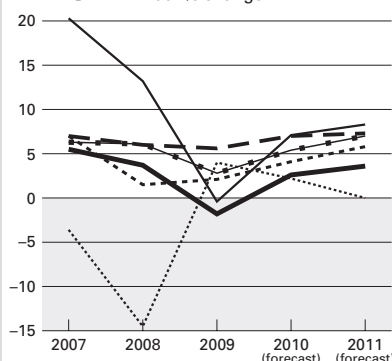
Although he had not yet spoken to the President directly, Sanusi understood Jonathan was 'supportive' of his policies. 'You must remember that the Central Bank is an autonomous agent in the Federal Republic of Nigeria and we have a responsibility to do what we think needs to be done.' Dismissing criticism that he had made Nigerian banks vulnerable to foreign take-overs, Sanusi said: 'I think the economy needs a mix of foreign and local banks. I don't think we should hand over all the banks to foreigners, it's not a practical proposition. But 25-30% of the industry being in the hands of foreigners would be a very good target.'

The slowdown in lending to the private sector was understandable, said Sanusi. 'The banking sector lost 66% of its capital, it's a miracle that it's still standing and lending at all.' There were many misapprehensions about what banks do. Far too few of them were lending to Nigeria's real economy, said Sanusi. ●

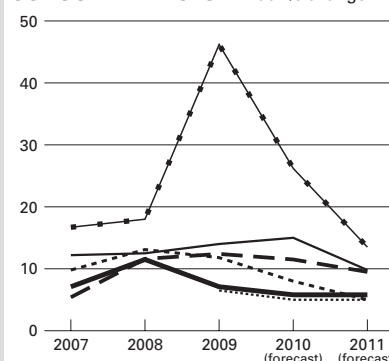
AFRICA'S ECONOMIC REBOUND

Source: IMF Regional Economic Outlook: Sub-Saharan Africa, April 2010

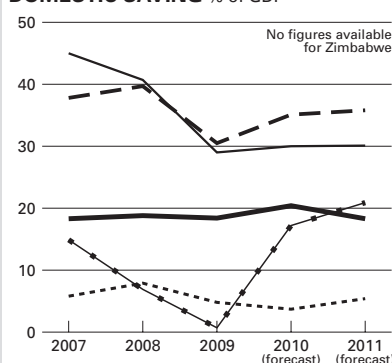
REAL GDP Annual % change



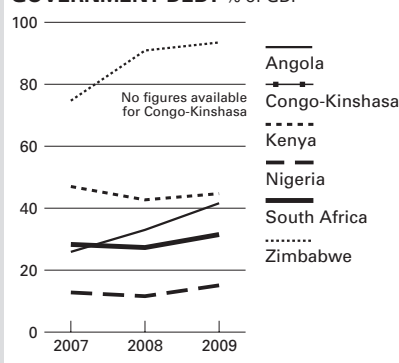
CONSUMER PRICES Annual % change



DOMESTIC SAVING % of GDP



GOVERNMENT DEBT % of GDP



The battle around Banda

Even his own party cannot agree on whether to back the President for the coming election campaign

Rupiah Bwezani Banda came to office by accident in November 2008, on the death of President Levy Mwanawasa (AC Vol 49 No 23). He hopes to win another election next year and has the advantage of incumbency. Yet he faces challenges from several senior members of the governing Movement for Multiparty Democracy (MMD), as well as from some of the opposition leaders who once backed him. The scene is set for the most fiercely contested poll since the advent of multiparty rule in Zambia 19 years ago.

Ken Ngondo of the All Peoples Congress (APC) and **Edith Nawakwi** of the Forum for Democracy and Development (FDD) both charge that President Banda has abandoned the values he campaigned for at the last election. Their parties are small but their support boosted the image of Banda himself and of the MMD. Two leaders of much larger opposition parties, **Michael Sata** of the Patriotic Front (PF) and **Hakainde Hichilema** of the United Party for National Development (UPND), have formed an electoral alliance which will compete fiercely against the MMD next year.

Within the MMD, some of Mwanawasa's old backers, mostly from his native Copperbelt, accuse Banda of abandoning the legacy of their late leader – in particular his fight against corruption and his defence of democracy. The most formidable of these is **George Mpombo**, who surprisingly resigned as Defence Minister last year. He too is from the Copperbelt and his carefully crafted attacks on Banda are regularly covered in the privately owned *Post* newspaper.

Since his recent suspension by the governing MMD, Mpombo has accused Banda of (among other things) dictatorial tendencies, notably in postponing the national convention at which the MMD is required by its constitution to elect its National Executive Committee, including the party President, every five years.

Another formidable critic within the party is **Ng'andu Peter Magande**, who would like to lead the MMD and also opposes the shelving of its convention. He was Finance Minister from 2003 to 2008 and is respected both by local people and by key donors, who see him as the architect of Zambia's recent economic success through strong fiscal discipline and prudent economic management

(AC Vol 50 No 25). Banda has said that he supports the call for a convention and is ready to face a challenge for the party presidency but it is unlikely that any internal elections will be held before 2011.

MMD sources say that most of Banda's lieutenants are not convinced that he can win the leadership; if he lost, it would deprive the party of a presidential candidate with privileged access to public resources. Outside commentators think it extremely unlikely that Banda would fail to win the party presidency and feel it is 'fear of his own shadow' that stops him from allowing the party's internal democracy to take its course.

When Banda recently confirmed that he intends to be the MMD's presidential candidate next year, there was a sharp response from party members led by Mpombo and Magande. Mpombo threatens that Mwanawasa's Copperbelt rural area will reject the MMD under Banda. This could be a huge blow since the MMD has been losing favour in the urban areas and has relied on rural votes.

The party bickering is fast eroding President Banda's popularity both inside and outside the MMD. Postponing the party elections would confirm the view that he is 'tyrannical'.

IT'S NOT THE ECONOMY

Rapid economic growth has not helped to boost presidential popularity, as most Zambians seem to think that the positive economic numbers are in the hands of foreigners protected by the government. Locals feel they do not get their share of the national cake and the urban elite thinks Banda cannot reverse that trend, describing him as a 'foreign-based president' because of his frequent trips abroad.

The main threat to the MMD comes from the alliance between Michael Sata and Hakainde Hichilema. It has not yet come up with a joint manifesto, though, and with 18 months to go, the alliance has still not announced its presidential candidate. Sata is strongly favoured but there will be huge difficulties in picking agreed candidates for next year's legislative polls.

The MMD has produced no coherent response to the alliance and reacts to the opposition agenda, rather than charting

its own. Banda and the MMD seem unaware of the opposition parties' real weaknesses and they respond loudly even to petty allegations, deploying the spokespeople of the party and the government through the public media.

Two by-elections, in seats held by MMD legislators who died this year, present a crucial test of public opinion. One is in Eastern Zambia, on Banda's home ground. He is generally expected to win the Milanzi seat, where rejection by his own people would be a huge blow. The other contest is in the North-West, where the UPND has been making steady inroads.

The government is using the old system, fighting the opposition by abuse of the police and judicial processes. The authorities are busily trying to unearth records to show that Sata was imprisoned in the 1950s for a criminal offence. If Sata's alleged prison record were unearthed, it might bar him from contesting – except that at Independence in 1964, an amnesty was declared on all previous convictions.

The influential former Catholic priest **Frank Bwalya** has been summonsed on charges of 'indulging in conduct likely to cause a breach of the peace'. He runs a non-governmental organisation, Change or Die Zambia, and is before the court for the 'Red Card' campaign, launched from his base on the Copperbelt. The campaign aims to use non-violent methods to reject the MMD's programmes and is fast gaining popularity in the opposition stronghold. The government's recourse to the courts is widely seen as persecution of Bwalya, who used to manage a popular Catholic-owned radio station in the Copperbelt. Banda's conduct contrasts sharply with Mwanawasa's frequent rebukes to undemocratic regimes.

Zambia has declared no change of foreign policy since Mwanawasa's death but in practice, one is evident. Banda is popular with fellow leaders in the region, including Zimbabwe's **Robert Mugabe**, South Africa's **Jacob Zuma**, Swaziland's King **Mswati** and Congo-Kinshasa's **Joseph Kabila**. An ex-diplomat, Banda takes a very diplomatic approach, unlike Mwanawasa's, by carefully not meddling in others' internal affairs. Mugabe finds Banda (who has strong family connections in Zimbabwe) easier to deal with and once described the Zambian leader as 'My Rupiah'.

The late President Levy Mwanawasa was seen as one of the new crop of progressive African leaders. Rupiah Banda is not, if his supporters in the region are anything to go by. If Banda wins the elections next year, Zambia's reputation for economic reform and political pluralism will come under growing scrutiny. ●

Tax and spend

The IMF advises the government to raise taxes to finance public investment; the mining companies beg to differ

The big mining houses are predictably grumbling about the Zambian government's plans for a 25% windfall tax on copper and cobalt production. President **Rupiah Banda** is standing firm, with unexpected allies: the International Monetary Fund and the World Bank back his revenue-raising schemes. As mining profits soar, the Fund and Bank have released research about poor contractual terms on projects in **Congo-Kinshasa** and **Ghana**. Too many projects, they say, fail to generate significant numbers of jobs and state revenues are low compared to those in Asia and Latin America. The mining houses reply that African projects require much more investment in infrastructure and involve more political risk.

Yet Western mining companies face tough new **Chinese** competitors who offer to build roads and ports, with barter deals for mineral exports. African governments are trying to work out how to benefit most from an increasingly dynamic market. As Fund and Bank call on the Lusaka government to boost tax collection from the mines, the companies argue for long-term agreements on taxes and royalties to ring-fence their investments.

In 2008, the economy started faltering again as world copper prices fell, along with production. To help out the companies, the then government abolished the windfall tax that had been imposed (with Bank and Fund approval) at the beginning of that year. Now, world prices are back up again, the economy looks brighter, and closed mines are reopening. This year, copper production is projected to hit 660,000 tonnes (according to a report from the Brenthurst Foundation, see Box). That compares with peak production of about 700,000 tn. in the 1970s, when Zambia was one of the world's biggest producers.

On the Copperbelt, Chambishi Copper Smelter and Luanshya Copper Mines (LCM) have begun work again, and the Munali Nickel Mine in Mazabuka has opened under its new owners, Jinchuan Group of China. The China NonFerrous Metal Mining Company (CNMC) announced last month that it was investing over US\$500 million this year in LCM and the Chambishi Zambia-China Economic and Trade Cooperation Zone. Banda says the three mining projects would create about 8,000 jobs for Zambians. Konkola Deep Mining is expected to increase the Chililabombwe mine's rock extraction

capacity to four mn. tn. this year. The government has awarded concession rights to Equinox Minerals, the holding company of Lumwana Mines, to explore an area north-west of Lusaka containing iron oxide and copper-gold, with a view to opening another mine.

Amid all the talk of openings and reopenings, there is a move to reinstate the windfall mining tax, to collect revenue that is needed for social and public investment. In February, the government negotiated loans with the IMF and the World Bank to pay for repairing roads damaged by mining activities. Yet, touring Africa in March, the IMF Managing Director, **Dominique Strauss-Kahn**, advised the government to collect more revenue at home, to improve social spending and fight poverty and corruption.

A month previously, an IMF mission led by **George Tsibouris** had again urged the government to widen tax collection from mining companies. The Bank's Country Manager, **Kapil Kapoor**, has also argued that Zambia is losing out because of the incentives offered to mining investors. One offers them a 100% tax deduction on capital expenditure and allows them to carry losses forward. Companies argue that higher taxes may discourage investors, who prefer to put their money in places with predictable regimes. They point to the tax regime in **Chile** and the use of stabilisation contracts (which mean governments are liable for excess payments if they want to renegotiate terms).

The President of the Chamber of Mines of Zambia (CMZ), **Nathan Chishimba**, told *Africa Confidential* that, if the tax regime for mines had to be changed,

the aim should be to reach a consensus between the government and the mine owners and keep the workers and wider public informed about what was at stake.

The government has set up a team of experts to negotiate with the mining companies. Trade and Commerce Minister **Felix Mutati** says the experts will advise the government on the next step towards presenting its demands to the investors. Finance Minister **Situmbeko Musokotwane** points out that the 25% windfall mining tax was scrapped to boost foreign investment; Mines and Minerals Development Minister **Maxwell Mwale** has conceded that removing the tax had a negative impact on government revenue. The Central Bank says Zambia last year got US\$77.7 mn. in tax revenue from copper earnings of \$2.9 billion.

Bank of Zambia Governor **Caleb Fundanga** predicts that gross domestic product will rise by more than 7% in 2010, mainly due to the resurgence of mining and a boom in building and agriculture. The World Bank projects 4.8% economic growth for sub-Saharan Africa this year, thanks to rising world commodity prices. At its lowest point, the price of copper was slightly below \$3,000 a tonne; it now hovers at around \$7,400 a tonne. As prices rose, Zambia's copper output rose from 574,973 tn. in 2008 to 610,334 tn. in 2009 and is forecast to rise again to 660,000 tn. this year. The mineral brings in 63% of Zambia's foreign exchange earnings, despite contributing only 9.7% of GDP. The lack of investment in beneficiation and manufacturing helps to explain the mining sector's failure to create more jobs; they find it more profitable to truck the minerals to South Africa for processing.

Partly because of the companies' failure to invest in processing, many officials doubt their protestations over government plans to raise taxes and royalties. Banda has some hard political choices but with elections next year, he is listening to the many Zambians who feel they do not get enough of a share of the nation's mineral wealth (AC Vol 50 No 25). ●

THE RISE AND RISE OF COPPER

Government officials and mining houses predict that copper production in Zambia this year will reach 660,000 tonnes, its highest level since the peak years of the 1970s. In the past decade, two new mining operations have been launched and four more have been rehabilitated and expanded. These are main mines and their forecast output in 2010:

- Kansanshi (First Quantum Minerals): 245,000 tonnes.
- Bwana Mkubwa (First Quantum Minerals): 10,000 tn.
- Lumwana (Equinox): 135,000 tn.
- Konkola Copper Mines (Vedanta Resources): 120,000 tn.
- Mopani (Glencore): 60,000 tn.
- Luanshya (China NonFerrous Metal Mining): 60,000 tn.
- Chambishi (Eurasian Natural Resources Company): 15,000 tn.
- Chibuluma (Metorex): 15,000 tn.

Source: *Mobilising Zambia*, published by The Brenthurst Foundation. ●

A runaway army

Led by a 'drug kingpin', April's coup may be part of a military struggle for control of international drug trafficking networks

The latest military coup to rock the tiny state of Guinea Bissau began on 1 April, when a pickup truck full of armed and drunken soldiers arrived at the United Nations office in Bissau and demanded to see **José Américo Bubo Na Tchuto**, the former head of Guinea Bissau's navy. They said they had been sent by General **António Indjai**, the Deputy Chief of Staff. Bubo Na Tchuto then signed a document in which he promised not to harm any person or property, left the compound and went to the office of Prime Minister **Carlos Domingos Gomes Junior** ('Cadogo'), where he and Gen. Indjai launched a coup.

The troops placed Prime Minister Gomes under house arrest and took the army Chief of Staff, General **José Zamora Induta**, Indjai's boss, to the Mansoa barracks where he is still held. The **Senegalese** daily *Quotidien* reported on 18 April that Zamora was being tortured and had vomited blood.

Bubo Na Tchuto had been living in exile in **Gambia**, fearing indictment for planning a coup in 2008. Disguised as a fisherman, he had made his way home in a dugout canoe and was granted refuge

in the UN building in downtown Bissau. There he stayed for three months, sleeping in an office and eating in the staff canteen, under UN protection.

Following the coup, on 9 April the **United States** Treasury named Bubo and Air Force Chief of Staff **Ibraima Papa Camara** as 'international drug kingpins', accusing them of involvement in a 600 kilogramme cocaine airlift from **Venezuela** to Guinea Bissau in 2008. Any US assets they may hold are now frozen and US citizens are not allowed to do business with them.

PEOPLE TAKE TO THE STREETS

In the capital on 1 April, protestors had surrounded first Prime Minister Gomes's office and then his house to demand his release and also an end to the violence which has plagued the country. Gomes was freed on 2 April and dismissed the events of the previous day as an 'incident'. Interrupting the military music broadcast on national radio, Gen. Indjai announced that 'Events which occurred this Thursday morning are a purely military problem and do not concern the civil government.' But he also threatened to kill the popular

Gomes if the protestors did not clear the streets. President **Malam Bacai Sanhá** preferred to describe it as 'a confusion between soldiers that reached the government'. Journalists gathered at the presidency and were assured that the country's institutions would return to their 'normal function'.

Yet what are those institutions? Guinea Bissau's 1.6 million people traditionally lived by exporting cashew nuts. In the last five years, though, the country has become a main entry point for drugs landed by **Nigerian, Russian**, eastern European and Latin American gangs. It has been labelled a 'narco-state' – lawless, chaotic and for sale to the highest bidder. Its weak institutions are protected only by the military, who answer to no one and define the direction of politics. Public servants are paid (if they are paid at all) meagre salaries and the drug traders' budgets dwarf the country's gross domestic product, so there has been little incentive to keep clean. Nothing official works normally.

Things had begun to change. In March 2009, in an apparent settling of old scores or perhaps a drug deal gone wrong, President **João Bernardo 'Nino' Vieira** and General **Batista Tagme Na Waie**, the Chief of Staff, were killed within hours of each other (AC Vol 50 No 5). Voted in as President by free and fair elections later in 2009, Sanhá (62) has no known links to drug trafficking. The President, Prime Minister Gomes and Gen. Zamora, backed by a large number of international aid organisations, had tried to wipe away the country's narco-state image by reforming

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the security, justice and defence sectors.

The reforms were making headway. Guinea Bissau has been in talks about the cancellation of its US\$700 mn. debt, and new laws allow the conviction of foreign drug traffickers. Prisons are being built (there are no secure detention facilities) with the help of the UN Peacebuilding Commission, and training of staff throughout the judicial system is in the pipeline. The respected Zamora had been overseeing a reform of the army, to recruit young educated soldiers and reduce its size by retiring older members.

After the 'incident' of 1 April, newspapers reported an event which shows the scale of political instability. A campaign had been launched to purge the Finance Ministry of 'ghost workers', civil servants who do not exist but claim salaries that cost Guinea Bissau billions of CFA francs a year. Twenty people were removed from their posts and detained. In the confusion after the coup, these civil servants walked out in what the local newspapers described as 'a unilateral abandonment of the cells'. Escape was easy since the crumbling colonial gaols have holes in the roof and everywhere else. Reining in corruption and reforming the state is not going to be easy.

Since Nino and Tagme's killing last year, President Sanhá and Prime Minister Gomes had seemed to be imposing the rule of law. Trafficking, even by the military, took a sharp downturn. Zamora, whose reforms made him enemies in the ranks, appeared to be working hand in hand with the government. The riches that had once been guaranteed to senior officers were suddenly under threat.

The armed services are dominated by soldiers who fought for Independence during the 1963-74 struggle against Portugal. They fought battles that devastated the country and now feel it is theirs to do with as they please. After the putsch, Bubo told reporters: 'I spent eleven years fighting for Guinea Bissau's independence. Gomes did not take part in that fight.' The military problem must be fixed – some say UN peacekeepers are needed – if the country is going to reform its institutions.

Firstly, the government will have to name a new Chief of Staff. A dialogue is said to be under way and Gen. Indjai, who appears to be in charge, is to put forward the name of his preferred candidate. Still detained in Mansoa barracks, Gen. Zamora is said to be seriously ill. After the coup, Prime Minister Gomes changed his protection from the military to the police and he and his family were thought to be spending the nights away from his residence. The government may continue to claim that everything in Bissau is normal but the senior officers seem to be calling the shots. ●

SENEGAL

Fifty years on, forget the first forty

An enormous statue and some airbrushed history were President Wade's tributes to 50 years of nationhood

Fifty years of independence, with no break in democratic rule, might seem a sufficient cause for celebration in Senegal. Yet President **Abdoulaye Wade** chose instead to celebrate his own ten years in office. His persistent emphasis on his government's achievements and his apparent attempt to arrange that his own son succeed him enwrap the festivities in controversy and political manoeuvring. At the heart of the row is an immense statue of a man, woman and child, slightly taller than the **United States'** Statue of Liberty at 48.77 metres tall. The African Renaissance, which cost between US\$20 million and \$27 mn., is situated on the heights called the 'Mamelles' (Breasts), facing the Atlantic Ocean above Dakar.

After some delay, the inaugural ribbon was cut on 3 April by **Nigeria's** ex-President **Olusegun Obasanjo**, who asserted that the statue belonged not just to Senegal but to all Africa and its diaspora, so many of whom made the terrible journey from there to the Americas. Some 20 heads of state, and hundreds of guests from African and other countries, were present. However, Wade's domestic critics were determined to spoil the fun. On inauguration day, they organised a march against the monument and Wade's regime (under whose management, incidentally, the national growth rate held up well during the world recession, falling only from 7% to 4% of gross domestic product).

The remarkable thing about Wade's speech at the inauguration was that, while praising the past 'heroes of the nation', he made no mention of the two Presidents who preceded him, **Léopold Sédar Senghor** and **Abdou Diouf**. They are widely seen as the founders of present-day Senegal. Both belonged to the *Parti Socialiste*, which is now in opposition.

Some of Wade's supporters, such as the former Justice Minister **Doudou Ndiaye**, acknowledge the part played by the poet Senghor, Senegal's first President, in building a modern and stable republic with solid institutions and an effective system of education, free from religious strife, tribal conflict and the weaknesses that have afflicted so many African countries. Senghor, who said he entered politics 'by accident', made his resource-poor country respected for its far-sighted diplomacy and cultural concern. In 1980, with several of his African fellow presidents clinging to power, Senghor resigned of his own free

will, to make room for a new generation.

Diouf followed the pattern, affirming democratic choice, with a free press and other institutions, and thus opening the way for Wade's electoral victory 20 years later. Diouf had put the country's finances on a sound footing, though it meant denying the poor the social services that they demanded. Many observers thought it strange that Wade gave no credit to these forerunners.

The President did pay tribute to figures from the struggle against colonialism and the fight for independence but only to religious and traditional leaders. Senghor's Socialist companions, such as **Valdiodo Ndiaye**, **Mamadou Dia** and others, are regarded as among the fathers of independence but they, too, went unmentioned. It seemed that they might overshadow Wade's claim to have placed Senegal 'ahead of all other African countries in every field'.

The serving Mayor of Dakar, **Khalifa Sall** of the *Parti Socialiste*, tried to put his party's claims on record by renaming two main thoroughfares, the *Place de l'Indépendance* and the *Boulevard de la République*, now officially called *Place Valdiodo Ndiaye* and *Boulevard Mamadou Dia*. In 1962, these Socialist heroes fell out with Senghor; Dia, as head of the government, and Ndiaye, as Minister of the Interior, were accused of plotting a coup and imprisoned. Sall's renaming of the streets was, perhaps, a signal that the fiftieth anniversary is a time to put old bitterness aside.

Wade, a supreme political fixer, has his eye on the 2012 presidential election. He does not want to remind the voters (many of whom have barely heard of Senghor or Diouf) that the *Parti Socialiste* played a major role in building the nation that he rules. Nor does he want them to remember that he himself was a PS member before founding his own *Parti Démocratique Sénégalais* (PDS), promising Senghor that it would be a party of 'contribution' rather than of opposition.

The legacy of Senghor and of the Socialists lives on among Wade's leading opponents, such as **Ousmane Tanor Dieng**, **Moustapha Niasse** and others. One of the President's former allies and now his opponent, **Abdoulaye Bathily**, recalled the freedom struggle of the pan-Africanists of the time and affirmed that Wade played no part in that struggle. ●

Senegal/Britain/Mauritius

CDC GOES OFFSHORE

■ A mining company in which the British government is the biggest shareholder is using **Mauritius**-registered front companies to avoid paying millions of dollars in taxes on its mineral operations in Senegal and violating its own investment code. The CDC, formerly the Commonwealth Development Corporation, is owned by Britain's Department for International Development; it has invested £10 million (US\$15.25 mn.) in the **Australian**-headquartered Mineral Deposits Limited through its investment fund Actis. One board executive, **James Murray Grant**, is an ex-CDC executive. Mineral Deposits mines gold from the inland Sabodala region and ilmenite and zircon – used to make paints and abrasives – in a \$400 mn. project on the Grande Côte north of the capital, Dakar.

The CDC's investment code states that 'Commercially sustainable businesses, supported by CDC, play a vital part in economic development [because] they pay taxes'. Such mineral profits in Senegal are taxed at 30%, which is why, according to an investigation by the British satirical weekly *Private Eye*, the company has diverted them to Mauritius, where the tax rate is zero. Sabodala Gold (Mauritius) Ltd. is the owner of the company's gold concession and Mineral Deposits Mauritius Ltd. owns the Grande Côte deposits.

It does this through an accounting dodge called 'transfer pricing', whereby the Senegal subsidiaries incur false 'losses' with a Mauritian subsidiary that enables them to transfer their profits there. For example, in 2009 the Senegalese gold subsidiary paid 12 mn. Australian dollars (US\$11.14 mn.) in tax-deductible 'technical assistance' fees to its Mauritian parent, despite Mineral Deposits having no office on the islands, much less the capacity to perform technical assistance.

Even the company's mining fleet – diggers, vehicles and rigs – is owned by a Mauritius company called SGML (Gold) Ltd. and then leased back to the Senegal subsidiary for a tax-deductible A\$11.1 mn. in 2009. The same ruse is employed for the zircon mining kit which 'cost' the local subsidiary A\$2.5 mn. in the last two years.

The biggest trick is saved for shifting the profits from the minerals abroad. In 2009, the Senegal subsidiaries paid US\$42 mn. in tax-deductible interest payments to Sabodala Gold – which would equate to a loan of around \$800 mn. Yet according to the company accounts, Mineral Deposits' borrowing on all its worldwide subsidiaries last year was US\$65 mn.

The end result is that in 2008 and 2009, Mineral Deposits benefited from a A\$14.6 mn. tax exemption whilst paying just A\$45,000 in taxes to the Dakar government. The accounting methods used by Mineral Deposits are not illegal. However, national governments are bound to take a closer look at CDC's other African investments, totalling some £733.7 mn. or 52% of its worldwide portfolio.

Congo-Kinshasa

RIVER RAID

■ A raid on Mbandaka, capital of Equateur Province, underlines the nation's insecurity. Between 40 and 60 men of the Enyeke people arrived on the riverboat *Malaiika* ('Angel') armed with bows and arrows and a few rifles, and soon took over the town and its airport. Other attacks in the area followed, worrying people in nearby **Congo-Brazzaville**.

The army, the *Forces Armées de la République Démocratique du Congo*, claimed it had beaten the 'nzobo ya Lombo' (village bandits, as they call themselves) in December and January but the bandits had just moved 300-400 kilometres down the river towards Kinshasa.

The trouble was first blamed on a dispute about fishing rights but some diplomats suspect more is at stake. We hear some intruders had Motorola walkie-talkie radios and they took the airport with some skill, surprising its **Ghanaian** United Nations' guards and killing two of them. The gang may have been joined by ex-soldiers of **Jean-Marie Bemba's** *Mouvement de Libération du Congo* or even of the late President **Mobutu Sese Seko's** *Division Spéciale*.

Kinshasa's police and army did nothing to stop the rebels, and the government admits its own troops pillaged the airport. Communications Minister **Lambert Mendé** denied on 22 April a claim by the African Association for the Defence of Human Rights that the army had executed 49 people but confirmed that ten soldiers, including a colonel, had been convicted of pillage and killing three fishermen.

Meanwhile, the United Nations Security Council is deciding whether to keep on the *Mission des Nations Unies en République Démocratique du Congo*. Kinshasa wants Monuc out and the UN has agreed to move 2,000 **Beninese** and **Senegalese** troops from Kasai and Katanga by 30 June. Monuc sees the issue as political, for Congolese commanders accept that they need UN logistical support.

The political climate is poisonous and the National Electoral Commission has confirmed that polls will be held within a year. An opposition member of parliament from Equateur, **Justin Bitakwira**, has called on the Defence and Interior ministers to resign. **Mendé** says opposition MPs **Charles Bofasa Djema** and **Patrick Mayombe** are

behind the attacks. They have condemned the neglect of their home region.

Kenya

BYE BYE BETTY

■ **Betty Murungi's** resignation from the Truth, Justice and Reconciliation Commission on 19 April may trigger its disbanding. Two weeks earlier, Murungi had withdrawn from her post as TJRC Vice-Chair, after calling with fellow Commissioner **Ronald Slye** for the resignation of the TJRC's Chairman and veteran political fixer, **Bethuel Kiplagat** (AC Vol 51 No 7). Since then, the other four commissioners have called for Kiplagat to resign and for Justice Minister **Mutula Kilonzo** to set up a tribunal to investigate him, claiming he had been party to some of the abuses he would be investigating.

Murungi also complained that the Ministry of Justice controlled the purse strings of the TJRC and interfered in its operations. Now Justice Minister Kilonzo is also calling for the TJRC to be disbanded and has asked **Abdikadir Mohammed**, the head of the Parliamentary Select Committee on Legal Affairs and Administration, to start the process. Citing the TJRC's lack of work, its having 'squandered taxpayers' money', and its 'shenanigans', Kilonzo said all the other commissioners should resign.

The commissioners say their work has been curtailed because the Ministry has not funded it; they want a breakdown of the KSh100 million (US\$1.3 mn.) it claims they have spent. The commissioners say they have not been allocated either operational or supplementary budget requests of about KSh2.6 billion submitted to the Justice Ministry in December 2009.

On 26 April, **Bonny Khalwale**, the Chairman of Parliament's Public Accounts Committee, said the Justice Ministry could not properly account for KSh33 mn. spent on the TJRC, citing examples of KSh1.6 mn. spent on air time and another KSh4.4 mn. on 'casual salaries'. He also accused the Ministry of violating the TJRC Act, which gives the TJRC control over their funds.

In his call to disband the TJRC, Kilonzo was joined by **Kenneth Aide**, the new head of the Law Society of Kenya (LSK) and former Justice Minister **Martha Karua**. The Deputy Speaker of Parliament, **Farah Maalim**, in turn, is urging Kiplagat, a Kalenjin, to stay put, saying he was duly appointed, is a victim of tribalism and is being attacked by the very MPs who once appointed him. Whatever Kiplagat's fate, the TJRC is now falling apart at the seams.

The TJRC Act of 2008 makes it hard to fire commissioners to protect them from political interference. Allegations against Kiplagat fall into 'misconduct' and 'misbehaviour'. The President, who formally appoints members of the TJRC, can do so only upon the recommendation of a tribunal set up by the Chief Justice.

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amisshah

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senator from Nimba, a former general under Taylor. Unity Party insiders hope for tens of millions of dollars from **Libya's Moammar el Gaddafi**.

During the last year, the President has been criticised by oppositionists and members of her own government for the weakness of its stand on corruption. She has sacked or accepted the resignations of Agriculture Minister **Christopher Toe**, Public Works Minister **Luseni Donzo**, Information Minister **Laurence Bropleh** and Internal Affairs Minister **Ambulai Johnson**, her brother. There were allegations about the embezzlement of millions of the government's dollars.

Only Bropleh faces criminal charges. Donzo was moved to the position of Advisor on Infrastructure to the President, while the respected human rights activist **Kofi Woods** was moved from the Labour Ministry to take over at Public Works. Toe was controversially replaced by **Florence Chenoweth**, Minister of Agriculture under Tolbert, who implemented hikes in rice prices that led to riots in 1979.

The ministries of Health, Education, Mines and Finance have all been slammed by the Auditor General, **John Morlu**, over several million dollars of unaccounted funds. Sirleaf says she supports the audits but insists the findings show systemic failures rather than wilful corruption and that her government will tackle the

problem. Her cousin, the Anti-Corruption Commissioner **Frances Johnson Morris**, has spoken out about the government's inability to tackle corruption.

BLAMING BANKS

Last year Sirleaf dismissed Justice Minister **Philip Banks**, who is said to have soft-pedalled the corruption trial of **Edwin Snowe**, Taylor's former LPRC boss and a member of the House (AC Vol 48 No 3), who is subject to a UN travel ban and assets freeze. Unity insiders say US diplomats had told Sirleaf about alleged connections between members of her security apparatus, including her son **Fombah Sirleaf**, Director of the National Security Agency, and a mysterious **Russian businessman**.

The Russian, **Victor Bogosyan**, was deported in May 2009. A source close to the presidency says he 'had a line of government people waiting to see him'. Money-changers in town said he paid massive premiums for loans, while he set up a popular nightclub run by attractive **Peruvian** women. The US officials are said to have linked Bogosyan to drugs deals. A Unity Party insider said that the President then summoned an informal meeting with all her security chiefs, at which Banks's officials explained that they knew all about this, and 'it was not something Madam President needed to know about'. Banks was soon fired.

Some politicians, activists and diplomats suspect that the Iron Lady's reform agenda has been ring-fenced by cliques, with the powers behind the throne said to be Ellen's sister 'Auntie Jennie' **Bernard** and her brother-in-law **Estrada Bernard**. A minister under Tolbert, he has close ties to **Clarence Simpson**, Tolbert's Attorney General and Associate Justice Minister, now an advisor to the Firestone rubber plantation.

Under Tolbert, Bernard was the boss of **Willis Knuckles**, Sirleaf's Presidential Advisor, who was caught up in scandal when a repairman found on his laptop pictures of him having sex with two women and emails soliciting payments for access to government contracts. Knuckles resigned as a minister in 2007 but is still believed to be involved in organising Sirleaf's travel. He is close to **Medina Shepherd**, a businesswoman angling for a senior position in the new Unity Party.

Juanita Neal, Taylor's Deputy Minister of Revenue and a presidential confidante, has made way for **Elfreda Stewart Tamba**, whose father **Reginald Stewart**, Director of Budget under Tolbert, was executed in 1980. Stewart was formerly a senior official in LBDI, a bank with close ties to Sirleaf, which holds various government accounts that are yet to be audited. Sirleaf's opponents say her government is packed with American-Liberians, such as her family friend **Binyah Kesselly**, now Director of the Bureau of Maritime Affairs, on a salary of up to US\$20,000 a month.

Another network is run by **Morris Saytumah**, who was Controllor General of Liberia under Doe and Deputy Minister of Finance under Taylor. As Minister of State for Finance, Economic and Legal Affairs, he is known in political circles as the 'Prime Minister'. He clashed with **Harry Greaves**, the posh former Director of the LPRC, who was investigated after awarding a dubious contract to a **Lebanese** company, then embarrassed Saytumah by leaking voice recordings which showed that the supposed investigator, **Aloysius Jappah**, had in fact been sent to Greaves to demand \$300,000 in extortion money. Both men were sacked.

Sirleaf's prospering allies include the family of **Allen Brown**, a former Taylor associate who was with her in exile in Côte d'Ivoire. His son **Allen Brown Jr** was invited home to take over some of the rice import monopoly traditionally run by powerful Liberian and Lebanese families, and to pour money into construction. Through his **French** connections in Abidjan he helped to bring Total into Liberian petrol retailing. He is said to have been squeezed out of some of his activities by Juanita Neal and Auntie Jennie.

Amid all this, the Truth and Reconciliation Commission has listed Sirleaf among 49 political figures whom it blames for fuelling Liberia's 14-year war. It has asked her to step down from political office for 30 years (she is 71). Also among the 49 are Clarence Simpson and **Richelieu Williams**, Director General of the Liberia Civil Aviation Authority.

The TRC's recommendations are unlikely to be adopted by the legislature but they have damaged her in the eyes of many Liberians. ●

GUINEA/LIBERIA: BENY'S RAILWAY COUP

The colourful **Israeli** billionaire **Beny Steinmetz** has finalised two remarkable deals this year: he has sold 51% of his iron ore mining operations in **Guinea** to **Brazil's Vale** for US\$2.5 billion and he has just persuaded the Conakry government to export ore from his Zogota and Simandou concessions in the remote Forestiere region via the Nimba-Buchanan railway in **Liberia**, which is being rehabilitated by ArcelorMittal.

Steinmetz is due in Monrovia later this month to follow up on a memorandum of understanding with the government allowing him special rights on the Nimba-Buchanan line. Vale announced its \$2.5 bn. deal with Steinmetz on 29 April and then promised to invest \$8 bn. in Zogota and Blocks 1 and 2 of the Simandou concession; a railway line will link the concessions to the Nimba-Buchanan line in Liberia.

Steinmetz, who was awarded Blocks 1 and 2 in the dying days of the regime of General **Lansana Conté**, hung on to the rights through the brief regime of Captain **Moussa Dadis Camara** and into the interim regime of Brigadier Gen. **Sékouba Konaté**. In both the last two regimes, influential Mines Minister **Mahmoud Thiam** has ensured that Steinmetz resisted challenges from Rio Tinto, which Thiam accuses of having violated Guinea's mining codes by failing to develop the Simandou concessions quickly enough. Rio Tinto now has only the option of hauling its material through a Trans-Guinean railway in partnership with the Aluminium Corporation of **China** (Chinalco). ●

Boom-bust all over again

China is offering another mega-loan and oil prices are rising again but Luanda's short-term finances are fraught

Market reports that negotiations have stalled between the government and Goldman Sachs over a complex, US\$250 million, dual currency (United States dollar and Angolan kwanza) loan facility point to the worsening short-term problems with Angola's state finances. Banking sources link the negotiation problems to the government's continuing postponement of its plans to float a \$4 billion eurobond.

Both these attempts by Luanda to access commercial finance have come up against rules set by the International Monetary Fund which impose a ceiling on commercial rate lending. We hear that an IMF delegation is due in Luanda next month to discuss what it sees as a worrying short-term crisis (see Box).

The Fund will also be looking at the terms of a new deal offered by the China-Africa Development Fund to finance up to \$10 bn. of infrastructure projects based on forward oil sales. Instinctively critical of such deals and the lack of accountability, the IMF will be looking closely at whether the conditions breach the terms of its stand-by loan agreement with Angola.

Angola's failure to secure a rating from any of the three international rating agencies further restricts the financing options for President **José Eduardo dos Santos's** government. Again, the terms of the IMF stand-by agreement would rule out a reversion to the opaque oil-backed syndicated loans contracted by Sonangol over the past decade. In 2002, after the civil war, the government contracted US investment banker JP Morgan, which was mandated to manage the eurobond issue, to enquire about raising funds on the commercial markets. The ensuing report called for much greater fiscal transparency and was shelved.

Fitch Ratings, Moody's Investors Service and Standard and Poor's visited Luanda in May and the government could expect a B+ or possibly a higher BB credit rating, still below what is considered 'investment grade' credit worthiness by Standard and Poor's but on a par with oil producers **Gabon** and **Nigeria**.

Initially, Economy Minister **Manuel Nunes Junior** said Angola would launch a \$4 bn. eurobond in two tranches beginning last November. It was then postponed to May. Now there are generalised market jitters, worsened by **Greece's** financial crisis, which is affecting **Portugal**,

Angola's closest partner in Europe and its biggest source of imports.

In April, Finance Minister **Carlos Alberto Lopes** said the government was considering a local debt issue of \$1-\$2 bn. to compensate for last year's decline in oil revenue, which plunged both the fiscal and current account balances into deficit. Officials hope that Angola can now slowly recover from its 2009 economic hangover, its first recession since the war ended. Meanwhile, many of Luanda's numerous building sites remain eerily empty. **Hélder José**, Director of the Institute of Planning and Urban Management, said the state had issued half the number of building licences in 2009 that it had the year before.

Financial shortfalls have meant serious payment delays; some \$2.5 bn. is owed to Portuguese and **Brazilian** companies alone, mostly to Brazil's Odebrecht and Portugal's *Grupo Soares da Costa*. Civil service salaries have also been held up. Plans to start up a **Norwegian**-style sovereign wealth fund to help mitigate cycles of boom and bust have been put on hold. **David Aserkoff**, a strategist at the London-based Exotix financing specialists, said the government may find it necessary to open up its local bond market flotation to foreigners. Other analysts are forecasting that the government is prepared to do this and will relax capital controls.

More foreign inflows would also mean sharper fluctuations in the kwanza

exchange rate. Since the global crisis began in the second half of 2008, the *Banco Nacional de Angola* has spent several billions from foreign reserves propping up the kwanza's value. Hard currency reserves fell to \$12.3 bn. in December 2009 from \$20 bn. in November 2008. It was the weakness of the kwanza and steep decline in reserves that prompted negotiations with the IMF. The kwanza depreciated by 17% in 2009.

A higher oil price and increased production will help to replenish reserves – Angola again overtook **Saudi Arabia** to become China's biggest supplier of crude in January. Yet the *kinguilas* (illegal money changers) on the Luanda streets are doing brisk business because of the kwanza's overpriced official exchange rate. In March, reserves stood at \$14.5 bn., up from \$13 bn. in January but only \$7 mn. up from February. That worries the government. In its efforts to raise money through treasury bills and bonds, the government will be crowding out Angola's cash-strapped private sector.

Aserkoff says the government could reasonably hope in the long term to negotiate commercial loans at 10% interest a year. The Goldman Sachs loan under negotiation was premised on far higher rates and fees. To cut the cost of its lending, Angola 'needs to build a track record in the markets, build a yield curve and its international profile; [the eurobond] was a chance for the government to go on the road and tell its story to investors.' The eurobond issue was not only about plugging gaps in government financing. Dos Santos wants to bolster Angola's prestige abroad in the wake of state oil company Sonangol's overseas acquisitions and the foray of *Banco Africano de Investimentos* into **South Africa** in April with plans for regional expansion. ●

THE IMF MAKES UP WITH LUANDA

Prior to the global financial crisis in 2008, many were questioning the International Monetary Fund's relevance, especially in African countries which were increasingly turning to the international financial markets to raise funds. For those which secured countertrade deals with **China**, the IMF was usually unable to compete with the terms on offer. For years, Angola's government resisted agreement on a financing programme with the IMF on the grounds that it undermined economic sovereignty. IMF demands for budgetary accountability and public financial reporting were particularly irksome.

However, by last November Luanda was no longer able to resist the financial pressures which were pushing the value of the kwanza into freefall. The IMF agreed to make available a US\$1.4 billion stand-by loan facility, the biggest single loan to an African state in more than a decade. The terms were that the government could not borrow any more than \$2 bn. on the money markets over the 27-month period for which the facility was agreed. So the government postponed its plan to float a \$4 bn. eurobond.

Yet there are already signs that the Fund is bending the rules to suit Angola. On 11 May, it authorised a \$171.5 million credit to Angola under the \$1.4 bn. stand-by facility. That brings total disbursements under the arrangement so far to \$514.5 mn. Bankers suspect that the \$1.4 bn. agreed by the Fund may fall short of Angolan requirements. One banker said that the IMF was keen to preserve its 'currently constructive' relationship with Angola 'and the leverage that goes with that'. ●

Zuma's economic tightrope

The President has endorsed Trevor Manuel's pro-market policy plans and is struggling to keep the left on side

More than a quarter of all South Africans seeking work in the formal economy cannot find it. The urgency to get the new National Planning Commission up and working was shown by figures just released, which reckon that the unemployment rate for the first quarter of 2010 increased by 0.9% to 25.2%. Hailed as a brilliant Finance Minister under then President **Thabo Mbeki**, **Trevor Manuel** has spent nearly a year coming up with the 24 commissioners for the NPC, the body he heads that will coordinate long-term development planning.

They were chosen from 1,280 public nominees and, in getting his hand-picked list accepted by the governing African National Congress's left-wing allies with only muted criticism, Manuel won the first round. The shape of a long-term development strategy and who will have final veto is hotly contested within the inner-ANC coalition that brought

President **Jacob Zuma** to power. Ahead of the announcement, the Congress of South African Trade Unions had called for the 'complete overhaul' of the way in which Manuel intended to set up the Commission and of its strategic focus.

The ANC's two allies, Cosatu and the South African Communist Party (SACP), wanted to 'co-govern' as payback for their help in getting Zuma elected. They hoped to be involved in the selection of commissioners and to influence the policies the Commission is intended to outline. Cosatu had rejected Manuel's Green Paper, which laid the basis for the Commission and which gave him sole discretion to appoint commissioners and oversee its direction.

We hear that Cosatu and the SACP lobbied Zuma to have the commissioners pre-approved by them and to have their senior officials vet the resulting long-term development strategy. They wanted to cut

the powers of Manuel, whom they accused of acting like a prime minister, especially in a period when Zuma appears to have momentarily lost his authority in the party, the cabinet and the country. This loss stems from personal scandals, corruption allegations against his senior allies and challenges to his authority by populists in the ANC Youth League, especially its President, **Julius Malema** (AC Vol 51 No 8). They wanted **Ebrahim Patel**, a former Cosatu official who is now Minister of Economic Development, to take overall charge of development planning.

Cosatu President **Sdumo Dlamini** insists that 'micro and macroeconomic policy is guided by the economic development minister and nobody else'. Zuma met Deputy President **Kgalema Motlanthe** and Manuel to raise the concerns of Cosatu and the SACP, and Dlamini was disappointed that the meeting did not change the status quo, we hear. Manuel, we are told, demanded that Zuma protect him against attacks from the left. In fact, Zuma endorsed Manuel's selection and expressed no opinion on how the Commission should work or what its strategy should be. Manuel and his strategists take that as de facto confirmation that Manuel is fully in charge, thus enraging the union federation and the communists.

In his choice of commissioners, Manuel has tried to balance the interests of all the interest groups while having the final say on the individuals selected. His leftist critics wanted the selection process to be public, with hearings in Parliament. They also wanted a veto, through the ANC, on the selection of formal representatives of 'social stake holders', as in the existing National Economic, Development and Labour Council (Nedlac). Cosatu General Secretary **Zwelinzima Vavi** criticised 'the over-representation of business people, who constitute nearly half of the NPC', saying the balance was 'skewed against the trade union and progressive movement'. The SACP General Secretary, **Blade Nzimande**, said his party would have liked to see more working-class members and that business was over-represented.

Cosatu and the SACP had nominated **Jay Naidoo**, a former Cosatu General Secretary, as a commissioner, hoping he would become Manuel's deputy and coordinate 'worker interests'. Manuel opted for **Cyril Ramaphosa**, the black business tycoon and former trades union leader, as his deputy. Manuel also brought in his centrist ally, **Joel Netshitenzhe**, the policy guru under Mbeki, who resigned last year as the head of the policy unit in the presidency; Zuma had been preparing to demote him, after complaints that a man seen as Mbeki's protégé was too deeply entrenched in the President's office.

Three of Cosatu's nominees made

THE PATEL ALTERNATIVE

The battle for control of economic development planning continues and the National Planning Commission's mandate has not yet been agreed. President **Jacob Zuma** blundered when, in his address to Parliament on 24 June last year, he said that macroeconomic development planning would be addressed by the Department of Economic Development.

Ebrahim Patel, the Economic Development Minister, took the opportunity to argue that he, not NPC chief **Trevor Manuel**, was in charge and he has brought the Industrial Development Corporation (IDC) and the Competition Commission under the control of his Department, with support from the South African Communist Party and the Congress of South African Trade Unions (Cosatu). Yet Finance Minister **Pravin Gordhan** had insisted on the day before Zuma's blunder that the Treasury had the mandate to coordinate macro-economic policy and planning, according to Chapter 14 of the constitution and Chapter 2 of the Public Finance Management Act.

In a pre-emptive strike, Patel announced his own economic advisory panel weeks before the NPC membership was announced and he soon named some of its members. Manuel was furious, especially since some of the members are known to disagree with his policies. Names so far announced include a former Cosatu chief economist, **Neva Makgetla**; **Haroon Bhorat**, a sociologist at the University of Cape Town; **Michael Power** of Investec; **Olive Shisana**, head of the Human Sciences Research Council; and Standard Bank chief economist **Goolam Ballim**. Patel's coup was to entice **Joseph Stiglitz**, a Nobel prize-winner for Economics and a fierce critic of the orthodox policies Manuel followed as Finance Minister. Visiting South Africa last year, Stiglitz attacked Manuel's central policy of inflation targeting. Bhorat has called strongly for intervention to lower the rand; Makgetla has argued for lower interest rates. Shisana pushes for a comprehensive National Health Insurance (NHI) scheme and heads a committee to investigate the proposal. Both Gordhan and Manuel have rejected intervention to soften the rand, lowering interest rates to stimulate the economy or dropping inflation targeting.

Patel promised that his advisory panel would put together ten documents on growth and employment by early next year. If Zuma does not take a firm lead, the government may find itself pursuing an economic strategy on two tracks, one laid down by Patel, the other by Manuel. It is a recipe for confusion, overlap and paralysis. ●

it: **Karl von Holdt**, who studies social cohesion; **Chris Malikane**, a Witwatersrand University economist; and **Vivienne Taylor**, a social development expert. Others include **Jerry Vilakazi**, Chief Executive of Business Unity SA; **Bobby Godsell**, former Chairman of the power utility Eskom; **Vincent Maphai**, former head of BHP-Billiton's local operation; property developer **Noluthando Gosa**; building contractor **Bridgette Gasa**; **Elias Masilela**, a Sanlam executive; and **Thandabantu Goba**, an entrepreneur. Alongside them is a pantheon of university heads, academics and experts on health, agriculture, water, sanitation and so on.

The Commission's first meeting was on 10-11 May but Manuel is still busy appointing its full-time secretariat, intended to produce a development plan for the cabinet and the President. Zuma has said its proposals would cut 'across the three spheres of government and across ministries and departments', with reports on almost everything, including climate change and defence, intended to make government policies and plans more coherent, to achieve 'the type of society that we all envisage'. Manuel gave warning of 'tough choices', with halving poverty and unemployment as key goals in spite of the economic downturn. The Development Bank of Southern Africa has provided strategic advice to the presidency and the document it completed last year is likely to be incorporated into Manuel's plan, if only to save time.

Meanwhile, unions and manufacturers are getting together. Cosatu hopes to combine business and organised labour to fight for policies which are mutually beneficial. In early May, it corralled eleven manufacturing companies and its main rival unions to press the government to support the struggling sector. Cosatu, the Federation of Unions of SA, the National Council of Trade Unions and manufacturers said they would join a formal lobby to protect local manufacturing, which accounts for 16% of gross domestic product.

On 3 May, they called for state intervention to lower the exchange value of the currency and strengthen 'buy local' procurement policies and more support for jobs in manufacturing. They want lower interest rates and protection for local products, backed by government funds. Cosatu's Vavi said the rand should be pegged at R10.5 per US dollar; **Stewart Jennings** of the PG Group wanted the rand linked to a basket of currencies. All agreed in criticising the Finance Ministry and Reserve Bank, which Jennings said they found 'very difficult to engage with'. That is no surprise; they favour every policy that Manuel opposed when Finance Minister. ●

CAMEROON

Another corruption crisis

A journalist investigating a top politician dies in gaol and the ensuing scandal damages President Biya's claims to be Monsieur Propre – Mr Clean

The death of journalist **Germain Cyrille 'Bibi' Ngota Ngota** in the notorious Kondengui maximum security prison has caused outrage in Cameroon and abroad and could prompt political change in President **Paul Biya's** ailing regime. Ngota's demise has again undermined Biya's claims that he is determined to address the systemic corruption in Cameroonian politics and business. On 3 May, World Press Freedom Day, the government sent armed troops to break up a peaceful protest at the news of Ngota's death by more than 300 journalists in front of Prime Minister **Philémon Yunji Yang's** office in central Yaoundé.

Ngota, who edited the *Cameroon Express* newspaper, and his colleagues were gaoled after they launched an investigation into allegations of corruption at the heart of the presidency in Yaoundé. Since Biya took over the Presidency 28 years ago, Cameroon's reputation for governance has deteriorated sharply and it has appeared regularly among the five governments judged to be the most corrupt in the world by the Berlin-based lobby Transparency International.

Ngota had been arrested along with two other journalists, **Harrys Robert Mintya** of *Le Devoir* and **Serge Sabouang** of *La Nation*; another journalist arrested, **Simon Hervé Nko'o** of *Bebela*, fled after his release, whereabouts unknown. 'We hold the Cameroon government responsible for Ngota's death,' said **Joel Simon** of the **United States-based** Committee to Protect Journalists. The President of the *Union des Journalistes du Cameroun*, **Charley Ndi Chia**, had called for laws to guarantee press freedom and access to information.

Ngota and the other journalists were asking for information from the Secretary General at the Presidency, **Laurent Eso**. Instead of answering their questions, he ordered their arrest. Details of the subject they were investigating are murky. They had a document, apparently signed by the quiet but powerful Eso, indicating that he, as board Chairman of the national energy company, the *Société Nationale des Hydrocarbures*, had secretly ordered the payment of 1.3 billion CFA francs (US\$2.6 million) as commission to **Antoine Alo'o Bikoro**, Director General of the *Chantier Naval et Industriel du Cameroun*, **Jean-Marcel Dayas Mounoumé**, DG of the *Port Autonome de Douala*, and **Francis Dooh Collins**, a financial expert. The three are

alleged to have facilitated the purchase in Turkey of a 70-metre 'luxury' offshore service ship for SNH, the *Rio del Rey*, for 17 bn. CFA (\$32.86 mn.).

Eso accused the journalists of falsifying his signature and official stamp on the document, and ordered their arrest. The secret police took them to the *Direction Générale de la Recherche Extérieure* where, according to Sabouang, they were tortured to make them reveal the source of the document. The three were then sent to Kondengui Prison. Ngota was under treatment for high blood pressure, asthma and a hernia, for which he needed an operation. His health deteriorated but the prison authorities refused to release him. He died on 22 April and a post-mortem was carried out in the absence of any of his family members or close colleagues.

Journalist **Félix Cyriaque Ebolé Bola** later said Communications Minister **Issa Bakary Tchiroma** had ordered him to attend the autopsy but by the time he arrived it was over. Tchiroma declared on state radio and television that Ngota had died from 'opportunistic infections' caused by his weakened immune system because he was HIV-positive. The Cameroon Medical Council condemned the publication of Ngota's medical records, promising to punish any doctor involved in their release. Germain Ngota's widow, **Colette Angèle Ngota**, denied her husband was HIV-positive, adding that her children can no longer play with other children because of the minister's claim that their father had HIV.

The Editor of the French-language daily *Mutation*, **Alain-Blaise Batongue**, says the people need to know whether the incriminating document was authentic, whether Cameroon really bought a luxury ship and, if so, how much was paid and who might have earned a commission on the sale. Eso has still made no statement.

The President of the staff journalists' trades union, the *Syndicat des Journalistes Employés du Cameroun*, **Norbert Tchana Ngante**, holds that the government has deliberately refused to introduce legislation to define who is a journalist. Ngota's *Cameroon Express*, a private bimonthly, is one of more than 400 registered independent newspapers, most of which struggle to publish once a month. *Le Devoir* and *La Nation*, owned by the other two arrested journalists, are in the same category. ●

Elections loom as Kabila comes under fire from all sides

Next month, Congolese will mark 50 troubled years of Independence from Belgium amid growing concern about security and development prospects under President Kabila's government. Kabila and the ruling PPRD are feverishly preparing for elections next year and are ramping up the nationalist rhetoric. They want the UN peacekeepers out as soon as possible to reassert the country's independence. They also want to pressure the foreign mining and oil companies to boost state revenue.

CONTRACTS AND THE NATIONAL INTEREST

President Joseph Kabila and the ruling *Parti du Peuple pour la Reconstruction et le Développement* (PPRD) have called for the United Nations' peacekeepers to quit Congo-Kinshasa as soon as possible, to convey a symbolic reassertion of the country's autonomy. They also want to put more pressure on the foreign mining and oil companies to increase the still woefully inadequate state revenue. Both strategies are meeting with mixed success.

It is still far from clear that Congo-Kinshasa has benefited appreciably from its long and complex review of mining and oil contracts (AC Vol 51 No 8). This week, the London-based lobby group Platform released a hard-hitting analysis of the oil contracts signed between the government and foreign companies, arguing that they were highly detrimental to Congolese interests.

The security position is even more worrying (AC Vol 51 No 9). A spate of apparently politically motivated clashes has erupted across the country, in the provinces of Equateur – both Kasaï and Bas Congo – along with continuing rumbling in the two unstable Kivu provinces and north-western Ituri, where politicians now speak of 'political autonomy'. The consolation for Kabila may be that none of these mini-rebellions can by themselves immediately threaten his grip on Kinshasa but that could quickly change, as the arch-manipulator **Mobutu Sese Seko** found out in 1996.

For now, these clashes clearly show the gross inadequacy of the army, the *Forces Armées de la République Démocratique du Congo* (FARDC). Equally, they point to the continuing shortcomings of the UN mission, the *Mission des Nations Unies en République Démocratique du Congo* (Monuc), which lacks resources and sound intelligence. At the government's request, 2,000 UN soldiers will depart by the end of June.

The timing looks bad, coming as it does after the latest round of clashes nationwide. The capture by local people of **Ondjani Mangbama**, a witchdoctor and head of a group of armed rebels, appears to have ended the Enyele uprising which spread panic across Equateur Province in early April. Yet the danger had already seemed to be over in January and peace may now depend upon the intentions of rebel leaders, who have no known political aims. Ondjani's capture at Dongo, 400 kilometres downstream of the provincial capital, Mbandaka, came while the FARDC was rampaging through the Province and Monuc was patrolling along the Ubangui River to keep it open for transport.

The only certainty is that, from abroad, ex-politicians, such as Mobutu's security advisor **Honoré Nbanda Nzambo**, had been trying to take control of the Enyele movement, without much impact. One of Kabila's advisors told us of telephone calls from Equateur politicians trying to exploit the Ondjani troubles to win favours for themselves. It will take time to restore normality.

On 22 April, Monuc reported 'violent clashes' in Nganda-Bumba and Secli-Wedji districts, south of Mbandaka. Lieutenant General Babacar Gaye, Commander of the UN force, said there were also clashes north of Mbandaka, while the town itself was only partially calm. As usual, 'parasite' violence had broken out there. On 28 April, 13 people were arrested, including soldiers and prisoners escaped from the local gaol. The worst effect has been that the FARDC deployment around the town of 600,000 inhabitants caused startling rises in local food prices. Fearing that the troops would take what was available, many farmers and fishermen stopped sending their goods to market.

The regional crisis is made worse because many ex-soldiers from FARDC or the forces of the *Mouvement de Libération du Congo* (MLC), some of whom may have joined Ondjani's band, are angry because the UN Food and Agriculture Organisation has not given them expected livestock to rear. By the beginning of May, some 120,000 refugees who had fled across the Ubangui into **Congo-Brazzaville** had still not gone home. Congo-B members of parliament from Likouala had demanded that the refugees be sent home because of the trouble they caused. The fear is that Lobala people (from the area around Ondjani's Enyele village) may continue fighting their Bambona neighbours and rivals. The UN Under-Secretary General for Humanitarian Affairs and Emergency Relief Coordinator, **John Holmes**, found when he visited that the refugees were not going home for fear of attack.

In Orientale Province, the Lord's Resistance Army from northern **Uganda** has lost many of its fighters but can still inflict a lot of damage, says Gaye. He points out that it presents a cross-border threat, with its rapid mobility across a huge, wild area, and that its numbers are unknown. Some are in the western part of Garamba National Park, in Haut-Uélé, others in **Sudan**. The LRA also recruits in **Central African Republic**, so the UN has to repatriate people there. Garamba Park also receives an influx of Mbororo (Fulani) pastoralists with their livestock, as does Southern Sudan, and the African Union is organising a regional conference on that issue in August.

In North Kivu, 7,000 displaced families cannot go home because of insecurity in Kitshanga township, between Masisi and Rutshuru districts, 100 km. from the provincial capital, Goma. During the night of 24-25 April, there was a raid by a Mai-Mai group, allied to the National Army for the Liberation of Uganda (NALU), on the FARDC camp at Nyele, 10 km. from Beni. A FARDC second lieutenant was killed, as were four civilians. Local civil society groups boycotted ceremonies organised at Beni and Lubero to protest both against these killings and against extortion and oppression by FARDC. Community leaders in Walikale district have protested to the UN Deputy Special Representative in Congo, **Fidèle Sarassoro**, against FARDC's theft of the harvest and levying of 'taxes' in local markets.

In South Kivu in mid-April, a Mai-Mai group took hostage eight people from the International Committee of the Red Cross. Colonel **Delphin Kahimbi**, FARDC Deputy Commander and Commander of Operation *Amani Leo* ('Peace Now' in Kiswahili), called in late April for the return of displaced residents from five villages, including Kananda, to their homes in Fizi district, saying the Mai-Mai Yakutumba militia had been defeated. However, Professor **Philippe Biyoya**, of the *Institut Panafricain des Relations Internationales* in Brussels, believes that the new attacks against non-governmental organisations in Fizi indicate the failure of the

army's policy of 'mixing' soldiers from different forces. In Ituri, most of the militias have disappeared, save only the *Lendu Front Nationaliste et Intégrationniste* and the *Front Populaire pour la Justice au Congo*. A UN official suspects that mining companies have hired militias for their own defence.

Western diplomats are also upset by Kabila's wish to lengthen the presidential term from five to seven years and to allow himself more than two consecutive terms. It is by no means certain that their governments will again agree to pay for the 2011 elections and changing the rules would probably be unlawful anyway. The President of the Senate, **Léon Kengo wa Dondo**, who was on occasion Mobutu's Prime Minister, warns that the constitution forbids any change in the presidential mandate or reduction of the powers of the judiciary. The exclusion of civil society representatives from the new *Commission Electorale Indépendante* does not appear to favour its impartiality.

KABILA'S OPPONENTS REGROUP

Kabila's manoeuvres can be explained by his own problems. The 2008 arrest of his rival, **Jean-Pierre Bemba**, by the International Criminal Court weakened the MLC. Nevertheless, Kabila and his PPRD cannot be sure of victory. Provincial leaders are discouraged by the postponement of the decentralisation promised in the constitution, along with the distribution of 40% of state revenue to provincial authorities. There is deep dissatisfaction in Equateur, in Bas-Congo and in Kinshasa, where Kabila's opponents are in the majority.

In Bas-Congo, discontent festers after the exclusion from his native province of **Ne Muanda Nsemi**, a member of the National Assembly, and the banning of the movement he founded, *Bundu dia Kongo* (BDK), whose far-fetched aim is to re-establish of the Kongo Empire. The Province is home to oil, the Inga Dam, cement works and Matadi Port, and many of its people think it deserves a bigger share. There is little construction under way, except for a Chinese-built bridge at Matadi. Kinshasa has tightened control, fearing a repeat of the uprisings of 2007 and 2008, in which several hundred people died. In December, the authorities banned a meeting of the *Bundu dia Mayala* (BDM) in Kimpese, 215 km. from Kinshasa. Police arrived in riot gear; only five people were arrested but it was an offence even to wear a BDM tee shirt. Ne Muanda Nsemi is still popular; people may not believe in the return of the Kongo Kingdom but cultural and economic claims are strong.

Another provincial MP under threat is the MLC's **Oscar Molambo**, who represents Kungu in Equateur Province. His arrest and detention by the intelligence agency, the *Agence Nationale de Renseignements*, was denounced on 23 April by **François Muamba**, Secretary General of the MLC. In South Kivu, there are difficulties about the replacement as Governor of **Louis-Léonce Chirimwami Muderwa**, who is accused of misconduct. The candidate to succeed him, the President's former Security Advisor **Marcellin Cishambo**, comes from the region and delivered a strong vote for Kabila at the last presidential poll. Yet he is Tutsi and there is strong feeling against that ethnic group in the Provincial Assembly.

A group of 19 National Assembly provincial members recently denounced what they called a 'new attempt at occupation' by **Rwanda** (although the Tutsi in question are

in fact of Congolese origin). The anti-Tutsi camp objects to the sidelining of the former President of the National Assembly, **Vital Kamerhe**, who opposed FARDC's collaboration with its Rwandan colleagues against the rebel *Forces Démocratiques de Libération du Rwanda* (FDLR) in January 2009. The same group is bitterly opposed to the Kinshasa government's fairly gentle treatment of Congolese Tutsi General **Laurent Nkunda**.

In Ituri, which voted for Kabila in 2006, local elected representatives say they will declare themselves a self-governing province on 15 May, the date set down for decentralisation in the 2006 constitution. In Kasai Oriental, Kabila is blamed for not allowing the businessman **Kalaa Mpinga** to take control of the main business, the *Société Minière de Bakwanga*. If the opposition *Union pour la Démocratie et le Progrès Social* stands for election there, it should sweep the board, despite its splits and the sickness of its leader, **Etienne Tshisekedi wa Mulumba**.

Kinshasa itself was paralysed on 26 April by a transport strike in protest against police racketeering. There is discontent everywhere, among students and among street children who pelt stones at any vehicle that dares to travel. Slow roadworks on the *Boulevard du 30 Juin* make people even angrier.

Kabila's coalition, the *Alliance pour la Majorité Présidentielle*, is split. Prime Minister **Adolphe Muzito** of the *Parti Lumumbiste Unifié* was booed when he was accused of illegal enrichment on 28 April by opposition MP **Jean-Lucien Busa**. The independents on whom the AMP relies for its majority are asserting themselves, if only to boost their price at the elections. One of the fiercest is **Tryphon Kin-Kiey Mulumba**, a former Reuters correspondent. The ever-pragmatic Kin-Kiey believes he should have been given a ministry and has his own paper, *Le Soft International*, to air his grievances. ●

THE UN PACKS ITS BAGS

The *Mission des Nations Unies en République Démocratique du Congo* (Monuc) believes it has made progress in its stabilisation strategy for eastern Congo. Since the beginning of 2009, US\$260 million have been invested in programmes in the Kivus, the Uélés, Ituri and Tangayika on roads, demobilisation, job creation and infrastructure. Four thousand fighters have been persuaded to demobilise. The optimistic United Nations Commander, General **Babacar Gaye**, reckons that the Congolese armed forces, the *Forces Armées de la République Démocratique du Congo* (FARDC), have managed to neutralise 60% of the rebel *Forces Démocratiques de Libération du Rwanda* (FDLR).

Yet there are troubles elsewhere. At Lodja in Kasai Oriental, there have been confrontations between two branches of the Tetela people: Ekonda from the forest and Esue from the savannah. A dozen Esue homes were burned on 28-29 April. On 3 May, police wounded three locals while dispersing an Esue demonstration. The conflict goes back to the 1960s, as does that between the Enyele and their neighbours (see Feature).

Gaye, who is **Senegalese**, declines to say whether he has the resources to do his work; he must await the visit soon of a mission from the UN Security Council in New York. To say he lacks resources would indicate disagreement with the Kinshasa government's view that it needs to show the world that it is taking control, by requiring the withdrawal of UN troops. On 25 April, Monuc gratified President **Joseph Kabila** by announcing the imminent departure of Senegalese troops from Dingila, in Orientale Province, 500 kilometres north of Kisangani. Civil society representatives there want the troops to stay, because the Lord's Resistance Army is all around them. UN Under-Secretary General and Emergency Relief Coordinator **John Holmes** says that two months ago the LRA attacked a village near Niangara, in Orientale, killing 100 people and mutilating others; among other horrors, they cut off a young woman's lips and ears. **Kevin Kennedy**, Monuc's head of information, says 9,000 more UN troops will pull out by the end of December and the remaining 9,000 will leave at the end of 2011.

The UN is training twelve FARDC brigades and the pull-out may increase the army's vulnerability. Kabila takes little interest in training and paying his troops, preferring to invest public money into more dubious assets. In March, witnesses say they saw about 50 **Ukrainian** tanks (20 T-72s, 30 T-55s) offloaded in Matadi port. They will not be much use against the FDLR or the LRA but may impress bystanders at the 30 June parade celebrating 50 years of Independence. Kabila's advisors – but not his military advisors – seem to think they can get along all right without UN or other foreign troops. ●

Diamond disputes

Quarrels over diamond concessions preoccupy politicians of all stripes and some adventurous foreign capitalists

There are not many ways to get rich in Zimbabwe just now and the best is diamond mining. The business is dominated by the ruling clique in the Zimbabwe African National Union-Patriotic Front (ZANU-PF) but even there, rival factions led by General **Solomon Mujuru** and **Emmerson Mnangagwa** fight for dealing rights and revenue. Prime Minister **Morgan Tsvangirai's** Movement for Democratic Change (MDC) has been dragged into the row; some of the companies in the Marange Chiadzwa dispute (AC Vol 51 No 8) are accused of donating 3 million South African rand (US\$398,000 mn.) to the MDC's 2008 election campaign.

The trouble involves Zimbabwe's three main diamond concessions. The smallest is Murowa near Zvishavane, run by Rio Tinto, whose ownership is not in dispute. The oldest is River Ranch, near Beitbridge, whose ownership has been disputed since 2004, when the mine was taken over by River Ranch Limited, a company controlled by **Adel Abdel Rahman al Aujan**, a Saudi Arabian billionaire who also runs holiday resorts in Zimbabwe, Mozambique and South Africa (AC Vol 50 No 5). Aujan had been invited to join River Ranch by **Michael and Adele Farquhar**, a couple whose Buby Minerals took over the mine from Auridium when it went into voluntary liquidation in 1998. They invited Aujan to help them to buy out Auridium's Australian and Canadian shareholders. In 2004, Aujan ditched the Farquhars, claiming they had failed to repay him money he had paid to the Auridium shareholders, and invited two very senior Zimbabweans into the company – former army chief **Mujuru** and a ZANU-PF former member of parliament, **Tirivanhu Mudariki**.

At Marange, near Mutare, the goings-on have attracted outside attention, mainly because it is reputed to be the richest diamond mine in the world. African Consolidated Resources, listed on the London Alternative Investment Market, registered the first mining claims there in 2006 and the government promptly kicked it out. In 2009, the Zimbabwe High Court ruled that ACR did own the Marange claims. The government refused to budge and has turned down several offers from ACR to develop it in a joint venture, saying it has granted the rights to two other companies, Mbada and Canadile.

Mbada is a joint venture between the Zimbabwe government and Grandwell Investments, whose owner, **David Kassel**, is a South African scrap metal dealer and Chairman of the New Reclamation Group, which claims that he has mining experience in South Africa and Botswana. Mbada's Chairman is Air Vice-Marshal (Retired) **Robert Mhlanga**, said to be close to President **Robert Mugabe**, whose helicopter he once flew.

The owners of Canadile Miners include **Cougan Matanhire**, Chairman, and **Lovemore Kurotwi**, a retired major. Other directors are **Adrian Taylor**, who worked for a private military company in Sierra Leone, and **Yehuda Licht**, an Israeli diamond trader. Core Mining, a South African company owned by Taylor and Licht, formed Canadile as a joint venture with the Zimbabwe government.

The government is determined to block ACR, although its Chief Executive says that it has more than 25 black Zimbabwean shareholders and it has raised more than £20 million (\$29.7 mn.) from the open market while the country is desperate for foreign investment. There are disputes about how ACR won the Marange claims and about the company's ownership.

The Marange diamonds were discovered in 2002 by De Beers, whose spokesman, **Tom Tweedy**, says it did not exploit them because it does not deal with alluvial stones. De Beers's Exclusive Prospecting Order (EPO) for Marange expired on 28 March 2006 and it applied to the government for a one-year extension. While that was being considered, ACR moved in and pegged claims. Prospecting orders must be approved by the Mining Affairs Board. Claims are approved at local level, in this case by the mining commissioner in Mutare.

When the mining board in Harare extended De Beers's EPO, the company discovered a rival operator working in its field. According to Tweedy, there was chaos there, which De Beers preferred to avoid, so the company surrendered its EPO and the field reverted to the government. Before it surrendered, both De Beers and ACR had valid claims. Last year, the High Court ruled that the Mines Minister had been wrong to extend De Beers's EPO so the claims belonged to ACR.

Founded in 2003 as a private company, ACR listed on the Alternative Investment Market in June 2006. Its initial public

offer said ACR was the brainchild of two Zimbabweans, **Andrew Cranswick** (living in Zimbabwe) and **Ian Fisher** (living in Australia), 'together with Zimbabwean investors, both black and white' who had invested their personal capital. ACR has never disclosed who its black investors are and has no black directors. The first directors were Fisher, the Chairman, who has since left; Cranswick, Chief Executive Officer; **Herbert Stuart Bottomley**, non-executive Director; **Roy Clifford Tucker**, Finance Director; and **Michael Wallis Kellow**, Technical Director. Others listed in the IPO were **Ian Harris** (arrested on 6 May in Harare for alleged fraud but later released on bail) as Financial Controller and **Dirk Benade**, a geologist.

Cranswick told a London radio station on 2 April that ACR has at least 25 black shareholders, pointing out that 'It's a public company, anyone can buy shares.' President Mugabe and his colleagues are suspicious of ACR's British links. In 2006, Mugabe said that the government would facilitate the entry of blacks into the mining industry but not in joint ventures with Zimbabwe's enemies.

MUJURU'S STAKE

Insiders said the real problem was Mujuru's stake in ACR. He is a former head of the army, his wife **Joice Mujuru** is national Vice-President and he is a member of ZANU-PF's Politburo. He had refused to endorse Mugabe as presidential candidate for the 2008 elections, until he was thwarted by his rival, Mnangagwa. Mnangagwa told Mugabe that Mujuru had the blessing of the West, which was funding River Ranch mine through a United Nations project called African Management Services Company (Amsco), which had seconded five managers to River Ranch and had been assisting the mine since November 2004. Mugabe clipped Mujuru's wings; Mnangagwa, who had been demoted for trying to organise opposition to Mugabe, rebounded. He is now Minister of Defence.

We hear Mujuru has sold his shares in River Ranch but has a direct or indirect stake in ACR, into which he has invited his key ally, **Dumiso Dabengwa**, who had left ZANU-PF for the new Mavambo/Kusile/Dawn party, led by former Finance Minister **Simba Makoni**. After Makoni got only 8% of the vote in the 2008 presidential election, Dabengwa left him and revived the (largely Ndebele) Zimbabwe African People's Union (ZAPU). Some of his lieutenants say he is still too close to ZANU-PF. Cranswick has repeatedly denied that Mujuru is an ACR shareholder but Mugabe still turns down his offers to the government.

The latest offer was made last month, when ACR offered not to oppose the sale of the Marange diamond stockpile, said

to exceed 3 mn. carats. ACR's conditions were that they be sold to reputable parties after clearance by the Kimberley Process, that the entire proceeds be paid to the government and that the government issue a tax or royalty credit for half of the proceeds, to be awarded to whoever won the ownership case in the Supreme Court. This would have brought the government instant revenue.

Cranswick has denied that ZANU-PF leaders benefit from the chaos at Marange.

'This is not a party thing; this is not an organised corruption by one party or the other. This involves individuals, corrupt individuals,' he told *SW Radio*. He claimed to know that 3 mn. rand has been 'trickled' by individuals into both ZANU and the MDC, naming the MDC contributors as Kassel and Mhlanga, 'either through their companies or individually'. Cranswick has claimed that South African 'crooks' in the two rival companies, Mbada and Canadile, are holding Zimbabwe to ransom.

ACR faces other legal troubles. Its subsidiary Mayback Investments tried in 2007 to take over four diamond mines near Lundi from **Rodgers Madangure**. Madangure's lawyer, **Vonani Majoko**, said Mayback had altered geological maps to show the claims as lying within their area but gave up after Majoko had proved the map had been altered. Cranswick blamed the mining commissioner's office: 'You simply cannot trust departments not to fiddle with maps,' he said. ●

NIGER

A food crisis foretold

The Niamey junta is tinkering with its transition programme but it is better at handling a food emergency than the previous regime

Aid workers have been warning for some time now that millions of people in Niger will go hungry again this year. When they did the same thing five years ago, President **Mamadou Tandja** denied there was any problem. This time, the soldiers of the *Conseil Suprême pour la Restauration de la Démocratie* (Supreme Council for the Restoration of Democracy, CSRD), who ousted Tandja in a February coup, acted faster and more effectively (AC Vol 51 Nos 5 & 6). They quickly accepted that there was a problem so severe that it amounted to a famine.

Niger is in what some non-governmental organisations (NGOs) call a 'critical state of food insecurity', though they are yet to use the word 'famine'. A government-led survey in December found that 7.8 million people, or just under 60% of the country, would go hungry this year as a result of poor rains in 2009. Around 2.7 mn. of these have been classified as severely vulnerable.

Relieved that the new regime was talking openly about the problem, relief workers say that the real figures are much higher and they expect the results of a new survey to be published soon. Meanwhile, the United Nations is appealing for money. NGOs and UN agencies such as the UN Children's Fund and World Food Programme have started feeding 500,000 children under the age of two. However, at the last count, just one-third of the US\$190 mn. needed to help to get people through the crisis had been put forward, according to the UN Office for the Coordination of Humanitarian Affairs.

The UN dispatched its Under-Secretary General for Humanitarian Affairs and Emergency Relief Coordinator, **John Holmes**, who went to talk to the authorities and sought to raise media awareness with a trip to Zinder, in the far east and one of the worst-hit regions. During his trip,

Holmes said that the crisis was worse than in 2005 but the country was better prepared this time around.

The drought has cut crop and livestock production, so the lean season started earlier and will last longer this year. There is a 410,000 tonne deficit in cereals while fodder is down by over 16 mn. tonnes or about 67% of livestock needs. Cereal prices, meanwhile, are up by about 20%. Adding to Niger's woes, says the UN, is a population growth rate of about 3.4%. Schools are emptying as families uproot and move in search of food. Despite efforts to subsidise animal feed, there are fears that conflict over grazing could erupt. If herds are devastated, the UN warns that it is likely to take decades to rebuild them.

UN AGAIN UNPREPARED

Even if the government is more open to dealing with the crisis, some diplomats are concerned that the UN agencies are no better organised this time around. There are already complaints about infighting, a lack of coordination and even turf battles between rival organisations.

Amid all this, Niger's military rulers are meant to be running a transition to civilian rule. For the first time since the February coup, Nigeriens have an idea of how long the soldiers might stay in charge. The *Conseil Consultatif National du Niger*, the 121-member body set up to offer guidance on the transition led by human rights defender **Morou Amadou**, said late last month that the CSRD should hand over power within one year. On 5 May, the junta accepted the proposal.

The CSRD leader, Major **Salou Djibou**, and his team promised that they would not stand in any future election but similar pledges have not been honoured elsewhere. Outsiders and regional organisations are watching closely. **James Victor Gbeho** from the Economic

Community of West African States was in Niamey in April to warn against extending the transition for long. The **United States** and **Canada** have called for polls by the end of the year. There was hope that the lack of money might pressure Niger to push through a swift transition. Niamey has had to slash this year's budget by 13%, to just over 638 billion CFA francs (\$1.27 bn.) due to aid cuts made by donors after Tandja's meddling with the constitution last year. Privately, some diplomats concede that the food crisis will distract the junta from the transition.

Another distraction comes in the form of the CSRD's vows to clean up business and politics, vows broadly supported by the public, who complain that corruption had become rampant by the end of Tandja's rule. In April, the junta said that it would look into mining contracts and cancel those that did not benefit Niger. This coincided with a flurry of negative media reports on the sector, with increased complaints about conditions for locals working for **Chinese** companies.

The environmental pressure group Greenpeace also accuses **France's** Areva of putting people at risk because of radioactive waste from its uranium mines. Areva faces similar claims about its operations in **Gabon**.

No details have emerged about which deals are under scrutiny. Given the financial muscle of Areva and the Chinese companies – and the dire financial position of the government – few insiders believe the junta is willing to take on these corporate giants. Areva's Chief Executive, **Anne Lauvergeon**, who reached an investment agreement with the deposed President Tandja, says she knows her company will not be targeted.

Xia Huang, China's Ambassador in Niamey, took the unusual step in early April of holding a press conference. He has also said China's multibillion dollar deals are in no danger. These involve the China Nuclear International Uranium Corporation in mining and China National Petroleum Corporation for oil. Easier targets, say mining companies in Niamey, will be the smaller deals where the junta suspects that kickbacks were paid to members of the Tandja clan. ●

Opposing Issayas

Despite UN sanctions against Asmara and the support of Ethiopia, Eritrea's fractious opposition is struggling to build a united front

Eritrea's opposition is planning an all-inclusive National Conference for Democratic Change in July. The prime mover, the Eritrean Democratic Alliance (EDA), has secured support from Ethiopia and is buoyed by the momentum of the United Nations' sanctions against President Issayas Afewerki's regime in December 2009 (AC Vol 51 No 5).

The conference is already running into problems over whether there is time to organise it and whether everyone will be there who should be. Most important, perhaps, is the need to build common understanding among the wide spectrum of EDA parties. Several are the product of mergers. *Tadamun*, the Eritrean Solidarity Front, comprises the Eritrean Liberation Front (ELF), Eritrean Federal Democratic Movement (EFDm) and the Islamic *Islah* Movement. To these add the Democratic Front of Eritrean Nationalities (DFEN) and several unaffiliated organisations: the Eritrean National Salvation Front (ENSF), EDA Central Leadership (Sagem), Eritrean Islamic Congress and the *Al Nahda* Party, and now the Eritrean People's Democratic

Party. The EPDP has already announced it will not participate, while remaining in the EDA. It complained the EDA had refused to accept its proposals. Others claimed EPDP was boycotting because it had not won the three seats on the preparatory committee it had demanded since it consisted, it said, of three distinct parties.

It is symptomatic of the passions that still divide the opposition that one commentator promptly described the EPDP's move as 'racist, discriminatory, xenophobic and monopolistic'. Others said it was still too close to its origins in the ruling Eritrean People's Liberation Front and was anti-Eritrean Liberation Front.

This remains a central division in both opposition and country and is bound up with the Muslim/non-Muslim, lowland/highland debate, which has recently intensified on Eritrean websites. In early February, the Ibrahim Mukhtar Council published its Eritrean Covenant on opposition websites, the first real attempt to document the grievances of Muslims who form at least 50% of the population.

The document is 'an articulation of

some of the pressing issues that Muslims deeply care about' and a damning indictment of the regime's policies and sectarianism. It looks back to the unsigned manifesto, '*Nehnan Elamanan*' (We and our objectives), widely believed to have been penned by Issayas himself in November 1971, which demonised the then ELF's Muslim leadership and was the EPLF's foundation stone.

The Eritrean Covenant specifies Muslim grievances, including religious discrimination, marginalisation, torture, murder by death squads, abduction, closing of traditional Muslim schools, harassment, persecution of religious leaders and scholars, imposition of government-appointed religious leaders, systematic uprooting and forced settlements on Muslims' lands, and cultural and moral domination. It identifies the Afar and Kunama peoples as the most disadvantaged, the latter in particular suffering from extensive land expropriation by Christian highlanders who ignore Kunama agro-pastoralism.

The document lists the names of ministers, officials, local administrators and senior military officers. In the first list are 366 ministers, heads of department and senior ministerial staff. Only 28, 7.7%, are Muslim. The highest number is in the Foreign Affairs Ministry, with 5 of 18 senior staff. Several ministries and party offices of the ruling People's Front for Democracy and Justice have no Muslims. Only 10 of 97 senior figures in regional administrations are Muslim and even in the traditionally Muslim regions of Southern Red Sea, Northern Red Sea and Gash Setit, the percentages are only 15.4, 7.7 and 6.7 respectively. In the Defence Ministry, only 23 (9.3%) of 247 officers of the rank of lieutenant colonel or above are Muslim; 5 of the 12 major generals and 5 of the 42 brigadier generals are Muslim, the Covenant says. Not surprisingly, it has sparked intense debate.

Issayas has also been working hard to neutralise the UN sanctions resolution (see Box). One step last month was to annul all passports. All holders must apply for new ones at US\$200 for expatriates, 3,000 nakfa (\$199) for those in Eritrea and renewable every two years, rather than five. This is certainly intended to raise money but will allow the government to issue new passports for people likely to be on sanctions lists.

A long list has been awaited from the UN Sanctions Committee but it is dragging its heels over naming individuals and organisations. It recently visited nearby countries, ostensibly to collect evidence, but did not visit Djibouti or Ethiopia, the two countries which have full details of Eritrean activities, nor did it visit Somalia. The Committee later claimed it couldn't visit Ethiopia because of Icelandic

BLAMING THE USA

On 23 December 2009, the United Nations Security Council voted 13 to 1 (Libya) with one abstention (China) to impose sanctions on Eritrea because it supported extremist opposition in Somalia, seized Djibouti territory and continued to try to destabilise Ethiopia. The sanctions include an arms embargo, travel ban and asset freeze. Names of individuals and organisations to be subject to sanction are the responsibility of the UN Sanctions Committee and the UN Monitoring Group on Somalia, whose mandate was extended for this purpose.

Eritrean President Issayas Afewerki's immediate response was one of shock. He had not believed the Security Council would act, despite pressure from the African Union and Inter-Governmental Authority on Development; he expected Libya to block AU requests for UN action and China to veto any Security Council action. He had underestimated the evidence, particularly of Eritrea's incursions into Djibouti in 2008, captured on film, and the testimony about Eritrean training and arms supplies from captured prisoners in Somalia. He quickly dismissed Resolution 1907 as a United States-inspired plot, ignoring the unanimous AU requests for UN action. He routinely blames the USA for Eritrea's problems. The US Central Intelligence Agency, for example, is responsible for bribing all the tens of thousands of Eritreans who flee into Ethiopia and Sudan each year.

The USA has designated eleven people and one organisation, freezing all assets under US jurisdiction and prohibiting all transactions between US citizens and Somalia's *Al Shabaab*. Those designated are all Somalis associated with opposition to the Mogadishu government or extremists in Somalia. The exception is Yemane Ghebreyab, head of Political Affairs in Eritrea's ruling People's Front for Democracy and Justice and Presidential Advisor on Somalia. The US order noted that Yemane coordinates Asmara's activities with Somali opposition groups and that Asmara formally rejects the Djibouti peace agreement of August 2008, denies the legitimacy of the Somali government and opposes the African Union Mission in Somalia. It identified Yemane as a primary interlocutor with armed opposition groups threatening both. ●

volcanic ash clouds. Addis Ababa was not impressed and dispatched a high-level delegation to New York last week to ensure the Committee was fully aware that whatever Eritrea may say publicly, it still provides arms to the opposition in Somalia and runs terrorist operations in Ethiopia. Neither its destabilisation policy nor ground operations have changed in Djibouti, Ethiopia or Somalia.

However, Eritrea does now feel a need to present its side of the story. It has consistently denied entry visas to UN investigators and **United States** officials since UNSC Resolution 1862 in January 2009 on Peace and Security in Africa castigated Asmara for its attacks on Djibouti. Now Issayas has given interviews to foreign correspondents, claiming there is no evidence his government had anything to do with any regional destabilisation. He has allowed carefully selected visits and a Gulf News journalist was allowed into military camps where, unsurprisingly, he found 'no Ethiopian, **Yemeni**, or Somali insurgents' training. Issayas has made overtures to African states, including **Nigeria** and **South Africa**, and visited **Egyptian** President **Mohamed Hosni Mubarak**, as well as his close ally, **Libya's** Colonel **Moammar el Gadaffi**, and he finally allowed a UN mission into Eritrea.

Issayas is also dropping hints that Eritrea would give diplomacy a chance if only others would listen. It may be paying off, notwithstanding the violent criticism of the USA over the past year. **Donald Yamamoto**, the US Principal Deputy Assistant Secretary of State for Africa, will

apparently be heading for Asmara later this month. Washington, of course, has outstanding bilateral issues with Eritrea as well as its role as a regional 'spoiler' and supporter of Somali extremism. These include the four locally recruited US embassy staff, two detained since September 2001 and two since August 2005. None has been charged or tried. The USA has also accused Eritrea of opening diplomatic bags. It will expect action on these issues for any improvement in relations or any consideration of US support for moderating UN sanctions. Yamamoto, a former US Ambassador to Ethiopia, is well aware of the responsive technique Eritrea employs when facing particular pressure, only to return to its old ways when the pressure is lifted.

TO ENCOURAGE THE OTHERS

Another reason Eritrea is trying to mitigate the sanctions is the encouragement they give to the opposition. A week after they were announced, the EPDP appeared, the result of a merger of the Eritrean Democratic Party (EDP), Eritrean People's Movement (EPM) and Eritrean People's Party. The EPP is a merger of the ELF-Revolutionary Council and Eritrean Democratic Resistance-Gash Setit (EDR-GS) last May. The EDP is one of the parties of former EPLF members who survived Issayas's purge of the Group of Eleven senior members of his PFDJ, previously the EPLF, in September 2001, when they were abroad. It was originally organised by former Defence Minister **Mesfin Hagos** and later headed by **Woldeyesus Ammar**

after Mesfin resigned as Chairman in 2009. The EPM was set up by former Ambassador **Adhanom Gebremariam**, who split from the EDP over the armed struggle and links to Ethiopia. The new EPDP brings the three back together, with Adhanom taking foreign affairs. It also brings together groups from the two main strands of the Independence struggle, drawing largely from the Christian highlands (EPLF) and Muslim lowlands (ELF). In 1982, in a brief but violent civil war, the EPLF drove the ELF out of Eritrea for good after Independence in 1993.

Ethiopia promptly offered the EPDP diplomatic and political support. Chairman **Woldeyesus**, Mesfin and Adhanom met Ethiopian Prime Minister **Meles Zenawi** (6 March), Foreign Minister **Seyoum Mesfin** (18 March) and other officials. The delegation also met most other groups in the opposition EDA and took part in EDA meetings with Seyoum on 2 and 14 April, and Meles on 24 April.

Ethiopia has made clear it will not provide military training or logistical support for cross-border activity; it has, though, done nothing to stop recent activity by the three opposition organisations active inside Eritrea. On 1 January, the Red Sea Afar Democratic Organisation with the ENSF attacked Eritrean military posts staffed by units of the 13th and 39th divisions and claimed to have killed 25 troops and wounded 38. The Democratic Front for the Liberation of the Eritrean Kunama has also made cross-border attacks. DFLEK and RSADO together make up the DFEN. ●

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Ethiopia

TOO MANY COOKS

■ With elections due on 23 May, Premier **Meles Zenawi's** government is looking forward to another five years in office (AC Vol 51 No 8). Amid sporadic violence with several deaths, opposition and government are both at last campaigning seriously but the biggest problem for those who seek a change at the top is the multiplicity of parties in the opposition. Both the African Union and European Union will monitor the elections but since they accepted those in **Sudan** last month, they seem unlikely to condemn Ethiopia's.

The largest group is the eight-party Forum for Federal Democratic Unity Forum (Medrek). One member, Unity for Democracy and Justice, has recently split. UDJ is chaired by **Birtukan Mideksa**, who is in gaol for life for breaking the conditions of the pardon she was given in 2007. Medrek claims her as a political prisoner but its efforts to make her a symbol of government intimidation have less impact at home, where she is seen as just one political leader, than in the Diaspora, particularly in the **United States**.

Earlier, the UDJ appointed two leading independents, ex-President **Negasso Gidada** and ex-Defence Minister **Siye Abraha**, as vice-presidents. Many UDJ members, led by the 80-year-old maverick Professor **Mesfin Wolde Mariam** objected and tried to take over the party offices, scuffling with police. It is a row the UDJ and Medrek can ill afford. It has also disgusted many erstwhile opposition supporters.

The profound ideological differences of its component parties mean Medrek is based on the lowest common denominator of opposition to the ruling Ethiopian People's Revolutionary Democratic Front (EPRDF), as a series of television debates has shown. It operates on consensus, with issues discussed until agreement is reached – no recipe for coherent policies.

Four other main parties are competing: All Ethiopia Unity Party (**Hailu Shawel**), Ethiopian Democratic Party (**Lidetu Ayalew**), Coalition for Unity and Democracy and Ethiopian Vision Party, plus an impossible 44 others. Not surprisingly, there is a widespread assumption that the EPRDF is coasting to victory.

Sudan/World Bank

BOOKS NOT BRIBES

■ The World Bank is looking for new printers following its decision to bar publishers Macmillan from all Bank contracts for six years. This follows the admission by a Macmillan subsidiary known as Macmillan Education that it

had unsuccessfully tried to win contracts to supply primary textbooks in Southern Sudan by paying bribes to officials 'who could influence the contract awards'. Until now, Macmillan has been one of the leading suppliers, printing and publishing much of its voluminous output of literature. Now Bank officials have told *Africa Confidential* they have an 'alternative plan'.

In early 2009, the Bank launched an investigation into Macmillan's efforts to win the contracts and confirmed reports of the offered bribes. The textbook supply contract was part of a US\$51 million education programme financed by the Bank for the Juba government. Macmillan has since referred itself to **Britain's** Serious Fraud Office, which has confirmed that it is investigating the matter.

The ban on doing business with World Bank and on Bank-financed contracts will apply to all Macmillan's operations, according to **Steven Zimmermann**, Director of Operations at the Bank's Integrity Unit, which is headed by the former Director of South Africa's National Prosecuting Authority, **Leonard McCarthy**. Zimmermann added that there was responsibility at a senior level in Macmillan and that it would not be accurate to characterise the problem as one restricted to Southern Sudan.

However, the barring of Macmillan by the Bank raises the question of what action it will take against much bigger corporations such as the **United States'** Halliburton, **France's** Technip and **Germany's** Siemens. All of these companies have admitted to grand corruption and inflating contracts in Africa over the past year but have so far escaped punitive action by the Bank.

Kenya

WITNESSES UNDER THREAT

■ The 8-13 May visit of International Criminal Court Prosecutor **Luis Moreno Ocampo** to Kenya allowed President **Mwai Kibaki's** government to maintain the pretence that it is cooperating with the ICC. It also showed the Prosecutor the serious threats faced by anyone who intends to give evidence to the ICC – or to any other independent inquiry into those responsible for the 2007 post-election violence.

On 8 May, Moreno Ocampo met secretly with 30 victims and witnesses at the Sportsview Hotel in Kasarani, Nairobi. They told him they wanted the ICC's trials to take place in the Hague, as far away from Kenya and its security apparatus as possible, rather than in nearby Arusha, **Tanzania**. Moreno Ocampo says that fears of infiltration and concerns about the high-level security necessary for ICC staff mean the Court will not open an office in Kenya.

Moreno Ocampo expects the trials of two cases with up to 6 suspects to begin in December 2010 or January 2011; he declined to say whether cabinet ministers would be among those indicted. He

insisted the ICC would protect only the witnesses it calls to testify in its trials and he wants to limit the number, which he expects to range from 30 to 60. He said the ICC could not offer protection to witnesses for the Waki Commission, the Kenya National Commission on Human Rights, human rights activists or even witnesses who had come to speak to the ICC if they did not end up testifying for the ICC in court. The protection of those witnesses was the responsibility of government. Local rights groups countered that it is government agents who are threatening such witnesses.

Sierra Leone

ANTI-CORRUPTION CHIEF QUILTS

■ The resignation on 7 May of **Abdul Tejan-Cole** as Commissioner and Chief Prosecutor of Sierra Leone's Anti-Corruption Commission (ACC) signals a growing malaise in the government of President **Ernest Bai Koroma**. In his two and half years in the post, Tejan-Cole has built a reputation as one of Africa's most energetic and effective anti-corruption campaigners. Tejan-Cole told *Africa Confidential* that he had been given full political support from President Bai Koroma and that he would remain in the post as long he was able to make a difference.

That limit was reached after Tejan-Cole and the ACC concluded cases which prompted the suspension of three ministers: Transport and Aviation Minister **Ibrahim Kemoh Sesay**, Health and Sanitation Minister **Sheku Tejan Koroma** and Minister for Fisheries and Marine Resources **Afsatu Kabba**.

Afsatu Kabba was charged on 17 counts of corruption. The charges included accepting a bribe, abuse of office and personally benefiting from the sale of fishing licences. After she was charged, Kabba's supporters targeted Commissioner Tejan-Cole (AC Vol 51 No 6). During Kabba's trial, groups of militants from the governing All People's Congress stormed the courts in central Freetown and demanded Tejan-Cole's head, in full view of the police headquarters located less than 50 metres away down the street.

Kabba's problems with Tejan-Cole date back to the Commissioner's investigation into the US\$32 million contract awarded to Income Electrix Ltd, whose headquarters are in Port Harcourt, **Nigeria**, to supply power to central and west Freetown. The company had already completed the first phase of a power project in east Freetown.

Government officials refused to allow the ACC access to the Income Electrix files and shortly afterwards transferred Kabba to the Ministry of Fisheries and Marine Resources. The ACC was investigating claims that Kabba had flouted all procurement procedures when awarding the contract to Income Electrix.

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REFORMERS, POLITICIANS AND GENERALS

Three groups are emerging within the governing People's Democratic Party (PDP).

● The aims of the Reform Forum, led by **Ken Nnamani** and **Aminu Bello Masari**, are sound and admirable. Yet some describe their calls for party reform (read, internal democracy) as cover for realigning patronage, the defining feature of Nigerian politics. It's a mixed bag: 19 members have been suspended by the National Working Committee (which, they insist, did not follow due process). **Nasir el-Rufai**, **Nuhu Ribadu**, Nnamani and Bello Masari are members of the Good Governance Group, set up to woo civil society groups such as the Save Nigeria Group. Wealthy, retired General **Theophilus Yakubu Danjuma**, Chairman of the Presidential Advisory Committee, is said to be a sponsor.

Nnamani, the former Senate President, and Masari, former Speaker of the House of Representatives, both opposed ex-President **Olusegun Obasanjo's** bid to fiddle the constitution and run for a third term. Oddly, **Victor Attah** and **Peter Odili**, former Rivers and Akwa Ibom state governors (both close to Obasanjo), are connected to the group. Odili was among the 19 suspended by the PDP, accused of grand corruption.

Others include governors, ministers and aides from Obasanjo's presidency: former Aviation Minister **Femi Fani-Kayode**, former Presidential Advisor **Akin Osuntokun**, former Foreign Affairs Minister **Ojo Maduekwe**, PDP stalwart Professor **Femi Otubanjo**, former Attorney General **Kanu Agabi**, former Transportation Minister **Abiye Sekibo**, former Imo State Governor **Achike Udenwa**, former Education Minister **Chinwe Obaje**, Prof. **Julius Ihonvbere**, and former Senate President **Adolphus Wabara**.

● The Governors' Forum, headed by Kwara State Governor **Bukola Saraki**, insists that the PDP's presidential candidate be a northerner. This is echoed by **Vincent Ogbulafor**, who has just resigned as party Chairman. He is charged with defrauding the government of 238 million naira (US\$1.6 mn.) while he was Minister of Special Duties in 2001. He says the charge is 'politically motivated'; his trial resumes on 21 June. South-East PDP governors **Sullivan Chime** (Enugu), **Martins Elechi** (Ebonyi) and **Ikedi Ohakim** (Imo) called on Ogbulafor to resign after meeting President **Goodluck Jonathan** on 4 May.

The governors approved the choice of **Mohammed Namadi Sambo**, former Kaduna State Governor, as Vice-President and ditched Ogbulafor, making way for a new chair from the south-east. The 28 PDP governors control 30% of the delegates expected to vote at the party primaries this September. Jonathan is not on good terms with the governors from the southern states of Bayelsa, Rivers, Akwa Ibom, Edo and Delta.

The Reform Forum has demanded the dissolution of the National Working Committee and might get its way. **Mohammed Haliru Bello**, the PDP's acting Chairman, was recently questioned by the Economic and Financial Crimes Commission (EFCC) concerning the Siemens bribery scandal. He was Communications Minister from 2001 to 2003 and is alleged to have received 70,000 euros (\$86,000) from Siemens in two instalments.

Former Vice-President **Atiku Abubakar's** return to the PDP is an attempt to regain control of the People's Democratic Movement, the network set up by the late **Shehu Musa Yar'Adua** which lay the basis for the PDP. **Anthony Anenih**, political bruiser and superannuated politician, was a PDM founding member but has no interest in reform or accountability. Two of his allies are aides to President Jonathan: Chief of Staff **Mike Oghiadomhe** was deputy to Anenih's political godson, **Lucky Igbiniedion**, former Edo Governor. **Cairo Ojougboh**, who is pushing Jonathan's presidential candidacy next year, is his Special Advisor on National Assembly matters and a long-time ally of Anenih's. **Josephine Anenih**, Anenih's estranged wife, is Minister of Women Affairs in the cabinet. Oghiadome's prior job as Principal Secretary has been filled by **Hassan Tukur** (AC Vol 51 No 2), a career diplomat who has held government posts in the oil and gas industry, the latest as secretary of the National Energy Commission.

● The third group consists of ex-soldiers (and includes **Aliyu Mohammed Gusau**). Ex-military heads of state **Ibrahim Badamasi Babangida** and **Muhammadu Buhari** would also like to be president. So would **Atiku Abubakar**, former Deputy Director of Customs and Excise, now returned to the PDP. Babangida, one of Nigeria's wealthiest men, would be a strong candidate, but the southern-dominated media detest him. A poster campaign against him repeats the main charges: that he organised the murder of journalist **Dele Giwa**, presided over the theft of some \$12.5 billion in oil surplus during the 1990 Gulf War and annulled the 1993 elections, frustrating a democratic transition and ushering in **Sani Abacha's** destructive junta. He good-humouredly rebuts all this but fails to convince. Some think that, at 68, his heart isn't in it. He attended a One Man, One Vote rally (ostensibly sponsored by him) with some South-South governors in Edo.

Buhari lately left the All Nigeria People's Party for the Congress for Progressive Change. Atiku's political relevance is diminishing and his war chest is said to be depleted. Meanwhile, in Adamawa, his home state, Atiku is being barracked by Governor **Murtala Nyako**, who is close to Obasanjo; Nyako maintains that Atiku brandishes a fake party membership card. ●

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73 Farringdon Rd, London EC1M 3JQ, UK

Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amisah

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is preparing for a presidential bid in 2011. **Michael Are**, former Director General of the State Security Service under Obasanjo, is Gusau's deputy. The presidential ambitions of **Bukola Saraki**, Chairman of the Governors' Forum, are as strong as ever.

Yet the PDP has been changing, even in the three weeks since Yar'Adua's death. Nigeria's political commentariat believes that a clean-out of thieves and thugs is overdue. A deadlock among the northern candidates could position Jonathan as a trusted compromise candidate from the 'South-South'. At a conference on Nigeria in Washington in late April, Obasanjo said, 'There's no arrangement that precludes any Nigerian from contesting or from becoming the President of Nigeria.' In effect, he was supporting Jonathan's right to run, calling for abrogation of the informal north-south pact and insisting that politicians of his generation must allow younger ones their chance.

Jigawa Governor **Sule Lamido** has ruled himself out as 'too old' and 'too analog'. He insists, though, that the next president be from the north. **Mu'azu Babaginda Aliyu**, Niger Governor and Chair of the Northern Governors' Forum, says the candidate can come from any part of Nigeria, as long as he's not 'riff-raff'.

The influential northern socio-political Arewa Consultative Forum seeks a credible, competent northern candidate, while for now supporting the elderly respected technocrat, **Bamanga Tukur**, a member of the Presidential Advisory Committee. He could serve as a stopgap. The ten-year-old Forum might then throw its weight behind Kano Governor **Ibrahim Shekarau**, a 55-year-old civil servant-turned-politician, who has just been blessed by the Sultan of Sokoto as the Sardauna of Kano, a time-honoured but now honorary title. Shekarau, a two-term Governor from the All Nigeria People's Party in a supposed PDP stronghold, ensured that votes counted, a policy which gave him an unprecedented two terms in office. He espouses *A Daidaita Sahu* ('attitudinal change'), a concept that denounces lawlessness, corruption, *almajiri* (begging), *talla* (girl-child hawkers), *maula* (parasitism) and *daba* (thugs) as signs of the breakdown of 'the attitudinal infrastructure'. ●

Squashing the judges

The courts, despite everything, persist in doing justice sometimes and the President is not amused

The acquittal of **Roy Bennett**, Deputy Minister-designate of Agriculture and Treasurer of the Movement for Democratic Change (MDC), on 10 May gave President **Robert Mugabe** the chance to show his commitment to power-sharing. He could have accepted the court's verdict, with its implication that Bennett was fit for a ministerial appointment, and sworn him in, especially since deputy ministers are more decorative than effective, seldom acting even in the real minister's absence. That would have resolved a huge political problem without any loss of face.

Three weeks ago, Mugabe made a surprise appearance on a panel at the World Economic Forum in **Tanzania**, praising the spirit of cooperation with his MDC co-panelists, the leaders of the two MDC factions, **Morgan Tsvangirai** and **Arthur Mutambara**, and holding their hands aloft in a gesture of national unity. Investors should return to Zimbabwe, said Mugabe, because the politicians had proved they could work together. The Bennett case tells a different story, of continuing vendettas and hacking away at judicial credibility.

The state's case against Bennett was so flimsy that he was not even called to defend himself. At the end of the prosecution evidence, Justice **Chinembiri Bhunu** scornfully ruled that there was no case to answer. Attorney General **Johannes Tomana** failed to secure the political objective of a conviction and, having put his own prestige on the line by deciding to lead the prosecution in person, he made himself a figure of fun for his fellow lawyers. Defence Attorney **Beatrice Mtetwa** had reduced his witnesses and evidence to shreds. Halfway through the case, the Minister of Justice, **Patrick Chinamasa**, a hard-line Mugabe-loyalist, was berating Tomana for incompetence. After the verdict, Tomana had the grace to tell the state press he was happy with the outcome but nobody would have been surprised if he had been fired for political failure and forensic incompetence, thus removing another contentious issue in the power-sharing agreement.

That is not Mugabe's style. Tomana, after his initial acceptance of the verdict, was soon told to ask the Supreme Court for leave to appeal. Even he knows how flimsy are the grounds and that the appeal judges could do no more than refer the matter back to the trial judge to put

Bennett on his defence. The exercise would be pointless but a directive is a directive. The appeal procedure will take ages and Mugabe will still refuse to swear Bennett in. To dispel any doubt, the government's *Sunday Mail* ran a front page interview with the 'war veterans' leader **Jabulani Sibanda**, rehashing smears against Bennett and linking him by association with pre-Independence atrocities.

A week later, the governmental *Herald* ran a front-page article, 'Public interest and fetish for judicial freedom', by **Tafataona 'Dotty' Mahoso**, a former Chairman of the Zimbabwe Media Commission whose successor has been sworn in but, without funds or office, cannot license new papers. Dotty is a professor of journalism, an unrepentant Stalinist but no Trotsky with the pen and is aware of his stylistic deficiencies: his paragraphs frequently begin with 'In other words...' as he attempts to clarify the preceding passage. Having welcomed the Bennett verdict as proof of the judiciary's independence, Mahoso went on to argue that at the trial the requirements of justice for the

individual were allowed to outweigh the interests of the public and the state. He claimed that recent cases (such as those of human rights activist **Jestina Mukoko** and of African Consolidated Resources [ACR] versus Mbada Diamonds, AC Vol 50 No 21 & Vol 51 No 10) showed the same worrying tendency and pondered whether the judiciary's supposed independence did not mean it was now in thrall to foreign interests. By innuendo, he managed to tar the Judge President of the High Court, **Rita Makarau**.

These look like signals for another shake-up of the judiciary. Over the past decade, the bench has been effectively packed and judges compromised by offers of farms which, with a few honourable exceptions, have been accepted. Yet the courts still ungratefully rule against the interests of the ruling Zimbabwe African National Union-Patriotic Front (ZANU-PF) and its chiefs. Even Chief Justice **Godfrey Chidyausiku** upheld some of the rights of London-based ACR in the diamond cases.

One problem is that cases are allocated to judges by the Judge President, Zimbabwe's second-ranking judicial position, sometimes seen as a stepping stone to the dignity of Chief Justice. The President's office thinks Makarau lacks the political antennae to match sensitive cases to accommodating judges. However, last week, she was promoted to the Supreme Court and the former Chairman of the Zimbabwe Electoral Commission, Judge **George Chiweshe**, took her place.

LEGAL LIMITS

The Harare legal profession is enjoying itself at the expense of fellow practitioner **Jonathan Samkange**, a favourite in the Zimbabwe African National Union-Patriotic Front who shuns the human rights lobby; he also represented **British** mercenary **Simon Mann**, accused of the 2004 coup plot in **Equatorial Guinea** (AC Vol 50 No 22). So it came as a surprise this month when Samkange was charged with perjury over his conduct in one of the cases about diamond rights (AC Vol 51 No 10). The alleged perjury involved having named the wrong director of African Consolidated Resources (ACR) in an affidavit in the dispute over the Marange diamond fields and the embargo on the sale of diamonds.

Samkange had won a judgement and court order favourable to ACR, which others want overturned. When he failed to appear on the first day set for hearing his case, his opponents applied for and won a warrant for his arrest for contempt of court. For the second hearing, he arrived confident that he was still in good standing with the authorities but was met on the courtroom steps by two police officers. He bolted but, out of training, he was caught and handcuffed. 'They tried to kidnap me,' he complained.

The police and even the Attorney General's office often have difficulty in distinguishing between the accused and their lawyers. Privileged communications between attorney and client have often been the basis for charging the lawyer, so far unsuccessfully. Another trick is digging up obsolete laws as the basis for charges. A Harare City Council subcommittee dominated by the Movement for Democratic Change unearthed an apparent massive fraud in the disposal of council land by its predecessor, a ZANU-PF-inclined group of commissioners appointed by Local Government Minister **Ignatius Chombo**. Their report, clearly a privileged one, was leaked to the press.

The Council submitted the report to the police, asking for charges to be brought against two of the supposed beneficiaries, Chombo and **Phillip Chiyangwa**, a businessman. The police dragged their feet. Chiyangwa charged the councillors with criminal libel. The police arrested the councillors and brought them to court, which granted bail. A test case clarifying whether libel is a civil or a criminal matter now seems likely. ●

This immediately put ZANU-PF and the MDC-Tsvangirai more at loggerheads than ever, as Tsvangirai was not consulted. 'The MDC-T views Chiweshe's elevation as a clear reward after he presided over the rigging of the 2008 presidential election when he was the Chairman of the ZEC,' said an MDC representative. 'We are not losing sleep about the MDC-T's complaints. It is President Mugabe's constitutional right to appoint judges,' said ZANU-PF Spokesman **Rugare Gumbo**. Chiweshe's previous legal career was in the Judge Advocate's office of the Zimbabwe Defence Forces, which he eventually headed as a brigadier general. That background wins him favour with the ruling party.

In any case, under the September 2008 Global Political Agreement (GPA), senior appointments should be made after consultation between the parties in government – ZANU-PF and the MDC – but they have not even been mentioned to the MDC ministers most closely involved, **Eric Matinenga**, the Constitutional Affairs Minister, or Deputy Justice Minister **Jessie Majome**. Mugabe and his team bypass power-sharing. The Council of Ministers, chaired by Prime Minister Morgan Tsvangirai, is going the same way as the National Security Council, which was supposed to replace the regime's Joint Operations Command. A solitary ZANU-PF minister holds a watching brief at Council meetings; the rest stay away. A directive from the President's office replaced ministerial reports to the Council with reports to the cabinet, chaired by Mugabe, where there is an almost full turnout by all parties.

Even the cabinet's power is limited. Most ZANU-PF ministers are also members of the party's 49-member Politburo which, before power-sharing, held the real power. The 2008 elections, the Government of National Unity and ZANU-PF's fractious December congress left the Politburo semi-paralysed. It is slowly groping its way back. Its decision not to negotiate outstanding issues until the MDC engineers the lifting of international sanctions came close to tearing up the GPA.

Ministers' time is left free to debate the comparative sizes of the presidential and prime ministerial motorcades; their decision is that the bombproof presidential limousine is escorted by six Mercedes, two lorry loads of Presidential Guard, a mobile hospital and a squadron of motorcycle outriders, collectively dubbed 'Bob Mugabe and the Wailers'. The Prime Minister gets a mere six vehicles. These are not just teething problems. In his December lecture on the rule of law to the English and Welsh Bar Association, former Chief Justice **Anthony Gubbay** argued that confrontation with the judiciary and erosion of the rule of law had been a deliberate and consistent policy. ●

GUINEA

Votes and the mining houses

A heavy crop of parties will contest next month's election but the real contest is about controlling mineral rights

Of the 20-odd candidates running in the 27 June presidential election, two veterans stand out. They are **Alpha Condé**, the pugnacious leader of the *Rassemblement du Peuple de Guinée* (RPG), and **Cellou Dalein Diallo**, President of the *Union des Forces Démocratiques de Guinée* (UFDG) and Prime Minister under the late General **Lansana Conté**. Coming up on their flank is **Sidya Touré** of the *Union des Forces Républicaines* (UFR). This could be the freest election since Guinea seized independence from France in 1958, although supporters of the leading candidates all fear interference from the junta.

The officers who replaced Conté hours after his death in December 2008 have promised to stay on the sidelines (AC Vol 50 No 2). The coup leader, Captain **Moussa Dadis Camara**, is out of action after one of his men shot him last December. Gen. **Sékouba Konaté**, who commands the army and, for now, the country, has promised to obey whomsoever the *Commission Electorale Nationale Indépendante* (CENI) names as winner.

Alpha Condé's RPG is largely financed by **Kerfalla Person Camara** (known as KPC), boss of the Guicopress company, who is both extremely rich and a good friend of Konaté. The party's unpretentious office, in the fashionable district where the mining companies have their offices, teems with ex-ministers and power brokers from Conté's regime, such as **Fodé Bangoura** (formerly a Minister-Secretary General to the Presidency) and **Kiridi Bangoura** (ex-Minister of Territorial Administration and Decentralisation).

Also active is **Ousmane Doré**, once the International Monetary Fund representative in Senegal. After the mutinies in early 2007, the then Premier, **Lansana Kouyaté**, made him Finance Minister. Kouyaté and Condé now struggle for control of some mainly Mandingo villages in Upper Guinea and Kouyaté, who is Mandingo, leads the brand-new *Parti de l'Espoir pour le Développement National*, whose main asset is the backing of Libya's Colonel **Moammar el Gadaffi**.

Some claim that Alpha Condé's support comes from big communications companies, as well as from Bouygues, the huge French building contractors. Condé's team includes Cheikh **Yaya Kane**, who was in charge of the electoral register

in 1993; **Moustapha Naïté**, Chairman and Managing Director of Mouna Group Technology, and **Damantang Camara**, a lawyer who helped to produce a United Nations report on reforming the security forces. Condé, an old classmate of France's Foreign Affairs Minister **Bernard Kouchner**, has been active in the Socialist International, alongside presidents **Laurent Gbagbo** of Côte d'Ivoire, **José Eduardo dos Santos** of Angola and **Jacob Zuma** of South Africa.

In the 1993 elections, Condé got just over a quarter of the votes cast and would have pushed Conté into a second round if his votes had not been jettisoned on his home ground, Kankan and Siguiri. In 1998, after a pre-election demonstration, Condé was arrested, falsely accused of trying to 'overthrow the regime by force of arms'. In 2003, he boycotted the polls. He is now 73 and will have competed against three presidents: **Ahmed Sékou Touré**, Conté and Dadis Camara.

DALEIN THE FAVOURITE

Conté's former Prime Minister, Dalein Diallo, is tipped to win on the second round of voting. He has kept away from open politics since he was overthrown by Fodé Bangoura in 2006 and sacked for 'grave errors' (AC Vol 47 No 13). Having failed to win the leadership of the *Union pour le Progrès et le Renouveau* (UPR), he took over the small UFDG and attracted some senior supporters, including his friends, ex-ministers **Yousouf Sylla** (Fisheries) and **Aliou Condé** (Transport). He also brought into the party **Mamadou Saliou Bella Diallo** (now Minister of Technical Education and Vocational Training) and **Amadou Oury Bah**, Minister of National Reconciliation and Solidarity in the team of Kouyaté, who founded the UFDG.

Dalein argues the case for the largest ethnic group: there has never been a Fulani (Peulh) head of state. One of his key appointments has been the communications expert **Souleymane Tianguel Bah**, who will try to dispel Dalein's reputation for working in Conté's oppressive regime. The UFDG keeps its distance from the UPR and its leader **Ousmane Bah**, who took over from the late **Siradiou Diallo**. Bah's party will be the UFDG's main opponent in central Guinea, which is mainly Fulani; his UPR lacks strength nation-wide but can hurt the UFDG among the Fulani. Dalein has

also attracted some hostility in *Guinée Forestière*, the southern rain-forest region, because of harsh remarks about the wounded Dadis, who comes from the area. Some friends of Dadis fear Dalein has made too many inroads into the Presidency. All this reduces the likelihood of the first round of voting producing an outright winner.

The UFR seems to be gathering strength under former Premier Sidya Touré (1996-99). After the 1996 mutiny, Conté brought him in to straighten out the shattered economy and he did a good job, boosting his reputation but not eliminating his ethnic disadvantage: his Diakhanké people make up than 1% of the nation. Touré's party has lost several leaders: **Rougui Barry**, the country's first credible female politician; **Ousmane Kaba**, an economist who has founded his own *Parti Libéral pour l'Unité et la Solidarité* and intends to stand for president; and **Makalé Traoré**, law professor and once Public Administration Minister.

Outside runners include the UPR's Ousmane Bah; ex-Premier **François Loncény Fall**, who leads the *Front Uni pour la Démocratie et le Changement*; and ex-National Assembly President **Aboubacar Somparé**, heading the *Parti de l'Unité et du Progrès*, once Conté's ruling party.

Fringe candidates include **Abe Sylla**, back from the **United States**; **Ibrahima Kassory Fofana**, a former Conté Finance Minister who helped to build up Dalein; diamond dealer **Bouna Kéita**; **Mamadou Sylla**, boss of Futurelec Holding; **Boubacar Barry**, of the *Parti National pour le Renouveau*, a friend of Dadis; and accountant **Mamadou Bah Baddiko** with his *Union des Forces Démocratiques*.

Under the pre-election agreement, Premier **Jean-Marie Doré** cannot stand and he resents it; he had hoped to delay polling by calling for a constitutional referendum. His *Union pour le Progrès de la Guinée* (UPG), hitherto a minor presence, has picked as its candidate **Papa Koly Kourouma**, friend of Dadis and former Environment Minister. The *Forum des Forces Vives de Guinée*, which allies party leaders, trades unionists and civil society, strongly criticised Doré for trying to defend the unauthorised signing of mining contracts.

Hyperdynamics Corporation, a Texan company prospecting for oil, has firmed up its contract after renouncing its claim to 70% of offshore sites. Mines Minister **Mahmoud Thiam** approved a joint venture between the **Brazilian** giant Vale and General Resources, run by **Beny Steinmetz** (see Box). The UFD's Mamadou Bah Baddiko, Spokesman for the *Forces Vives*, says all such deals will be reopened if there is a change of regime.

Missing from the presidential contest is **Ibrahima Fofana**, the combative and

influential head of the *Union Syndicale des Travailleurs de Guinée*, who died on 16 April in a road accident with fellow union leader **Magbé Bangoura**, General Secretary of the *Confédération des Syndicats Libres de Guinée*, and two journalists.

The kingmaker, if Dalein and Alpha Condé face a second round, could be Sidya Touré. He was Premier when Condé was arrested in 1998, so the two are by no means friends but if he linked up with Dalein, people might fear the return of the Conté era. One of the UFDG leader's close allies told us that Sidya was open to any alliance that would keep out Dalein.

The new Armed Forces Chief of Staff, Colonel **Nouhou Thiam**, has sent thousands of troops to guard the border. Konaté has put him in charge of a special election security force, the *Force Spéciale de Sécurisation du Processus Electoral* (Fossepel), where his deputies are Col. **Ibrahima Baldé**, Gendarmerie Chief of Staff, and Lieutenant Col. **Sékou Mara**, Deputy Police Director.

Thiam insists the army will stay neutral during the campaign and obey the winner. If trouble arises, he says, 'We will crack down.' The Colonel could emerge as a new strongman. ●

PROMISING CONTRACTS

Guinea's interim government has seen through several big developments in the mineral sector, in spite of an agreement that no new deals be ratified until after June's elections. In April, the **Israeli** billionaire **Beny Steinmetz** sold 51% of his Guinean operations to **Brazil's** Vale (AC Vol 51 No 10). Together, they have pledged to spend US\$8 billion on exploiting iron ore concessions, to be exported via a railway corridor through **Liberia**. In May, Hyperdynamics, a Houston-based oil company, confirmed that it had received a production-sharing contract. A few days later Bellzone, a London mining firm, suddenly announced a promise by **China** International Fund (CIF) to spend \$2.7 bn. on building a railway to the Guinea coast in return for access to Bellzone's iron ore permits.

CIF, a secretive Hong Kong company with links to the Chinese government, last year promised to invest \$7 bn. in Guinea, in return for access to vast mining and oil rights. That deal was announced shortly after the junta under Captain **Moussa Dadis Camara** killed more than 150 opposition protesters in Conakry's stadium in September 2009. Some Western diplomats say that deal was steered through by Dadis and Brigadier General **Sékouba Konaté** (now interim head of the junta), who managed the transfer of large sums from the signature fee into the junta's coffers.

Steinmetz first came into Guinea in 2006, with an agreement giving him a range of permits, plus first rights on concessions that Rio Tinto had given up. In the dying days of General **Lansana Conte's** regime, Steinmetz took control of half of Rio Tinto's lucrative Simandou concession, which had been revoked.

Dadis appointed the smooth-talking banker **Mahmoud Thiam** as Minister of Mines and he has kept the job in spite of Dadis's December departure; he is a protégé of **Ibrahima Kassory Fofana**, an aspiring presidential candidate who was Finance Minister under President Conte. Both are close to **Ibrahima Sory Touré**, head of public relations in Steinmetz's Guinean subsidiary and Conté's brother-in-law. Thiam has travelled on the private jet of **Manuel Vicente**, Chairman of **Angola's** state oil company, Sonangol, who has corporate links to CIF (AC Vol 51 No 6).

Several diplomats and government officials claim that Israel's former Prime Minister **Ehud Olmert** accompanied Steinmetz to Guinea to smooth things through with Dadis in July last year. Their trip coincided with the arrival of **Israel Ziv**, a retired Israeli Major General with a contract to train an ethnic militia for Dadis. Ziv was received by **Victor Kenan**, an Israeli diamond dealer who has lived in Conakry for nearly 20 years, has tight links with Guinea's security services and says he is close to the Steinmetz family. Kenan was seen in the Presidency on the day Vale's deal with Steinmetz was announced, accompanied by a younger man carrying a suitcase and a jewel box.

At a press conference in Conakry in April, interim Prime Minister **Jean-Marie Doré** was asked whether there was any link between the signing of the Hyperdynamics agreement and the start of building work on his private house. He replied that he could afford the works because he earned \$18,500 a month at the United Nations International Labour Office in the 1980s. Doré has suggested that Dadis might be stirring up trouble ahead of the polls; Konaté has shut down the training camp and sidelined his military allies. **Papa Koly Kourouma**, formerly one of Dadis's biggest public supporters, has since tempered his criticism of Konaté. In April, one of Kourouma's right-hand men was spotted in Thiam's waiting room.

Thiam, meanwhile, says that Rio Tinto must build part of the massively expensive Trans-Guinea railway from its remaining section of the Simandou concession to Bellzone's Kalia concession, which CIF is to link to the seaboard under the \$2.7 bn. Chinese deal. He says the cheaper and quicker option of exporting iron ore through Liberia will be reserved for Steinmetz. ●

W. AFRICA/INTERNATIONAL DRUG TRADE

Dealers on a high

Stricter policing makes little impact on the flourishing cocaine trade, so it may be better to target the money launderers who handle the proceeds

The quantity of illegal drugs seized in Africa has been falling. However, that indicates not the success of anti-trafficking policies but the increasing skill of the traffickers in avoiding getting caught. The profits to be made are so huge that local politicians and law-enforcers ignore the dangers to health and to society. The current street battles between drug dealers and police and army in **Jamaica** may help to focus minds.

One official from the United Nations Office on Drugs and Crime, **Cyriaque Sobtafo**, told *Africa Confidential* of UNODC's twice-yearly informal meeting of non-African countries which have police representatives in West Africa: **Canada, Denmark, France, Spain and the United States**. Their joint opinion was that the

criminal organisations had changed their tactics and that islands such as those belonging to **Guinea Bissau** remained 'completely uncontrolled'.

Up to 150 tonnes of cocaine are believed to pass each year through West Africa, which is increasingly used as a staging post for Europe. UNODC's figures for cocaine seizures suggest that 2004 was a turning point. Central America and the Caribbean had been the main transit points until, from the early 2000s, the European Union prioritised efforts to block the Caribbean route. In particular, cocaine for the **Dutch** and other European markets was for many years largely smuggled through the Netherlands.

The European Monitoring Centre for Drugs and Drug Addiction (EMCDDA, an

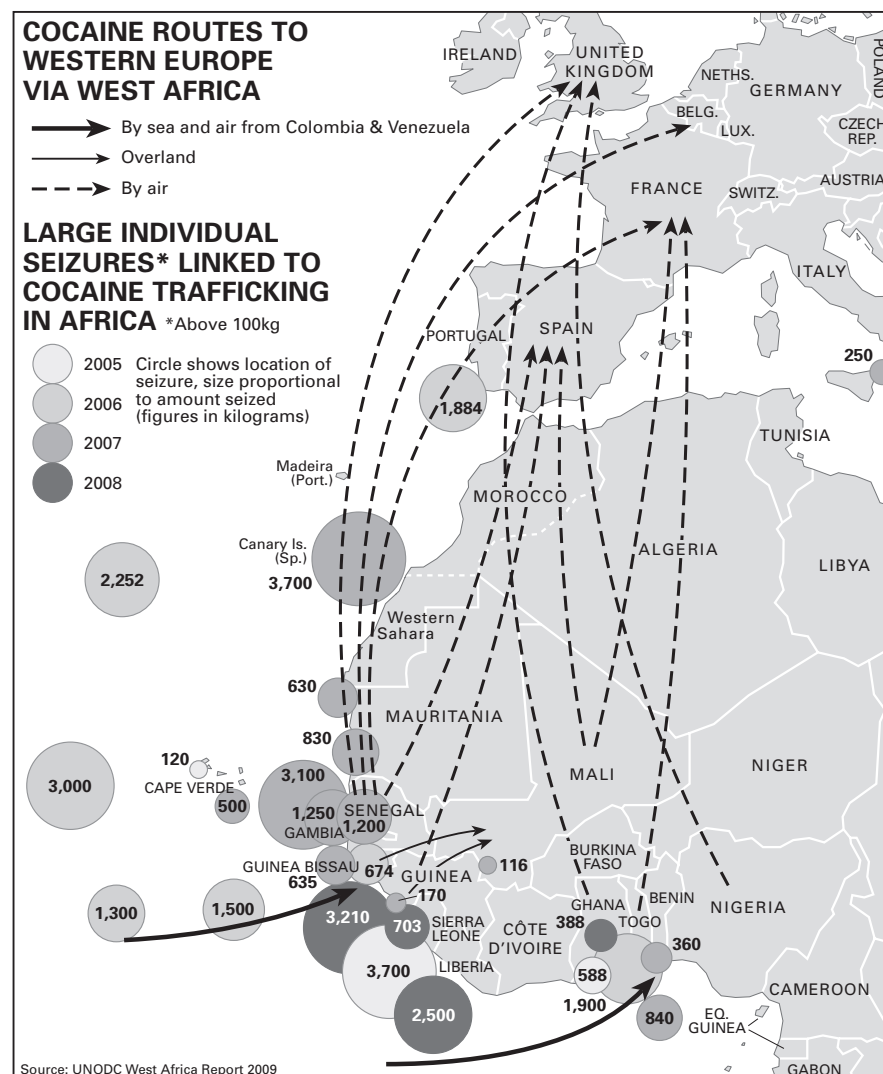
EU agency, based in Lisbon, **Portugal**) notes that in 2001-02, increasing amounts of cocaine were smuggled into the Netherlands via Schiphol Airport. Much of it was transported by couriers who swallowed the powder in waterproof packets (usually condoms) that, if the courier is lucky, pass through the digestive system without breaking up.

In January 2002, the Hague took stronger measures at Schiphol to combat smuggling from the Netherlands Antilles, Aruba and **Surinam**. The following year, the Dutch police kept a careful watch on all flights into Schiphol from those countries and from **Ecuador, Peru and Venezuela** (AC Vol 50 No 24). In 2004, a startling average of 290 drug couriers were arrested each month; in 2005, this decreased to 175 a month. In the first half of 2006, about 80 couriers were arrested monthly. Yet as Dutch seizures decreased, trafficking and seizures in West Africa increased. International cocaine seizures there in 2004 were 18% higher than in 2003, while seizures of cocaine across all of Africa tripled to 3.6 tonnes from 1.1 tonnes, according to UNODC.

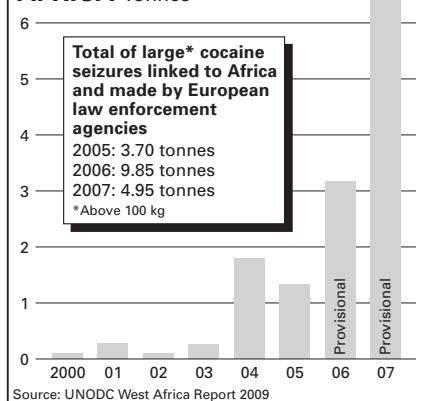
West Africa has many attractions for cocaine dealers. Flights from Central and South America can pass undetected across the Atlantic, criminals find it easy to corrupt local police, there is little legislation or action against money laundering, and traffickers can find local gangs to work with. UNODC reports that most couriers arrested in Holland in 2006-08 came from Africa; the same applied to seizures in **Belgium** and **France**.

As the trafficking business evolved, West Africa became the most important regional hub. Initially, cocaine-carrying aircraft from South America landed on islands such as **Cape Verde** (AC Vol 48 No 18). There, Africans did the logistical work, storing the drug until another group – often European or **Lebanese** – picked up the consignments and organised their transport to Europe. Seeing the profits available, some African criminal groups soon started up their own operations.

A study by criminologist **Letizia Paoli** for the EMCDDA in 2000 found that the drug market was open to newcomers even in areas which were under the influence of traditionally strong criminal syndicates, such as the Mafia in **Italy**. African operators moved in and West Africa evolved from transit point into marketplace. Drug-related transport, retailing and money laundering increased accordingly. **Robert Hauschild**, head of the Drugs Unit at the EU police agency, Europol, points out that couriers on commercial flights could swallow at most 1.5 kilogrammes, limiting the amount that could be carried by that means. Bigger shipments must travel by land or sea, reaching the Mediterranean, then Europe, along tracks across the



COCAINE SEIZURES IN WEST AFRICA Tonnes



central Sahara. Those routes may pass through conflict zones and the journey may involve help, or opposition, from local interests which demand to be paid off.

South American syndicates pay in cocaine for help with storing the drug: African recipients then try to make money from that cocaine, at home or abroad. A market for cocaine has developed within Africa itself. The African gangs can be very flexible, says **Kwesi Aning** of the **Kofi Annan** International Peacekeeping Training Centre, sometimes working through extensive networks, sometimes in self-contained independent cells. A family business may develop, using relatives to smuggle cocaine into Europe and retail it once there. There may be higher profits (as well as higher risks) in one-off partnerships with foreigners.

The most dangerous groups, says Aning, are those that develop local networks to suborn police, customs officers and other officials; he notes that this involves rational, careful planning. By involving people from many backgrounds, such as police, immigration officers, customs officers, bankers and lawyers, they can undermine law enforcement and facilitate criminal collaboration across borders. For example, a middleman may demand 10% of a consignment entering **Ghana**. If 400 kg. is destined for Europe and the middleman keeps 40 kg. of it, he may spend the revenue from 20 kg. on organising the journey, with the remaining 20 kg. as his profit, a profit that will be much bigger if the drug can be sold to affluent Western customers.

One way of passing airport controls is the 'scattergun approach'. If 20 people carrying cocaine pellets inside them board an aircraft, it is unlikely that the police will investigate all of them. Even if some are arrested, most of the batch will get through. Even if the drug carriers (known as 'mules' and often market-women) are paid very little for their dangerous ventures, one trip can earn them more than they would otherwise earn in a year.

Region-wide action against the trade lacks coordination. Aning told a meeting

in the **British** Parliament in December that the Economic Community of West African States had eight different types of convention and protocol. Law-enforcement is under-resourced, governments have difficulty controlling national airspace and aircraft from South America can land without being identified. The US Department of Homeland Security claimed in 2008 that, when a few were detected, it was often by chance.

POLITICAL DESTABILISATION

The trade that conveys drugs into Europe also provokes political instability in West Africa. Some commentators talk about 'Mexicanisation', meaning a transfer of power to the narco-traders who have the money. In fragile states, as in some Latin American countries, the drug economy tends to become embedded. Local criminal or insurgent groups may be tempted by such a rich source of funds. US military and intelligence officials and others claim that there are links between the drugs trade and *Al Qaida* in the Islamic Maghreb (AQIM). Some critics of US policy note that AQIM is a tiny force and bitterly opposed to drug-taking. They see the USA's warnings as an attempt to justify its military presence in **Mali** or **Niger**. However, Islamist movements worldwide have shown no qualms about using ends to justify means that Islamic law or custom repudiates, including violence, armed robbery (**Egypt**) and drug production (**Afghanistan**). Controlling Saharan routes has for centuries been equated with power. Western intelligence agencies have also long been watching links between drugs barons and a growing Islamist presence in South America, including **Colombia**, home of many coca cartels.

Other routes are available, too. The drug-dealers' aviation network has expanded in the last year (AC Vol 50 No 24) and could have several Boeing 727 aeroplanes, able to carry up to 10 tn. of drugs and other goods, claims **Alexandre Schmidt**, a UNODC regional representative. There is concern that the smugglers can also use this network to carry people, including into the Americas. In December, the US Drug Enforcement Administration (DEA) arrested three men from Mali during a sting operation in Ghana and had them extradited to the USA on drug and terrorism charges. They were accused of trafficking cocaine across Africa to support AQIM. The DEA claimed that AQIM could move cocaine through North Africa and then Spain, producing an income of \$2,000 per kg. **Harouna Toure**, allegedly the group's leader, reported one overland route via **Algeria** and **Morocco**, another via North Africa and Spain.

Outside interference, for example by giving police vehicles and weapons to combat the drugs trade, can lead to

COCAINE PRICES 2007

Country	Typical wholesale price (US\$ per gram)	Typical retail price (US\$ per gram)
LATIN AMERICA		
Bolivia	2.3	3.5
Brazil (2005)	3.0	12.0
Colombia	2.2	na
Mexico	12.5	na
Peru (retail: 2006)	0.9	na
AFRICA		
Egypt (retail: 2006)	62.2	78.7
Kenya	na	31.3
Nigeria (wholesale: 2006)	19.6	32.5
South Africa	na	35.4
EUROPE		
Austria	61.7	99.3
Czech Republic	93.8	102.8
Denmark	40.4	73.5
Finland	61.6	109.6
France	41.1	95.9
Germany	48.8	86.2
Greece (2006)	62.7	109.8
Hungary	46.7	80.3
Ireland	82.2	95.9
Italy	56.0	111.8
Moldova (w: 2005 r:2006)	100.0	138.0
Netherlands	42.4	58.9
Norway	61.7	164.4
Poland	38.5	63.7
Russia	126.5	218.0
Spain	46.3	83.2
Sweden	51.9	96.4
Switzerland	44.4	75.3
Ukraine	na	160.0
United Kingdom	74.4	90.5

Source: UNODC World Drug Report 2009

PER CAPITA GDP EXPRESSED IN GRAMS OF COCAINE

Country	Per capita GDP (US\$, 2005)	Number of grams of cocaine, at European wholesale prices, whose value is equivalent to per capita GDP
Benin	604	12.9
Burkina Faso	407	8.7
Cape Verde	2,136	45.4
Côte d'Ivoire	937	20.0
Gambia	348	7.4
Ghana	484	10.3
Guinea	357	7.6
Guinea Bissau	223	4.8
Liberia	137	2.9
Mali	441	9.4
Niger	268	5.7
Nigeria	611	13.0
Senegal	780	16.6
Sierra Leone	205	4.4
Togo	417	8.9

Source: Global Insight. All numbers 2005. Wholesale value based on UNODC Annual Report 2008.

conflict with the armed forces in places such as Guinea Bissau, where the military has strong interests in the drugs trade, warns **Stephen Ellis** of Leiden University and a former Editor of *Africa Confidential*.

No government can stop the flow of cocaine only by using police in the field, especially in West Africa with its vast deserts. Some argue that the smugglers now operate like multinational companies and should be tackled similarly, in particular by targeting money-laundering. That has been attempted, with limited success, against criminal gangs such as the Mafia and could be adapted to the Africa-Europe drugs business. Others say drugs earn huge profits because people in rich countries pay huge prices for them and the trade can be curbed only by policies that would limit that demand. ●

Out of Africa and into Asia

Some canny commodity traders are moving into Africa's mining business to target the Asian market

Two of the world's biggest and most controversial commodity traders, Trafigura and Glencore, are building up their metals businesses in Africa, to compete with **Chinese** rivals and meet demand from Asia. The aim is to control the supply chain from extraction to distribution. Both firms are based in tax-havens in **Switzerland** (Baar and Lucerne) and are notoriously secretive.

Glencore was founded by the serial buster of United Nations' sanctions, **Marc Rich**, who was convicted of tax evasion in the **United States** in 1983 and then pardoned by outgoing President **Bill Clinton**. Trafigura has made a series of payments: 155 million euros (US\$189 mn.) to the government of **Côte d'Ivoire** and 33 mn. euros in a class action in the London courts, after a local subcontractor dumped toxic waste in Abidjan, which the Ivorian courts said had caused the deaths of 17 people and poisoned thousands more (AC Vol 50 No 18).

In Africa, Glencore and Trafigura make money in two ways. The first is mining and refining minerals. This is vulnerable to commodity price swings, such as the present rapid downturn. The traders also make money from 'value-added' services once minerals have been dug from the ground. For example, on a contract to deliver copper from **Zambia** to a customer in Asia, they charge for transport, insurance and storage en route.

Increasingly, both Trafigura and Glencore are investing directly in mines themselves; in exchange for financing, they get to market the mines' production, often through a partnership whereby the trading company buys a certain amount and then profits are distributed. This gives them leverage over how much of a commodity is produced at a given time, allowing them to predict costs, protect their trades from market swings and anticipate economic cycles. One employee explained that, while the price of a commodity can move up or down, 'the value-added services which we provide don't really change, so the more integrated the better'.

Both firms tend to target resource-rich countries deemed politically risky by publicly listed companies (for example, BHP Billiton or Rio Tinto), which have reputations to defend and shareholders to appease. Demand from China and **India**, as well as recent speculation,

supported commodity prices during the global economic recession.

Both companies are privately held and do not publish accounts. Glencore may be moving towards a public listing – its \$2.2 billion bond, issued to investors in China, **Singapore** and the USA in December, valued the company at \$35 bn. One route to going public could be a merger with Xstrata, with which it already does a lot of business. Glencore, led by **South African Ivan Glasenberg**, looks better established. Back in 2000, it took a minority investment in the Mopani copper and cobalt project in Kitwe, Zambia, and has since expanded its shareholding to 73%; its four underground mines produce 255,000 tonnes of copper and 2,200 tn. of cobalt each year. Glencore also owns a smelter and refinery in Mufulira.

COMPETITION IN KATANGA

Competition from China is growing fast. In May, President **Rupiah Banda** of Zambia announced that the China Development Bank would provide \$5 bn. in loans to private mining companies. Banda said it was to encourage Zambian joint ventures with China. Last year, Glencore averted the bankruptcy of Katanga Mining in **Congo-Kinshasa**, which is listed in Toronto, **Canada**, and where Chinese companies have also invested heavily. Katanga's mines can produce more than 300,000 tn. of copper and 30,000 tn. of cobalt a year and include mines in southern Congo-K and a processing plant, though Congo's biggest underground copper mine has underperformed for years due to financial and management problems.

A loan of \$265 mn. increased Glencore's stake in Katanga from 8.5% to 72.2% and raised the company's copper-mining capacity by an estimated 77%. 'Glencore is interested in the metal, not running the company,' commented one analyst. Glencore also has 40% of the smaller Toronto-listed copper and cobalt producer Mutanda Mining. Both companies' partnerships with the parastatal *Générale des Carrières et des Mines* (Gécamines) and closeness to the Mines Minister, **Martin Kabwelulu**, add political clout (AC Vol 49 No 23).

Glencore's recent surge in profitability came as China began importing coal; its 70% of Shanduka Coal in South Africa helps to meet Chinese demand.

The company has several other indirect African mining stakes through its 34.4% shareholding in Xstrata, listed in **Britain** and **Switzerland**, which produces ferrochrome and vanadium in South Africa. There is another agreement with two Xstrata subsidiaries to market coal and ferrochrome and an 8.7% stake in the **Russian** aluminium producer Rusal, with bauxite projects in **Guinea** and **Nigeria**.

Trafigura develops its Africa investments from its base in Windhoek, **Namibia**. Several of them compete with Glencore, whose associated company Afroneft supplies oil to the state-owned National Petroleum Corporation of Namibia (Namcor). In February, Trafigura signed contracts for mines and metals in **Angola**, **Congo-Kinshasa**, **Namibia** and **Zambia**, and it has struck deals to buy between 20% and 25% of the copper produced in Zambia (a planned total of 700,000 tn. of copper in 2010 and 1,000,000 tn. in 2011). The one Zambian mine from which Trafigura will not be buying is Glencore's Mopani.

In Namibia, Trafigura has contracted to buy 120,000 tn. of zinc from the Skorpion mine, a contract previously held by Glencore. Trafigura has since 2004 been buying 30,000 tn. of lead and zinc from Rosh Pinah mine, owned by South Africa's Exxaro Resources.

In Congo-K, Trafigura has invested in an equity-for-metals swap similar to Glencore's and has provided \$200 mn. to Anvil, of which it owns 36%, to develop the Kinsevere project in Katanga. Production is projected at 60,000 tn. a year and Trafigura gets marketing rights for all of it. Trafigura loaned Anvil an extra \$100 mn. for development, a month after it had invested \$33.9 mn. in the Kipoi copper project operated by Tiger Resources.

According to Trafigura's Chief Financial Officer, **Pierre Lorinet**, one reason for choosing Windhoek as its base is its strategic position next to Angola, whose fabled mining riches have remained largely unexploited (except diamonds) since the civil war ended in 2002. The company's subsidiary Puma Energy reportedly concluded a \$1 bn. deal in December to open 200 petrol stations in partnership with the state oil company, Sonangol.

Trafigura also has its eye on iron ore and hopes to develop mines and steel mills in Cassinga, Huila Province, in partnership with the state-owned *Companhia de Ferro de Angola* (Ferrangol), a deal which also requires close government connections. A Trafigura spokesperson said it was also looking at iron and coal in South Africa, copper in **Botswana** and zinc and lead in West Africa. ●

An unconvincing egotist

Putsch leader Andry Rajoelina says he won't stand in the forthcoming elections – but for some reason no one believes him

Andry Rajoelina, President of the incumbent *Haute Autorité de la Transition* (HAT), has said that he will not stand in presidential elections later this year but he is determined to set terms for a new constitutional framework, boycotting the deal negotiated with his opponents at talks in **Mozambique** and **Ethiopia** last year. The 24 May reshuffle – with General **André Lucien Rakotoarimasy** now at defence and three other soldiers among the ten new ministers in Prime Minister **Camille Vital**'s new government – reflects the growing political role of the military. Yet there is no sign that it will bring Madagascar's transitional regime any closer to the compromise with opposition leaders that might resolve the 18-month political crisis. If anything, the mood is becoming more polarised.

Mystery still surrounds the arrest of mutinous *gendarmes* last week after a firefight with loyalist forces on the streets of Antananarivo left at least four dead, including a prominent Protestant pastor. The 20 May shoot-out – in which rebels protesting over pay allied with opposition-supporting clerics – exposed the rivalries festering within Madagascar's military as the crisis continues into a second year.

Former Presidents **Albert Zafy**, **Didier Ratsiraka** and **Marc Ravalomanana**, who have now formed a common front, the *Madagasikara* alliance, have rejected Rajoelina's unilateral strategy. Further talks in Pretoria, on 30 April and 1 May, failed to produce a deal, and a planned second round has yet to take place. The decision to withdraw from the presidentials has also failed to convince and Rajoelina has not halted the trials and convictions *in absentia* used to exclude the exiled Ravalomanana from domestic politics.

Aware of deepening rifts and resentments within the military, on 12 April Armed Forces chief General **André Andrianarijaona** and *Gendarmerie* chief General **Bruno Razafindrakoto** issued a barely veiled warning to Rajoelina of the risk of a coup if he failed to come up with a credible new strategy. They demanded 'a specific road map' to restore national unity by a set deadline. In pressing for details of how the state would finance salaries, elections and public projects, they effectively questioned whether Rajoelina's unilateral approach was viable. This pushed Rajoelina into attending the Pretoria meeting but – with no side willing

to compromise – that too failed and he was forced to consider more radical options.

The withdrawal, privately encouraged by **France**, also represents a painful reality: Madagascar will not recover foreign aid unless the HAT reaches a genuine compromise with the opposition. The African Union, Southern African Development Community, United Nations and Western donors have decided to take a stand on Madagascar in defence of the principle that unconstitutional changes of power will not be recognised. Ravalomanana's presidency was flawed by intolerance and vested business interests but he was an elected head of state who was forced out by the military in March 2009 to make way for Rajoelina.

Rajoelina's withdrawal is perhaps a holding position. He has set out plans for a constitutional referendum on 12 August, with elections later in the year and is trying to bolster the independent electoral commission, but he does not appear to be preparing to surrender control.

OPPOSITIONISTS AND MUTINEERS

This uncertainty only fuels tensions, as the confrontation of 20 May showed: army and *Gendarmerie* units clashed with troops from the *Force d'Intervention de la Gendarmerie Nationale* (FIGN), who had set up positions around their Fort Duchesne base and called for support in their protest against Rajoelina's government. They also sought to protect a group of Protestant demonstrators supportive of the exiled Ravalomanana.

The rank and file of the elite FIGN, set up by Rajoelina and the HAT last year, have been increasingly truculent, claiming that their deputy commander – today's *Gendarmerie* chief Gen. Razafindrakoto – failed to pass on 190,000 euros (US\$235,000) in funds allocated in early 2009 by Ravalomanana.

The whereabouts of Colonel **Raymond Andrianjafy**, head of the FIGN operations service and an alleged mutineer, were initially unknown but *Gendarmerie* sources have since claimed he is under arrest. There are hints that he enjoyed a wider sympathy among fellow *gendarmes* than has been so far admitted.

The growing polarisation across institutions has also been highlighted by the emergence of the *Mouvement des Ecclésiastiques* (*Hetsiky ny mpitondra fivavahana*), a strand of Madagascar's

influential FJKM Protestant Church that supports Ravalomanana. HMF organised the 20 May clerical demonstration and the next day one of its leading figures, Pastor **Rivo Arison Ranaivo**, died from gunshot wounds. Another HMF cleric was arrested and the FJKM's *Radio Fahazavana*, the voice of the HMF, has been shut down.

This is a dangerous development in a country where, despite the open political allegiances of some Catholics and Protestants, both church traditions have sought to maintain neutrality and to campaign with civil society for good governance and fair elections.

As the politicians manoeuvre and procrastinate, the underlying social, economic and political pressures are intensifying. Early this year, the tourist industry – one of the few sources of private sector jobs for some coastal and rural communities – reported a 50% slump in foreign visitors. Meanwhile, member companies of the industrial association *Syndicat des Industries de Madagascar* have reported a 63% slide in sales, and almost a fifth have been forced to suspend operations altogether.

In April a HAT policy paper proposed a nationalistic siege economy strategy, with the state playing a greater role and an end to the independence of the central bank. Government technocrats will want to avoid such an approach, which would risk an inflation crisis, but may have little choice if the economic isolation deepens.

January had already brought the **United States**' suspension of Madagascar's privileged export access to the American market under the African Growth and Opportunity Act. As a result, export processing plants – mostly textile factories – were forced to lay off 16% of staff, and textile sales to the USA this January were down 53% on 2009. The industry employs 110,000-130,000 people, mainly in the Antananarivo area, so the slump will hit jobs and living standards in the capital.

This coincides with a crisis in public finances, thanks to the suspension of foreign budget aid. Some 116 million euros in European Union support is blocked, as is \$20 million from the International Monetary Fund, money from the US Millennium Challenge Corporation and much of the World Bank's support. Deeper spending cuts are becoming unavoidable as the slowdown erodes tax income – down by a third in the early months of this year. There are delays in payment of some public sector salaries, and a growing mountain of arrears in state payments to local firms for public sector procurement.

Meanwhile, in the aftermath of the violence, the authorities are looking for evidence of supposed collusion between the protesting Protestant clerics and the mutineers. Two pastors have been called in for questioning. ●

More muddles in the mines

It seems impossible to keep politicians, and suspect characters, away from Congo's rich mineral resources

The review of Congo-Kinshasa's contested mining contracts was completed months ago but the business is still clogged in the mire of decision-making. One victim is Kingamyambo Musonoi Tailings in Katanga, a project intended to produce more than 100,000 tonnes of copper and 20,000 tn. of cobalt from mining residue. KMT was supposed to start up within a year but is running at least a year late. First Quantum Minerals has invested almost US\$600 million in the scheme; FQM, a joint venture listed in Toronto, **Canada**, holds 65% of KMT. Its partners are **South Africa's** Industrial Development Corporation (10%), the World Bank's International Finance Corporation (7.5%), local parastatal *Générale des Carrières et des Mines* (*Gécamines*, 12.5%) and the state (5%).

The aim was to build a mineral-treatment plant on site and to help to finance the rehabilitation of groups 7 and 8 (178 megawatts each) of the Inga II hydroelectric power complex. The plan collapsed when the government decided last August to close the mining operations down, after the failure of negotiations to renew the partnership with *Gécamines*; 700 people lost their jobs and attempts at reconciliation failed. FQM called for arbitration by the International Chamber of Commerce in Paris and a first hearing may take place next month. Not to be outdone, *Gécamines* got together in late February with Congo's official mining registry to demand compensation worth \$12 billion.

One reason why FQM went to the Paris arbitration tribunal was to deter rivals eager to persuade Kinshasa to transfer the concession to them. One result is that the IFC is holding up any future deals in Congo-Kinshasa until the dispute is sorted out. The delays could affect at least nine separate projects involving investment of over \$100 mn., in banking, textiles and other sectors. Another lost opportunity to develop a company and indeed a region involves Congolese businessman **Kalaa Mpinga**, Chief Executive of the South Africa-registered Mwana Africa, which had intended to invest some \$75 mn. in Congo's main diamond-mining enterprise, the *Société Minière de Bakwanga* (Miba). In 2006, Mwana Africa bought 20% of Miba from Sibeka of **Belgium** and it had hoped to get a management contract and a half share in the Congolese giant, which

employs 5,500 people. Although there was no rival offer, the government turned down Mwana Africa and in November 2008, Miba ceased production.

We hear that politics lay behind the government's refusal to play along. President **Joseph Kabila's** team wanted to be sure that Mwana Africa and Mpinga would not emerge as an independent financial power, especially in Kasai Oriental Province. There, Kabila's popularity is far outdone by that of the old and ailing chief of the *Union pour la Démocratie et le Progrès Social* (UDPS), **Etienne Tshisekedi wa Mulumba**, who has blamed Miba's troubles on interference and financial raids from Kinshasa.

Moreover, the State Enterprises Minister, **Jeannine Mabunda Lioko**, wanted Mwana Africa to pay much more, saying Miba's diamond resources were worth more than \$10 bn. – although that was described as excessive last September by the Chairman of the Senate Commission on Mines, **David Mutamba Dibwe**, whose report blamed Miba's collapse on central government's policies, or lack of them.

ORIENTALE GOLD RUSH

Another row concerns the gold rush in Orientale Province. Civil society groups are criticising AngloGold Ashanti for publishing the terms of a rental agreement with the parastatal *Office des Mines d'Or de Kilo-Moto*, concerning the Mongbwalu concession in Ituri. A **British** non-governmental organisation, the Catholic Agency for Overseas Development, called on the company at the end of March to inform the Congolese public about the terms. 'It is unclear why the size of the concession has been reduced and where its boundaries now fall,' said Cafod, which also wants the company to publish the agreed revenue payments and its social obligations. That would involve more information about its plans for a 'social and environmental impact assessment'.

Kinshasa's daily *Le Potentiel* reckons the firm got a deal that fails to match the spirit of the mining contracts review, speaking of 'hidden financial interests' behind it. The Minister in charge was Mabunda, who has also been criticised by a member of Parliament from the *Mouvement de Libération du Congo*, **Fidèle Babala**. He claimed she had circumvented the legal requirement to tender and to consult the relevant committee and Parliament. He

claims that, if estimates of gold reserves of 28 mn. ounces are accurate, the deal will lose the state 2.7 bn.

Other companies are accused of failing to obtain calculations by the state *Centre d'Evaluation, d'Expertise et de Certification* (CEEC) of precious and semiprecious minerals (gold, silver, rhodium or germanium) that may be exported, along with copper and cobalt. These figures are needed in order to levy the correct export taxes. **Léonide Mupepele**, the CEEC Director, says one such defaulter is **Australia's** Anvil Mining, which operates the copper and silver mine at Dikulushi. He says such companies have a powerful lobby in Kinshasa, which has tried to organise a strike in order to destabilise the CEEC.

One of these lobbyists, says a Congolese official, is **Augustin Katumba Mwanke**, a former Anvil manager, now an MP and President of Kabila's coalition, the *Alliance pour la Majorité Présidentielle* (AMP). He is known as 'AK-47' for his reputation as an arms dealer. A United Nations experts report in 2002 criticised him for pillaging natural resources and a parliamentary commission identified him as having, in 2001, instructed Miba to buy military equipment from the **Czech** company Thomas CZ.

A new episode in the legal battle between FQM and the government took place on Friday 21 May, when the Congolese Supreme Court decided to cancel FQM's title rights to the Frontier and Lonshi deposits. According to **Alexis Mikandji**, chief of staff at the Ministry of Mines, the decision was justified by the fact that First Quantum only had a letter from the Ministry and not a permit for both mines, whose rights are claimed by the state-owned company *Société de Développement Industriel et Minier du Congo*. As a result, FQM shares have been badly hit, falling from a year-high of C\$100.32 to C\$62.79. Since November 2007 FQM has invested US\$226 mn. in the Frontier Mine project. The legal wrangles occur at a crucial time. Feasibility studies for underground mining at Lonshi were near completion and it is likely that in such a legally unstable environment, FQM will not go ahead with further investments.

Forecasts by the Mines Ministry of a doubling of copper output from 410,000 tn. to 851,600 tn. by 2012 are now in doubt. Besides this row, on 24 May, mining houses operating in Katanga announced that they would withhold tax payments to the provincial government. They are challenging the decision by the governor of the province to raise a US\$60 tax per tonne on copper concentrate exports. In fact, the companies do pay the tax but they say that they will treat it as a cash advance and deduct it from end of year tax payments. ●

The fight for cellphones

Amid local trade wars, Vodacom-Congo is feeling the pinch and contemplating pulling out of the DRC

Vodacom-Congo may be Congo-Kinshasa's largest mobile telephone concern, with more than 4 million subscribers, although its rival Zain claims to have more. Vodacom's internal battles are bigger still. Vodacom International owns 51% of the shares; Congo Wireless Network, based in Johannesburg, South Africa, owns 49%. They agree on little. Other conflicts divide CWN's shareholders. Vodacom-Congo is feeling the pinch, and in mid-May the employment authority, the *Inspection Générale du Travail*, gave it leave to dismiss 11% of its workforce; it employs 500 people directly and perhaps ten times as many indirectly. That prospect upsets Labour Minister **François-Joseph Nzanga Mobutu Ngbangawe** (son of the late **Joseph Mobutu Sese Seko**) while the trades unions complain that the company has failed to produce the financial statements needed to justify the cuts.

The root of the problem is that, at a rowdy meeting in Johannesburg in April, a CWN representative called for Vodacom to be dissolved. Vodacom International, which had proposed to inject more than US\$480 mn. into the company, called for arbitration under International Chamber

of Commerce rules at a Brussels tribunal. One of CWN's shareholders accused Vodacom International of fraud, forgery, usury, use of false documents and abuse of trust, and demanded payment of \$1.5 billion. He is a **United States** citizen of **Guinean** origin born in **Gambia**, **Aliou Badara Conteh**, who hopes to extract himself and his money from the company. Conteh has been schooled in **Britain** and the **USA**. A rival shareholder, **Feruza Kalume Nyembwe** (who owns 40% of CWN through the Resotel company), said Conteh's claim is unjustified.

This is where politics come in. Feruza Kalume's father is **Didier Kazadi Nyembwe**, a member of Parliament who has long, close connections to the presidential family since they all lived in **Tanzania**. Kazadi is like a second father to President **Joseph Kabila**. He was head of the National Security Council (1997-2003), then of the national oil company, the *Congolaise des Hydrocarbures*, and the intelligence agency, the *Agence Nationale des Renseignements*. A United Nations expert panel accused him of illegally exploiting Congo's natural resources during the civil wars. It is widely believed

that, when CWN was formed in 1998, Kazadi joined to represent the interests of then President **Laurent-Désiré Kabila**, whose part-ownership (like the rest of the family's business affairs) is controlled by presidential sister **Janet Kabila**.

Given their long history together in Tanzania and Congo, it is likely that Kazadi's relationship with Laurent Kabila helped CWN land the licence in the first place. Now the Vodacom Group claims that to the best of its knowledge Kazadi 'is a business associate' but not a shareholder of CWN. Yet Vodacom-Congo can also be described as a Kazadi family affair: in 2006 a third Kazadi, **Laurent**, was Vodacom-Congo's Commercial Director; in 2009 **Désiré Kazadi Katala** was head of Division Billing Systems; and **Françoise Kazadi** is Commercial Supervisor. Besides that, Kazadi Nyembwe's name appears in the contacts list of a company called Congotel which sells Vodacom products.

In April 2007, after Vodacom-Congo had failed to pay CWN a dividend in its five years of existence, the shareholders began to complain. Kazadi had Conteh arrested. The **South African** government calmed things down for a while. Yet a well-informed consultant tells us that Vodacom now wants to sell out of CWN, or even quit Congo altogether, because both the local partners and the political climate are unworkable. Potential foreign investors will be watching.

'Over the next six months, Vodacom must decide whether it continues its operations in the DRC,' said its Chief Executive Officer, **Pieter Uys**. ●

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Nigeria/Britain/United States

DANGOTE IS A GOONER

■ The eagerness of the United States-based private equity firm Blackstone to talk up the value of **Nina Bracewell Smith's** 16% stake in Arsenal Football Club may have prompted Nigerian billionaire **Aliko Dangote** to pull out of the sale talks. Dangote, who is one of Nigeria's richest men, with interests in cement, commodities and oil, was not impressed when details of his negotiations with Bracewell Smith were leaked to British newspapers over the weekend.

Lady Bracewell Smith, the daughter of an **Indian** diplomat, received the shares from her husband but was removed from the board in 2008. The fourth largest shareholder in the club, her position is key to a coming battle for control between American sports tycoon **Stan Kroenke** and **Uzbek** billionaire **Alisher Usmanov**, each of whom now owns more than 25%.

Dangote, a keen Arsenal supporter, said he was aware of the bidding process for the stake and that Blackstone, the broker of the sale, hopes to extract a 50% premium on its estimated value of £96 million (US\$138 mn). Adding that he has known former Arsenal Vice-Chairman and Usmanov ally **David Dein** for 30 years, Dangote told AC: 'I am a long-standing supporter of Arsenal Football Club and have been involved in conversations around investment in the past. However, I can say categorically at this time that I have no intention of investing in the club... I wish Arsenal Football Club the best for the future and will continue to follow the team as a fan.'

Arsenal has yet to capitalise on its popularity in Africa. A stake in the club would have strengthened Dangote's image outside Nigeria.

Ethiopia

OPPOSITION WIPE-OUT

■ In 2005, all of Addis Ababa's federal parliamentary seats went to the opposition; this time, preliminary results suggest that all but one have gone to the Ethiopian People's Revolutionary Democratic Front (EPRDF). Across the country, the opposition has been wiped out, with only two of 547 seats as *Africa Confidential* went to press.

'This election – let me take that word back – this activity that took place on May 23, we don't consider it a genuine election but rather a drama acted by the EPRDF,' complained Medrek leader **Beyene Petros** (AC Vol 51 No 10). Many opposition leaders called for a rerun of the entire elections.

As in **Sudan's** elections in April, Human Rights Watch was virtually alone among foreign organisations to speak out loud and

clear. Premier **Meles Zenawi's** government had been 'waging a coordinated and sustained attack on political opponents, journalists, and rights activists' before the 23 March vote, said HRW on 24 March.

In a 59-page report HRW 'documents the myriad ways in which the ruling EPRDF has systematically punished opposition supporters. Since the 2005 polls, it has used its near-total control of local and district administrations to undermine opponents' livelihoods through withholding services such as agricultural inputs, micro-credit, and job opportunities.' Meanwhile 'recently enacted laws severely restrict the activities of civil society and the media.'

The scale of the EPRDF's victory is embarrassing: the ruling party had committed itself to democratisation. This requires an opposition capable of building on its impressive successes of 2005 and its role in Parliament since then. Now the opposition, which failed to produce any coherent policies, will be virtually absent from the House.

The European Union, **United States** and **Britain** had all bemoaned electoral deficiencies. US Assistant Secretary of State **Johnnie Carson** said that the USA 'noted with some degree of remorse' that the elections were not up to international standards. Western criticism of intimidation and lack of transparency or a level playing field are unlikely to stop Meles remaining a close Western ally, however. Unsurprisingly, the African Union expressed no such doubts.

United States/Africa

MORE BOOTS ON THE GROUND

■ The United States Department of Defence is considering assigning a permanent army to its Africa military command, Africom. At present, Africom (AC Vol 51 No 6) has to source all the troops it uses for continental operations from other regional commands. Typically, they have to be ordered 120 days in advance, which is no recipe for lightning strikes. Even troops at Camp Lemonnier, Washington's apparently permanent military base in **Djibouti** (leased from its government for US\$30 million per annum) are there for tours of four to twelve months before returning to bases elsewhere.

The new proposal was an attempt to build up a repository of soldiers with African expertise, an Africom official told *Africa Confidential*. The proposed deployment would be about the same size as that at Lemonnier, which as of March had 1,650 soldiers, said the official. They comprise the Combined Joint Task Force-Horn of Africa (CJTF-HOA). Their priority is counter-terrorism and, in addition to Djibouti, they use 'forward-operating locations' at Manda Bay and Isiolo, **Kenya**, and at Kasenyi, **Uganda**.

The combined budget of the CJTF-HOA

and Camp Lemonnier this year is \$318 mn., more than the rest of Africom combined. The official said it was unclear whether the proposed troops would be based in Europe or Africa. A US Senate report in April questioned whether Lemonnier's theatre of operations should be widened beyond its Combined Joint Operating Area of Djibouti, **Eritrea**, **Ethiopia**, **Kenya**, **Seychelles**, **Somalia** and **Sudan** though, as its website coyly notes, 'CJTF-HOA is not currently conducting activities within Eritrea and Somalia'. It is, though, operating in **Comoros**, **Liberia**, **Mauritius**, **Rwanda**, **Tanzania** and **Uganda**.

Given African governments' reluctance to host Africom, the new boots are unlikely to be permanently on the ground in Africa. Another military source said that the additional troops might be based in **Vicenza, Italy**. The US Army Garrison there is home to the Southern European Task Force, a global rapid reaction force that includes the 173rd Airborne Brigade Combat Team, and houses over 9,000 people. If Africom's main focus is countering terrorism (i.e. *Al Qaida*), then Vicenza Garrison might indeed see its population expand.

Eritrea/Ethiopia

MIXED MESSAGES

■ In a spirit of reconciliation not always seen from Asmara, Eritrea's Ambassador in London, **Tesfamichael Gerahtu**, told AC that the people of his country and Ethiopia were 'bound to live together' and that their survival 'will depend on harmonisation'. The Ambassador is keen to display Eritrea in a new, media-friendly light, while at the same time continuing to blame the United Nations, Ethiopia and, in particular, the **United States** for the problems it faces.

When asked about the prospect of elections, Tesfamichael said the 'visionary' President **Issayas Afewerki** was 'not going to copy the model of any country' and that a 'grassroots' movement would be nurtured before elections were held. Still, he admitted the 'need to have a national election' before hastily blaming the absence of democratic process on the Ethiopian occupation and the UN Security Council's sanctions – which he also blamed for the detention without trial of journalists.

Ethiopia was a 'threat to regional peace and security', he warned, but then declared that the 'normalisation of relations is beyond any doubt'. He told AC that the relationship between Issayas and Ethiopia's Prime Minister **Meles Zenawi** had 'nothing to do with' relations between the two countries and laughed off rumours that the two leaders are related. The **Djibouti** border dispute was dismissed as an American fabrication. He insisted that Eritrea has no connection to extremist opposition in **Somalia** and that 'Iran doesn't have the slightest presence in Eritrea, let alone a submarine base'.

BLUE LINES

African football fans descending on South Africa this week promise that pan-African solidarity will win out and that the longest surviving African team in the World Cup tournament will get continent-wide support. There is heated debate about which team that might be now that the injuries of Michael Essien and Didier Drogba have dented the hopes of the Ghana and Côte d'Ivoire teams. Might Algeria's Desert Foxes or Cameroon's Indomitable Lions pull off a surprise coup and surpass the 1-0 defeat of Argentina in the 1990 World Cup?

Or what about the continent's economic powerhouses – hosts South Africa and their West African rival Nigeria? In Africa at least, there seems to be an inverse relationship between footballing success and economic growth. In the 1990s, Nigeria's economy and politics were stifled by a succession of military juntas, but its footballing star was on the rise and in 1996 the Olympic team took the gold medal, beating Mexico, Brazil and Argentina in the final. South Africa's *Bafana Bafana*, also on a winning streak, clinched the 1996 Africa Cup of Nations.

Since then, Africa has enjoyed a decade of GDP growth averaging over 5% a year but its football fortunes have sunk lower. So when banks such as Goldman Sachs and Renaissance Capital predict that Nigeria's economy will shortly surpass that of South Africa, they might spare a thought for the Super Eagles' fans this month. This might be the Eagles' last chance to outplay *Bafana Bafana*, even if their fans can look forward to fatter pay packets.

SOUTH AFRICA

Football fever, faction fever

As the world's best football teams battle it out in the stadiums, the ruling party's factions slug it out behind closed doors

As South Africa opens the World Cup tournament on 11 June, the most important national event since the 1994 elections, most of the visiting football fans will be blissfully unaware of the growing factional rivalries within the governing African National Congress. Yet for ANC-loyalists, the battles between the business-minded nationalist faction and their communist and trades unionist rivals may be more gripping than a **Brazil versus Spain** final. The expected 300,000 visitors will see the workings of Africa's biggest economy and enjoy the benefits of the 30 billion rand (US\$3.9 bn.) that the national government has spent on the tournament, plus the R9 bn. spent by the provinces.

That bought ten impressive new or revamped stadiums, rebuilt airports and many new roads across the country, as well as the brand new rail link, Gautrain, between the airport and the Sandton business district, north of Johannesburg. Economists debate the benefit this will bring to South Africans – as opposed to the contractors who have enjoyed a bonanza over the past five years. The World Cup spending is about 1.6% of the country's gross domestic product over the past two years, so it is much smaller than the sort of fiscal stimulus Asian or European finance ministries have used to counter the effects of the global financial slowdown.

Yet the World Cup expenditure has countered the effects of the slowdown by holding back the already bad unemployment figures (more than 25% of the potential workforce) and giving a fillip to consumer spending. Sceptics claim that spending on big events such as the Cup and the Olympics

rarely produces a viable economic return. It may be different in South Africa, where the economy will benefit from the better roads and airports, and the magnificent new stadiums will provide a popular venue for other international tournaments.

Visitors may be impressed by the accoutrements of its modern economy but South Africa is not about to take off from its steady growth path. The impressive Finance Minister **Pravin Gordhan** projects GDP growth of 2.3% this year and 3.2% next year. To cut unemployment, raise living standards and improve public services, the economy would have to grow by at least 6% a year.

HEALTHY DISAGREEMENTS

The ever louder disagreements on policy are probably a good thing, says Standard Bank's Chief Economist **Goolam Ballim**, because they show an underlying confidence in the economy. A decade ago, under President **Thabo Mbeki**, there was no such debate because the ANC government was preoccupied with paying off the massive debts inherited from the apartheid era and showing its capacity for fiscal responsibility. It may also have been because Mbeki presided over the scene like a stern headmaster.

President **Jacob Zuma** is no headmaster but increasingly he is forced to referee the ANC's squabbling factions. The latest battle is particularly delicate for him. One of his closest political allies, the Communications Minister and former army chief, General **Siphiwe Nyanda**, was demanding that the party discipline **Zwelinzima Vavi**, General Secretary of the Congress of SA Trade Unions (Cosatu) for criticising the 'lifestyles' and

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The rise of the watermelons

The constitutional referendum is splitting parties and creating bizarre alliances.

A troubled half-century

The foreign plunderers have joined with the local elite to create today's political confusion.

Bringing in the money

The continent's big multilateral lender is getting ready for more growth.

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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'business interests' of some leading figures in the governing party.

This spat goes to the heart of the party battle pitting the business nationalists such as Nyanda and ANC Youth League (ANCYL) President **Julius Malema** against Vavi, Higher Education Minister **Blade Nzimande** and ANC Secretary General **Gwede Mantashe** (AC Vol 51 No 8). The battle is more about building personal power bases in the run up to 2012's ANC congress, when the party will choose its new leadership, and less about ideology. Both groups have their criticisms of the steady pro-market approach of Finance Minister Gordhan and **Trevor Manuel**, who runs the National Planning Commission (AC Vol 51 No 10).

After some awkward discussions, the ANC National Working Committee rebuffed Nyanda's request on the grounds that Vavi was speaking on behalf of Cosatu, over which the ANC has no control. Nyanda, who has been named in several procurement scandals, is now threatening to sue Vavi for defamation.

One calculation Zuma has to make is which is the more dispensable group: Nyanda-Malema or Vavi-Mantashe. Both groups claim they contributed hugely to Zuma's stunning win against Mbeki for the ANC presidency at the Polokwane conference of December 2007. The question is who will be most important to him at the 2012 congress, where he may seek a second term as ANC President. The factions remain fluid but the tide is running against the business nationalists. Late last month, Malema narrowly escaped being 'redeployed' outside South Africa, as punishment for bringing the ANC into disrepute. He had been called to a party disciplinary hearing for several offences.

He had supported **Zimbabwean** President **Robert Mugabe's** land reform programme, sung 'Kill the Boer', evicted a BBC journalist from a press conference and ridiculed President Zuma, saying he was worse than Mbeki. His left-wing opponents had wanted him out of the way until after the national conference in 2012, to remove him from the fierce succession battle that will be decided there.

We hear that Mantashe, who is both ANC General Secretary and Chairman of the South African Communist Party,

had proposed that Malema's sentence be suspended on condition that he be sent off at once to a junior job in South Africa's embassy in **China** or **Cuba**. The SACP and Cosatu had demanded his suspension until the congress. Yet the business nationalists rallied to Malema and he ended up with a mild reprimand and an order to attend anger management classes.

Notable among the pro-Malema faction were ANC Treasurer **Mathews Phosa**, who wants help with his own bid for the presidency of both party and nation, and **Tokyo Sexwale**, the similarly ambitious Human Settlements Minister, who has helped to finance Malema and other ANCYL leaders. From a powerful political dynasty, Defence Minister **Lindiwe Nanceba Sisulu** has entered the presidential contest and also supported Malema. So did **Billy Masetlha**, former head of the National Intelligence Agency, a key figure among the party's informal African nationalists, and of course Gen. Nyanda backed his young ally.

BACKING MOTLANTHE

Deputy President **Kgalema Motlanthe**, a contender for the presidency, wanted the outright suspension of Malema. So did the rising group aligned to the ANC's Gauteng provincial chairman, **Paul Mashatile**, the 'Alexandria Mafia' of businessmen and women with their roots in that township. We hear they have pledged support for Motlanthe's presidential bid. After his re-election early this month, Mashatile challenged Zuma, saying 'no leader is guaranteed a second term'.

That outraged Zuma, who had already demoted Mashatile to Deputy Culture Minister, removing him from the powerful, lucrative premiership of Gauteng. At Polokwane, when the party elected Zuma as its President, Mashatile had privately supported Motlanthe, not Zuma.

Nimble legal footwork by Phosa, who was the ANC's legal chief before he became Treasurer, rescued Malema. Members accused of violating ANC rules may be legally represented by another member in 'good standing'. Phosa took Malema aside and proposed that he accept a plea bargain for three of the four charges against him, including that of bringing the ANC into disrepute. On the fourth charge of criticising Zuma, Phosa advised Malema to apologise and he did so, although his bellicose intention had been to deny all charges. This was meant to be a compromise after which both sides could walk away with dignity, with Zuma's authority restored. Phosa's presidential ambitions got a boost, too, as his former opponent Malema now owes him a debt.

Malema has since told ANCYL members in KwaZulu-Natal that he came out of his disciplinary hearing 'not bitter but bolder and stronger'. There were, he

said, 'people spreading lies' about him, who wanted to succeed Zuma. His allies are fighting back. The ANCYL's National Executive Committee says it will demand that the party's NEC overturn its ruling and it intends to ask the National General Council to do so in September.

This ANCYL faction blames Mantashe for 'masterminding' its hero's humiliation and wants to vote him out at the 2012 congress. Yet the ANC's left-wing partners, Cosatu and the SACP, have vowed to get Mantashe re-elected, as part of their campaign to take control of the party. They have yet to decide whom to back for ANC President. The Youth League wants **Fikile Mbalula**, the Deputy Police Minister, to replace Mantashe but has not yet decided whether to back Zuma's re-election.

ANC sources tell us they plan to break up Malema's base in ANCYL, which will elect new leaders at provincial conferences this year. He needs support from a majority of those leaders, so his opponents back his rivals. Next year, the ANCYL is due to elect its own new President and Malema's Deputy, **Andile Lungisa**, will challenge him. So the League is divided, with outsiders financing and boosting whichever side will back their presidential bids in the senior ANC.

Under Malema, the ANCYL is in disarray. Four of its nine provincial structures are squabbling and those in the North West and Western Cape have recently been disbanded. In April, the Limpopo provincial conference disintegrated into violence, with Malema accused of rigging the votes after his ally **Frans Moswane** was pushed through at the expense of the more popular **Lehlohonolo Masoga**.

In Limpopo, Malema has suffered another setback. Parliament's Portfolio Committee on Mining has blocked the sale of a stake in ASA Metals, a chromite mining and ferrochrome smelting company, held by Limpopo Economic Development Enterprises (Limdev). The development arm of the provincial government had hoped to get R700 mn. for selling its stake to black economic empowerment partners.

The deal was cancelled on the recommendation of the National Union of Mineworkers, with backing from Malema (who, elsewhere, calls for nationalisation of the mines). This is a national issue. Last August, the cabinet said state-owned mining assets should not be sold, pending a decision on the establishment of a state mining company. Yet Limdev and the provincial government were getting ready to sell 30% of the 40% stake in ASA Metals – to some of their business associates. Now Gordhan's former colleagues in the SA Revenue Service are putting Limpopo's officials under scrutiny, with a new audit of all transactions, a move which Malema's local allies complain is a witch hunt. ●

The rise of the watermelons

The constitutional referendum is splitting parties, creating bizarre alliances and foreshadowing the 2012 elections

The campaign for the constitutional referendum on 4 August is turning into a dress rehearsal for the 2012 presidential election. The leaders of the two main parties, President **Mwai Kibaki** and Prime Minister **Raila Odinga**, seem to agree on the fundamentals. Beneath them, each of their parties is in chaos, making the outcome of the referendum increasingly problematic. The opinion polls say the new draft constitution enjoys almost 60% popular support but the contest between the 'greens' (who support the draft) and the 'reds' (who want to stop it) is getting tighter within all the parties.

On paper, the activists of Kibaki's Party of National Unity (PNU) are committed greens, supporting the draft text, but many of them have doubts and may be quietly working against it. Such people are called 'watermelons' – green on the outside, red on the inside – and could swing the vote against the proposal. Odinga's Orange Democratic Movement (ODM) is more divided still. Although he stands shoulder to shoulder with Kibaki for the new constitution, his party contains many dissenters, some of them active reds, with a growing number of watermelons.

Kibaki is reluctant to endorse a successor. His rapprochement with Odinga, with both leading the campaign from the front – attending rallies around the country together, brooking no dissent from their ranks – has fuelled speculation that the President may be preparing to endorse Odinga. Increasingly nervous that this may be so, the PNU succession front-runners, Vice-President **Kalonzo Musyoka** (55) and Finance Minister **Uhuru Kenyatta** (49), are taking back seats in the campaign. During the campaign launch at Nairobi's Uhuru Park in mid-May, Musyoka was heckled by the mammoth crowd and immediately accused Odinga and his henchmen of maliciously inciting the mob. **Fred Gumo**, an ODM hard man who organised the rally, was master of ceremonies but failed to call the crowd to order. Yet Musyoka's tepid endorsement of the draft leads some to suspect that he plays both sides against the middle. He publicly supports the 'Yes' campaign, his party is neutral and most of his allies are openly against the draft.

While the 'Yes' rally in Nairobi was

going on, the 'No' campaign, led by Higher Education Minister **William Ruto** in alliance with senior church leaders, was rallying against the draft in Musyoka's Ukambani heartland in Eastern Province. Those present included the Chairman of Musyoka's ODM-Kenya party, **Samuel Poghio**, and several of his key local lieutenants. Both rallies were broadcast live and many at the Nairobi gathering followed events in Ukambani on their transistor radios. When Ruto conveyed Musyoka's greetings to the Ukambani crowd, the murmurs of discontent in Nairobi gave way to loud heckling as the Vice-President rose to speak.

Musyoka secured the vice-presidency at the height of the post-election crisis by fixing up a hurried coalition with Kibaki's PNU, thus shoring up its dismal parliamentary numbers at the 2007 polls. Musyoka has since tried to give the impression that the coalition is a tripartite arrangement, with him among the triumvirate. A lawyer, he came into politics in 1983 at a by-election, as a loyal protégé of ex-President **Daniel arap Moi**. He regards the Kalenjin in the Rift Valley, Moi's political backyard and the single biggest pool of votes, as a potential source of support for his 2012 presidential bid.

EVANGELICAL SUPPORT

Like Arap Moi, Musyoka is a born-again Christian and his 2007 presidential bid was backed by the evangelical churches. However, his church is deeply unhappy with the draft constitution, insisting that it would legalise abortion by allowing for termination of a pregnancy if the mother's life is endangered, and that it would retain from the present constitution the Islamic *kadhi* courts. (In Ruto, the church has found an unlikely ally against the document.)

Seeking a middle road, Musyoka has repeatedly called for consensus on abortion and *kadhi* courts. Even that has proved costly. His detractors view his moderation as naked opportunism for the 2012 presidential race, at the expense of the real issues.

This preoccupation with presidential ambition partly explains his alliance with Ruto (42), who took on the mantle of Kalenjin leader during the 2007 campaign. Both men, alumni of the once ruling Kenya African National

Union, subscribe to Moi's brand of ethnic politics and secured leadership of their ethnic regions when Moi departed. Both have fallen out with Odinga at different points over the past three years and, together with Uhuru Kenyatta, another Moi protégé, they have found common cause in opposing Odinga, who is Luo. This animus drives their nascent KKK (Kikuyu-Kalenjin-Kamba) alliance, which was behind the watering-down of the draft constitution last February.

Odinga's ODM had wanted to relegate the president to a ceremonial role, transferring executive authority to a prime minister in parliament. The PNU backed the status quo – a powerful executive president, popularly elected, ceding some authority to Parliament while allowing a little regional autonomy. In exchange for more devolution Ruto, already at odds with his ODM party boss, agreed to back Uhuru's and the PNU's proposal to retain a strong presidency.

Until then, it appeared that having won the day, the KKK alliance would push Odinga, enraged at having lost the contest over the constitution, into campaigning against the draft. That would have been unpopular. The public, impatient after more than 20 years of broken promises, and recovering from the post-election violence, was in no mood for yet more political agitation. Odinga appears to have read the public mood and took the KKK completely by surprise by becoming the document's biggest cheerleader once it had gone through Parliament.

Taken aback, Ruto instinctively opposed the draft, although – as his critics repeatedly point out – he was one of its key architects. He now leads a band, mostly from the Rift Valley, campaigning for its rejection. Citing the clauses on land (heavy taxes on idle land, central control of land policy and transactions) he plays up fears among the Rift Valley communities who control large tracts. They in turn are accused of deliberately misrepresenting how the draft actually deals with the land issue.

Ruto's counterparts, Musyoka and Kenyatta, are denied the luxury of dissent by their own party boss's enthusiastic support for the draft. Their difficulty in picking a side in the campaign will determine their 2012 presidential prospects. There is much talk of double-facedness – that Musyoka, Kenyatta and their supporters back the draft constitution by day, while at night they finance Ruto and Odinga to plot against it.

Attempts to sabotage the draft have fuelled speculation that the 'No' campaign may involve more powerful forces than are apparent. The new constitution promises an almost total overhaul of

the present order. It proposes, among other things, scrapping the provincial administrations, nullifying the powerful provincial and district commissioners, and guaranteeing much more regional autonomy. Many wish it to fail at the referendum.

The sabotage has occurred within the system. It was discovered that the words 'national security' had been illegally inserted into the Bill of Rights section at the government printers, negating some fundamental individual rights that may be the draft's most important innovation.

The old notion of national security would effectively give the executive the kind of unlimited power that the new draft aims to abolish. Attorney General **Amos Wako**, a past master at sneaking in lost clauses, denied any involvement; the President ordered an investigation but no culprits have been found.

DARK FORCES AT PLAY

Similarly, in late May, a three-judge Constitutional Court ruled against the inclusion of the *kadhi* courts in the current constitution. The ruling, on a case filed in 2004, breathed life into the flagging 'No' campaign; some legal experts say that it goes against the role of the judiciary in interpreting the constitution rather than contradicting it.

The timing of the ruling, six years after the case was first filed and months before the referendum, hinted that dark forces were at play. Under the proposed constitution, judges would be forced to resign and reapply for their jobs; some suggest that judicial officers, with their future uncertain, were plotting against the draft.

When Uhuru Kenyatta, as Finance Minister, refused to release funds for countrywide civic education, it was interpreted as another attempt to frustrate the march towards a new constitution. Odinga's reversal of Kenyatta's directive seems to have brought things back to an even keel. Yet speculation persists that powerful beneficiaries of the old constitutional order have opened the door to ethnic favouritism and sanctioned rampant abuses of power.

Kenyatta, whose ambivalence about the draft is equal to Musyoka's, is equally frustrated by Odinga's front-running. A recent poll shows his popularity in decline. At 3%, this could be blamed on his lukewarm support for the draft. Whatever the cause, he now trails all the leading presidential contenders, including Ruto, Kibaki's ex-lieutenant **Martha Karua**, Kibaki himself, Musyoka and Raila Odinga. At 41%, Odinga is more than three times as popular as second-placed Musyoka at 12%. Odinga is the man to beat in 2012. ●

CONGO-KINSHASA

A disastrous half-century

The foreign plunderers have joined with the local elite to create today's political confusion

With the fiftieth anniversary of Independence due on 30 June, discontent is growing. Much of it is aimed personally at President **Joseph Kabila Kabange**, who has been in power since the murder of his father, President **Laurent-Désiré Kabila**, in January 2001. The investigation is still far from complete, with some suspects in prison and indications that the guilty men got away. Symptoms of present trouble are the violent death of the country's leading human rights activist, rumblings about an attempted putsch in mineral-rich Katanga, self-declared provinces and a brief split in the ruling coalition.

Floribert Chebeya Bahizire, a leading human rights campaigner, was found dead in his car on the outskirts of the capital, Kinshasa, on 2 June. Within a day, United Nations Secretary General **Ban Ki-moon** offered the UN's help with any investigation of his death. After first refusing any help, the government has now agreed to let **Dutch** experts carry out an autopsy on Chebeya's body.

Police reports sullied Chebeya's reputation by suggesting the 47-year-old had been having sex in the car. This would seem unlikely since Chebeya had been on his way to see **John Numbi Banza Tambo**, Inspector General of Police and one of the country's most powerful men, who is locked in a love-hate relationship with Kabila (AC Vol 51 No 2).

Kinshasa's vigorous rumour-mill offers two worthwhile theories. Either the whole dreadful business was an attempt to bring Numbi down, with Chebeya as the fall guy, or the police really did want Chebeya dead. One version of the latter theory suggests that Chebeya was killed by mid-ranking officers keen to cover their own tracks, not realising that the case would blow up to the extent that it has. Kabila has long relied on General Numbi, a Katangan who has commanded the army, the airforce and, most recently, the police, from which position he could direct the army and exercise huge influence. 'He was important the day before yesterday', said a close confidant of Kabila's, 'Not any more.' He was suspended – officially to allow the investigation to go ahead – following a weekend meeting of the *Conseil Supérieur de la Défense*, headed by the President, and attended by Prime Minister **Adolphe Muzito**, Deputy Premier and Interior and Security Minister **Adolphe**

Lumanu Mulenda Bwana N'sefu, the three armed forces chiefs of staff and Numbi.

Several police officers have been arrested but not officially identified. One is Colonel **Daniel Mukalay**, head of information in the police secret services, the *Directions des Renseignements et Services Spéciaux*, who is said to have tortured political victims throughout 2008 with electric shocks and other horrors. Also in a Kinshasa cell is Major **Christian Ngoyi**, leader of Numbi's infamous Simba battalion of the police.

VOICE OF THE VOICELESS

Flori Chebeya, head of the respected local non-governmental organisation *Voix des Sans-Voix* (Voice of the Voiceless) and of a national human rights NGO network, the *Réseau National des ONG des Droits de l'Homme de la République Démocratique du Congo* (Renadhoc), had been looking into the Bas-Congo killings over which Ngoyi and Numbi presided and the appalling prison conditions of police detainees. He also kept occasional contact with Numbi, and may have been about to offer him new information about misdemeanours by Numbi's lower-ranking officers, who then pre-empted exposure by killing Chebeya.

The United Nations, **Britain**, **Canada**, **France** and the **United States** have joined human rights lobby groups to call for a joint investigation and an independent post mortem. Attorney General **Flory Kabange Numbi** (no relation) insists Congo will conduct its own inquiry. Local journalists face frequent threats.

This squalid affair came at a bad moment. At the Independence jamboree, the chief guest was to have been **Belgium's** King **Albert II**, whose great-grandfather, **Leopold II**, owned Congo outright and profited from brutal depredations there. The present King considered cancelling his trip, while the opposition party *Mouvement pour la Libération du Congo* (MLC) said it would boycott the celebrations, along with the country's NGOs. In Britain, diaspora extremists are suspected of torching the two cars of Ambassador **Barnabe Kikaya Bin Karubi** and attacking his residence, in revenge for Chebeya's death.

Kabila's government brooks no international interference and has been urging the UN to withdraw its peace keepers, the *Mission des Nations Unies en République Démocratique du Congo*

(Monuc) by the end of 2011, election year (AC Vol 51 No 10). Nevertheless, on 28 May the UN voted a new Monuc mandate which makes few concessions. The name will change to Monusco (with an S for Stabilisation and an O for style) and a maximum of 2,000 UN troops will leave by 30 June. That keeps the international force fighting fit with 19,815 military personnel and secures it another yearlong mandate.

On 17 May – Liberation Day or Papa Kabila day, according to choice – the presidency showed it would stand no nonsense by parading some of its 6,000-strong Kiswahili-speaking Republican Guard through Lingala-speaking Kinshasa. On the same day, Republican Guards boarded UN vehicles and threatened to force Monuc staff to leave one by one if they would not withdraw officially.

The President's parliamentary coalition, the *Alliance pour la Majorité Présidentielle*, is shaky and venal at the best of times. Now it is under threat, too. MLC member of parliament **Jean-Lucien Busa** announced on 14 May that he had gathered the required 126 signatures for a motion of no confidence in the Prime Minister, hoping to topple the government. Muzito is a compromise figure from the *Parti Lumumbiste Unifié* (Palu) in Kabila's AMP. Busa claims that Muzito has embezzled money and that the government has failed to implement the decentralisation to which it was legally bound by 15 May this year, to boost the number of provinces from eleven to 26.

Some districts, mindful of the benefits that provincial status would give their leaders, have declared themselves provinces without authority from Kinshasa. In Orientale Province, where the prospect of oil turns heads and fills wallets, Ituri district (alongside Lake Albert's contested oil blocks) declared itself a newly decentralised province on 15 May, with its provincial MPs sitting from 15 June in the Ituri capital, Bunia. Bas-Uélé, Haut-Uélé and Tshopo have also declared themselves decentralised but changed little except their rhetoric.

Busa's no-confidence motion would have needed 250 votes to bring down Muzito. The government wanted no debate and Busa failed to muster his full 126 claimed supporters. Several alleged they were harassed (or bribed) to withdraw their names but his party assembled several more than its own 100 or so MPs, although the Speaker of the House found names had been duplicated or forged – some MPs claimed that they were not even in the country at the time.

MLC Secretary General **François Mwamba** also withdrew after throngs of Palu supporters broke the police cordon around Parliament, threw stones, barred

the entry of the President (leader) of the House, **Evariste Boshab**, and stormed the public gallery with wild chants.

HANGING ON TO MUZITO

Kabila has no popular base and needs all the backers he can co-opt. He is likely to hang on to Muzito. Kinshasa, crammed with people from opposition-heavy Bas-Congo, Bandundu and Equateur, is hostile to Kabila, whose language is Kiswahili and whose home base is Katanga (although he was probably born in Fizi, in the east). He appoints almost no non-Katangans to key roles and exploits infighting among Katangan factions to keep a precarious hold on his own supposed home soil. The Republican Guard is largely Katangese and prominent Katangans include Numbi, Central Bank Governor **Honoré Mulangu Pongola**, Attorney General Kabange and **Augustin Katumba Mwanke**, known as the power behind the throne and skilled in getting big business deals signed off. Katanga Governor **Moïse Katumbi Chapwe** is the younger and poorer brother of **Raphaël Soriano Katebe Katoto**, who dreamed of the presidency in 2002 after Laurent Kabila's assassination and now contemplates leaving his exile in a Belgian mansion to return to Congo.

A puzzling political threat was posed by a short-lived party, the *Centre Libéral et Patriotique* (CLP), formed by several anti-Muzito high-ups in the coalition. Its senior members are Planning Minister **Olivier Etsu Kamitatu**, Environment and Culture Minister **José Endundo Bononge**, Decentralisation Minister **Antipas Mbusa Nyamwisi** and **Modeste Bahati Lukwebo**, an MP. Kamitatu, who

has little political influence, is nevertheless respected by donors and moved from the MLC into the AMP coalition just in time to win power. They may genuinely want to get rid of Muzito, the whole ruling coalition and Kabila himself (whom they claim to support). Alternatively, Kabila set them up as a useful tool for getting rid of Muzito without being seen to do so.

More likely, their real target was not Muzito but Katumba Mwanke, who maintains such elite access to the President that other politicians have grown increasingly frustrated. In an effort to rebalance the political coalition, these politicians tried to reclaim power for themselves and were smartly and resolutely smacked down.

In public, the President has railed against them and is said to have talked of 'rebellion in the political family' at an emergency meeting at his farm outside Kinshasa on 26 May. According to those present at the meeting, Kabila affirmed that Congo is not susceptible to coups like those in **Madagascar** or **Togo** and that it was extremely bad timing to try and bring down the government a month before Congo is due to win debt relief worth some US\$8 billion.

'If it were the army we would shoot people!' he said, demanding that the dissidents quit their political game by his 39th birthday on 4 June. They did so promptly, perhaps persuaded by his call that a united coalition is more likely to win the tough election due in September 2011 – but which will more probably take place in 2012. To achieve that victory, the President will need all the provincial power brokers he can muster. ●

THE MEN WHO RUN THE PROFITABLE SHOW

The mechanics of Congo-Kinshasa's government baffle almost everyone, including many of the participants. A handful of people, mostly unelected associates of President **Joseph Kabila**, wield the real power; most of the appointed ministers have little practical power. For Kabila, Katanga remains the most important province, economically and politically. Here are his key people.

● **Augustin Katumba Mwanke** hides from the public gaze but presides over most big business deals. His popularity with Kabila fluctuates and he was sacked in 2002, when a United Nations' investigation linked him to a ruinous diversion of state assets for personal gain. Yet he keeps bouncing back.

● **Janet Kabila**, the President's twin sister, handles the family's business affairs and thinks up new ideas such as befriending **South Korea**. Her younger brother **Zoé** matters less and some claim their influence is waning.

● **Dan Gertler**, an **Israeli** magnate with mining, petrol and banking interests throughout the country, who works closely with Katumba Mwanke on commercial projects.

● **Moïse Katumbi**, Governor of Katanga and key election fundraiser, was once interested in national leadership like his brother **Raphaël Soriano Katebe**, who tried for the presidency in 2002. He now seems keener to keep his cash and rule his province.

● Other key officials include: Interior Minister **Adolphe Lumanu Mulenda**; **Adolphe Muzito**, the Prime Minister lately under attack, represents the *Parti Lumumbiste Unifié* in the parliamentary coalition but achieves little; and **Martin Kabwelulu**, also of Palu, who weathered Kabila's February reshuffle and remains Mines Minister but has little impact on key developments, such as the long-disputed contract with Freeport McMoRan, main shareholder of the US\$2 billion Tenke Fungurume mine (AC Vol 51 No 11). ●

AFRICAN DEVELOPMENT BANK

Bringing in the money

The continent may have escaped the worst of the world recession and its big multilateral lender is getting ready for more growth

The mini-power cut that plunged the elegant plenary hall of the Hôtel Ivoire into darkness was met by consternation and a few knowing chuckles. It came just before the arrival of the dignitaries at the opening ceremony of the African Development Bank (AfDB) meeting in Abidjan on 27-28 May and illuminated the challenges to Africa's tired and inadequate infrastructure. The speedy return of power and light, to resounding cheers, was another kind of symbol.

The rebounding African economy was the theme of this conference and there was a record attendance. The re-election of a President, the possible return of the Bank to Côte d'Ivoire and a 100% capital increase lent these meetings particular interest. A sixth capital increase, of 200%, tripling the AfDB's resources to US\$100 billion, will not all be paid in until 2021.

African growth fell to 2.5% in 2009 but it is projected to grow by 4.5% in 2010 and 5.2% in 2011. Debt relief allowed counter-cyclical spending in some countries, aid flows remained relatively stable and remittances did not fall away as predicted. Higher growth in Brazil, China, India and other emerging economies operating on the continent pulled Africa along. Now, though, the global recovery may be faltering, raw material prices (particularly metals) are tumbling and there is a further concentration of African economies.

Commodity exports do not tell the whole story. A large part of Africa's new resilience can be put down to the appearance of robust domestic demand in different economies across the continent. A graphic from United States-based consultants McKinsey shows that natural resources and the related government spending they financed generated just

32% of Africa's gross domestic product growth in 2000-2008. The remaining two-thirds came from the wholesale, retail, transport, telecommunications and manufacturing sectors.

The AfDB's bustling President, **Donald Kaberuka**, was unanimously re-elected to another five-year term and can take some credit for the sharp turnaround. Far from throwing off the shackles of fiscal discipline, as Western countries did when the economic crisis hit, Kaberuka engaged in a round of shuttle diplomacy to African chancelleries, encouraging them to stick with macroeconomic prudence and focus their spending on constructive projects, mainly infrastructure. He argues that this discipline allowed non-resource growth to emerge in the first place.

The Bank also massively increased its own spending. On infrastructure alone it approved \$6 bn., outstripping the World Bank for the first time, and it helped marshal support where needed during the crisis. The loan portfolio has almost doubled over the last four years from \$8.5 bn. to \$15.6 bn., and the ambition by 2015 is to have combined total equities plus outstanding loans of over \$30 bn. The general capital increase of 200% was voted through to allow this. (The Asian Development Bank had total assets of nearly \$85 bn. in September 2009.) With infrastructure representing 52% of approvals last year and support to the private sector at \$1.8 bn., with a \$35 million trade finance facility for Ghana, the new strategic focus outlined by Kaberuka in his first few years is becoming visible.

The emphasis on the private sector was put into context by the downturn, which starved Africa of inflows of portfolio and direct investment. The

need for domestic sources of revenue for governments is critical. Expanding the tax base by building up the private sector is one avenue. Smarter revenue collection, including the investigation of taxes due from multinational corporations, is also being examined. This formed a chapter of the ever-expanding *African Economic Outlook*, written in partnership with the Organisation for Economic Cooperation and Development, and will be discussed in Paris on 11 June, when African finance ministers sit down with large companies working in Africa. The aim is to negotiate about abuses of transfer pricing and mispricing, through which big companies avoid paying local taxes by remitting profits to parent companies abroad.

This extra negotiating capacity of African governments was also seen in climate change talks, where a clear African position was found well in advance of December's conference in Copenhagen, **Denmark**. It is reinforced by another of the AfDB's recent initiatives, the African legal support facility, conceived in 2003 out of requests by member states over court appearances relating to vulture funds (AC Vol 50 No 19) and born in June 2009 with an initial budget of \$50 mn.

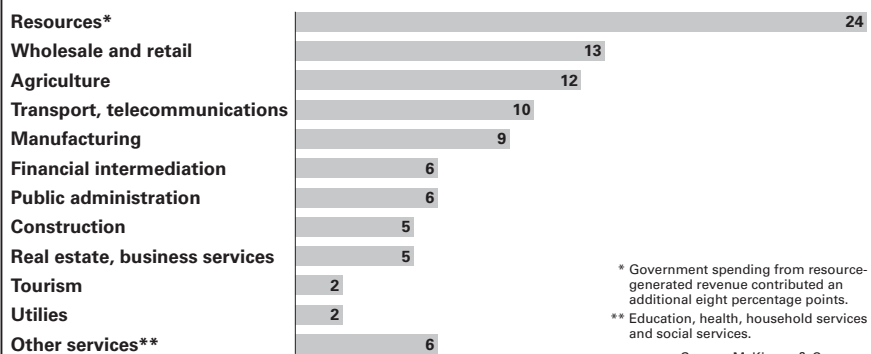
The Bank still spend much of its time dealing with the demands of aggressive creditors of African sovereign debt. Another main task is to help negotiate large and complex commercial deals, including resource-for-infrastructure deals proposed by Asian countries. It will also help extend legal expertise at the ministerial level throughout Africa in infrastructure, finance and mining. A dozen requests have already been made to the secretariat, with two already approved.

Other Bank ideas are being brought together both to attract more investment to Africa's number one priority, infrastructure, and to get the most out of existing resources. Africa's rebound after the recession was promoted by better macroeconomic governance, better debt management and budgetary restraint. The next step is to rechannel savings through the financial system. **Stefan Nalletamby**, who coordinates the AfDB's 'Making Finance Work for Africa' programme, says: 'We want to help governments be more regular borrowers, at the longer end of the yield curve. And also help them meet part of their infrastructure needs through local financing, because you don't only need dollars for infrastructure projects.'

For **Mthuli Ncube**, the AfDB's new Chief Economist, this needs to happen by more vigorous promotion of credit ratings to African states. 'A lot of governments do not realise that the process of getting a credit rating is the same as going to the IMF [International Monetary Fund] to get a loan. They look for the same things, deficit, currency stability and so on. All

SECTOR SHARE OF CHANGE IN REAL GDP, 2002-07

100% = US\$235 billion (in 2005 prices)



the metrics that you look at for a country to qualify for financial assistance, is exactly what Standard and Poor's [ratings agency] look for', says Ncube. 'The benefits don't stop there. Once you have a credit rating, you can get pricing for long term fixed securities within the country and from there, you can get a corporate bond market. A functioning corporate bond market gives an idea of long-term interest rates, which helps to price equity securities better and that will stimulate short term portfolio flows.'

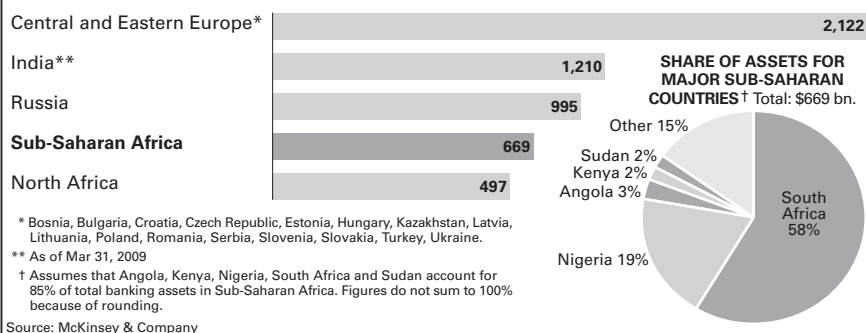
Nalletamby wants Bank member states to engage with the African Domestic Bond Fund. This would involve the AfDB investing alongside African central banks in long-dated government bonds in local currencies. The **Algerian** and **Nigerian** central banks may be the first to put a small fraction of their reserve funds into the scheme. Kaberuka is sanguine about the lack of key Bank heavyweights to push the scheme to member states: 'the political heavyweight is me, I am championing it. But it will take time.'

A sharp shock can help develop local capital markets, as it did after the collapse of Asian currencies in 1997. There, the dependence on foreign currency funding was countered firstly with a eurobond denominated in dollars, then with bonds in local currencies, collated in a fund of funds and listed in **Singapore** and Hong Kong. This allowed international investors to gain exposure to fast-growing economies. One of the scheme's pilots, Bank of **Japan's Masaru Tanaka**, explained it in a presentation that drew lessons for Africa from Asian development.

Without credit guarantees for a bond market fund in Africa, the plan may not get off the ground, according to Standard and Poor's Africa Director for Sovereign Ratings, **Konrad Reuss**. The acting Director of the Reserve Management Department of Nigeria's Central Bank, **Lamido Yuguda**, preferred to invest in high quality and liquid assets. The AfDB is not keen to give a large enough credit guarantee, so some rethinking is needed before the idea is formally pitched to board members next year.

The discussion of so many provocative ideas is a sign of strength for a Bank that previously would have stuck closely to World Bank lending patterns. The years when **Omar Kabbaj** led the Bank, 1995-2005, were devoted to cleaning the stables. Now the AfDB is taking the initiative, as with the domestic bond fund, the African Fertiliser Financing Mechanism and the African Legal Support Facility. Private investors have pulled back from project finance during the downturn. The response is twofold: to raise money by selling off maturing debts and to partner commercial banks in financing infrastructure. Before the end of the year,

TOTAL BANKING ASSETS, 2008 US\$ billion



the AfDB will close financing for a 430 mn. euro (US\$515 mn.) syndicated loan for a wind-power project on **Kenya's** Lake Turkana. 'For every dollar we put in, we can bring in a further three or four dollars from other sources,' says Kaberuka.

Re-engineering the capital markets to play a more active role in financing Africa's long-term needs is a key task for Ncube. He believes that to raise finance for infrastructure, the AfDB should look more closely at the private banks that already do so, such as Goldman Sachs and Macquarie Bank. 'We need to see how they are operating,' says Ncube, explaining that the Bank does not need to lay out

the whole one billion dollars. 'Perhaps we can give out half, then assist with the launch of a domestic bond in the local market. So you also stimulate the local capital markets through the same deal.' By offering guarantees, the Bank can bring international funding into infrastructure projects. Kaberuka says the AfDB should look at guaranteeing the default risks of utility companies, which often have difficulty paying bills on time.

Yet no one predicts a speedy return of the AfDB to its former home in Abidjan. That will happen only when Côte d'Ivoire has a stable government following fair and open elections. ●

NEW MANAGEMENT FOR NEW TASKS

Recent years have seen a relentless quest for African talent in the African Development Bank, with significant recruitment at all levels. Around 40% of the staff joined within the last two years and their total number has gone up by 50% since Bank chief **Donald Kaberuka** began his first term in 2005. The total regular staff is now 1,600, with about 200 temporary staff and around 500 consultants.

The parade of new faces has brought new ideas and new ways of working. The employment of a Chief Operating Officer allows the President to hive off day-to-day management. The former **Zimbabwean** Industry and Trade Minister, **Nkosana Moyo**, took up this role in May 2009, bringing with him private-sector experience from Actis and Standard Chartered Bank. He is well equipped to talk to the International Monetary Fund and World Bank about any renegotiation of debt and describes Zimbabwe's arrears as 'substantial'. Zimbabwean Finance Minister **Tendai Biti** has announced a hybrid deal with creditors, containing elements of the Heavily Indebted Poor Countries Initiative, that has been agreed at cabinet level. Moyo urges calm over fears about **Chinese** investment strategies in Africa, pointing to a recent platinum deal with Chinese company Jinchuan by the **South African** mining company Wesizwe. He says South Africa can look after itself in negotiations with China and those negotiations will help to guide other African countries and find correct values for commodities.

The Bank's Chief Economist is **Mthuli Ncube**, who replaced **Louis Kasekende**, now Deputy Governor of **Uganda's** Central Bank. Ncube was formerly Dean of the Wits Business School in South Africa and before that, the head of the strategic department at Investec, a South African investment bank. His experience of both education and capital markets should help to advance the AfDB's new thinking on infrastructure financing via the bond markets. For South Africa, with its cruel mismatch between unemployment and shortages of skills, he believes professionals should be brought in on five-year contracts to fill the gaps and train replacements. 'South Africa should be a 7% growth economy. It is only the skills shortage that keeps it at 3.5%,' says Ncube.

Fresh from the White House, where he served under President **George W. Bush** as Senior Director for African Affairs, **Bobby J. Pittman** is Vice-President for Infrastructure, Private Sector and Regional Integration. He is a champion of green energy, with talk of a pipeline of 26 projects for US\$11 billion to be rolled out over the next three years. Eyebrows have been raised at his lack of experience in infrastructure but Kaberuka has been keen to bring down the average age of Bank employees. 'I wanted a younger Bank, including highly qualified but inexperienced people,' the President said. ●

Flash point South Kordofan

Amid complaints of Khartoum's meddling and the SPLM's betrayal, how South Kordofan reacts will be critical to the referenda in January

The rerun of the population census in South Kordofan next week will highlight another flash point in Sudan's shaky North-South peace agreement ahead of the referenda on self-determination for the South and Abyei, due on 9 January. Two years ago, the Brussels-based International Crisis Group warned that South Kordofan could be 'the next Darfur'. Since then, the political climate has worsened and now many more share such concerns.

Most of the diverse and largely Muslim Nuba peoples, a majority of South Kordofan's estimated 2.25 million population, appear virulently opposed to Sudan's partition, fearing their fate as an isolated minority in a consolidated Arab Northern Sudan ruled by an Islamist clique. Tens of thousands of Nuba fought in the Sudan People's Liberation Army in the South, which controlled swathes of the Nuba Mountains. Some 13,000 Nuba fighters remain in the South, plus some 10,000 now cantoned on the North-South border at El Abiat and a brigade of 3,000 as the SPLA contingent of South Kordofan's Joint Integrated Unit (JIU).

The Comprehensive Peace Agreement is lagging behind schedule, including in the key North-South border state of South Kordofan. This is one of three 'contested areas' that have separate CPA protocols. The state (formerly 'province') and gubernatorial polls were postponed during April's national elections as the

Sudan People's Liberation Movement disputed the 2008 census figures and no count was held in many areas. The SPLM, which in 2005 had signed the CPA with the ruling National Congress Party (NCP, rebranded National Islamic Front), has long enjoyed Nuba support.

The census-takers on 15-29 June may find many angry residents: Nuba who feel betrayed by the SPLM and Baggara Missiriya Arabs who don't accept the new Abyei boundaries and fear the imminent secession of the South, where they graze their cattle each year (AC Vol 49 No 11).

ABYEI AND ITS REFERENDUM

The delays create new pressure in South Kordofan. The rains will make most of its roads impassable, and polls impossible, till November. That means the newly elected state assembly will have little time to launch the ill defined 'popular consultation' on South Kordofan's future status (as stipulated by the CPA) just two months before the South Sudan independence referendum.

Abyei District was transferred to Southern Kordofan in 2005, when the state of West Kordofan was abolished and split between South and North Kordofan. It gets its own referendum on joining South Sudan or remaining in the North. The CPA says the referenda in Abyei and the South must be held at the same time: Abyei electors must not know the outcome of the Southern vote when they choose

their future (even if most observers believe a Southern vote for secession is certain).

Khartoum has the means to delay the Abyei vote (and thereby disrupt the Southern referendum) since the District is governed by the Presidency – President **Omer Hassan Ahmed el Beshir**, First Vice-President **Salva Kiir Mayardit** and Vice-President **Ali Osman Mohamed Taha** – an inbuilt NCP majority.

Under the interim arrangements, NCP and SPLM run South Kordofan jointly. NCP strongman **Ahmed Mohamed Harun** is Governor and **Abdel Aziz Adam el Hilu** his SPLM-appointed deputy. Half Nuba and half Messalit, a Darfur people, Abdel Aziz is said to be related to Ahmed Harun. The NCP controls five districts, the SPLM, four. The SPLM calls them 'counties', while the United Nations prefers 'localities'. The state capital, Kadugli, is nominally under the SPLM but is controlled by the National Intelligence and Security Service. There is still no sign of the NISS being transformed from enforcer into information gatherer, as Khartoum agreed in the CPA.

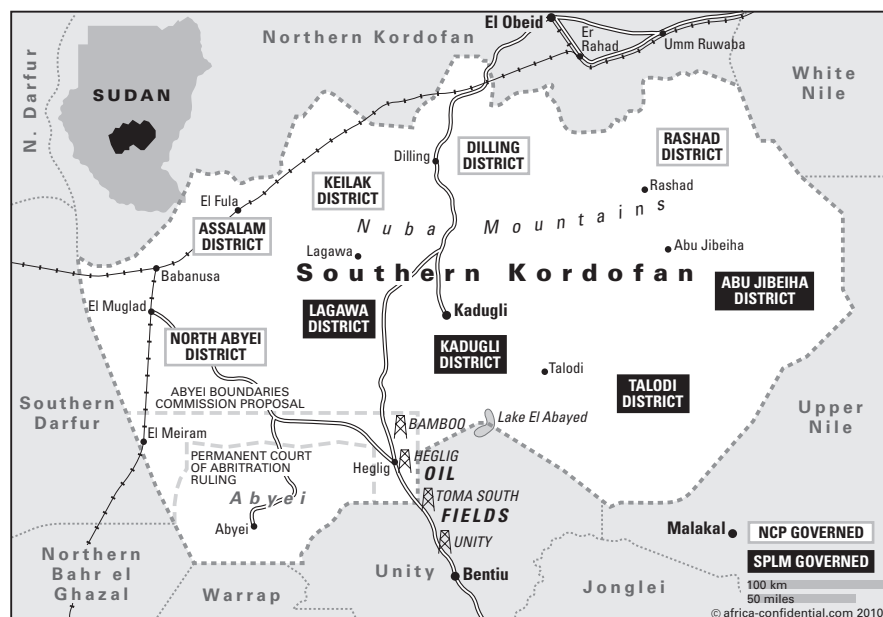
The 2002 ceasefire provisions say South Kordofan's only military presence (apart from the UN Mission in Sudan, with its large **Egyptian** contingent based in Kadugli) should be the JIUs. However, as elsewhere, these units are joint and integrated in name only: SPLA units are based in SPLM-controlled areas, SAF units in NCP districts. This creates a well defined potential new front-line for any future conflict.

Thus, although the original SPLA-held enclaves have now officially been dismantled, South Kordofan is still effectively divided in two, with the SPLM controlling the south and east and Khartoum the north and west – meaning it controls the strategic oil fields, oil pipeline and railway.

Ahmed Harun is controversial not only because the International Criminal Court indicted him in 2007 for war crimes and crimes against humanity in Darfur but also locally, because he is seen as responsible, when State Interior Minister, for the NCP's Jihad in the Nuba Mountains throughout the 1990s. Nuba activists tell us they are preparing a case to submit to the ICC on NCP crimes during the ten-year siege of their Mountains.

The ICC is now considering reissuing genocide charges against Field Marshal **Omer el Beshir**, who faces an international arrest warrant for crimes against humanity and war crimes. The ICC on 25 May referred Sudan to the UN Security Council for 'non-cooperation': its failure to apprehend Harun and his fellow indictee, **Janjaweed** militia leader **Ali Mohamed Ali Abdel Rahman** (aka 'Ali Kusheib').

This led to a conspicuous international boycott of Omer's 27 May re-inauguration after the rigged elections (AC Vol 51 No



9), though the UN and African Union were widely criticised for sending senior representatives and **Central African Republic, Chad, Djibouti, Eritrea, Ethiopia, Malawi and Mauritania** sent presidents.

Privately, senior SPLM figures say they believe the Nuba will make useful allies in a possible future North-South conflict should the CPA break down, though many Nuba fighters feel the SPLM's shift from its 'united secular New Sudan' policy towards separation has betrayed everything they believe they were fighting for.

Abdel Aziz el Hilu has made heavy-handed attempts to maintain the illusion of progress by dispersing copious development funding. He had dismissed several senior SPLM officials for speaking out and tempers flared following last month's arrest of Major General **Telephone Kuku Abu Jalha** by SPLA security at Juba airport. Kuku, the most senior Nuba officer remaining in the SPLA, served during the war as deputy to the Nubas' charismatic leader, the late **Yusef Kuwa Mekki**.

Outraged Nuba in South Sudan petitioned Southern President Salva Kiir for Telephone Kuku's immediate release; others have threatened to fight for his freedom. Nuba SPLM insiders say the former SPLM Governor of South Kordofan, Maj. Gen. **Ismael Khamis Jelab**, and former Deputy Governor, Maj. Gen. **Daniel Kodi Angelo Comba**, are trying to persuade Abdel Aziz to reengage with the Nuba: they worry that he is viewed as an outsider, not fully behind the Nuba.

Meanwhile, Abdel Aziz has been criticising the Khartoum regime for 'not making [national] unity attractive', which the CPA says both NCP and SPLM are supposed to do. He recently warned that should the South break away, the rest of Sudan would be likely to collapse like the former **Yugoslavia** and hinted at mounting unrest among the Nuba within the SPLA. The spectre of national fragmentation is one the NCP has also been reviving: it knows the international community turns a blind eye to its abuses in the name of stability and perhaps hopes, rather belatedly, that Western and African governments may persuade the SPLM to champion unity. The SPLM would lose power if it did.

Further complicating the situation is the oil-rich Abyei District. Its boundaries remain undemarcated. It is predominantly home to the Ngok Dinka and the Dinka are nationally perceived as a Southern people, which the Nuba are not. The Ngok include prominent SPLM leaders, such as outgoing national Foreign Minister **Deng Alor Kuol** and the Government of South Sudan (GOSS) Presidential Affairs Minister, **Luka Biong Deng**. The SPLM thus does not see Abyei as so negotiable as the Nuba heartland.

Although it is fairly certain Abyei's Dinka majority will vote to join the South, this is strongly opposed by most of the Baggara Missiriya pastoralists who traditionally graze in the area. Baggara comprised many of the NCP's Popular Defence Force militias that raided the Nuba Mountains and Southern Sudan during the war.

Many leaders refuse to accept Abyei's borders and say they will fight. This could destabilise not only Abyei but the rest of South Kordofan and beyond, particularly if the popular consultation produces any meaningful concessions for the Nuba majority.

The Missiriya, though, are adept at hedging their political bets and some have recently (and not for the first time)

announced they are joining the SPLM. 'You have the contrast between those groups that continue the rather aggressive approach encouraged during the war, of coming fully armed into GOSS territory, and not, in fact, doing very well out of it these days, because the SPLA is able to inflict casualties, and once the shooting starts, the cattle can't go forward', says Abyei specialist **Douglas Johnson**. 'And then you have those who make their accommodation with the SPLA and GOSS and, at the very least, avoid that sort of confrontation'.

Peace may depend more on NCP strategy and, despite its protestations to the contrary, few expect the Islamist and oil-thirsty ruling party to give up Abyei or the South easily. ●

MILITIAS OF THE NEW AGE

In the seven short months before January's independence referendum, militias in the South's oil-producing areas – Upper Nile, Jonglei and Unity states – will be one of the main challenges facing the Government of South Sudan. Many believe the warlords running the militias are paid and armed by the Khartoum regime. Certainly, the Sudan People's Liberation Movement, which dominates the GOSS, sees Khartoum's machinations behind the mutiny of several hundred mainly Nuer troops of the GOSS army, the Sudan People's Liberation Army, and now openly accuses the National Congress Party of destabilisation.

Nuer militias were central to NCP (at first, National Islamic Front) control of the oil fields during the 1983-2005 war. Many of today's insurgents follow Lieutenant General **George Athor Deng**, who confusingly was formerly ultra-loyal to the SPLA.

When **Riek Machar Teny Dhurgon** split the SPLM in 1991 Athor, who was serving under him, led loyalist forces against him in the fighting around Bor. Years of fighting ensued between Riek's Nuer and the mostly Dinka forces of the SPLA Mainstream leader, the late **John Garang de Mabior**.

This year, Athor lost the election for Jonglei Governor to the incumbent, **Kuol Manyang Jok** (AC Vol 46 No 20), his wartime immediate superior. Like Kuol Manyang and Garang, Athor is Bor Dinka; as Deputy Chief of Staff, he rejected the incorporation of his Nuer former foes into the SPLA from 2006 and he resigned from the army rather than serve under the militia leader **Paulino Matip Nhial**, who was appointed Deputy Commander-in-Chief.

Previously heading the Khartoum-backed South Sudan Defence Force, Paulino Matip had earlier been with the Anyanya Two rebels who rejected the 1972 Addis Ababa Peace Agreement. Last October, the United Nations airlifted 300 of Paulino's forces from Bentiu after they clashed with Unity Governor **Taban Deng Gai** (AC Vol 51 No 3). More recently, Taban's forces clashed with supporters of his cousin, **Angelina Jany Teny** (wife of GOSS Vice-President Riek Machar) who had unsuccessfully stood against him for governor.

The SPLM leadership has now overcome differences between those still wistful for a 'New Sudan' and the majority who want independence. Antagonism remains among former adversaries, though. Many Nuer call Kuol Manyang the 'Butcher of South Sudan' for his ferocity in fighting them after the November 1991 Bor massacre, when Nuer forces killed hundreds of Bor Dinka civilians. Yet Athor seems to be supported by a disaffected Nuer militia former leader and police officer, Colonel **Gatluak** (or **Galwak**) **Gai Deng**, and in Jonglei's Pibor County, by Murle militia leader **David Yauryau** (who failed to win a seat for the United Democratic Front in the Bor State Assembly), as well as by Upper Nile mutineers who last month attacked the SPLA barracks in Doleib Hill, supposedly responding to Athor's election defeat.

On 9 June, the SPLA said it had driven Gatluak from Unity and he was heading with his men for Heglig – the oil producing area removed from Abyei by the Permanent Court of Arbitration and now disputed between South Kordofan and Unity.

The UN estimates that 40% of Southerners need food aid this year, which helps explain the cattle raiding throughout the region. With the Lord's Resistance Army rampaging in Western Equatoria, the threat of destabilisation remains high. It is the kind of instability that the National Congress Party can expertly exploit. ●

Where the money went

Much more money leaves Africa through Western banks than the West gives Africa as aid. Who gets the profits?

As the Group of Twenty (G-20) countries gets ready to meet in **Canada** for its economic summit on 26-27 June, African governments are preparing their pitch. This year, it may be different. Firstly, **South Africa** now represents Africa among the top 20. Secondly, Africa's economies have been far less affected by the international financial storms than the big Western nations. Meanwhile, the debate about aid and trade is changing fast.

The orthodox argument was that rich industrialised countries should finance aid to Africa to promote stability and salve their consciences. A growing counter-argument (promoted by **Zambian** economist **Dambisa Moyo** and **William Easterly**, formerly of the International Monetary Fund) is that Western aid has created a self-serving dependency relationship with Africa.

The rise of **Chinese** and **Indian** trade and investment has encouraged African governments to look more critically at the financial flows between Africa and the West. Economic development specialist and former businessman **Raymond Baker** of the Global Financial Integrity (GFI) initiative in Washington DC has long argued that Western economies drain capital from Africa and that aid flows are a fraction of the money Africa has lost through abuses made possible by corrupt payments to local collaborators.

For years, the experts at the World Bank and IMF treated such arguments with polite scepticism. One Bank official told *Africa Confidential* that talking about transfer pricing mechanisms used by multinational corporations was 'a throwback to the 1970s'. They argued that Baker's figures were so speculative as to provide no useful evidence. Two years

ago, that changed when the government of **Norway**, whose multibillion dollar sovereign wealth fund invests in Africa and other developing regions, told the Bank that it wanted to sponsor a group to examine the mounting evidence that illicit financial flows were undermining economic advancement and damaging Bank and IMF programmes.

Cautiously, the Bank agreed and serious research has started. Mainstream financiers are backing Baker's think tank, which has hired economists, including Bank and Fund analysts, to examine the data. The African Development Bank and the Organisation for Economic Cooperation and Development say the need to tackle illicit outflows of capital is a top development priority and their analysis reiterates much of Baker's argument.

GFI has produced a report estimating that Africa lost at least US\$854 billion in 1970-2008 through illicit financial flows; they say the final total might be closer to \$1.8 trillion. The main culprits are multinational corporations and corrupt officials with their large infrastructure of lawyers, bankers, accountants and financial advisors skilled in dodging rich-country taxes. Tax evasion accounts for an estimated 60-65% of total capital flight and the main device is transfer pricing. By overpricing imports and underpricing exports on customs documents, companies and individuals can move money to where it is taxed the least. The estimated \$854 bn. in illicit outflows from Africa – an average of \$29 bn. per annum, based on countries' reported data – outpaced development assistance to Africa in 1970-2008 by well over 2 to 1, according to GFI.

The study, led by former IMF economist **Dev Kar**, used data from the World Bank and IMF to calculate funds missing from each state's balance of payments. It then used IMF trade statistics to calculate the cost of misinvoicing – the difference between what governments told the IMF their economies imported/exported and what the rest of the world reported. They did not include flows from smuggling, narcotics and other criminal activities.

Africa's biggest economies were worst hit. **Nigeria** was estimated to have lost \$89.5 bn., **Egypt** \$70 bn., **Algeria** \$25.7 bn., **Morocco** \$25 bn. and **South Africa** \$24.9 bn. North Africa (Algeria, Egypt, **Libya**, Morocco and **Tunisia**) lost more than \$1,767 per capita in 1970-2008, with fuel exporters losing \$1,570 and Southern Africa \$1,334 p.c. Under the deregulation that was for long a tenet of the IMF's 'Washington Consensus', illicit flows have risen spectacularly over the past decade; the flow was \$57 bn. in the 1970s, \$437 bn. from 2000-09. The rise 'seems to have been financed by rising income levels', coinciding with the Asian-demand-led commodity price boom. The regions that

HIGHER TAXES, SAYS THE OECD

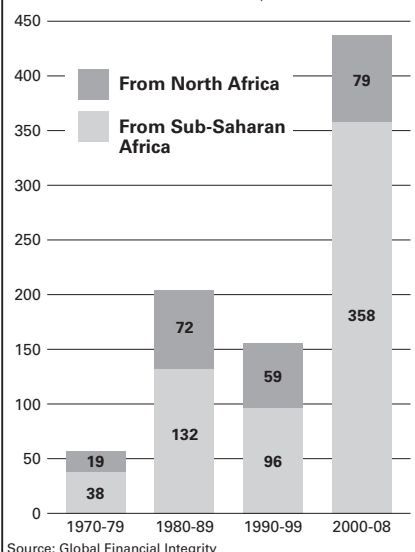
Joining the call for tougher action on capital flight from poor countries, the Paris-based Organisation for Economic Cooperation and Development last month co-published a study with the African Development Bank arguing that African states should renegotiate unfavourable contracts with multinational companies to get a better return on their natural resources. Presenting the study at the AfDB's Annual Meeting in Abidjan on 27-28 May, an OECD official said: 'Where multinational firms fail to abide by minimum corporate governance standards in terms of tax contributions, governments should consider renegotiating concessions.'

Like the report by the Washington-based Global Financial Integrity group, the OECD-AfDB study argues that African governments must do far more to staunch the illicit financial outflows and boost tax revenues: both these factors are far more important to the region's economic development than Western aid, which is set to decline sharply: 'Much of Africa's 'existing tax base is eroded by the excessive granting of tax preferences and the inefficient taxation of extractive activities... In the past decade more African countries have instituted better macroeconomic management and have more fiscal space. So we're looking at excessive tax breaks on mining companies with a critical eye – it's money that could go back,' said OECD Africa economist **Jean-Philippe Stijns**. 'Africa gets US\$41 in aid per capita versus US\$441 in taxes. Though aid is smaller it matters very significantly for a number of poor countries on the continent. Why? Because taxes are so low. So we must get the horse and the cart in the right order... We're taking away with one hand what we're giving with the other.'

African governments should use the growing interest among **Chinese** and **Indian** companies in African minerals, oil and gas 'to reap the fiscal rewards of competitive bidding', the report says. Tax avoidance and evasion, two of the main techniques aiding capital flight, are difficult to reform, given the labyrinthine structures of many multinationals in Africa. Many have subsidiaries – separate from either their western headquarters or African affiliate companies – which are shell companies established in tax havens abroad, from where they can move profits through transfer pricing.

African affiliates' earnings and thus tax liabilities are kept artificially low while the shell company in the tax haven earns huge revenue by selling or leasing products and services to the African affiliate. **Mamadou Deme**, Director of the AfDB African Legal Support Facility, is offering expert advice to governments seeking to counter these tax schemes and resist the claims of 'vulture funds' trying to buy up cheap African debt. ●

ILLICIT FINANCIAL FLOWS OUT OF AFRICA US\$ billion



did best had most money to lose.

West and Central Africa, where the main oil exporters are concentrated, posted the largest outflows, a cumulative total of \$374,109 bn., more than half of sub-Saharan Africa's total of \$624,324 bn. That followed increases in oil production in **Angola, Congo-Brazzaville and Sudan**, and new production in **Chad and Mauritania**. Non-oil producers lost \$80,102 bn., probably more since there are no reliable figures for Congo-Kinshasa, **Eritrea, Rwanda, Somalia, Sudan and Uganda**. As trade and investment grew, so did the opportunities for theft by African 'big men' and their Western collaborators.

Different countries demand different techniques. 'The bulk of Nigeria's flows came out of government institutions such as the central bank, the ministry of finance and state government coffers. So it goes out under the eyes of politicians, similar to Angola and Algeria. [By contrast] trade mispricing is the main method in Egypt,' says Baker. The result is the same. 'It drains hard currency reserves, heightens inflation, reduces tax collection, cancels investment and undermines free trade'. Capital flight explains why aid-driven efforts at development have underachieved. The World Bank says that for every dollar received by countries of the Global South in external assistance, nearly \$10 is lost through illicit flows abroad, mostly through banks in countries such as **Britain, France and the United States**, Africa's largest donors.

Baker described to AC 'the global shadow financial system' of tax havens, secrecy jurisdictions, disguised corporations, anonymous trust accounts, fake foundations, trade mispricing and money laundering. The Bank for International Settlements measures cash-only private deposits (not the much larger investments in property, resources or equities). Its data for 2002-06 show that 'offshore centres' absorbed 45.5% of sub-Saharan Africa's illicit outflows, 53.1% of Asian outflows and 49.3% of those from the Middle East and North Africa.

Most of the flow is to the West, including the Cayman Islands, **Ireland and Switzerland** but Asian centres such as Hong Kong, Macao and **Singapore** do

CASH DEPOSITS FROM AFRICA AND ASIA COMPARED

2002-2006 total, US\$ billion

Into Offshore Reporting Centres:



Into Asian Financial Centres:



Into developed countries:



Into European Reporting Countries:



Source: Bank for International Settlements

their bit. African cash deposits in Asian financial centres increased from \$91 mn. in 2002 to \$1 bn. in 2005 and back to \$525 mn. in 2006. Europe and the USA remain the favoured destinations of African money-launderers.

Much of the problem lies in lax regulatory regimes in the USA and Europe, Baker told us. He calls for the automatic exchange of tax information between states and for making it illegal for bankers to handle illicit money. 'Governments should require account holders to identify beneficial owners and warn that a false declaration will lead to the blocking of that account.' ●

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Tel: +44(0)1638 743633 Fax: +44(0)1638 743998
Email: subscriptions@africa-confidential.com
or apply online at: www.africa-confidential.com

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Nigeria/Britain

WELCOME TO LONDON

■ Britain's Metropolitan Police have told *Africa Confidential* that they are confident they will secure the extradition of Nigeria's former Delta State Governor **James Ibori** from Dubai, 'by the end of the summer'. This follows the conviction of Ibori's sister **Christine Iborie-Ibie** and his assistant, **Udoamaka Onuigbo Okoronkwo**, for money laundering on 7 June. They were both sentenced to five years in gaol. Another assistant of Ibori's, **Adebimpe Pogoso**, had been previously acquitted. During sentencing at London's Southwark Crown Court, the defence claimed Ibori was the prime culprit, who had pressured the defendants into laundering his 'ill-gotten gains'. A description of Christine as 'very far from [being Ibori's] principal laundress' drew smiles from the gallery.

Summing up, Judge **Christopher Hardy** said the defendants laundered over £7.8 million (US\$11.3 mn.) of Ibori's loot 'in property, offshore trusts [in Guernsey] and tax-havens' between 1999 and 2006; the precise figure was not known because of Britain's opaque banking system. Ibori has been on bail in Dubai, **United Arab Emirates**, since his arrest there on 13 May; the authorities have confiscated his passport. Nigerian Attorney General **Adetokunbo Kayode** has sent released documents to British police which they say will strengthen their case against Ibori. This contrasts with Kayode's predecessor, **Michael Aondoakaa**, who refused to cooperate with the British and tried to get the charges quashed (AC Vol 50 No 20).

Papers that Kayode released show how companies participating in a Delta State tender were all owned by Okoronkwo, say sources; another shows how money from the Delta Treasury paid for Ibori's London properties. We hear the investigators are still identifying Ibori's assets in Britain – so far, \$50 mn. has been traced in cash and assets. This search may have legal implications for British banks such as Barclays and HSBC, which received Ibori's money without due diligence checks.

British police hope Nigeria's new government under President **Goodluck Jonathan** will process their extradition requests for the former governors of Plateau and Bayelsa states, **Joshua Dariye** and **Diepreye Alamieyeseigha**. A separate case continues in London in which Ibori and **David Edevbie**, former Principal Private Secretary to the late President **Umaru Musa Yar'Adua**, face charges of complicity in the theft of \$38 mn. from Delta during the 2007 sale of state shares to V-Mobile. That trial is due to open on 1 November.

Sudan

OILY ALLIANCES

■ A new oil consortium operating in Darfur brings together private Arab, **Gabonese** and **Libyan** state interests and companies close to Khartoum's ruling National Congress Party. It also raises questions about conflicts of interest among would-be mediators in troubled Darfur.

The discovery – from satellite photographs published by London-based Global Witness – that the secretive consortium has started seismic work in the far north-west of Darfur raises doubts about the personal neutrality of two key players in the episodic peace talks: Colonel **Moammar el Gaddafi**, whose family has a strong commercial interest in the Libyan state oil company, and the Chairman of the African Union, **Jean Ping**, Gabon's former Foreign Minister and a close associate of the Gabonese investor.

The satellite pictures show, in a virtually uninhabited area, over 500 kilometres of seismic exploration and a base camp with 23 huts, all in Block 12A, near the Libyan border. Infrared imagery shows tracks leading westwards to a cooler site, we understand, indicating underground water. Others lead north to Libya.

The consortium, the Great Sahara Petroleum Operating Company (GSPOC), consists of state-owned Sudapet (20%); Hi Tech (7%); All Africa Investment (5%), a joint venture between Libya Oil Holding Limited (ex-Tamoil) and Petrolin, owned by Gabonese man-about-Africa and friend of the late President **Omar Bongo**, **Samuel Dossou-Aworet**; **Saudi Arabia's** Al Qahtani (33%); **Yemen's** Ansan Wikfs (20%); and **Jordan's** Dindir (15%).

Hi Tech, one of many companies that sprung up after the 1989 National Islamic Front coup, has 43% of the secretive Giad military complex. Hi Tech and Sudapet are shareholders in Sudan's Advanced Petroleum Company (Apco). All three are on the 1997 **United States'** sanctions list instigated by President **Bill Clinton** because 'continued support for international terrorism, ongoing efforts to destabilize neighboring governments, and the prevalence of human rights violations, including slavery and the denial of religious freedom, constituted an unusual and extraordinary threat to the national security and foreign policy' of the USA.

Khartoum shared oil only partially and reluctantly with the Juba government and is under less pressure to accommodate Darfur. 'Any exploitation would be a conspiracy of the regime to continue its genocidal campaign against the people of Darfur,' the Spokesman of the Justice and Equality Movement, **Ahmed Hussein Adam**, told *Africa Confidential*. Many non-JEM people would agree.

GSPOC was quietly formed in 2006, promising to invest US\$43 million. In

2004, a senior Islamist told an AC source that the area concerned was an 'Islamic' oil area 'reserved' for **Hassan el Turabi** and his colleagues. Another site further south in Darfur (presumably Block 12B) was also 'ours' but would have to wait – because of the war in Darfur.

Zimbabwe

ABBEY'S ALL CLEAR

■ The recommendation by **Abbey Chikane**, a monitor for the Kimberley Process Certification Scheme for diamonds, that Zimbabwe be allowed to resume exports from the much contested Marange fields may strip the last vestiges of credibility from the KPCS. Chikane was evidently under pressure: the Marange diamond fields are reputedly the richest in the world and Mines Minister **Obert Mpofu** estimates that exports from the field are worth US\$1.2-1.8 billion a year.

Chikane, a former employee of **South Africa's** State Diamond Trader and brother of the ex-Director General of ex-President **Thabo Mbeki's** Office, **Frank Chikane**, reached his conclusion although police arrested a civil society activist, **Farai Muguwu**, he had interviewed – and his briefcase was searched by Zimbabwean security agents. In a copy of his report to the KPCS, obtained by *Africa Confidential*, Chikane complains that Zimbabwe's government-owned daily, *The Herald*, had reprinted some of the stolen documents from his briefcase and made disparaging remarks about his working methods.

Whether or not it was *The Herald's* tactics that forced Chikane's hand, his final report will be much to the liking of President **Robert Mugabe's** Zimbabwe African National Union-Patriotic Front and particularly to that of Defence Minister **Emmerson Mnangagwa** who, as Chairman of the Joint Operations Command, takes a special interest in the military occupation of the Marange fields. Local and international human rights groups have documented appalling human rights abuses by Zimbabwean soldiers and police in Marange, with extensive video footage and witness statements.

There is no sign of a resolution to the legal dispute between **Andrew Cranswick's** African Consolidated Resources, which claims mining rights at Marange, and the current operators, Canadile and Mbada, joint-ventures between the Zimbabwe government and South African companies (AC Vol 51 No 11). Meanwhile, some Movement for Democratic Change MPs worry that procedures to monitor exports and revenue from the fields are woefully inadequate. Already a parcel of diamonds, exported from Marange without any records, has turned up in Dubai. Other reports claim some dealers are using Marange to launder 'blood diamonds' from elsewhere in Africa.

BLUE LINES

Politicians, investors or activists looking for a pattern to the myriad natural resource disputes in Africa are liable to be disappointed. The common theme is the growing acceptance, articulated by the OECD and the African Development Bank, that African governments have the right if not a duty to renegotiate chronically disadvantageous mining and oil contracts.

This week *Africa Confidential* reports on the bitter dispute between Congo-Kinshasa and Canada's First Quantum Mining. Although it has gone to arbitration in Paris, Canada wants the Kinshasa government sanctioned by the World Bank and the IMF for trying to appropriate an investor's asset. Also in Congo, Ireland's Tullow Oil is at odds with Kinshasa, which has stripped it of two exploration blocks and handed them to Aurora Empowerment Systems, whose Chairman is a nephew of South Africa's President Jacob Zuma.

In Uganda, Tullow put together a groundbreaking deal with France's Total and China's CNOOC to produce oil from the Lake Albert basin and build a pipeline to Kenya's coast. There, Tullow bought out Britain's Heritage Oil for over US\$1.3 bn. but Kampala insists Heritage pay \$360 mn. in capital gains tax on its hyper-profits. Heritage is protesting and international bankers are siding with Kampala. Likewise in Ghana, the USA's Kosmos Energy seems to be losing its long war of attrition against the government, which opposes its attempts to negotiate a \$4 bn. exit sale without consulting the state oil company.

KENYA

The battle for the basic law

Campaigning for next month's constitutional referendum is a mixture of ideology, religion and personal ambition – and now the thugs have moved in

The main open disagreements in the lead up to Kenya's constitutional referendum on 4 August are about abortion, Muslim *kadhi* courts and land. The battle between the green Yeses and the red Noes is heating up, since **William Ruto**, the Orange Democratic Movement (ODM) Minister of Higher Education, hitched on to the coat-tails of Christian clerics and his own Rift Valley majimboists to block the Yes campaign. Majimboism is a type of super-federalism that many link to the state-orchestrated ethnic clashes under **Daniel arap Moi's** Presidency in the 1990s. At the same time, his party leader, Prime Minister **Raila Odinga**, has declared himself a Yes vote with President **Mwai Kibaki**, as part of Odinga's relentless pursuit of the presidency in 2012. The issues and the political manoeuvres are enmeshed.

The main issues had seemed to have been settled earlier, when a final draft constitution was completed after months of serious discussions in the Committee of Experts (COE: Ruto calls it the 'Committee of Errors'), a Parliamentary Select Committee, and Parliament itself. The draft to be presented in the referendum offers a single executive under a president hemmed in by checks and balances; the ODM had formerly wanted a dual executive with a strong Prime Minister. The draft also offers devolution of power at a single level, to 47 counties, scotching the idea of regional governments as formerly advocated by the ODM, particularly its supporters in the Rift Valley and among smaller ethnic groups elsewhere.

Some say that Odinga, now front-runner for the presidency in 2012, changed his mind on these issues because he has no more desire

than previous presidents to be hemmed in by a strong prime minister and regional governments. The proposed constitution also includes a revamped and more independent judiciary, a strong bill of rights, increased provisions for equality for women, a ceiling of 20 ministers to be appointed from outside Parliament, a president who will no longer be a member of Parliament and who can be impeached, a Senate that will mainly be responsible for dealing with the counties, provisions for fixed election dates not called by the president, a requirement for winners to have more inclusive majorities, and dual citizenship provisions.

YES FACTION IN THE LEAD

However, issues once seen as negotiable or peripheral have mysteriously taken centre stage in the battle for or against the draft constitution. These include sections or clauses on the right to life and abortion, on *kadhi* courts and the judiciary, and on land. The green Yes faction led by Kibaki and Odinga still has a 57% lead among registered electors, according to a late May poll by Nairobi research firm Synovate. The red No team is fighting back fiercely, spearheaded by Ruto (who is determined to stop Odinga becoming president) and by leaders from 36 churches, including **Peter Karanja Mwangi** of the National Council of Churches of Kenya (NCCCK), Cardinal **John Njue** and evangelicals such as **Wilfred Lai**, **Mark Kariuki** and **Peter Sila Kiio**.

The strange No alliance includes ex-President Daniel arap Moi and some of those he once detained, such as **Koigi wa Wamwere**, plus defectors from the Yes

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YES, NO AND IN BETWEEN

A few weeks ago, Prime Minister **Raila Odinga** declared that securing a new constitution was a government project, which therefore deserved state funding while the campaign against the draft constitution did not. Five years ago, his old rival, then Justice Minister **Kiraitu Murungi**, swore to 'shake every corner of the country' in the 2005 constitutional referendum campaign (AC Vol 47 No 6). Odinga was dead set against that proposed constitution, known as the 'Wako Draft' after **Amos Wako**, then as now Attorney General. Today, he and Murungi are allies, amid the recent dizzying political shifts. Here is a line-up of personalities for and against today's draft constitution.

THE YES CAMP

President **Mwai Kibaki's** enthusiasm for the proposed constitution has surprised many, as has his rapprochement with Premier Odinga, alongside whom he has campaigned at almost every rally. Kibaki, often derided for his laid-back politics, has found new energy since he began his campaign in May. At a recent cabinet meeting, he ordered ministers to back the draft or face the consequences. His take-no-prisoners attitude puzzles his Party of National Unity (PNU) allies, especially as the Yes campaign has been received coolly in his Central Province base, but the passage of a new constitution could help repair his legacy, tainted by the botched 2007 elections.

Many of his PNU allies are reluctant supporters: Environment and Mineral Resources Minister **John Michuki**, an old friend who helped him into power; Vice-President **Kalonzo Musyoka**; Finance Minister **Uhuru Kenyatta**; and 'political activist' **Mary Wambui** (whose claim that she was Kibaki's second wife was vigorously denied by State House).

Odinga startled his foes by moving the Orange Democratic Movement to support the constitutional draft, as it would dilute ODM demands for a parliamentary system (see AC Vol 51 No 7). Odinga's rivals accuse him of hijacking the campaign but his backing for the draft has eroded his support in the vote-rich Rift Valley and Kisii in Nyanza Province. Two weeks ago, the ODM lost a by-election in Kisii after Odinga fell out with former party Treasurer **James Omingo Magara**, now allied to the Kalenjin leader **William arap Samoei Ruto**, and after his attack on a veteran Kisii politician, Education Minister **Sam Onger**, over corruption allegations.

Vice-President Musyoka is nominally in the Yes camp but his wavering has cost him credibility. His sympathy with the churches, one of his key constituencies and strongly against the draft, has undercut any potential gain from supporting it. It is opposed both by most senior people in his ODM-Kenya party and by his Kamba ethnic group. He has kept clear of the 'Green Initiative', a PNU-led move in favour of the draft. As with his rival Kenyatta, backing the draft wins Musyoka nothing but openly opposing it would mean showing his hand too early.

Finance Minister Kenyatta initially said that he would be neutral. After weeks of silence, he endorsed the draft but refused to release funds for the campaign. He stays away from official Yes rallies but holds a few of his own, mostly in his Mount Kenya stronghold. He embodies the anti-Odinga faction of the Yes campaign, wary of the Premier but unable to oppose the President. Ruto, his old friend from the Kenya African National Union (together with Musyoka, they forged the Kikuyu-Kalenjin-Kamba alliance), is the No leader.

THE NO CAMP

Ruto's opposition to the draft constitution is at first glance mystifying as he was at the heart of the February negotiations that re-crafted it, retaining against his ODM party's wishes a strong presidency in exchange for more devolution. Overriding everything else is his hostility towards Odinga, who tried and failed to fire him in mid-February for his role in a 2008 maize scandal. That may explain his new alliance with the churches.

Ruto's single-mindedness in the No campaign has won him grudging admiration and some derision. He furiously denies charges that he and his allies use the campaign to spread ethnic hatred and claims that the draft would bring a tax on idle land and dispossess land-owning communities such as the Kalenjin. Most legal experts dismiss that but Ruto is emerging as leader of an opposition which is challenging the Kibaki-Odinga power axis. His allies include 16 of the 49 Rift Valley MPs, all of them Kalenjin, most first-term parliamentarians. Others are ODM-Kenya MPs, mostly from Musyoka's Ukambani power base and from the Coast.

The Christian allies include the establishment churches – Catholics, Anglicans, Presbyterians and the African Inland Church – and the evangelicals; they may be the biggest No lobby. They say certain clauses would permit abortion and privilege Muslims by entrenching the *kadhi* courts (see Feature). Most church leaders oppose the draft but their flocks are divided, while retired Presbyterian Bishop **Timothy Murere Njoya** and retired Anglican Archbishop **David Gitari** support it. ●

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amisah

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campaign. Campaigning is not supposed to start until July but reds and greens are already holding rallies all over the country.

The fury about what seem secondary issues looks like a warm-up for the 2012 election. If the 2010 constitutional referendum were defeated, as the one in 2005 was, it will at best postpone decisions on major issues and at worst bring another violent election in 2012.

The churches have formidable nationwide networks. Ruto and his allies exploit them, emphasising that some clauses would allow abortion under limited circumstances, while others would continue the recognition in the constitution of the *kadhi* courts, which have existed since before Independence. They also condemn some clauses on land, including one establishing a new National Land Commission (NLC).

WOMEN'S RIGHTS ON THE LINE

On abortion, a 'right to life' clause in an early draft in November 2009 included the words 'every person has a right to life and shall not be arbitrarily deprived of life'. Following pressure from church and women's groups, the current draft adds that 'the life of a person begins at conception' and that 'abortion is not permitted unless in the opinion of a trained health professional there is a need for emergency treatment or the life or health of the mother is in danger or if permitted by any other written law'.

Furious clerics urge the drafters to outlaw abortion entirely. Some say these activists are funded by evangelicals from the **United States**, naming in particular **Jordan Sekulow** of **Pat Robertson's** American Centre for Law and Justice in Washington DC, who says he wants to see abortion outlawed completely and that he is in touch with a Kenyan televangelist, Bishop **Mark Kariuki**. Liberal churchmen such as **Timothy Njoya**, a retired minister and human rights defender, criticise their fellow clerics who oppose reform.

Christian resistance seems to getting tougher. On 21 June, the NCCK's Peter Karanja said he would not accept an invitation to discussions with the government unless it agreed to postpone the referendum and amend the draft

constitution – which would require a two-thirds majority in Parliament and is highly improbable. The churchmen's obstruction puzzles many mild-mannered churchgoers but the recent Synovate poll found that, of the 43% who said they would vote No, 55% said it was because of the clause on abortion.

Churchmen also object to the incorporation into the section on the judiciary of clauses about *kadhi* courts. These have jurisdiction only in matters 'limited to the determination of questions of Muslim law relating to personal status, marriage, divorce, or inheritance proceedings in which all the parties profess to the Muslim Religion'. This wording was part of a deal in 1963 between **Jomo Kenyatta**, Kenya's first President, and the then Sultan of Zanzibar, by which Zanzibar transferred a coastal strip to Kenya and gave it access to the sea. The Christian clerics say they are not against the *kadhi* courts as such, providing they are not incorporated into the constitution or funded by the state. Doing so, they say, privileges one religion over another.

During the constitutional debate in 2004, 26 Christian leaders brought a case against the then draft constitution for the same reasons. It languished in the courts until 24 May, when three senior judges, **Joseph Nyamu**, **Mathew Anyara Emukule** and **Roselyne Wendoh** sitting as a constitutional court, ruled in favour of the clerics and against acknowledging the *kadhi* courts in the draft constitution. They said it would violate Kenya's separation of state and religion, and that extending the courts' jurisdiction beyond the ten-mile coastal strip was unconstitutional. Attorney General **Amos Wako** says he will challenge their decision.

As for Ruto's attacks on the clauses about abortion and the Muslim courts, he was himself among the MPs who approved these clauses at numerous meetings. Now he is looking for new allies in the churches and is also claiming that the draft would open the door to homosexual marriage.

The government is unlikely to yield to his arguments over the *kadhi* courts, not least to avoid antagonising Muslims. Yet the Synovate poll (on 22-28 May) seemed to show that the Yes vote is weak in Ruto's Rift Valley area and even weaker in the Eastern province, where the Catholic Church is strong; Eastern's favourite son, **Kalonzo Musyoka**, supports the draft, but weakly. Yet both Synovate's and other more recent opinion polls show the Yes voters still in the lead overall. Some 37% of No voters said they would vote against the draft constitution because of the clauses on the *kadhi* courts.

The draft's section on land upsets many voters, particularly the clauses establishing the NLC, which would take power to manage public land away from

the president and county councils, and increase government taxation powers. Until now, the allocation and titling of land has been a corrupt bureaucratic nightmare. Past presidents have dished out land as if it were their own; county councils, in concert with sleazy local land boards connected to politicians, have made the titling, selling and arbitration of land disputes difficult and politically poisonous. Many Kenyans welcome the proposed oversight powers of the NLC; others, having benefitted from past irregularities, worry about losing what they have illegally acquired.

LAND RIGHTS AT STAKE

The draft constitution would give the NLC power to advise the government on registration and titling, to look into historical injustices, to make recommendations on the registration of titles and to advise government about a national land policy, among other matters. There are objections to clauses allowing the government to limit minimum and maximum holdings of private land and to cut the term of leasehold titles from 999 to 99 years.

Ruto tells his supporters that their

land could be seized. Some ministers in the Rift Valley say this is untrue; they include **Sally Kosgei**, **Henry Kosgey** and **William Ntimama**. Ex-President Arap Moi, who grabbed public land for himself and his cronies when he was in power, has lined up with the No vote. Ruto, once his friend, then his enemy, finds himself agreeing with Moi over the land clauses and pretty much everything else in the draft constitution. Although Moi is one of the most prominent opponents of the draft, he will not publicly back Ruto's campaign which many see as highly divisive and sectional. Ruto's detractors accuse him of misrepresenting the contents of the draft to people in the countryside. More than anything else, Ruto's campaign seems to be informed by his antipathy to his former ODM ally, Odinga.

It has also been claimed by the No camp that draft clauses referring to land held by communities on the basis of 'ethnicity' or 'ancestral occupation' might be used to displace present-day landholders. Yet the draft specifies that everyone 'has the right to enter, remain in and reside anywhere in Kenya and to own property'. Clearly, some No politicians deliberately distort the clauses on land. Assistant

BOMBING THE CAMPAIGN

Police and politicians are struggling to work out who hoped to gain from the grenade attack which killed six people at an evangelical Christian rally in Uhuru Park on 13 June. Most of the people at the rally had gathered to show their opposition to the proposed draft constitution, which is going to be put to a referendum on 4 August.

Politicians and religious leaders campaigning against the draft constitution – the No group – were quick to point fingers at the Yes team. There is little motive, considering the strong lead the Yes campaign has so far in opinion polls: the latest splits the referendum vote at 57% for to 20% against, with a large proportion of undecided. Although Deputy Police Spokesman **Charles Owino** refused to confirm it, we hear police are following leads which would implicate *Al Shabaab* and other Islamist groups.

Tensions rose after a court ruling in late May declared Islamic *kadhi* courts unconstitutional and some claim there may be a link. However, the government does not want to polarise the constitutional campaigns, which have taken on a religious tack.

Kenyan legal experts on several fronts have strongly criticised the court ruling on a case filed in 2004 by church groups opposed to the 2004 Bomas draft constitution (AC Vol 51 No 12). Attorney General **Amos Wako** has promised to appeal.

Others see the Uhuru Park attack as an indication that some hard-line political groups want to stop the referendum. There have been attempts to sabotage the draft constitution. The first, just days after Parliament handed the draft to Wako, involved the insertion of the words 'national security' in the Bill of Rights section.

They were included while the draft was at the government printer and would have nullified many of the liberal reforms proposed in the new constitution. Some claimed there was collusion between the printer, Wako, the National Security Intelligence Service (NSIS) and the Ministry of Internal Security. Investigations have produced no leads.

The NSIS has much to lose by the passage of the new constitution: its wide latitude, stemming from the colonial and single-party eras in which it formed the bedrock of authoritarian regimes, would be much reduced by a Bill of Rights that guaranteed individual freedoms.

Another anti-referendum move is the Treasury's reluctance to release civic education funds to the Committee of Experts. This stalled the CoE's plans. Although the impasse was resolved by Prime Minister **Raila Odinga**, the Treasury's action was blamed on Finance Minister **Uhuru Kenyatta**, who is wary of Odinga's dominance in the Yes campaign. ●

Roads Minister **Wilfred Machage**, with MPs **Fred Kapondi** and **Joshua Kutuny**, and **Christine Nyagitha Miller** (wife of Kenya's corrupt former Chief Justice, **Cecil Miller**) were recently arrested for incitement to violence and released on bail. They were reported to the hitherto dormant National Cohesion & Integration Commission and are charged with hate speech (which can bring a heavy fine and imprisonment) and with distributing leaflets designed to promote violence and evictions against Kikuyu, Luo, Luhya and other 'non-indigenous groups' in the Rift Valley and Nairobi, claiming they should move out. This is a reminder of the 2007 post-election violence and is particularly dangerous, since so few people know or understand the draft constitution. Synovate found that 32% of those intending to vote No cite its clauses on land as their reason.

On several quite separate issues, the No campaign has drawn in strange bedfellows. One MP, **Koigi wa Wamwere**, opposes clauses devolving limited authority to 47 counties and the replacement of provincial commissioners by governors elected from the counties. He says that will institutionalise 'negative ethnicity', incite the eviction of minorities and destroy Kenya as a nation. Yet Ruto and many of his No allies say the draft does not decentralise enough and accuse Odinga of having sold out those voters in the Rift Valley who helped bring him and the ODM to power.

Others, including some ex-detainees such as **Njeru Kathangu** and **Wanyiri Kihoro**, claim that the draft, far from diminishing the president's powers, would create a 'super imperial president with absolute and draconian power'. They note that the president would still

be commander-in-chief, retain unchecked power over internal security matters, chair the cabinet and direct the functions of ministries, and they say that is too much power.

Another group of hidden Noes, known as 'watermelons' because they masquerade as green Yeses on the outside while being red Noes inside, is said to consist of the old guard of the governing Party of National Unity (AC Vol 52 No 12). They think there should be fewer checks on the president. Many with large landholdings all over the country fear that any sort of devolution could usher in the worst aspects of majimboism, leading to the 'Balkanisation' of Kenya. They support Kibaki and pretend they are Yeses but are in fact closet Noes, partly because they do not want Odinga as their next president.

The Yeses are striving to drum up support in areas where it may be fading, including in Ukambani, the Rift Valley and Central Province. Yes might win with a simple majority but the experts think that a new constitution needs 60% support if it is to claim the confidence of the nation.

DEADLINE PRESSURE

Several interest groups feel threatened by the changes a new constitution would bring. Part of the problem was the speed with which Parliament passed the draft. In spite of objections – at one stage there were over 150 amendments tabled – the pressure to meet the publication deadline forced an uneasy consensus among politicians and left many dissatisfied.

Critics blame this on external pressure, from Western creditors and ex-United Nations Secretary General **Kofi Annan's** team to the National Accord. Under the terms of the 2008 National Accord, the four main agendas – the draft constitution

is part of Agenda 4 – should have been implemented before the start of a new election cycle to prevent a repeat of 2007.

Opponents of the draft went underground after Kibaki instructed all ministers at a May cabinet meeting to support the draft or face the consequences. – all except Ruto who controls the Kalenjin vote and was seen as too important to be sacked. Some see a link between the No camp and the Kikuyu-Kalenjin-Kamba ethnic alliance crafted by Uhuru Kenyatta, Ruto and Vice-President Musyoka. While Kenyatta and Musyoka are constrained by their allegiance to Kibaki, Ruto claims many of his supporters in the No campaign are yet to go public.

The deepest ambivalence towards the draft constitution is to be found in the Mount Kenya region, Kenyatta's Kikuyu stronghold. The fact that the most prominent objectors within the Christian leadership are themselves from that region seems to suggest a link between the Mt. Kenya leadership and Christian leaders, many of whom endorsed Kibaki, a Kikuyu, in his 2007 re-election bid.

For now, the No campaign is on the back foot. All of the politicians accused of 'hate speech' have been opponents of the constitution; among them are three of Ruto's lieutenants, all of whom face criminal charges. Another 20 cases of hate speech are now under investigation.

The No camp cries foul, accusing the government of targeting it and curtailing its campaigns. A season of political correctness looms but that will do nothing to dampen opposition to the constitution. The No campaign believe they have the wind in their sails and will be campaigning hard until the vote on 4 August – which shows every sign of being extremely close-run. ●

ZIMBABWE

Diplomacy by other means

Harare's foreign policy is splitting at the seams – and so is the awkward ZANU-PF-MDC coalition

South Africa's President **Jacob Zuma** is beginning to tire of the political impasse in Harare. We hear that Zuma's office has just sent a stern note to the three principals of 2008's Global Political Agreement (GPA) – **Robert Mugabe**, **Arthur Mutambara** and **Morgan Tsvangirai** – firmly setting out the limits of South Africa's mediating role if the parties do not keep to their undertakings.

After two months of delay, the three leaders met last week and again they agreed to disagree and refer matters to

Zuma as facilitator. With the Football World Cup kicking off and internal problems in the governing African National Congress, there were other calls on Zuma's time. Harare-Tshwane (Pretoria) relations are unlikely to get the priority of previous years as frustration grows with the coalition's lack of progress.

The Constitutional Consultative Programme is now under way but whether or not it is finalised, the parties are preparing for elections next May. With the development of parallel lines of

authority and Mugabe's dominance of the security portfolios, there are questions about the practical meaning of a win by either party.

Fears that politics could spoil Zimbabwe's enjoyment of the World Cup have proved groundless. Instead, the country is exceptionally quiet as ardent fans – and that is most of Zimbabwe – wistfully follow the matches on television. In a 21st century variation of swords into ploughshares, the Israeli water cannons generally used for crowd control can be seen gently watering the gardens of Police Commissioner General **Augustine Chihuri's** estate in the expensive Borrowdale suburb of Harare, where the municipal water supply remains erratic.

President Mugabe has been particularly active in diplomacy, which he jealously guards as one of the head of state's prerogatives, and it also helps his Zimbabwe African National Union-

Patriotic Front to maintain its assertion that it has not ceded any serious power to the other parties in the coalition.

Rarely does a week go by without front-page coverage in the state newspapers of Mugabe's latest foray: greeting **Algerian** President **Abdelaziz Bouteflika** at the Group of Fourteen meeting in Tehran, **Iran**, then a quick 'shopover' for **Grace Mugabe** in Dubai, **United Arab Emirates**; gatecrashing the World Economic Forum meeting in Dar es Salaam, **Tanzania**, at which Mutambara and Tsvangirai were invited participants last month; a wedding party in **Malawi** with his ally President **Bingu wa Mutharika**; a visit to **Senegal**, ably facilitated by Ambassador **Trudy Stevenson** (nominated by the Movement for Democratic Change, MDC); and attending the World Cup kick-off in Soweto on 11 June. There is little of substance in these outings and the other two parties to the GPA seem happy to humour Mugabe.

A VERY UNDIPLOMATIC INCIDENT

However, the coalition's foreign policy is splitting at the seams. As ZANU-PF and its leader court Iran, North Korea and Venezuela, they berate the MDC as a stooge of Western imperialism. Sometimes the policy spins out of control: in late May, the Zimbabwean Ambassador to the **United States**, **Machivenyika Mapuranga**, shouted abuse at the Assistant Secretary of State for African Affairs, **Johnnie Carson**, at a diplomatic gathering in Washington and was escorted out of the room.

US Secretary of State **Hillary Rodham Clinton** comes under periodic attack in the Harare daily *The Herald*, accompanied by the most unflattering photographs. State House has not forgiven her reluctance to be packed off for meetings with Grace Mugabe during the state visit to Zimbabwe of her husband, then President **Bill Clinton**.

Inward visits may be more significant. The MDC stands aloof from events such as the flying appearance of Iran's President **Mahmoud Ahmadinejad**, which was treated as a purely ZANU-PF affair, as was that of **Julius Malema**, the wild child of South Africa's African National Congress Youth League (AC Vol 51 No 12). When the ANC moved to discipline Malema for advocating similar policies to Zimbabwe's on land and black empowerment, a close Mugabe ally, **Oppah Muchinguri**, called on the ZANU-PF Politburo to show solidarity with him. Party Chairman **Simon Khaya Moyo**, who is still Ambassador to South Africa, tried to head off such blatant interference in the internal affairs of a friendly state. Empowerment Minister **Saviour Kasukuwere** and Mines Minister **Obert Mpofu** rounded

on Moyo for his ideological weaknesses. Another ZANU-PF-sponsored visit was that of **Wang Gang**, a member of the **Chinese** Communist Party Politburo. To the consternation of his hosts, he insisted on paying an unscripted courtesy call on Prime Minister Tsvangirai. This prompted angry claims from *The Herald* that Tsvangirai was trying to checkmate China. The 'Look East' initiative is one of Mugabe's most favoured projects.

Mugabe's Spokesman **George Charamba** was outraged by Tsvangirai's own Eastern initiative in **South Korea**. Having been awarded a degree by Seoul University, Tsvangirai then signed a bilateral investment protection agreement with South Korea. Zimbabwe's Ambassador to **Japan**, **Stuart Comberbach**, is also accredited to Seoul. He is one of Zimbabwe's most experienced career diplomats, having served since Independence, and he counselled against signing at this stage. Mugabe backs North Korea.

When Tsvangirai returned to Harare,

Charamba publicly reprimanded him and declared the signing null and void as the cabinet (chaired by the President) had not approved the draft. Yet the Council of Ministers, which Prime Minister Tsvangirai chairs, had endorsed it.

Whatever the constitutional questions, many Zimbabweans found it bizarre that a presidential spokesman should publicly rebuke a prime minister. Charamba's partisanship for ZANU-PF and opposition to the MDC's coalition role rankles with Tsvangirai's allies; now the MDC has raised Charamba's influential position as another policy issue to be resolved.

Police Commissioner **Chihuri** reinforced Charamba's attitude to the coalition by declaring that he recognises directions only from the President or the Attorney General; any orders from the MDC's joint Home Affairs Minister, **Giles Mutsekwa**, would have to be countersigned by ZANU's **Kembo Mohadi** but not vice-versa. In ZANU-PF's eyes, the real power should and does remain with the Politburo. ●

NEWSDAYS AND THE OLD DAYS

The new Media Commission is finally operational and is issuing licences to publish newspapers. After a year's foot-dragging, during which the Zimbabwe African National Union-Patriotic Front (ZANU-PF) tried every delaying tactic, the arrival of the *Newsday* tabloid on the newsstands has rather underwhelmed the public. It was poor timing to launch the paper during the World Cup in South Africa, as most Zimbabweans were relentlessly focused on the tournament, which eclipsed the usual independent news diet of human rights abuses and corruption in the diamond fields and the latest ructions in the coalition government.

Early editions of *Newsday* failed to inspire. Matters were not helped when the paper parted company with its Managing Editor, **Moses Mudzwiti**, after the second issue. Yet the independent newspapers have bigger problems elsewhere. Professor **Tafataona 'Dotty' Mahoso** was appointed as the Executive Secretary of the Media Commission despite his abysmal showing in the selection interviews (AC Vol 49 No 13).

Then in Saturday's *Herald* came **Nathaniel Manheru's** regular column 'The Other Side', with its special brand of strained similes, mixed metaphors and lavatorial humour. Manheru is probably the most accurate reflection of ZANU-PF Politburo thinking in the local press (AC Vol 45 No 25). Having grudgingly welcomed the new newspapers, Manheru insisted that what was needed was not more variants of Western imperialism but a platform for the world's dissidents and nonconformists, such as provided by **Russia Today**, **China's** CCTV-9 and **Iran's** Press TV. Instead, in Zimbabwe there were publishers who had 'suckled from the politician's poisonous adder'. No one dares sub-edit Manheru's copy for fear of ending up on *The Gokwe Gazette*.

Having dismissed **Strive Masiyiwa** (Chairman of Econet, Zimbabwe's largest mobile telephone operator) with **Sten Rylander** (former **Swedish** Ambassador) and **Judith Garfield Todd** (daughter of the late Premier, **Reginald Garfield Todd**), who were all at the Johannesburg launch of *Newsday*, Manheru sounded a warning to Econet on its possible plans for a toll-free news service. 'Thank God cellular licences are up for renewal and government has to deal with all manner of mischief.' In view of that ominous threat, corporate advertisers are reluctant to show much support for the new paper.

'Manheru' is the Nshona evening greeting when the gathering gloom calls for wary walking. No one has met Nathaniel Manheru and few believe that he exists or is anything but a *nom de plume* for **George Charamba**, Permanent Secretary of Information, Presidential Spokesman and ZANU-PF's leading spin doctor.

The column started in the heyday of **Jonathan Moyo's** sway over the media. Since his fall from grace, the column shows less linguistic flair but sharper personal invective. Whatever one's literary tastes, the Manheru column is required reading to understand Zimbabwe's tortuous political rivalries in a way that the comment pieces in the independent press have failed to match. ●

Ottawa confronts Africa at the G-20 summit

Canadian officials will raise a mining dispute with the Kinshasa government when they host the grand summit this weekend

Canada, which hosts the Group of Eight and Group of Twenty summits on 26-27 June, is to call for action against what it claims is an attempt by Congo-Kinshasa to expropriate a copper and cobalt project run by the Vancouver-based First Quantum Mining (FQM). Although the dispute has gone to international arbitration, the Kinshasa government signed a contract in January that hands over a majority share of the assets to a mysterious consortium, registered in the **British Virgin Islands (BVI)** and led by Highwind Properties.

The project, Kingamyambo Musonoi Tailings (KMT) in Kolwezi, Katanga, is one of the richest sources of copper and cobalt in the world. FQM claims to have invested some US\$750 million before Kinshasa said it had broken Congolese law and would forfeit the asset and its investment costs. Work stopped last year after FQM unsuccessfully appealed against the decision in the Congolese courts.

FQM and its co-investors took their

case to the International Chamber of Commerce's International Court of Arbitration in Paris on 1 February. Officials in the office of Canadian Prime Minister **Stephen Harper** say the dispute will be raised both in the G-8 leaders' meetings with African leaders, such as **Nigeria's Goodluck Jonathan** and **South Africa's Jacob Zuma**, and in the G-20 meetings, with officials from the World Bank and International Monetary Fund.

Canada has already tried to suspend the Bank and IMF debt relief programme for Congo-K until the dispute over the KMT project is resolved. The effort to persuade President **Joseph Kabila** to accept the terms for debt relief, which included scaling back **Chinese** countertrade projects, brought both Bank President **Robert Zoellick** and IMF Managing Director **Dominique Strauss-Kahn** to Kinshasa to press their case. Having invested that much effort, neither institution was keen to abandon the \$9 billion debt relief deal for the sake of a Canadian mining company.

Now that the World Bank's private sector affiliate, the International Finance Corporation, and South Africa's International Development Corporation have equity stakes in the Kolwezi project and are party to the arbitration in Paris, Canadian officials hope the international financial institutions will take a tougher line at the G-8 and G-20 meetings.

An IFC official told *Africa Confidential* that its equity stake in KMT had been 'adversely affected by this dispute.' The IFC believed the project should go forward as planned with the original shareholders as it had 'great potential to bring long-term benefits' to the people of Congo. 'It is unfortunate that a resolution has not been reached and that we had to join international arbitration proceedings against the government' [of Congo-K].

Legal opinion is divided on the implications of Kinshasa signing over the KMT assets to the Highwind consortium, which has created a new joint venture company to manage the asset with the state mining company, *Générale des Carrières et des Mines (Gécamines)*. The new joint venture company to mine the tailings is called Metalkol. A decree from the National Economy Ministry enabling the creation of Metalkol was approved by cabinet on 14 May. According to the contract, the government holds 5% of Metalkol's shares, *Gécamines* has 25% and Highwind's consortium, 70%. Curiously, 5% of *Gécamines'* 25% holding is in the hands of *La Société Immobilière du Congo (Simco)*, whose President is **Zongwe Kiluba**. Simco and Kiluba are unknown in Congolese mining circles and it is not clear why they have acquired a fifth of *Gécamines'* stake in the joint venture.

Signing for *Gécamines* were its President, **Jean Assumani Sekimonyo**, and Chief Executive, **Calixte Mukasa Kalembwe**; lawyer **Sydney Attias** signed for Highwind. Attias also had power of attorney for the three other members of Highwind's consortium, Pareas Limited, Interim Holdings and Blue Narcissus. Like Highwind, all three are registered in BVI, which refuses to disclose information about the beneficial owners of its registered companies.

Despite the arbitration, of which FQM gave initial notice in November 2009, a clause of the secret contract claims the exploitation rights accorded to Metalkol are 'not the object of any judicial procedure, claim or lawsuit, or threat of a judicial procedure, claim or lawsuit, which could lead to a reassessment of' its rights to exploit the tailings. Another adds that 'no judicial action or lawsuit has been initiated or are susceptible to be initiated that, if successful, are of a nature that might impact on the exploitation permit of the tailings.' However, a later clause states that Highwind commits 'to assist and help

THE KINGAMYAMBO MUSONOI TAILINGS

- 1996-1997: Tender for the Kolwezi project. 30 mining houses tender and American Mineral Fields is awarded the contract. AMFI will change its name to Adastra.
- 1998: AMFI forms a partnership with Anglo-American CMD, a subsidiary of AMFI, and they negotiate a partnership contract and a mining convention with *Gécamines* (Congo's state mining utility) and the Kinshasa government.
- 1999: Slowdown in mining activity occurs because of war.
- 2000: Mining tests carried out by AMFI in Johannesburg.
- 2001: Review of the partnership contract with *Gécamines*.
- 2002: Anglo-American withdraws from CMD. Congo's Minister of Mines confirms CMD's rights on the Kolwezi Project on 16 May. CMD opens project shares to the World Bank-affiliated International Finance Corporation (IFC) and **South Africa's** Industrial Development Corporation (IDC).
- 2003: Renegotiation of the partnership contract under Congo's new mining code.
- 2004: Signature of the partnership contract on 23 March. The Presidency confirms by presidential decree the creation of the Kingamyambo Musonoi Tailings joint venture. The final feasibility study gets under way.
- 2005: The feasibility study continues. IFC and IDC agree to be part of joint venture.
- 2006: First Quantum Mining (FQM) of **Canada** buys Adastra. The final feasibility study is updated.
- 2007: CMD, IFC and IDC fulfil their obligations as per article 4 of the partnership contract – completing the feasibility study, environmental impact assessment and securing finance for the project. A meeting of the board of directors on 19 November asserts that those partners' obligations have been met.
- 2008: Building of the recycling plant begins.
- 2009: Building of the plant continues. Government revokes mining rights on Kolwezi concession on 4 August. Government closes down KMT plant on 16 September.
- 2010: *Gécamines* notifies FQM that it is cancelling the contract of association on 11 January. On 1 February, FQM announces the start of international arbitration over the revoking of the KMT permit. ●

Gécamines in the occurrence that claims from former partners lead to international arbitration', by recruiting and paying for 'high calibre lawyers of international pedigree' to assist *Gécamines'* case.

Highwind is required by the contract to pay a signature bonus of \$60 mn. for the Kingamyambo tailings and also to lend the government and *Gécamines* the money required for their 5% and 25% stakes. It states that if *Gécamines'* loses its arbitration with FQM, the signature bonus will be reimbursed. The contract is silent on who, if anybody, should reimburse FQM for the \$750 mn. invested so far in Kingamyambo. It does claim, however, that the asset, and even the feasibility studies by FQM, belong entirely to *Gécamines* and that Metalkol will acquire the rights to exploit the asset in their entirety.

There is intense speculation in Kinshasa as to the identity of the financial backers of Highwind and why they would pay a \$60 mn. signature bonus for an asset that the arbitration could decide still belongs to FQM. The mystery backers may calculate that if Kinshasa wins, they will have paid just \$60 mn. for an asset with \$750 mn. of investment already in place and only another \$250 mn. required to be spent before it starts production, when copper and cobalt prices are climbing. If the arbitration goes in FQM's favour, in theory the consortium should get its money back from the government.

Kinshasa's dispute with FQM worsened in May when the Supreme Court ruled that FQM's titles to its two other Katangan assets, the Lonshi and Frontier mines, were invalid. At the African Mining Indaba in Cape Town in February, where FQM announced it would go to arbitration over Kingamyambo, Mines Minister **Martin Kabwelulu** warned company officials that FQM would risk losing Lonshi and Frontier, too.

Few believe that Kabwelulu, a political lightweight, is behind FQM's problems. Many suspect the long arm of **Augustin Katumba Mwanke**, an advisor to President **Joseph Kabila** and a minister during his father **Laurent-Désiré's** presidency, who is known to be close to the *Gécamines* President (AC Vol 48 No 11). When asked to comment on claims that **Israeli** mining mogul **Dan Gertler** may also be involved in the secret deal, his company said emphatically that it was not and that rivals were trying to smear Gertler. Although Gertler International profited hugely from its state-backed diamond deal in Mbuji-Mayi, it has had to cede most of Katanga Mining, in which it once held a controlling interest, to **Swiss** commodities trader **Trafigura**, to settle company debts. Answers about the new would-be owners of the Kingamyambo project may emerge from the arbitration in Paris, due to resume this month. ●

EQUATORIAL GUINEA

Obiang's prize turnip

A rebranding exercise for the Malabo government backfires as UNESCO belatedly rejects Obiang's kind offer of a US\$3 mn. prize for science

After much internal agonising and diplomatic arm-twisting, the United Nations Educational, Scientific and Cultural Organisation backed down on 15 June and rejected an offer from Equatorial Guinea's President, **Teodoro Obiang Nguema Mbasogo**, to sponsor a proposed leadership prize. Obiang's regime is regularly judged one of the most corrupt and brutal in the world by the anti-corruption lobby Transparency International and human rights movement Amnesty International (AC Vol 50 No 22).

'We must be courageous and recognise our responsibilities, for it is our organisation that is at stake,' said new Director General **Irina Bokova** as she announced that UNESCO had refused money from Obiang. Only in April, UNESCO's 58-member board had dismissed concerns over corruption and human rights abuses in Equatorial Guinea and endorsed the US\$3 million Obiang Nguema Mbasogo International Prize for Research in the Life Sciences –

of which half would have been spent on administration costs.

The rejection is a blow for Equatorial Guinea and its United States-based lobbyists, who have seen several image-boosting efforts backfire in recent years. **Juan Nsue Ondo**, a senior advisor to President Obiang, said he was 'shocked that UNESCO has been taken hostage in this way'. Qorvis Communications, hired in May on a \$660,000, 12-month contract to boost the Malabo regime's image, complained 'the situation is being viewed through an outdated understanding of what our government is and what Equatorial Guinea is like.'

Like Cassidy and Associates, which in 2004 reportedly agreed a \$120,000-a-month lobbying contract, Qorvis insists that clumsy reporting and ignorance fashion Equatorial Guinea's appalling image. Government officials in Malabo were dismayed when promises to spin an infamous conspiracy by white mercenaries (see Box) to topple Obiang

SEE YOU IN COURT IN BEIRUT

The fortunes of one of Black Beach gaol's most celebrated inmates, the convicted coup plotter **Simon Mann**, have improved since his release 'on compassionate grounds' by President **Teodoro Obiang Nguema Mbasogo** last November (AC Vol 50 No 22). In April, Mann sold his Palladian mansion in Hampshire for £16 million (US\$23.8 mn.) to Myers Developments, registered in Guernsey. The beneficiary was Lady **Edwina Grosvenor**, daughter of the Duke of Westminster, Britain's richest landowner and a close friend of the heir to the throne, Prince **Charles**. Property experts in the area say that Mann was made an offer 'he couldn't refuse': the value of the property was estimated at £6 mn.

Another bonus for Mann is that his old Etonian classmate **Henry Bellingham** is now Africa minister in Britain's new coalition Conservative-Liberal Democrat government. Bellingham – one of Mann's doughtiest defenders during his incarceration – has said that Malabo appeared keen to rebuild international relations and that Mann's imprisonment had become 'an embarrassment' to Obiang. Unlike other convicted putschists released then, such as **Nick du Toit**, who complained about barbaric torture methods, Mann says he 'was treated like a guest and not a prisoner'. His wife, **Amanda**, told British society weekly *Tatler* in March that Obiang 'was busy being such a lovely, lovely man.'

Mann's promise to repeat in the British courts his claim that **Mark Thatcher**, son of former Premier **Margaret Thatcher**, and **Lebanese** businessman **Ely Calil** were the financial kingpins in the 2004 plot to overthrow Obiang has been welcomed in Malabo. Thatcher and Calil deny all wrongdoing; Calil says the House of Lords' rejection of a civil suit against him and others by Malabo was irrefutable proof of his innocence. Less clear is the root of the animus between the Obiang regime and Calil or why Mann says he is determined to pursue Calil, who had been advising him on maritime security matters in the Gulf of Guinea in 2003. These days, the distrust between Mann and Calil seems entirely mutual. Calil says he is launching a perjury case against Mann in Lebanon. The action in the Beirut courts will be based on the assertion that Mann's claims that Calil was the leading financial force behind the failed coup starkly contradicts an affidavit he had made in **Zimbabwe** saying that all statements implicating Calil had been made under duress. In Lebanon, conviction for perjury attracts an automatic custodial sentence. ●

as a triumph for an emerging democracy degenerated into headlines about cannibalism and corruption.

Now, lobbyists face another challenge trying to explain moves to develop the neglected solid minerals sector, which were disclosed with little publicity just as the UNESCO fiasco was unfolding. On 2 June, Sillenger Exploration Corporation, a **Canada**-based, US-registered mining company, said it had 'entered into a contract' for an airborne geophysical survey of mainland Equatorial Guinea and would 'be granted exploration mining concessions, including oil and gas concessions' revealed by the survey.

According to a Sillenger press release, **Diosdado Engono Bengono**, General Director of Mines and Quarries in the Ministry of Mines, Industry and Energy, said: 'It was a great honour working with you in order to succeed this Agreement. Entering into this agreement will enable our great Nation to develop its natural resource industries and diversify the economy. This will generate many wonderful business and employment opportunities, and build the foundations for sustainable economic growth and stability. We are looking forward to a long and mutually rewarding partnership.'

Sillenger is 'an innovative and progressive mineral exploration and claims management company, with experience in mining and business process management in Africa.' However, a day before announcing its contract with Malabo, it reported to the US Securities and Exchange Commission that 'We have no full time or part time employees. We have no customers at this time. Sillenger does not expect to generate any revenue in the near future.'

In May, Sillenger's auditors, Silberstein Unger, reported that Sillenger 'has negative working capital, has received no revenue from sales of products or services, and has incurred losses from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern.' **John Gillespie**, Sillenger's new Chief Executive Officer, says his previous management experience in Canada with Pizza Pizza, Goliger's Travel and Ryan's Pet Foods 'makes him the ideal leader for Sillenger's exciting new business model for mineral exploration.'

The Democrat Chairman of the US Senate Appropriations Committee, **Patrick Joseph Leahy**, warned UNESCO against 'associating itself with a dictator who has spent 30 years doing little more than consolidating his power and enriching himself and his family', a charge Obiang's lobbyists, funded by profits from the oil industry, complain is outdated and unfair. With the country's oil running out, there may be questions as to how its government is choosing to develop new industries. ●

SUDAN

Crisis cabinets

The new teams in Khartoum and Juba will face a tense six months before the referendum – and the threat of a war that some want and many expect

The message from the new government in Khartoum is that the National Congress Party is in full control and intends to stay there. The message from the new Government of Southern Sudan is that a strengthened GOSS will make sure January's referendum on Southern independence is held on time. The subtext is that the NCP will reinforce its bid to block the referenda in the South and Abyei while clamping down in Darfur and the rest of the North.

The Sudan People's Liberation Movement, which still dominates GOSS but can now claim electoral credentials, 'fully expects' the NCP to go to war to block the referenda, one senior SPLM official told *Africa Confidential*. This would be a matter not of 'great platoons colliding on the plains of Upper Nile' but of proxy militia clashes in the border areas, including North Abyei, where the Sudan army's 31st Brigade still waits, or the Hofrat en Nahas area of Southern Darfur, where Border Guards (often 'integrated' *Janjaweed*) and Missiriya militiamen are operating, he said.

The 21-22 June talks on 'post-referendum arrangements' in Mekelle, **Ethiopia**, are therefore seen as vital. At their heart is 'wealth-sharing', meaning oil. The NCP knows it will lose power if it loses that. The GOSS cannot build its intended pipeline to Mombasa by January and could not cut off Khartoum's supply if it wanted to. Compromise is therefore needed but all pretence that the two parties are 'partners' in the Government of National Unity, as contrived in the 2005 Comprehensive Peace Agreement (CPA), has been abandoned. Crucial to the NCP team is **Sayed Mohamed el Hassan el Khatib**, head of Khartoum's Centre for Strategic Studies, CPA negotiator, former London Embassy official and member of the dominant NCP group.

Any compromise will be over detail, not the big picture, as some external parties appear to think. This includes the African Union which, in a team led by the ever optimistic **South African** ex-President **Thabo Mbeki**, is chairing the negotiations. 'Mbeki and the AU have hijacked the Darfur and CPA processes,' grumbled one Western official.

However, no one in the SPLM or Northern opposition expects the NCP to keep any agreement, citing its obstruction of the CPA and 2006's Darfur Peace

Agreement. Neither side trusts the other but the central contradiction remains that the SPLM wants the CPA to work, while the NCP does not. This is why the SPLM chose **Luka Biong Deng** as its Minister of Cabinet Affairs in Khartoum. Tasked with handling the post-referendum negotiations, the previous GOSS Presidency Minister is a professional 'qualified to manage' such complex issues, one Western official noted. It was also, we hear, felt to be time for a change in Juba. Also dealing with the post-referendum issues is **Pa'gan Amum Okiech**, in a new post in the GOSS cabinet announced on 21 June, as Minister of Peace and CPA Implementation.

This puts the man who has been one of the most prominent advocates of the 'New Sudan' in the lead over the CPA and is a serious blow to Vice-President **Riek Machar Teny Dhurgon**, co-chairperson with **Ali Osman Mohamed Taha** of the national committee overseeing the CPA. Pa'gan, the SPLM Secretary General, must constitutionally leave that post; Northern Sector chief **Yasir Saeed Arman Saeed** is said to be in the running.

The new GOSS cabinet includes many from the previous team but not always in the same seats. **Michael Makuei Lueth** moves from Justice to Parliamentary Affairs, which he will not see as promotion. **John Luk Jok** (widely but not always favourably known as the 'Minister of Oil') leaves Energy and Mining and takes his lawyer's skills to the Justice Ministry; he lost his bid for an Upper Nile governorship. **Jema Nunu Kumba** lost her governor's post in Western Equatoria but is rewarded for her past contribution with the Ministry of Housing and Physical Planning.

Pa'gan played a key role in designing the new order, we hear, one aspect of which is the consolidation of core SPLM figures to defend the realm against attack. Post-elections and pre-referendum, such attacks are expected more from the NCP than from dissident Southerners (other than those backed by Khartoum).

Veterans in cabinet include two from the GNU in Khartoum: **James Kok Ruea** at Humanitarian Affairs and Disaster Management and **Kosti Manibe Ngai** at Cabinet Affairs. Sudan People's Liberation Army (the GOSS army) and Veteran Affairs are in the capable hands of **Nhial Deng Nhial** while **Cirino Hitend Ofuho** is now Minister in the Office of the President.

One topic at the talks in Ethiopia has been the post-referendum future of Sudan's political parties. All major parties agree that they are national and will continue even in an independent South. This gives the NCP additional openings. For now, under the CPA, it has two portfolios in the GOSS. President **Salva Kiir Mayardit** announced that one is Environment and the other Wildlife Conservation and Tourism. This will delight Southerners as Northern governments have traditionally handed such neglected, token posts to the South – but will not please those trying to protect an increasingly threatened environment.

NO MORE 'COALITION' FOR NCP

After its April election victory, universally recognised as roundly rigged, the NCP can afford to abandon some of the compromises it had ostensibly adopted since the CPA (AC Vol 51 No 9). Long-time security supremo **Nafi'e Ali Nafi'e**, whose star is well in the ascendant, had declared weeks ago that the new government would not be a 'coalition', as its predecessor pretended. The 35 cabinet ministers and 42 state (junior) ministers which President **Omer Hassan Ahmed el Beshir** announced on 14 June are overwhelmingly NCP. Moreover, observers of various political and national hues agree that the military-security cabal is firmly in charge, with Nafi'e Ali at the helm.

Nafi'e, who was first theoretically sidelined, at **Egyptian** request, after the 1995 assassination attempt on President **Hosni Mubarak**, has however no portfolio. He was latterly Assistant to the President and is expected to keep a similarly ill-defined position. 'Most of the new government members are well known for their lack of respect for human rights and their security records,' the Chairperson of the National Umma Party in **Britain** and **Ireland**, **Mohamed el Ansari Ali**, told AC. 'I therefore believe there will not be any democratic change for the time being and the margin of freedom existing now will soon disappear.' Umma chief **El Sadig Sideeg el Mahdi** has proposed a 'shadow government'. Meanwhile, the Democratic Unionist Party is writhing after agreeing to join the government and being jilted.

Other military-security figures, apart from Field Marshal Omer himself, include his close buddy, Air Force General **Abdel Rahim Mohamed Hussein**, reappointed Defence Minister. Abdel Rahim was Interior Minister at the height of NCP atrocities in Darfur and his State Minister was **Ahmed Mohamed Harun**, wanted by the International Criminal Court for war crimes and now Governor of Southern Kordofan, seen as a flash point for future North-South conflict (AC Vol 51 No 12).

Others in this group include the new Information Minister, **Kamal Mohamed**

Obeid, and General **Mohamed Atta el Moula Abbas**, Director of the National Intelligence and Security Service. The SPLM appears to have tacitly accepted that the NISS will not be transformed into a non-enforcement agency as the CPA stipulates. Sudan's doctors have felt the brunt of that this month. Medics striking over conditions for both themselves and their patients have been detained and tortured, provoking an outcry from human rights organisations and the World Medical Association. NCP and oppositionists alike know doctors' strikes are politically serious: in 1985, doctors were at the vanguard of the popular uprising against President **Ja'afar Mohamed Nimeiri**.

Gen. **Bakri Hassan Salih** is a survivor of Nimeiri's time who helped to consolidate the National Islamic Front regime after the NIF's 1989 coup; at the time, he was seen as a typical non-Islamist beer-drinking army officer. The Sudan Armed Forces were then ruthlessly purged of opposition officers and, we hear, of any non-Islamist officers from Darfur, Nuba or Southern ethnic groups. Bakri is now reappointed as another Minister of Presidential Affairs.

There is a striking generational shift, with many younger and little-known people coming in as state ministers, in a clear statement that the NCP is built to last. They include the NCP Secretary General for Political Mobilisation, **Haj Majid Suwar**, at Youth and Sports: he made his name as a student in 1988 for refusing to remove Islamist propaganda loudspeakers from the Faculty of Law when asked by Professor **Ali Suleiman**.

Other 'youngsters' include **Feisal Hamed Abdullah**, junior Transport Minister (ex-Cairo Embassy, close to Nafi'e) and **El Samul Khalafallah el Goreish**, Culture Minister. Yet a representative of the SPLM 'new generation', outspoken lawyer and former candidate for Northern State Governor **Izdihar Juma Saeed**, was turned down as Labour Minister by the NCP, using a rarely mentioned veto on the ministerial quotas of its GNU 'partner'.

The NCP has chosen some ministers to suggest ethnic diversity. Most mentioned is the new Justice Minister, **Mohamed Bushara Dusa** from the Sudan Liberation Movement-Minni Arkou Minnawi faction, who signed the DPA. He is Zaghawa like Minni and a relative of Justice and Equality Movement boss **Khalil Mohamed Ibrahim**, whom the NCP recently asked Interpol to arrest. Also from Darfur is **Ali Mahmoud Abdel Rasul**, a Rizeigat.

The message from the NCP is that this is a government for the future, but the party knows that if Southerners vote for independence, it may galvanise the Northern opposition to bring about change in the North, too. This might provide another reason for the NCP to return to battle: it has for 20 years used war as a political strategy. The SPLM has ample evidence of the NCP using militias to destabilise the South, say sources, and interested governments have seen it. The SPLM is biding its time. ●
CORRECTION: In the Sudan map in AC Vol 51 No 12, 'Flash point South Kordofan', we inadvertently transposed Lagawa and Keilak districts: Keilak is south of Lagawa.

THE INTERNATIONAL AGENDA

The most dramatic military-security appointment is of **Ali Ahmed Kurti** as full Foreign Affairs Minister (he was previously State Minister). He is best known for establishing the Popular Defence Forces, the partly press-ganged but increasingly volunteer Islamist militia that has fought the National Islamic Front-National Congress Party jihad from Equatoria to Darfur. In the NIF's early years, the PDF were deployed in the South and Nuba Mountains to jobs that a still not completely purged army might refuse.

Ali Kurti signalled that the NIF is still alive and kicking by attacking Cairo's 'weak' Sudan policy and 'shallow' knowledge of Sudan. The teeming **Egyptian** security officers in Sudan have long prided themselves on their exceptional knowledge of their former colony; Cairo, worried about the South and the Nile, demanded 'clarification'. Essential foreign policy was already previously in NCP hands, despite the experienced **Deng Alor Kuol** being Foreign Minister, appointed by the Sudan People's Liberation Movement (armed with that experience, he will now do the same job for the Government of Southern Sudan). At one election meeting held by the SPLM's then presidential candidate, **Yasir Saeed Arman**, a senior diplomat told how a Sudanese flag flew over the Sudanese Embassy in **Somalia** yet no files on Somalia could be found in the Foreign Ministry.

This is an indication that the NCP still has the international agenda which the world thinks it has abandoned. Diverse Sudanese stress that, while the military-security group around President **Omer el Beshir** has strengthened its hand, that does not mean that the party is no longer Islamist nor that the apparent sidelining of the 'civilians' (often militarily trained) is permanent or even real. Recycling is a major NCP survival mechanism. **Ali Osman Mohamed Taha** may seem out of favour (though still Vice-President), along with such veterans as **Ghazi Salah el Din el Atabani** (medic, tank driver) or **Outbi el Mahdi Ahmed** (Iran-trained intelligence officer), but no one thinks the Islamist movement can dispense with their skills. ●

High-stakes election

Over \$10 billion of mining investment ride on the outcome of this election – and its military organisers are determined to maintain their influence

Eighteen months after the coup led by Captain **Moussa Dadis Camara**, the military *Conseil National pour la Démocratie et le Développement* (CNDD) is keeping its promise of a presidential election on 27 June. Electors will choose between the leaders of Guinea's two main ethnic groups. The largest, the Peuhl (Fulani), has about 40% of the population and the main party they tend to vote for is the *Union des Forces Démocratiques de Guinée* (UFDG), led by **Cellou Dalein Diallo**. The Malinké (Mandingo), who make up some 35% of the population, mostly back the *Rassemblement du Peuple de Guinée* (RPG), led by **Alpha Condé** (AC Vol 51 No 11).

The campaign has tended to increase their rivalry. One local analyst told *Africa Confidential* that, if the civilian politicians fail to reach sufficient agreement to avert ethnic violence, senior officers could step in 'saying it is to guarantee stability in Guinea'. That would mean restoring the *Foutah*, a policy imposed by the founding President, **Ahmed Sékou Touré**, a Malinké, to keep Peuhl systematically out of senior positions.

Sékou Touré's regime used the *Foutah* to execute several prominent personalities, including the Secretary General of the Organisation of African Unity, **Boubacar Telli Diallo**, in 1977. Touré's successor, General **Lansana Conté**, was from the minority Soussou people (15% of the population) and he gave Peuhl some economic privileges, which angered the Malinké.

This is said to explain the arrest of many Malinké officers after an alleged and failed coup d'état led in 1985 by Colonel **Diarra Traoré**, a former Prime Minister and a Malinké (AC Vol 42 No 2). Captain Dadis Camara, leader of the latest coup in December 2008, is from the southern *Forestière* peoples, who form about 10% of the population. He blamed the Peuhl for most of the unrest in the capital, Conakry, since 2006 but is now out of action, having been shot by one of his own soldiers.

Condé and Dalein Diallo, the leaders of the two main groups, deeply distrust each other. The first round of the election will almost certainly give them the two top places and which of the two comes first will be decided by their followers' success in getting out the vote. Our local analyst reckons that any dispute about

the result could lead to a national crisis – and both the leading candidates believe they have already won.

Disorganised and fragile, Guinea is surrounded by countries that have recently lived through civil wars (**Côte d'Ivoire**, **Guinea Bissau**, **Liberia** and **Sierra Leone**) or armed uprisings (**Mali** and **Senegal**). A spark could ignite much of West Africa. Rich and powerful drugs traders increase the danger. Behind all this lies ethnic tension.

CONDÉ'S FAMOUS FRIENDS

In the election campaign, Alpha Condé has been supported by a former international football star, **Aboubacar Sidiki Camara**, better known as **Titi Camara**, who played for France's *Olympique de Marseille* and England's Liverpool FC and West Ham. The pacy Titi Camara scored 31 goals in 56 appearances for the *Syli National* ('National Elephant', the national side) and in June 2009 Dadis Camara made him their manager. A few months later, he was abruptly replaced and Guinea ultimately failed to qualify for the World Cup 2010, now under way in **South Africa**.

Condé is also backed by former ministers **Makalé Traoré** (Public Administration) and **Kaba Rougui Barry** (Technical Education and Professional Training), and by **Boubacar Sampil**, former head of Guinea's national lottery. **Moustapha Naïté**, boss of Mouna Group Technology, is rumoured to have given Condé's campaign US\$10,000. **Kiridi Bangoura**, a former Minister of Territorial Administration and Decentralisation, has discreetly backed Condé, as have other senior survivors of the late Lansana Conté's regime.

We hear that one of Condé's main backers is France's giant Bouygues civil engineering group and that his campaign strategy has been guided by **Jacques Séguéla** of the public relations and advertising giant Havas. Condé's campaign began mildly but gathered momentum with mass rallies in Faranah, Kissidougou, Nzérékoré and Kankan, where hundreds of thousands of supporters made their man look unbeatable.

Dalein Diallo's main asset is the support of most big Peuhl businessmen, such as the rice tycoon **Alpha Amadou Diallo**, and of almost all the small traders in Conakry's main markets, at Madina and

Niger. One of Dalein's close advisors told *Africa Confidential*: 'When a deposit of 400 million francs for each candidate was announced, the traders raised more than three times that amount. When Diallo went to pay, he found that an unknown benefactor had already put down the money.' The 400 mn. Guinean franc deposit is equivalent to about \$79,000.

Diallo has covered thousands of kilometres on the campaign trail, accompanied everywhere by supporters in cars and on motorbikes. 'It's our turn,' he says, meaning the Peuhl people. The success of the rallies has convinced the UFDG headquarters, like their rivals, that their candidate is unbeatable. If Diallo is not declared the winner, there will be anger among the Peuhl, who have never held power.

With Malinké and Peuhl both convinced they will win, there is little appeal in the 'calls for clarity' from **Sidya Touré**. He was Prime Minister in 1996-99 and now leads the *Union des Forces Républicaines* (UFR). He is known for his ability and experience but he is Diakhanké, a group with only about 1% of the population. Most onlookers agree that, if Sidya Touré could make it to the second round of voting, he would surely win.

Sidya Touré's political rivals respect him. Yet the best he can realistically hope for is to become Premier if the transition to democracy succeeds. That would be a more significant role than that of other candidates who are likely to do better in the first round, such as **Lansana Kouyaté** of the *Parti de l'Espoir pour le Développement National* (PEDN), **François Lonsény Fall** of the *Front Uni pour la Démocratie et le Changement* (FUDEC) or even **Ibrahima Abé Sylla** of the *Nouvelle Génération pour la République*.

Meanwhile, guided by the civil society leader Professor **Ibrahima Baldé** (who is also Chief of Staff of the *Gendarmerie*), the candidates and leading citizens call for peace and calm. The special force to prevent election violence and safeguard the election process, the *Force Spéciale de Sécurisation du Processus Electoral* (Fossepel) consists of *gendarmes* and civil police under the Armed Forces Chief of Staff, Colonel **Nouhou Thiam**.

Thousands of troops were sent to the borders to try to ensure that no armed group could enter the country. We hear the junta is anxious about some border areas controlled by Ivorian former rebels, the *Forces Nouvelles*, who are suspected of having ties to the disabled coup leader, Dadis. **Sidiki Konaté**, deputy to FN chief **Guillaume Soro** during the Ivorian war, often visited Conakry when Dadis was in charge, our sources stress, and the FN had links to the CNDD's former advisor, the ingenious and talkative **Idrissa Chérif**. ●

Single party rules again

Democracy has not been established despite international encouragement and the presidential election is a one-horse race

The one-party state is back. President **Pierre Nkurunziza** will be the only candidate in the 28 June presidential elections. The opposition's right to hold meetings has been suspended, along with the right to strike. International efforts to help restore democracy are petering out.

The local elections on 24 May were meant to be a curtain-raiser for the presidential poll, followed by voting for members of parliament on 23 July and for senators on 28 July. The local polls pleased the United Nations Secretary General's Executive Representative in Burundi, **Charles Petrie**: 'It has been a very successful election so far,' he said as polling began. **Catherine Ashton**, the European Union High Representative for Foreign Affairs and Security Policy, agreed: 'Burundi set an important first and hopeful step in an election process which can lay the basis for sustainable democracy in the country.'

The *Commission Nationale Electorale Indépendante* (CENI) declared that the winner, with over 64% of the vote, was Nkurunziza's *Conseil National pour la Défense de la Démocratie-Forces pour la Défense de la Démocratie* (CNDD-FDD). The runner-up was the rival Hutu former

guerrilla, **Agathon Rwasa**, and his *Forces Nationales de Libération* (FNL), with 14%. The enthusiasm of the UN and EU was in stark contrast to the reaction of the opposition: on the day after polling, all eight opposition parties, Tutsi and Hutu alike, called for a recount.

Objectors included the FLN, the *Front pour la Démocratie au Burundi* led by ex-President **Domitien Ndayizeye** and the *Mouvement pour la Solidarité et la Démocratie* led by journalist **Alexis Sinduhije**. They complained of 'massive fraud and irregularities' and that presiding officers at polling centres had taken the ballot boxes home once the count was over. CENI demanded proof, prompting **Jean-Bosco Habyarimana** of the FLN to claim that CENI was involved in handing out fake identity cards which allowed CNDD-FDD activists to cast bogus votes.

The size of the CNDD-FDD's victory – 64% of votes against 58% in 2005 – was a surprise: the economy is in bad shape and many people have left the party. Yet Nkurunziza has effectively been campaigning for five years and his party's militia, the *Imbonerakure* ('those who see far'), have played their part, led by former Customs Director **Ezéchiél Nibigira**.

Two people were killed on the day before polling in Kanyosha, south of the capital, in clashes between the *Imbonerakure* and the FNL's *Ivyuma vy'Indege* ('aircraft spare parts'). On 5 May, an MSD member was killed by unidentified attackers.

By 5 June, all the opposition leaders had withdrawn from the presidential poll in protest against fraud and the refusal of a local election recount. EU Special Representative for the Great Lakes **Roland van de Geer** deplored the move and the government ban on strikes and rallies continued. On 7 June, Nkurunziza ordered the release of 1,300 prisoners, 13% of the prison population; his critics accused him of populism. With Nkurunziza as sole candidate, the presidential campaign was more violent than the local one. On 11 June, grenade attacks in Bujumbura injured seven. The opposition accused the government of organising the attacks and of burning 20 provincial ruling party offices to justify the clampdown.

On 16 June in the area where Rwasa lives, police fought with about 200 FLN militiamen. They had come down from the hills around Bujumbura, they said, to defend Rwasa from arrest; the police said they were a threat to public order. Two militiamen and one policeman were injured. The journalists' union denounced a 'hate campaign' against the critics of Rema-FM, a radio station associated with the CNDD-FDD. Human Rights Watch researcher **Neela Ghoshal** was expelled after alleging government violence. Little progress has been made towards the democratisation that the international community had hoped to promote. ●

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Botswana

IN A SPIN

■ The governing Botswana Democratic Party (BDP) faces a serious threat after its *Barata-Phati* ('those who love the party') faction walked out and launched the Botswana Movement for Democracy last month. Already the BDP is losing support: four of its members of Parliament have defected and several local party organisations have gone over to the BMD, including most constituency branch committees in the capital, Gaborone. Most of its youth leagues have defected, too. The new party's organiser, **Kabo Morwaeng**, claims it has recruited more than 10,000 members. It hopes that at least seven BDP MPs will defect, which will wound but not kill.

The BDP has 45 of the 57 elected MPs in Parliament and has four nominated MPs appointed by President **Ian Khama Seretse Khama**. The BMD's provisional leader, **Sidney Pilane**, says the new party will join forces with other main opposition parties – the Botswana National Front (BNF) and Botswana Congress Party (BCP) – to oust Khama and the BDP at the next elections, due in 2014.

The former *Barata-Phati* faction defected because it felt excluded from the government and the BDP Central Committee by Ian Khama's allies, who were mostly military officers (AC Vol 50 No 22). *Barata-Phati* retained some posts in the new cabinet that Khama appointed last October – including **Ponatshego Kedikilwe** as Minister of Minerals, Energy and Water Resources – but its most senior figure, **Daniel Kwelagobe**, was not given a post. Kwelagobe has yet to defect but warned Khama supporters to be conciliatory towards dissidents.

Britain/Africa

BANKRUPT ASYLUM POLICY

■ Asylum-seekers in Britain will find it still harder to win their cases following the closure of the biggest advice charity, Refugee and Migrant Justice, which ran out of money this month. The Home Office initially rejects most asylum cases although many win on appeal after a complex and lengthy process.

RMJ went into administration on 17 June, saying the payments it receives for legal work now arrive up to two years late, following changes in the operations of the government's Legal Services Commission. **Caroline Slocock**, RMJ's Chief Executive, says the closure would mean 'more than 10,000 victims of war, torture, intolerance or trafficking will be cast adrift without any legal representation. That includes as

many as 900 lone children'. Once part of the Immigrant Advisory Service, the RMJ (originally the Refugee Legal Centre) was established by government in 1992 as a separate charity. Since then, it has helped some 110,000 people. It was awarded the Liberty/Justice Human Rights Award in 2005, in particular for litigation work with **Zimbabwean** asylum seekers.

The Chief Executive of the London Legal Support Trust, **Bob Nightingale**, says: 'Through no fault of the clients or their lawyers, properly undertaken immigration cases can take years to complete. It is wholly unreasonable for the Government to make agencies wait until the end of the case.' Slocock says that RMJ needs £1.8 million (US\$2.69 mn.) to survive but points out that the cost of closure to the taxpayer would be in excess of £2 mn.

Guinea/Mining

MINE NOT YOURS

■ Ahead of the 27 June elections (see Feature), the military regime has warned Rio Tinto to accept formally that it has lost two blocks of the giant Simandou iron ore concession – or face losing a further two blocks. President and General **Sékouba Konaté** made clear the junta's position in a letter to Rio on 21 June signed by Minister Secretary General of the Presidency **Tibou Camara**. The government stripped Rio of Blocks 1 and 2 in Simandou, claiming the company had repeatedly breached its legal obligations to finance and produce a feasibility study for the concession.

The government awarded those two blocks to **Israel's Beny Steinmetz**, who last month brought in **Brazil's Vale** (AC Vol 51 No 11). Rio has never publicly recognised the legitimacy of the government's action and now it may lose Blocks 3 and 4 in Simandou as well. 'If you persist in not respecting decisions that are legally founded on public powers of our country, we will regretfully have to apply the full force of the law on you,' Camara's letter said. Mines Minister **Mahmoud Thiam**, expected to leave office after the second round of elections in July, wants a written acknowledgement from Rio because he fears the company will legally challenge the handing of Blocks 1 and 2 to Steinmetz in December 2008.

Thiam, who is close to presidential front-runner **Cellou Dalein Diallo** via distant relative **Tibou Camara**, fears that **Alpha Condé** will review the Steinmetz award if he wins the election. Some of Condé's supporters describe Thiam's dealings with Steinmetz and the **China International Fund** as 'highly irregular' and are investigating flaws in the award of the assets. This could lead to cancellations or fines for the companies concerned.

Condé, a veteran oppositionist, is close to **France's** Foreign Minister, **Bernard Kouchner**, and has ties to Rio Tinto; one of

his strongest supporters is **Ismael Diakité**, an executive with Rio Tinto in Guinea. Cellou remains the favourite to win in the second round of elections.

Rwanda/South Africa

WORLD CUP SHOOTING

■ The would-be killers who bungled an attack on dissident Rwandan General **Faustin Kayumba Nyamwasa** seem to have thought that the World Cup would divert police attention from their operation in broad daylight at a Johannesburg shopping centre on 19 June. Yet within hours, South African police had rounded up six suspects, some of whom were former officers in the *Armée Patriotique Rwandaise*. Two were released without charge on 24 June but the remaining four are due to face charges in court on 29 June. Among those accused is Major **Francis Gakwerere**, a Rwandan intelligence operative. Nyamwasa looks set to survive the attack.

The attempted assassination of Gen. Nyamwasa has triggered a war of words between his family and Gen. **Paul Kagame's** government. Nyamwasa's wife, **Rosette**, told the BBC that she blamed President Kagame for the attempted killing: '[Kagame] said it in Parliament that he will actually kill my husband, that wherever he is, he will follow him and kill him.' In March, Rwanda's Prosecutor General, **Martin Ngoga**, accused Nyamwasa and fellow dissident and ex-foreign intelligence chief Colonel **Patrick Karegeya** of setting up a series of grenade attacks in Kigali (AC Vol 51 No 6). Both men have been living in exile in South Africa.

Louise Mushikiwabo, the Rwandan Foreign Minister, dismissed Rosette Nyamwasa's claims as preposterous: 'This [assassination of opponents] is not something President Kagame does. He's man of integrity.' South Africa's Justice Ministry has confirmed that it has received a request for the extradition of Nyamwasa and Karegeya. The timing of this will test the hitherto strong relations between South Africa and Rwanda but officials in Tshwane have made no comment on the possible damage to bilateral relations.

Neither Brussels nor Paris has made any public statement. Explaining the silence of **Belgian** Foreign Minister **Steven Vanackere**, officials say the outgoing cabinet cannot take any major decision on Kagame. Like his father, **Louis Michel**, Cooperation Minister **Charles Michel** opposes any sanctions, however mild, on Rwanda for human rights abuses. **French** Foreign Minister **Bernard Kouchner** organised President **Nicolas Sarkozy's** trip to Kigali in February and then Kagame's attendance at the France-Afrique summit in Nice. Sarkozy's government is holding a conference on the political and commercial future of the Great Lakes Region, and Kagame's support for that is critical.

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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returned to Uganda after 23 years in exile to much media fanfare. He seeks to mobilise international opinion against Museveni, petitioning the International Criminal Court to investigate 'war crimes' in the north and speaking boldly about the government's human rights abuses. Otunnu's approach gathers headlines, but he understands that his national support is limited and seems to be using this election to re-establish himself for a future run. Museveni may have helped him by appearing to be behind attempts to derail his campaign; Otunnu has twice been summonsed by the police for allegedly using sectarian language in radio broadcasts. He has so far refused to submit to questioning. In December 2009 Otunnu's car was forced off the road by a presidential security detail, and he claimed that was a bungled assassination attempt.

The threat of violence persists. On 9 June, Besigye was attacked by a 'kiboko squad' (named after the long wooden sticks they wield) during a protest in Kampala, the latest incident involving

young men mobilised to disrupt opposition rallies. The FDC accuses Museveni of organising the vigilantes, who operate with impunity. The president replies that patriots have the right to self-organise against rioters.

The ruling party has quieter, more effective techniques for maintaining its support. Museveni's vote dropped from 69% to 59% between the 2001 and 2006 elections. If that had continued he would face a risky second-round run-off. The NRM has been pushing local organisational changes, using its incumbency to expand patronage in balkanised constituencies, multiple district administrations, and ethnicised bureaucracies. The strategy is to minimise the protest vote in West Nile and the north and east while consolidating traditional NRM areas and rebuilding relations with the Baganda following last year's riots in Kampala.

Faction fighting in the NRM has frozen as the election focuses minds. Museveni may postpone until after the election his push for prosecutions against ministers implicated in the corruption scandal over the 2007 Commonwealth Heads of Government Meeting. Vice-President **Gilbert Bukenya**, who wants to replace security minister **Amama Mbabazi** as NRM secretary-general, has relaxed for now.

The NRM also ensured that its supporters were registered during the Electoral Commission's voter-registration drive, whose deadline came on 18 June amidst opposition allegations of delays

and fraud. The commission announced that 4.7 million new voters are now on the roll, adding to the 10.5mn registered for the 2006 election. The NRM spends big money; its delegates' conference in Kampala on 25-27 June cost over US\$3mn. Though oil money from Lake Albert's billion-barrel reserves is not yet flowing, the government announced an expansionary budget for 2010/11, with expenditure increases of up to 16%. Financial support from donors shows no sign of dropping off.

Some in the opposition hope to discredit the election as far as possible, in the belief that a Museveni victory can be averted by the right mixture of international pressure and domestic unrest. An analyst in Kampala told us that the FDC hopes 'to generate a post-election crisis with a view to power-sharing'. The Electoral Commission has become the touchstone. In 2001 and 2006 the Supreme Court ruled that the commission had no capacity to conduct fair elections, but its chairman, **Badru Kiggundu**, remains in place.

Besigye says he may boycott the 2011 election altogether if the commission is not reconstituted, but nobody takes him too seriously; a senior FDC adviser remarked: 'This is just politics.' The opposition does want representation on the commission, to monitor the NRM placemen, and a compromise may be reached. The response to the call for nationwide demonstrations against the commission this summer will be a test of the opposition's ability to bring people onto the streets en masse. Apathy and cynicism may work to Museveni's advantage next year.

Unfortunately for the opposition, Museveni plays his diplomatic cards skilfully. The **United States** State Department criticised his government over the election and media freedom in a report this year. But when the US assistant secretary of state for African affairs, **Johnnie Carson**, visited Kampala in May, he disappointed the regime's critics. It is said that a three-hour meeting did not include a demand for a new electoral commission.

Museveni reckons that the US hope for regional security overrides the risk posed by a democratic challenge. He has positioned himself as an indispensable ally by providing the backbone of the 5,000-strong African Union Mission in **Somalia**, basing US military trainers at Kitgum in the north, keeping eastern Congo stable, hunting the remnants of the Lord's Resistance Army and behaving tactfully about Southern Sudan's likely vote for independence next year.

In any case, Museveni and his durable party may win next February without blatant fraud and repression – and many in the opposition privately accept it. ●

THE OPPOSITION ON PARADE

● **Kizza Besigye**, Forum for Democratic Change (FDC): Election defeats in 2001 and 2006 have not stopped Besigye from becoming the FDC's standard-bearer for a third time. With his record in the National Resistance Movement and military credentials, he is a respected figure who has withstood years of harassment from the regime to build a support base no other candidate can match. But this will surely be his last chance.

● **Olara Otunnu**, Uganda Peoples Congress (UPC): More the darling of the international system than of Ugandans, former UN Assistant Secretary General Otunnu has been campaigning nationwide to build new support. He styles himself as a human-rights defender in the north, but the UPC's legacy remains abysmal, and government officials accuse Otunnu of presiding over atrocities when he was **Milton Obote's** foreign minister.

● **Norbert Mao**, Democratic Party (DP): Mao's DP is building a reputation for irritating the government and winning local and parliamentary elections, but few expect a massive breakthrough next year. With support among Catholics and Baganda, if Mao picks up over 5% in the first round of the presidential contest, his backing of a united candidate in the run-off could prove decisive. Staying out of the Inter-Party Cooperation (IPC) will not stop cooperation in the parliamentary elections.

● **Hussein Kyanjo**, Justice Forum (JEEMA): JEEMA courts the conservative Muslim vote and favours Kyanjo as a presidential candidate. The IPC provides a base from which to barter social policy, but with only one MP and no real grassroots organisation, Kyanjo will not emerge as the common candidate.

● **Abed Bwanika**, People's Development Party (PDP): Bwanika gained 1% of the vote in 2006 as an independent. The PDP, one of several smaller parties operating more as pressure groups than membership organisations seeking power, sees the IPC as a threat to its identity. Museveni will be hoping it takes votes from the FDC. ●

The assassin's hand

Violence and intrigue – at home and abroad – overshadow the impending elections

Someone is trying to kill the opponents of General **Paul Kagame** ahead of the presidential election on 9 August. A group of armed men bungled an attack against an exiled Rwandan dissident, Lieutenant-General **Faustin Kayumba Nyamwasa**, on 19 June in Tshwane/Pretoria, **South Africa**. Kayumba escaped with a wound in his stomach (AC Vol 51 No 13). On 24 June in Kigali, two unidentified men shot dead **Jean-Léonard Rugambage**, assistant editor of the banned *Umuwugizi* newspaper, which still publishes online.

Oppositionists say the crimes seem linked. Rugambage's editor, **Jean-Bosco Gasasira**, exiled in **Uganda**, claims that senior officials in Kigali had been telephoning some of the suspects in South Africa. Another Rwandan report speaks of telephone calls from Kigali to Major **Francis Gakwerere**, who was released after questioning by the South African police.

The *Daily Monitor*, a Kampala newspaper, quoted police sources in reporting that an attempt had been made on Gasasira's life one week before Rugambage's murder. In February 2007, men with iron bars badly injured Gasasira in Kigali.

The Rwandan authorities promptly said they had nothing to do with the recent attacks. After Rugambage's death the police swiftly arrested two suspects. The minister of internal security, **Moussa Fazil Harelimana**, said they wanted revenge 'against the journalist, who had murdered one of the two suspects' brother during the genocide against the Tutsis'.

Human Rights Watch and *Reporters sans frontières* remain unconvinced. One of the dead journalist's colleagues pointed out that there have been very few revenge killings by genocide survivors.

Nyamwasa's wife, **Rosette**, rejects the official Rwandan denials of involvement in the attempt to kill him. So does the wounded man's friend, Colonel **Patrick Karegeya** (AC Vol 51 No 13), a former director of Rwanda's external intelligence service.

Ayanda Ntsaluba, the director general of international relations and cooperation at South Africa's Department of Foreign Affairs, has said

the assassination attempt involves a state with which his country has 'good and solid diplomatic relations...If the attack on the Lieutenant General is a political act, we will treat it as one of great seriousness, and will treat it accordingly.'

So far Pretoria has not named Kigali but the affair is bound to have diplomatic repercussions. On 1 July four suspects holding 'asylum papers' were brought before a South African court: **Juma Huseni** and **Shafiri Bakari** of **Tanzania**, **George Francis** of **Mozambique**, and **Ahmed Ali** of **Somalia**. They will appear again on 14 July, when further evidence should emerge.

Several other friends of Kigali will be angry if the government is judged responsible. So far their statements are cautious, for lack of strong evidence. The attack on Nyamwasa resembles one in **Nairobi, Kenya**, against **Seth Sendashonga**, interior minister in the first post-genocide government (then led by **Alexis Kanyarengwe**), who fell out with the regime. Kenyan police identified a pistol used in the attack in 1996 as belonging to a Rwandan diplomat living near the scene of the crime.

ABSCONDING OFFICERS

Nine days before the attempt on Kayumba's life, the Rwanda Defence Forces announced the arrest of Brigadier-General **Jean-Bosco Kazura**, president of the *Fédération rwandaise de football* (Ferwafa), on his return from the World Cup in South Africa. He was formally accused of 'absconding from duty and travelling without permission'.

The website Igihe.com claims that Kazura had been sent to organise the attack on Kayumba, and was arrested on his return home once the team of killers was in place. His arrest might bolster the Rwandan government's denial of involvement.

Evidently, Kagame has trouble with his senior officers. Apart from the open dissent of Kayumba and Karegeya, and the arrest of Kazura, two generals were arrested in April – **Karake Karenzi**, formerly second in command of the United Nations/African Union peacekeeping mission in Darfur, and **Charles Muhire**, formerly chief of

staff of the air force. With the election only weeks away, Kagame is taking no chances.

Other candidates allowed to stand are from parties in the *Forum des organisations politiques*, which includes only allies of Kagame's own *Front patriotique rwandais*. So the election will be less open than the last one in 2003, for which the former prime minister, **Faustin Twagiramungu**, was allowed to return home and campaign.

This time the alternative candidates seem only there to make up the numbers. They are **Prosper Higiro**, vice-president of the Senate, for the *Parti libéral*; **Jean Damascène Ntawukurirayo**, deputy speaker, representing the *Parti social-démocrate*; and **Alvera Mukabaramba** for the *Parti du progrès et de la concorde*.

Others have been disqualified. **Victoire Ingabire** of the *Forces démocratiques unifiées-Inkingi* was shown by a UN report in late 2009 to have links with the military chiefs of the rebel *Forces démocratiques pour la libération du Rwanda*. Charged by the chief prosecutor, **Martin Ngoga**, with promoting genocidal ideology, her case was not processed in time and she was out of the race.

Several members of Ingabire's party have been notified of pending charges, and on 24 June the police arrested several dozen 'troublemakers' in Kigali. Among them was **Bernard Ntaganda**, would-be presidential candidate for the *Parti social Imberakuri*. The police later said he faced prosecution for, amongst other things, ethnic divisionism, illegal assembly and unauthorised recruitment of criminal suspects. Officials also claim he tried to kill a dissident from his own party, **Christine Mukabunani**.

Frank Habineza, head of the Green Democratic Party of Rwanda, was also banned from standing. As a former Tutsi refugee in Uganda, and former member of the RPF and the government, he can hardly be accused of siding with the *génocidaires*, but the authorities said his party had not qualified by holding the obligatory four general meetings. He was arrested on 24 June while demonstrating outside the US embassy demanding freedom for Ntaganda; he accuses the regime of torturing its opponents.

Amid the furore over the assassinations, both successful and attempted, there have been no more grenade attacks in Kigali since a spate of them in February and March. Those were blamed by the chief prosecutor on Nyamwasa and another Tutsi dissident, **Deo Mushayidi**, who is in a Kigali prison, although nothing has been proven against him yet. ●

Half a century, half the battle

After assassinations, wars and hyper-corruption, President Kabila talks of building on remarkable victories

Congo-Kinshasa's fiftieth birthday celebrations on 30 June were marred on two sides. International accusations of corruption delayed an US\$8bn debt deal (see Box), and an oil tanker explosion killed more than 230 people, many of them children watching

a World Cup football match. Neither politics nor the economy are working so the big questions remain unanswered: how to use the country's legendary natural resources honestly and constructively and how best to run a country more than half the size of Western Europe.

ODIOUS DEBTS, NOW LESS DEBT

More than a decade of tortuous negotiations has won US\$8 billion of debt relief for **Congo-Kinshasa** a day after its fiftieth birthday. The historic, moral argument for relief is straightforward. The IMF and the World Bank, under pressure from **Britain, Belgium, France** and the **United States**, lent billions of dollars to President **Mobutu Sese Seko**'s regime in the 1980s when by most independent assessments there was little chance of the money being used for the intended reforms and developments.

Those assessments proved correct and most of the \$10bn was diverted to accounts controlled by the presidential family and their business allies. Twenty years later, each of Congo's 66 million people, most of whom remain desperately poor, owes about \$180 to the IMF and the Bank.

Then a further moral twist: After rebel forces led by **Laurent-Désiré Kabila** chased Mobutu from power in 1997, his finance minister **Mawampanga Mwana Nanga** was told by the IMF and the Bank that acceptance of the Mobutu loans as legitimate debt was key to re-establishing Congo-Kinshasa as a responsible member of the international financial system. A respected Congolese technocrat took over the central bank, began a shock reform programme and started to negotiate for debt reduction.

The IMF insists that debt reduction is a technical, not a political, matter. Yet Congo met the seven conditions to qualify for the debt reduction back in 2003. Since then a succession of hurdles have slowed progress, the most significant of which was the IMF's stipulation that a \$9bn mineral deal between Congo-Kinshasa and **China** would contravene the terms of the debt deal.

It took personal missions from the IMF managing director, **Dominique Strauss-Kahn**, and the World Bank president, **Robert Zoellick**, to Kinshasa to get the current government under President **Joseph Kabila** to cut back the scope of the Chinese barter deal (*Africa-Asia Confidential* Vol 2 No 8).

But the dispute continues. **Canada** has jumped to defend Vancouver-based First Quantum mining, which is pursuing international arbitration to win back the \$700mn investment pumped into its Kolwezi tailings project (AC Vol 51 No 13) after Kinshasa said last year that the company had broken Congolese law and would forfeit the asset and its investment costs.

Canada calls that expropriation and forced the World Bank board to delay by two days a meeting to vote on Congo-Kinshasa's debt reduction. The previous weekend Canada had hosted the Group of Eight and G-20 summits.

We hear that Strauss-Kahn called Kabila to warn him of opposition to the debt deal arising out of the First Quantum case; the World Bank's International Finance Corporation is an investor in the Kolwezi project and a party to the arbitration claim against Kinshasa. Canadian officials say the IMF and World Bank deliberately misunderstand the corruption staring them in the face.

Debt relief will make less difference than the World Bank and IMF claim. They argue the 'nominal' value of the reduction package is \$12.3bn, but when interest payments, grace periods and repayment schedules are taken into account, the figure is closer to \$8bn.

Congo-Kinshasa currently pays a maximum of about \$200mn on debt service a year, although the obligations on paper are much bigger. Debt service will fall from the \$615mn due in 2011 to \$87mn after this cancellation. But it will creep up again quickly, and vulture funds such as FG Hemisphere are still circling in search of pickings when financial constraints ease. ●

The birthday offered little to celebrate in the 50 years of independence from **Belgium**. A weak state, conflict, poor infrastructure, entrenched poverty and political intrigue have turned politics into a contest dominated by a narrow clique, detached from the fate of the country's 67 million people.

There were superficial victories. Streetlights arrived for the first time along the capital's main *Boulevard du 30 juin*, a six-lane highway newly tarmacked by **Chinese** and Congolese contractors. A public square that once bore a statue of **Leopold II**, the Belgian king who carved out the country as his personal possession in 1885, has been renamed *Place du 30 juin*; from it, above new fountains, a balloon emblazoned with the face of President **Joseph Kabila** flies high and pretty.

Yet on the big day much went wrong. The parade passed down the *Boulevard Triomphal* in front of the Chinese-built *Palais du Peuple*, the country's parliament, first intended as a music hall but now with parliamentarians on stage. It was full of pomp – brass bands, police doing wheelies on flashing motorbikes, and a parade of military hardware, with special applause for some unreliable tanks that have recently arrived from **Ukraine**. Some of the tanks failed to start; those that did tore up the Chinese-tarmacked road. Eight helicopters overflew, then repeated the show of strength. Windows nearby shattered when cannons fired, and a scuffle among the crowd to carry off plastic chairs in the pale blue of the national flag brought the parade to a disorderly end. Crowds burst the barricades and erupted into the areas meant for dignitaries, and police cars drove off stacked with chairs, so that they can work their shifts dozing in comfort.

Corporate workers were told to abandon the march when it ran late, showing how the government takes the economy more seriously. President Kabila was typically uncharismatic. While priests prayed for debt relief in tones that boomed over the crowd, Kabila's voice was faint and subdued. He arrived standing in an open-top military jeep looking more 'action man' than commander-in-chief. Kabila likes to drive his own Range Rover and play war games on his personal computer.

Yet his speech was solid, humble and wide-ranging. He noted past errors in development and human rights, saying Congolese as a nation and a people were collectively responsible. He called for a new departure and a moral revolution. 'Unite to realise the Congo of our dreams,' he said, keen to make it (however improbably) 'a haven of peace for the region.' He listed 'remarkable victories' including multiparty politics,

free media and a liberalised economy, but admitted his country's democracy was 'still young'.

The latest event to appal Congolese and diplomats is the death of the human rights activist **Floribert Chebeya**, prompting a murder inquiry, the arrest of several police officers and the suspension of the head of the police, **John Numbi**, one of the country's most powerful men (AC Vol 51 No 12). More intimidation of activists and local journalists is expected ahead of the elections scheduled for late 2011. Foreign observers deplore Kabila's increasingly authoritarian rule. His speech paid homage to the late **Mobutu Sese Seko**, whose 32-year dictatorship ran the country into the ground, as 'an impassioned activist for our authenticity and unity'. On 11 July, Katanga marks its own fiftieth anniversary, when the copper-and-cobalt-rich province declared independence in a Belgian-assisted secession. In May, disaffected Katangans mounted a failed attack on the provincial capital, Lubumbashi.

Corruption has driven diplomats to speak more frankly. The outgoing Dutch ambassador, **Ellen Berends-Vergunst**, mounted a scathing attack on the business climate, ranked second-worst in the world in the World Bank's review of 183 nations. She spoke of the same contracts handed out several times over, pointing to oil and mining scandals that almost held up debt relief and preoccupied the Group of 8 summit on 25-26 June. The **United States**, the largest bilateral source of aid, adopts a 'passive aggressive' stance in Congo, according to one diplomat.

The anniversary attracted a good guest list: two kings (Belgium, **Swaziland**) and heads of state including **Zimbabwe's Robert Mugabe**, **Uganda's Yoweri Museveni** and **Rwanda's Paul Kagame**, who arrived late enough to delay the parade for several hours. King **Albert II** of Belgium wisely avoided speaking, partly to avoid the risk of annoying his hosts. When his older brother, **Baudouin**, spoke at Independence in 1960, he hailed the 'genius' and 'courage' of his forebear Leopold II, who claimed to own the entire country and amputated its workers' hands in punishment. In June, the former Belgian foreign minister **Louis Michel** called Leopold II 'a true visionary' and 'hero', giving his king an extra reason to keep quiet.

Patrice Lumumba, the prime minister assassinated in 1961 with Belgian connivance, proclaimed at the 1960 independence ceremony that Belgian rule had taught Congo-Kinshasa to know the 'ironies, the insults, the blows that we had to submit to morning, noon and night because we were Negroes'. Foreign dignitaries try not to offend the country's present rulers. The jeers that

greeted a contingent of United Nations peacekeepers in the march-past did not prevent UN Secretary-General **Ban Ki-moon** from praising its relations with the country.

Congo has asked the UN to pull its troops out in 2011 though no timetable has been agreed. A token withdrawal in time for Congo-Kinshasa's birthday involved only 1,700 peacekeepers, mainly from Kisangani in the north and the more stable west. The UN had promised to remove 'up to' 2,000 of its total force

of 20,000, and has renamed its mission the *Mission de l'Organisation des Nations unies pour la stabilisation de la République démocratique du Congo* (Monusco) – a 'stabilisation' force for a country where little seems stable. The UN proved its worth in managing the frightful impact of an oil tanker explosion in Sange, 33km north of Uvira in South Kivu, providing helicopters, ambulances, medical supplies and staff. Congo-Kinshasa began its fifty-first year with two days of national mourning. ●

CONGO/SOUTH AFRICA: SECRET OIL DEAL

The emergence of **Khulubuse Zuma**, the nephew of South African President **Jacob Zuma**, as a leading player in Congo-Kinshasa's oil industry has provoked curiosity and anger in almost equal measure. Caprikat and Foxwhelp – two companies which Khulubuse Zuma claims to own – are registered in the British Virgin Islands and have won highly favourable production-sharing agreements (PSAs) for Blocks 1 and 2 on the Congolese side of Lake Albert. On 18 June, President **Joseph Kabila** confirmed the awards in a decree, but neither the state's *Congolaise des hydrocarbures* (Cohydro), or oil ministry staffers were involved in the highly secretive negotiations.

Of the displaced former owners of the blocks – Tullow Oil, Heritage, H Oil and South Africa's Divine Inspiration Group (DIG) – Tullow has been the most outspoken, arguing that its original contract was binding on both the government and the companies involved. Hydrocarbons Minister **Célestin Mbuyu Kabango** promises the government will compensate all those companies which have lost their licences.

It is the third time that Kinshasa has sold Block 1 to a different company in just four years. The deal may be a way to draw South Africa and Congo closer together, or it may be just a highly profitable trader's deal allowing Caprikat and Foxwhelp, which have no discernible oil expertise, to onsell the blocks to an international oil company for a vast profit, if they pick the right time.

Under ex-President **Thabo Mbeki**, South Africa invested much diplomatic effort in brokering accords and backing peacekeeping missions, but saw little economic gain. Zuma's government takes a harder commercial view of its diplomacy and wanted some early successes.

Security will be critical, given the oil blocks' location in Congo's volatile Ituri region. The original proposal with DIG set out a security plan involving South African police and military, and it proposed cooperation and training arrangements with Congolese soldiers for the oil zone. Kinshasa may also be warming to South Africa because of Congo's rumbling dispute with **Angola** over the two countries' undemarcated maritime border.

However, details of the new PSA with Caprikat and Foxwhelp, seen by *Africa Confidential* as it was going to press, suggest Kinshasa's negotiators have failed to improve on the terms they had agreed with Tullow. The government has again focused on bonus payments and early cash, rather than structuring the deals to ensure fair distribution of revenue to the state over the 20-year course of the contract.

Unlike the PSAs in **Uganda**, the Congo deal exempts Caprikat and Foxwhelp from all taxes. The state takes a 15% share of the joint ventures with Caprikat and Foxwhelp, which is to be managed by the Minister of Portfolio, **Jeannine Mabunda Lioko**. The government will levy 9% royalties on the first 12mn barrels produced, rising to 12.5% after that. Most significantly, the state gets a 40% share of profit oil for the first 12mn barrels; this increases only to 45% thereafter, meaning the majority of profits always go to the companies. State profit-oil was to have peaked at 60% in the 2008 DIG contract and hits 80% in Uganda's deals.

Few expect Zuma's Caprikat and Foxwhelp to be around when the oil flows. Nor will they be required to explore soon: the minimum work programme requires them to spend just \$20m in the first five years. Big companies would spend ten times that amount to start exploration drilling and production.

Africa Confidential has seen documents showing that **Marc Bonnant**, a lawyer at the Geneva firm Bonnant Warluzel & Associés who is named as a director of Foxwhelp and Caprikat, signed over power of attorney for Caprikat to Khulubuse Clive Zuma and for Foxwhelp to **Michael Andrew Thomas Hulley** (President Zuma's personal lawyer) on 22 April. ●

The falling euro drags down the CFA franc

A relic of France's African economic empire, the CFA zone must cope with the impact of Western Europe's monetary disarray

The continuing crisis of the rich world's financial system has thrown off balance the main surviving element of France's African empire, the franc of the *Communauté financière d'Afrique*. Both are better known as the CFA. This monetary arrangement sees 15 mostly small and very poor countries use the CFA franc as their currency (see Box). The central pillar of the system is that the exchange rate of the CFA is fixed to the euro, the currency of 16 of the 27 European Union countries.

The euro's rate against other currencies can and does vary unpredictably. Its value against the world's main trading currency, the **United States dollar**, fell between January and June by 14%, from \$1.43 to \$1.23 per euro. The CFA has therefore been devalued de facto by that amount against the dollar. One immediate result

has been to push up by an extra 14% the prices paid by African countries that use the CFA for importing food, fuel and other necessities, whose price is quoted in dollars. Once again, the future of the CFA is being queried.

The CFA's exchange rate is in practice determined both by market forces and by the policies of the European Central Bank, which are supposed to match the requirements of **Germany** or **Greece** rather than those of **Benin** or **Cameroon**. Because CFA countries are obliged to lodge half of their foreign-exchange reserves with the *Banque de France*, in euros, the dollar value of those reserves has also been cut by 14%, warns French economist **Olivier Vallée**. (His book on the CFA, *Le prix de l'argent CFA*, was published in 1989 by Karthala, Paris). Moreover, since the CFA countries that

are not oil producers import more than they export, the devaluation worsens their balances of payment. This hits **Senegal** hard, for instance, since it is a net importer of food and energy and, like **Côte d'Ivoire**, hopes to invest heavily in power generation and distribution, which now costs 14% more.

In theory, devaluing the CFA franc benefits raw material exporters by reducing the dollar price, for example, of cotton exports from **Burkina Faso** and **Mali**. Although the CFA price of cotton rose slightly at the turn of the year, Vallée claims that in practice the producers saw hardly any benefit. He says many other changes are needed. There was little investment in cotton while the CFA price was low and devaluation has pushed up the price of necessary imports, especially fertilisers.

In fact, while the main currency of world trade remains the US dollar, the CFA countries would benefit on the whole from a permanent devaluation. It would allow some member countries to increase both nominal rates of pay and government receipts from taxes and customs duties. Yet if they remained in the CFA zone (formerly the franc zone), the countries in question would still not be able to decide their own monetary and economic strategies. The CFA deal does, however, benefit the rulers of some of those countries, allowing them to accumulate funds that are readily convertible into hard currency. It also means that potential investors face less risk to the value of their assets.

The CFA franc was last formally devalued against the French franc, now replaced by the euro, in 1994 by 50% (AC Vol 42 No 2). In practice, that simply meant cutting two zeroes off the face value of CFA notes. That change, much criticised at the time, gave companies doing business in Francophone Africa (most of them French) better access to the continent's resources and markets, and reduced the hard-currency price of labour, land and buildings.

The present fall of the euro in dollar terms stimulates talk not only of a formal devaluation but also of reforming the CFA system, with its 'separate realities' of two disparate economic zones in West and Central Africa, whose economic performance may differ widely. In 2008 (see Chart) real gross national product declined by 0.8% overall in the countries of the Central Africa CFA zone; in the West Africa CFA zone, real GNP grew by 3.8%. Central Africa had a positive balance of trade, West Africa a trade deficit. There are huge disparities between countries, too. Last year, inflation was at 5.3% in Cameroon and 11.3% in **Niger**. **Guinea-Bissau**, the poorest member country, had a GNP per head 84 times lower than that

HOW THE CFA FRANC ZONE WORKS

The initials CFA once stood for the *Communauté française d'Afrique*, later changing to *Communauté financière d'Afrique*. The name is a colonial legacy and considerable monetary powers are still reserved to the *Banque de France*, the French central bank. The value of the CFA franc was fixed to that of the French franc until 2002, when France gave up its own currency and adopted the euro; the exchange rate since then remains fixed at 656 CFA francs to the euro.

Two groups of African countries belong to the CFA zone. Each has its own central bank, formally responsible for issuing the currency. For French-speaking West Africa, the *Banque centrale des Etats de l'Afrique de l'Ouest* (BCEAO) covers **Benin**, **Burkina Faso**, **Côte d'Ivoire**, **Mali**, **Niger**, **Senegal** and **Togo**, plus **Guinea-Bissau**, formerly a **Portuguese** colony. Central Africa's *Communauté économique et monétaire de l'Afrique centrale* uses the *Banque des Etats de l'Afrique Centrale* (BEAC). CEMAC comprises **Cameroon**, **Central African Republic**, **Chad**, **Congo-Brazzaville**, **Gabon** and the formerly **Spanish-ruled Equatorial Guinea**. **Comoros**, in the Indian Ocean, has its own franc, which is similarly linked to the euro.

The link between the French and CFA francs was guaranteed by the French state, but in 1993 the *Banque de France* stopped automatically purchasing notes issued by the two African regional central banks. One odd result is that, although the West African and Central African currencies have the same guaranteed value, they are not mutually convertible. This obviously obstructs plans to develop regional trade.

The African central banks can make no decisions about their currency without the agreement of the *Banque de France*, and no country or region that uses the CFA can issue more money than it thinks appropriate. This limits the rate of inflation; economies with autonomous banking systems, such as **Congo-Kinshasa**, **Ghana** and **Nigeria**, have at various times had much higher inflation rates.

The French treasury may advance funds to the African CFA zone members but no more than 20% of the (often tiny) budgetary receipts of the country in question. Member countries may not print money, so if they are short of funds, they must either postpone payments (often, that means salary delays for public servants) or borrow from sources outside the zone. The African central banks are obliged to deposit half of their hard currency reserves in their 'operational account' at the French treasury, with no payment shortfall permitted. In exchange, France guarantees the convertibility of the CFA into euros at the fixed rate. ●

of oil-producing **Equatorial Guinea**.

France's commercial interest in Africa – and the Franco-African summit in Nice on 31 May–1 June confirms this – now extends far beyond its old imperial territories into **Angola, Congo-Kinshasa, Nigeria and South Africa**. All have immense potential for growth and are outside the CFA Zone.

Effective control of the CFA zone from Paris has long supported the economies of its African members and made them more profitable places for French firms to do business in. Devaluation would reduce the international worth of those countries' foreign reserves, 50% of which are compulsorily deposited with the French treasury. Senegal's President **Abdoulaye Wade** said that, at the beginning of 2010, the total sum stood at CFA4tn (6.1bn euros or \$7.7bn). In February, Wade blamed the West African central bank, the *Banque centrale des Etats de l'Afrique de l'Ouest* (BCEAO), for moving large sums out of Africa while the member countries faced major financial difficulties.

In the Central African CFA zone, rising oil revenue has increased foreign exchange earnings and boosted the value of monetary reserves. A **Togolese** economist, **Kako Nubukpo**, reckons that these are more than CFA5trn (7.6bn euros) for the *Communauté économique et monétaire d'Afrique centrale* (CEMAC).

Freeing governments to use their own assets as they wish could, of course, allow them to ease credit, favour inflation and further reduce their own exchange rate. Countries that have some small industries could benefit, such as Cameroon or Côte d'Ivoire, and other countries dependent on agriculture, including Burkina Faso, Mali and Niger. Devaluation could help their exports and discourage some imports, such as European chicken in Cameroon and Côte d'Ivoire or **Vietnamese** rice in Senegal. The urge to devalue is stronger in the West African group of countries than in the Central African group, all of which save **Central African Republic** are petroleum exporters, with earnings outside French influence.

The appropriate scale of any devaluation is debatable but the 15 African governments all want to free themselves from a monetary policy imposed by the central banks of the EU and France and by the French treasury. Moreover, France, their largest donor, is steadily reducing its aid to Africa and French Finance Minister **Christine Lagarde** has made it clear that it is up to African governments to decide whether to continue their fixed link to the euro or to peg their currencies to a basket of foreign currencies. Vallée says that Equatorial Guinea and now Cameroon are moving to denominate their reserves in dollars or other currencies, independently of France. Such pegged reserves could

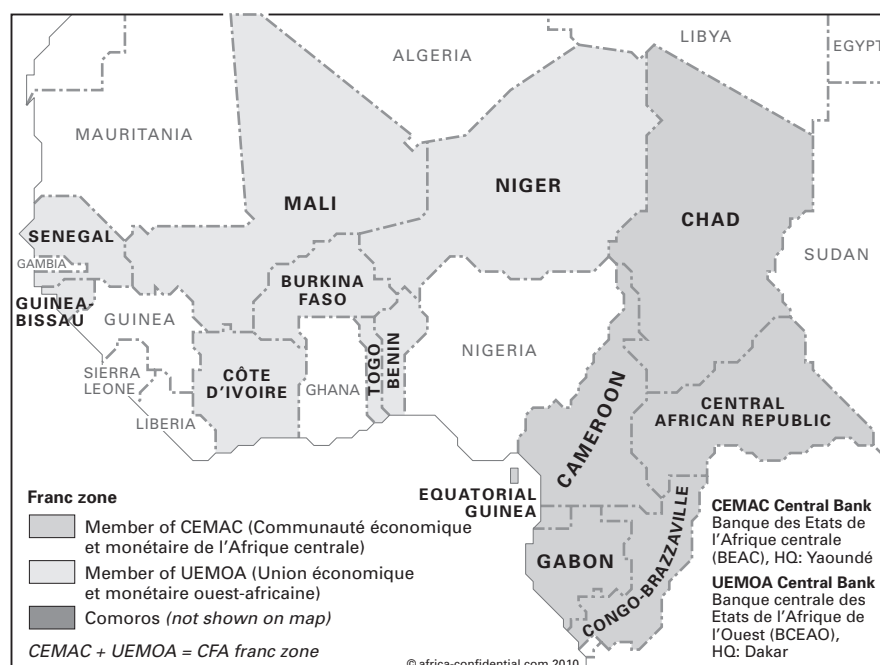
be held by the central bank of each country. Plenty of prosperous African leaders already prefer to keep their money well clear of the CFA zone, in the Channel Islands, **Luxembourg, Monaco, Switzerland** or the USA.

The urge to abandon the CFA arrangements is increased by France's own public-debt crisis and by the expansion of **Chinese** involvement in raw material exploitation, infrastructure and energy. It seems strange that, as they and world economics change, African economies are so strongly affected by the economic and financial performance of a quite separate group of European countries, which at present have acute problems of their own. It is a matter not just of sovereignty but of practical economic management.

Vallée sums up his view of the CFA arrangements by claiming that French President **Nicolas Sarkozy's** ambition

is 'to obtain uranium in Africa and to sell nuclear plants there, while in this operation, the franc zone no longer protects French businesses nor guarantees the international trade of the African countries.' Vallée adds that France itself has not always stood by the agreements and has called in the IMF to cover deficits in the CFA operational account instead of covering them from the French treasury.

The CFA's defenders say it has promoted regional integration, but there has been no corresponding integration of other aspects of economic policy. The Commission of West Africa's *Union économique et monétaire ouest-africaine* (UEMOA) controls an energy fund worth CFA500bn (\$958mn), yet agreement is rarely reached on how to use the fund, although almost every member state badly needs to invest in electricity generation and distribution. ●



THE STATE OF PLAY IN AFRICA'S FRANC ZONE 2008

Country	Population (millions, 2007) [1]	GDP (CFA francs billion) [2]	GDP (US\$ per head) [3]	Public investment (% of GDP)	Average inflation rate (%)	External debt (US\$ million, 2007)	External debt (% of GDP, 2007)	Debt service (% of exports, 2007)
Cameroon	18.5	10,979	1,328	26.5	5.3	3,162	15.3	10.0
Central African Rep.	4.3	945	488	9.8	9.3	973	54.2	37.8
Chad	10.8	3,737	779	26.5	8.3	1,797	25.3	1.8
Congo-Brazzaville	3.8	4,524	2,694	43.8	5.3	5,156	67.7	1.2
Equatorial Guinea	0.7	6,827	21,868	33.3	6.0	136	1.3	0.4
Gabon	1.3	6,466	10,901	21.7	5.3	5,746	49.5	1.4
TOTAL CEMAC	39.4	33,478	1,904	28.8	5.9	16,970	26.9	3.8
Benin	9.0	2,975	739	20.8	7.9	856	15.5	6.1
Burkina Faso	14.8	3,647	553	23.2	10.7	1,461	21.7	6.1
Côte d'Ivoire	19.3	10,485	1,220	11.1	6.3	13,938	70.3	4.6
Guinea-Bissau	1.7	195	259	16.3	10.4	744	204.0	26.9
Mali	12.3	3,955	719	22.6	9.2	2,018	28.2	3.3
Niger	14.2	2,397	379	26.8	11.3	972	22.9	4.1
Senegal	12.4	5,950	1,075	27.6	5.8	2,588	22.9	6.9
Togo	6.6	1,445	492	15.2	8.7	1,968	77.7	2.0
TOTAL UEMOA	90.3	31,049	771	19.5	7.4	24,545	42.5	4.9
Comoros	0.6	[2] 175	832	13.8	6.5	0.6	62.9	36.9

[1] World Bank: World Development Indicators 2008, except for Equatorial Guinea. On the basis of Equatorial Guinea's 2001 population census, the country's population was projected to reach 1.5mn by 2008. The UN calculates its population was 676,000 in 2008.

[2] Billion Comorian francs. [3] Average US\$ exchange rates in 2008: \$1= 445.99 CFA francs / 334.49 Comorian francs.

Sources: Banque des Etats de l'Afrique centrale (BEAC), Banque centrale des Etats de l'Afrique de l'Ouest (BCEAO), International Monetary Fund, World Bank

A second, tougher round

Business ties, ethnic politics and elite intrigues will shape a close race in the run-off for the presidency

Former prime minister **Cellou Dalein Diallo** and long-time oppositionist **Alpha Condé** will battle it out in the second round of the presidential elections, due on 18 July. Political insiders consider Diallo the favourite, thanks to commercial, ethnic and military factors, as well as the blessing of top people in the incumbent junta under General **Sékouba Konaté**.

But the mood is volatile, and Condé is a resourceful politician who spent painful years in opposition. He was badly tortured

under the military regime headed by General **Lansana Conté**, who died in December 2008. Presenting himself as an implacable democrat and reformer, Condé may still have friends from the years in Paris when he was a student alongside France's foreign minister, **Bernard Kouchner**. At home he has been making strange alliances with fiery supporters of the coup leader Captain **Moussa Dadis Camara**, now injured and exiled in **Burkina Faso**.

Diallo, who leads the *Union des forces*

démocratiques de Guinée, goes into the second round with a strong lead and support from the local elite. Like 40% of Guineans, he is ethnically Peulh. In the first round on 27 June he took 39.7% of the vote. Condé, of the *Rassemblement du peuple de Guinée*, is Malinké, like some 35% of Guineans, and took 20.67%. Some Malinké voted instead for another former prime minister, **Lansana Kouyaté**, who took 7.8%. Both candidates need extra votes from minorities.

International observers reported that the voting was smooth, some minor confusion aside. Less than two days after the first round, the *Commission électorale nationale indépendante* (CENI) had tallied about half the votes cast, and word was filtering out that Diallo and **Sidya Touré** were in the lead, a surprising result. Late on 30 June, CENI said it needed more time to bring in tally sheets from polling stations not monitored by foreign observers. The candidates started complaining of ballot-stuffing. Supporters of both Condé and Diallo claimed the rigging favoured Touré.

A minister told us that Konaté, the junta leader, had privately said that he wanted Touré in the second round, since he feared ethnic conflagration from a Condé-Diallo contest. A military source claimed that officers had been instructed to tell their troops to vote for Touré, who comes from the tiny Diakhanké group and was a competent technocratic prime minister under General Conté.

On 30 June, Conakry was eerily quiet; shops closed early. Some of Condé's supporters warned that things could turn ugly if he did not appear in the second round. On 2 July the political leaders were summoned to the junta's headquarters. The following day provisional results were released, putting Condé in second place and Touré third with less than 16% of the vote. Touré accused the junta of fraud: 'The results were changed in the night.' By 5 July Konaté's soldiers were tear-gassing protestors in Conakry, many of them Touré supporters. Condé also claims fraud but appeals for calm.

To complicate matters, Condé seems to have the support of Captain Moussa Dadis Camara, who led last year's coup and was wounded in December in a botched assassination attempt (AC Vol 50 No 25). While in charge, Camara had been training a militia from his Guerzé people in the Forest region – up to 10,000 of them, whom Konaté disbanded, assigning some to army barracks around the country and leaving others to their own devices. They may still be dangerous, and some say they want Condé to win. Konaté has accused the **Cote d'Ivoire** government of allowing some Guerzé recruits to slip into Ivorian territory controlled by the *Forces nouvelles* chief, **Chérif Ousmane**.

MINISTER THIAM COVERS HIS BASES

Mahmoud Thiam, the energetic mines minister and former senior staffer at *Union de Banques Suisses*, insists that his decisions over the past 18 months are not reversible – especially his move to strip western mining conglomerate Rio Tinto of its iron ore mining concessions and transfer them to a **Brazilian**- and **Israeli**-led consortium.

He steered through the purchase by Israeli diamond trader **Benny Steinmetz** of blocks 1 and 2 of the rich Simandou iron ore concession, formerly awarded to Rio Tinto. Steinmetz has teamed up with Brazil's Vale and Thiam has brought in Bellzone, a small **Australian** mining company, to develop iron ore deposits and a port and railway with the secretive Hong Kong-registered China International Fund (CIF).

Making inroads into presidential contender **Cellou Dalein Diallo's** camp, CIF nominated his wife **Halimatou Diallo** to the board of Air Guinée, a new airline it created on 24 June, which hopes to fly direct flights between Conakry and Guangzhou, **China**, when the first planes are delivered next month.

Colonel **Mathurin Bangoura**, the minister of transport who sealed the Air Guinée deal with Thiam, was promoted to the rank of general with eight other allies of junta leader **Sékouba Konaté** on 3 July, another sign that Thiam has fostered good relations between Konaté and Diallo. Thiam's brother-in-law is a consultant to China International Fund, while Bellzone's head of public affairs, **Mamadou Aliou Bah**, is the brother of one of Diallo's top campaign managers.

Thiam's mentor is **Ibrahima Kassory Fofana**, who was once inseparable from Diallo when they both served in **Lansana Conté's** military regime but they may have fallen out. **Ismaël Diakité**, a senior official at Rio Tinto and a former supporter of oppositionist **Alpha Condé**, is known to have voted for **Sidya Touré** but he could switch his support back in the second round.

From most angles, Thiam has his bases covered. Thiam's close associates claim he has tacit support from the **United States** State Department, despite concerns raised by US congressmen in 2008 when China Sonangol bought the JP Morgan building in New York from Israeli billionaire **Lev Leviev**.

According to public documents, Thiam, who has a US passport, contributed several thousand dollars to **Barack Obama's** election campaign. President **Nicholas Sarkozy's** government may support the removal of Thiam from the European Union sanctions list announced after the September 2009 massacres.

Diplomats say a speedy resolution of the election contest could trigger more investment. Diallo seems to be the diplomats' favoured candidate. Investors remain cautious. Following a visit by Thiam and **Habib Hann**, a presidential advisor of Konaté and former banker at Goldman Sachs, to London on 7-8 June, the share price of Bellzone, which is quoted on London's Alternative Investment Market, picked up.

But Bellzone announced at the London Stock Exchange on 1 July that the finalisation of its deal with China International Fund had been delayed until August. Within days its shares lost 25% of their value. For some of the smallest and biggest mining companies in the world, much is riding on the Guinea vote. ●

Rumours of coup plots against Konaté swirl around Conakry. The first came in early June when **Oleg Deripaska**, the Russian aluminium magnate who owns Rusal, came to Conakry to meet Konaté, whose adviser **Mamadou Condé**, a party stalwart of Alpha Condé, insisted on the meeting. Deripaska then held consultations with Prime Minister **Jean-Marie Doré**. We hear that Mamadou Condé, who set up the meeting, had misinformed Konaté that Doré had agreed to slow down legal proceedings against Rusal, in a suit pushed by the influential mines minister, **Mahmoud Thiam**. Konaté discovered the lie and cancelled a trip to Moscow. A military source close to Dadis says that, had Konaté left the country, there would have been a coup.

A few days later the army chief of staff, Colonel **Nouhou Thiam**, rounded up eight senior officers from Dadis's former high command: Colonels **Oumar Sanoh**, **Abdoulaye Keita**, **Mamadi Mara**, **Ansoumane Kaba**, and Lieutenant Colonels **David Haba**, **Amara Samake**, **Moriba Abel Haba** and **Alpha Ousmane Diallo**. Col Moussa Keita was also questioned; he is a Dadis supporter and former secretary of the military *Conseil national pour la démocratie et le développement* (CNDD).

A diplomat said he had seen military trucks crammed with red berets rushing to the presidency for a CNDD reconciliation meeting, which was then suddenly cancelled. When the CNDD meeting was reconvened a few days later, Konaté turned up sporting a bullet-proof vest, two pistols, grenades and an Uzi strapped to his back.

We also hear that the foreign minister, **Bakary Fofana**, was dispatched to Ouagadougou during the elections to keep an eye on Dadis. What happens next will be determined by whatever coalitions Diallo and Condé can assemble. **Papa Koly Kourouma**, a close ally of Dadis who took 5% of the vote, is likely to join Condé, as is **Ibrahim Sylla**, with 3%, and **Ibrahima Kassory Fofana**, formerly economy minister under Lansana Conté. Fofana is the mentor of mines minister Thiam, and his campaign was well funded.

Conakry's optimists hope for a consensus across the political spectrum that will create something like a government of national unity. It would be heavily constrained, not least by the need to placate an army nervous about its privileges and its senior officers' jobs. On 3 July Konaté promoted a string of officers to the rank of general. They are Cols **Aboubacar Sidiki Camara**, **Boundouka Condé**, **Naby Ibrahima Soumah**, **Siba Louhalamou**, **Mamadou Korka Diallo**, **Amadou Doumbouya** and **Mathurin Bangoura**, plus Lt Cols **Lansana Touré** and **Ibrahima Baldé**. ●

SOMALILAND

We're here to be recognised

Decent elections, an orderly transition and plans for investment bring hope at last to a small nation

A credible vote will not bring prosperity without international recognition. On 26 June, **Ahmed Mohamed 'Silanyo'**, leader of the Development and Solidarity Party (Kulmiye) was elected as Somaliland's fourth president. There was minimal violence, and international observers, including Progressio, a London-based development agency, called the poll 'a free and fair expression of the popular will of the Somaliland people'. In 2003, Silanyo lost to the outgoing President **Dahir Riyale Kahin** by a mere 80 votes.

This time Silanyo took just under 50% of the vote, and Riyale's United People's Democratic Party (UDUB) 33% (with 18% for **Faisal Ali Warabe's** Justice and Welfare Party). Riyale had repeatedly extended his mandate since March 2003 and might have been tempted to cling to power. But UDUB accepted the result, and the transfer of power is unlikely to be complicated or disputed.

Silanyo is over 70, an elder statesman in Somaliland's young democracy. He acquired administrative experience as a senior minister in **Siad Barre's** government, then quit to become chairman of the Somali National Movement (SNM), holding senior ministerial positions in the self-proclaimed independent Somaliland from 1991 to 2001, and founding Kulmiye in 2002 in order to contest the 2003 presidential elections.

Regarded in his own party as an autocrat, he has little appeal to the younger generation. But as a **Habr Jalo**, a sub-clan of the dominant **Isaaq**, he has wide support in a country that places more emphasis on ethnicity than popularity.

The election had been delayed several times since 2008, due to structural ineptitude and technical incapacity. Voter registration was awkward, and it took a long time to form the National Electoral Commission. By April 2009 1.3 million people were registered as voters, although only 700,000 were thought to be eligible. Sophisticated facial recognition technology smoothed out inconsistencies.

The main violent threat to the elections came from the Islamist **Al-Shabaab** militia based in Somalia to the south. Its chairman, **Ahmed Abdi**

Godane, is from Somaliland. Shortly before the vote, he ordered Somalilanders not to participate in the elections, which he argued were an affront to Allah. They ignored him, although the threat of violence remains. Last October three suicide car-bombs in Hargeisa suggested Islamist insurrectionists are trying to reach out from **Somalia**.

International recognition of the election was regarded by Somaliland's politicians and people as a crucial step towards securing international recognition of Somaliland as a state. The new president faces a tough battle. Few governments acknowledge his country's existence. **Ethiopia** and **Djibouti** have representatives in Hargeisa, and Somaliland is represented among its neighbours and a few other states. Officials have visited from **Britain** (which once ruled this strip of coast) and the **United States**.

The country gets little foreign aid; international recognition would bring in much more. The United Nations has channelled a significant share of its assistance for Somalia to Somaliland, the only part of the former Somali state which has managed to create an acceptable democratic administration, fulfilling international criteria for recognition. The consensus in Europe and the US is that the African Union must take the first step toward recognition.

Foreign investment – there is evidence of potentially significant oil and gas deposits – remains almost impossible while Somaliland is tied to the sinking bulk of Somalia. Half of a US\$55 million national budget has been eaten away by inflation and surges in fuel and commodities markets. An unrecognised state has no access to the IMF or the World Bank. Potential investors or traders cannot get insurance. Poverty could drag Somaliland back into Somalia's political mire.

In a year that has seen heavily disputed polls in **Sudan** and **Ethiopia**, the successful democratic transition stands out, and Silanyo promises to focus on eliminating corruption and streamlining the government. He says he plans to stop 'unconstitutional' wielding of emergency laws and to release prisoners held without due sentence by a court (barring those accused of terrorism and theft). That is the way to win rich friends. ●

Mungiki's new man

Maina Njenga's evolution from gang leader to born-again Christian to aspiring candidate highlights the breakdown of Kenyan politics

The once unthinkable has happened: Maina Njenga, the much-feared leader of Kenya's Mungiki militia, is carving out a new career as a mainstream politician. After his release from gaol in October 2009, Njenga renounced violence, became a born-again Christian and is now a stalwart campaigner for Kenyans to vote in favour of the proposed new constitution in the referendum on 4 August.

One of Njenga's declared political heroes is **Fidel Castro Odinga**, the son of Prime Minister **Raila Odinga**, on whom Njenga showers praise. He claims to now be friends with Raila and visited him with Fidel during the premier's recent stint in hospital.

Njenga wants to run as a member of parliament or as a governor of one of Kenya's 47 new counties in the 2012 elections. Meanwhile, he is mobilising Mungiki's National Youth Movement for the Yes campaign in support of the new constitution. He shares offices in Lavinton with the largely dormant Labour Party, once headed by former MP

Julia Odhiambo and ripe for a takeover.

There is talk of Njenga chairing a new party with Fidel Odinga as secretary and the former defence minister **Njenga Karume** as its patron. Njenga also heads the Amani Sasa Foundation and promotes savings and credit organisations (known as SACCOs). Publicly he says Mungiki is dead and encourages youth to seek the peaceful resolution of disputes. He is less forthcoming on the links between his gangland career and his wealth, power, land and large new Mercedes.

Njenga associates with several prominent Kikuyu politicians and businessmen who contributed heavily to his murdered wife's funeral recently. They are drawn to Njenga because of his ability to mobilise the Kikuyu youth vote in 2012. They also know that he probably knows who among them hired foot soldiers to launch violent attacks before and after the 2007 election.

A few words from Njenga might break his political clients. Recently, he was anointed a Kikuyu elder in Thika; after

that he was feted like a visiting dignitary when he visited Nyeri. This is all the more remarkable given that Mungiki earned its fearsome reputation for beheading and gouging out the eyes of those who would not cooperate with them. They were among the pioneers of a slew of extortion rackets, worthy of Italy's Cosa Nostra and which have terrorized Kenyans for two decades.

Like most Kenyan politicians, Njenga has no permanent friends, just permanent interest. He recently visited former president **Daniel arap Moi** at a No rally in Nakuru in late June 2010 and before that in Eldoret, though Njenga was quick to point out that this did not mean he supported the No movement's cause in the approaching referendum.

MOI MEETS MUNGIKI

In the 2002 election, Mungiki generally backed Moi's Kenya African National Union (KANU) candidate, **Uhuru Kenyatta**, for the presidency. Njenga said in February 2010 that he was a lifelong member of KANU, so his flirtation with Moi and his talk of forming another political party annoys Kikuyu heavyweight politicians. This is exactly Njenga's point: he does not necessarily belong to them. He says openly that he and his Rift Valley supporters 'might take a different path from Mount Kenya' and that 'we do not want for our brothers in Central Province to tell us what to do or where to go. We shall chart our own destiny.'

Because Mungiki is strong in Nairobi's slums and housing estates, Njenga also probably has a good idea how the Orange Democratic Movement messages were sent out to its own Luo Taliban gangs to launch violence in 2007 there as well as in the Rift Valley, where Mungiki also has a strong base.

The ease with which Njenga moves among this rainbow coalition of disparate politicians may reflect his knowledge of their organisations and links to violence and criminality. These groupings of odd bedfellows might also be a pre-emptive, defensive reaction to the International Criminal Court's continuing investigation of the 2007 post-election violence.

The government finally convicted and gaoled Njenga in Naivasha in June 2007 for possession of guns and drugs but released him in 2009. Within months he was back in gaol, detained after Mungiki's murder of 29 people in the Mount Kenya area of Mathira. Despite the seriousness of the case, Njenga was treated like royalty and shared the same chef as a gaoled British aristocrat, **Thomas Cholmondeley**, the owner of the Soysambu ranch, who was convicted for shooting dead a man he claimed to be a poacher.

While Njenga was still in gaol in April 2009, a group slit the throats of his wife

CRIMINAL BUSINESS IS BIG BUSINESS

Mungiki started as a Kikuyu quasi-revivalist religious cult in the Rift Valley's Laikipia District in the late 1980s. Many Mungiki members lost their land in the 1990s when President **Daniel arap Moi's** government presided over state-orchestrated electoral violence there. Mungiki migrated to Nairobi's slums, where they provided services and protection, developing an extortion racket that still controls the *matatu* transport routes in the towns and the countryside, particularly in Central Province.

Government started to clamp down on Mungiki in the early 2000s, using special police units such as the Kwekwe squad. Yet given the powerful networks that have worked with Mungiki – the politicians who have hired them and the police who get kickbacks from them – the militia continues to grow and operate fairly freely. Mungiki's financial success has encouraged other similar but less well-known gangs across the country using the same combination of extortion and political networking. Indeed, some claim the newcomers have usurped the Mungiki brand, as violent politically-backed gangs proliferate in Kenya's villages and cities.

In a vicious circle, new vigilante gangs form to protect communities against the Mungiki predator gangs, but over time the vigilantes use increasingly aggressive tactics until it is hard to differentiate them from the militias they are supposed to fight.

For ordinary citizens this means a growing threat of violence from one camp or another. It also means the growing intrusion of the gang leaders and organisers into local communities. Their grip on the economy tightens: the gangs infiltrate primary and secondary schools for recruits; they extort money from traders, charging them 'licence fees' to set up their stalls; they control land allocation and building licences; and they compel school buses to pay tolls.

The gangs have become better equipped and increasingly ruthless. Former soldiers and police officers, with easy access to weaponry, are forming gangs and using their contacts to negotiate a kind of immunity. The new generation of gangs, like their counterparts in South America and **Nigeria**, have started targeting wealthy families for kidnapping. Sometimes the victims are children. ●

Virginia Nyakio, her driver, and two other Mungiki officials in a gruesome, still unsolved murder. Some claimed Virginia was killed because she was siphoning off Mungiki funds for herself; others claimed she was punished for having an affair with her driver. Still others think she knew too much and may have helped mobilise Mungiki in the 2007 post-election violence, and was perhaps silenced because of that and as a warning to her husband.

After his wife's murder, while Njenga was still in gaol, Mungiki organised mass protests in Nairobi, flooding the city with their supporters, and called for a transport strike which paralysed the city.

In late October 2009, Attorney General Amos Wako issued a nolle prosequi order, claiming insufficient evidence to prosecute Njenga, and released him. Just before that, one of Njenga's five lawyers, former MP Paul Muite, announced Njenga had assembled an affidavit which they were preparing to file, accusing some ministers and MPs of close involvement with Mungiki. His lawyers suggested that he had evidence from 1997 onwards – including tapes, videos, cell phone messages and photographs – to prove the connection.

Days after Njenga was released from Nyere's maximum security prison, Mungiki spokesman **Njuguna Gitau**, who had a list of Mungiki victims of police killings with him, was murdered on Lithuli Avenue in central Nairobi. It may also have been a reminder to Njenga that the same could happen to him.

Njenga then renounced violence and with some of his followers became a born-

again Christian in a public ceremony presided over by Bishop **Margaret Wanjiru**, Starehe MP and head of the Jesus is Alive Ministries. Njenga wore a tee-shirt saying 'Jesus is my final answer'.

Finding religion seems to be a family tradition. Njenga's cousin, **Ndura Waruinge**, was also a Mungiki leader who became religious after he was released from gaol in 2008. In an April 2010 report for the Kenya National Dialogue and Reconciliation Monitoring Project, South Consulting said that it viewed the 'sudden conversion of members of illegal groups into Christianity a strategy of legitimising groups ahead of 2012'.

KARUME SHELLS OUT

Shortly after his release, Njenga also began fundraising for his wife's funeral, which 20,000 attended. Among the contributors was Njenga Karume, who has been part of the Kikuyu inner circle since **Jomo Kenyatta's** era and has served as Kikuyu MP from Kiambaa, defence minister and head of the Gikuyu, Embu and Meru Association. He also was listed in the Kenya National Commission of Human Rights (KNCHR) report on the post-election violence as an 'alleged perpetrator'.

The KNCHR accuses Karume of providing 'money to aid in the eviction of non-Kikuyus from Central Province'. They also say he was at meetings in Nairobi along with Uhuru Kenyatta and others where the funding and organisation of the violence took place. Others who contributed to Njenga's fund were his lawyer Paul Muite, Embakasi MP **Ferdinand Waititu**, Imenti

Central MP **Gitobu Imanyara**, Bishop Margaret Wanjiru, and unnamed Nakuru businessmen and Mungiki coordinators.

Whatever Njenga's political aims, his former colleagues in crime are thriving. According to a study by Professor **Walter Odhiambo** of the University of Nairobi, crime is rising in central Nairobi and in formerly safe suburbs such as Karen, Kilimani, and Hurlingham.

Official figures show the prevalence of crime increased by 6% from 2008 to 2009. In the countryside, violent gangs with new names, such as the Masombe gang in Meru North and a group called 'Unfinished' in Central Province, appear almost daily. So do new groups of cattle rustlers in the Rift Valley.

Since October 2009, South Consulting has identified 45 new armed groups across the country, including one called 'Ocampo' in Nyanza and another named 'The Hague' in Central Province. For the time being, they just terrorise and extort money but they could easily be hired for political attacks in 2012.

Arms are widely available, as shown in the December 2009 arrest of **Munir Ahmed**, in possession of 100,000 bullets and assorted firearms taken from the Eldoret Ordnance Factory to his house and office in Narok and in Parklands, Nairobi. City people now fear a new crime wave in the countryside. None of this squares with the 'Kenya 2030' vision of the country as a developing middle-income nation. Neither do many Kenyans take seriously President **Mwai Kibaki's** promise last year to arrest the militia and gangs that attack Kenyans. ●

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France/Africa

REALPOLITIK AND RESIGNATIONS

■ The resignation of **Alain Joyandet**, secretary of state for cooperation, will reinforce the grip of the Elysée Palace on France's Africa policy. Joyandet, who was forced out after it was revealed he spent 116,500 euros (US\$147,475) in state funds on a private jet for a working trip to Martinique, was one of President **Nicolas Sarkozy's** more loyal lieutenants. He benefited from Foreign Minister **Bernard Kouchner's** antipathy to Sarkozy's diplomatic tactics and carved his own Africa policy niche.

Joyandet led the assertion of realpolitik in Africa policy after his predecessor, **Jean-Marie Bockel**, seemed to take Sarkozy's promises to reform the *Françafrique* system a little too literally. Before he died, **Gabon's** President **Omar Bongo Ondimba** had the pleasure of helping to push out Bockel, then welcomed Joyandet and the secretary-general of the presidency, **Claude Guéant**, to Libreville. Guéant (often referred to as 'the other foreign minister') and Joyandet, together with diplomatic fixer and lawyer **Robert Bourgi**, pushed for much greater pragmatism in dealing with putschists in **Mauritania**, **Niger**, **Madagascar** and **Comoros**.

Such compromises infuriated both Kouchner and **Jean-Christophe Rufin**, who quit his post as ambassador to **Senegal** on 30 June because of the domination of Paris's diplomacy by 'parallel networks' in the presidency and the undermining of the foreign ministry. That looks unlikely to change soon as Sarkozy concentrates on battling his growing band of domestic opponents.

North/East Africa

CRISIS ON THE NILE

■ The confrontation over the Nile waters, which pits **Egypt** and **Sudan** against the five downstream countries, is escalating into a major regional crisis following the collapse of a ministerial meeting in Addis Ababa on 26-27 June. Egypt and Sudan opposed moves by the downstream countries – **Ethiopia**, **Uganda**, **Tanzania**, **Rwanda** and **Kenya** – to agree a new formula to share the Nile's 84 billion cubic metres of water more equitably. Currently Egypt and Sudan have the rights to use about 90% of the Nile's water, thanks to treaties signed under **British** rule in 1929 and 1959.

As ministers argued in a press conference after the Nile Basin Initiative meeting, Sudan's water minister, **Kamal Ali Mohamed**, announced that his country would be suspending cooperation with the World Bank-backed initiative, which

promotes regional cooperation over the use of the Nile's waters for irrigation and hydropower projects.

Cairo opposes efforts by the five downstream countries to move ahead with their Cooperative Framework Agreement on water security, which they signed in May without the agreement of their northern neighbours, Sudan and Egypt. The five countries that signed the agreement say they need just one more signature – both **Burundi** and **Congo-Kinshasa** are considering signing – before it will become an established regional treaty, replacing the colonial treaties. When parliaments in six states ratify the deal, a permanent commission to decide on water allocation will be set up.

Ethiopia's water minister, **Asfaw Dingamo**, who took up the one-year chairmanship of the Nile Council of Ministers this month, called on Egypt and Sudan to show more flexibility over the bid to revise the colonial treaties on the Nile. Egypt's intelligence chief, **Omar Suleiman**, flew into Burundi to dissuade the regime from signing; at the same time, Ethiopia appealed to President **Joseph Kabila's** government in Congo-Kinshasa to sign.

East African Community

FIRST TO INTEGRATE

■ **Kenya** has moved fastest to implement the East African Community's Common Market Protocol, which came into effect on 1 July 2010. In the clearest sign of the profound changes, Kenya's immigration minister, **Otieno Kajwang**, immediately announced that citizens of **Tanzania**, **Uganda**, **Rwanda** and **Burundi** no longer needed work permits to enter the country.

The EAC Common Market, which now encompasses 126 million people over five countries, marks the birth of Africa's first integrated regional block. The protocol guarantees the free movement of people, capital, goods and services, and the right of its citizens to live and settle anywhere in the region. But EAC member states are yet to ratify the protocol fully, choosing to grant settlement and establishment rights to only certain categories of workers.

While political leaders have long been committed to the EAC, citizens have been less enthusiastic. The creation of an East African passport was not received with much enthusiasm, nor was the EAC flag. For many, the community is a top-down project driven by foreign aid, whose motive is to create a common market for foreign goods.

Yet the lowering of trade barriers within the EAC has in fact seen a massive increase in regional trade. Uganda is now Kenya's biggest trading partner, overtaking **Britain** and **Germany**. The real winners, at least in these early stages, are big companies. Mobile phone operators enjoy the benefits of cooperation as their subscribers can

now freely roam in the region and boost call revenues accordingly.

Institutional investors take advantage of cross-listing in the region's capital markets. When Kenya's Safaricom recently announced a KSh21bn (US\$257mn) pre-tax profit, one of the biggest beneficiaries was Uganda's National Social Security Fund, the eighth-largest investor in the company.

Uganda

A TAXING COMPROMISE

■ This month, President **Yoweri Museveni** has approved a face-saving deal to break the impasse over the US\$360 million in capital gains tax that his government is claiming from the Jersey-registered Heritage Oil after it sold its licence shares in the Lake Albert oil field for \$1.3bn.

Under the deal, Heritage would pay 30% of the claimed tax now and provide a bank guarantee for the remaining 70% pending international arbitration. The compromise means Uganda appears to 'win' \$120mn now but a final decision on the matter will be announced after international arbitration, the results of which are due after next February's elections.

Production at Lake Albert has been delayed for months because Heritage, owned by ex-military entrepreneur **Tony Buckingham**, refused to pay the tax after it sold the shares to its former partner Tullow, which will team up with Total and **China** National Offshore Oil Corporation (CNOOC) to start development.

Both sides were holding out. In his state of the union address on 2 June, President Museveni said all Uganda would benefit from this tax windfall; Heritage insisted that its production sharing agreements make no reference to tax. Heritage is confident of its legal position but its share price fell as a consequence of the dispute. Meanwhile, the government faced production delays and revenue losses ahead of the elections.

If Heritage wins the arbitration, the Uganda Revenue Authority will have to return the \$120mn but there may be some flexibility: we hear that at least some of the funds will be used for voter-friendly projects and the government will have some leeway over repayment schedules should it lose the arbitration.

After a decade building political relationships at the highest level, Heritage has won friends such as the President's half-brother and former head of the army, **Salim Saleh**. If the Heritage sale goes through, the next battle will be over the money Tullow will make from onselling two-thirds of the licences to Total and CNOOC. Tullow claims it is not liable to capital gains tax since it plans to stay in Uganda. For now, government officials disagree.

BLUE LINES

In Africa, respect for the elders lives on. This week the African airwaves buzzed with accolades to two sons of Africa, Nelson Mandela and Archbishop Desmond Tutu, and with homages to an adopted son, Basil Davidson.

The celebration of Madiba's 92nd birthday on 18 July was especially poignant in the wake of his granddaughter's death in a car crash a month ago and the spectacular success of South Africa's hosting of the World Cup, for which Mandela had campaigned.

To widespread regret, Archbishop Tutu, 79, has announced that he is to retire from public engagements. He was a leading public critic of apartheid in South Africa while Mandela was serving a 27-year gaol sentence. The link between the two men will continue as Tutu will work one day a week with The Elders, a group established by Mandela to help address international crises.

The 10 July death of British historian and journalist Basil Davidson at the age of 95 has prompted a flurry of tributes from readers of his pioneering contributions to African history.

After leaving school at 16, Davidson was a journalist in Paris before joining the British secret service to work with anti-fascists in Eastern Europe during the Second World War. His critique of apartheid made him a 'prohibited immigrant' to South Africa; he was best-known for his prolific documentation – in some 30 books – of pre-colonial African history.

GHANA/UNITED STATES

Storm in an oil barrel

A commercial dispute between the government and a US oil company has become diplomatically damaging – so President Mills is looking for a way out

The grand launch of Ghana's commercial oil production this year has begun inauspiciously with a bruising battle between the government and the state oil company on one hand and American oil company Kosmos Energy on the other (AC Vol 51 No 7). Kosmos had announced last September that it wanted to sell its stake in the country's Jubilee oil field to the giant ExxonMobil corporation in an exclusive deal for US\$4.2 billion.

Since then, President **John Atta Mills**'s government has blocked the deal, initially because of a complex dispute between the Ghana National Petroleum Corporation and Kosmos about the company's use of Ghana's geophysical data in the sale negotiations.

Yet the affair has taken a further political, and even geopolitical, twist. This year, Attorney General **Betty Mould-Iddrissu** has charged Kosmos's local partners, EO Group, with contravening corporate and anti-corruption laws. EO, which drew up the original petroleum agreement, had brought Kosmos to Ghana and secured a 3.5% interest in the West Cape Three Points oil block which it helped Kosmos to negotiate with the GNPC in 2004.

In a further complication, the two EO directors, **George Owusu** and **Kwame Bawuah Edusei**, are friends of former President **John Agyekum Kufuor**, under whose government their oil contract was secured, and strong supporters of his New Patriotic Party (NPP).

Should the Kosmos sale go through, Owusu, Edusei and any other beneficial shareholders in EO may gain \$200 million and so become Ghana's first oil

multimillionaires. Many loyalists in Mills's National Democratic Congress fear that Owusu and Edusei may use the windfall to fund the NPP's next election campaign and secure a huge advantage over the incumbent but financially shaky NDC.

Such concerns prompted America's Anadarko, which works in Ghana, to commission a due diligence report on EO's relations with GNPC and the government. Anadarko sent the 1,200-page report by Washington lawyers Willkie Farr & Gallagher to the United States Department of Justice (DOJ) to check whether any US company in Ghana would violate the Foreign Corrupt Practices Act if they went into partnership with EO.

THE LAWYERS' TALE

After that, the DOJ launched a nine-month investigation into Kosmos and EO operations. This June, the DOJ told both companies it had completed investigations and would not pursue a prosecution. However, Mould-Iddrissu says she has enough evidence to prosecute EO.

Although GNPC categorically rejected the Kosmos sale to ExxonMobil in June, both US companies maintained direct contact with the government. Last week, at meetings with Mills's team in Osu Castle, ExxonMobil put forward new proposals which appear to have persuaded Mills to give them another hearing. Under pressure from both detractors and promoters of the ExxonMobil deal, Mills has formed a committee to examine the options and report back within the month.

Some insiders claim that setting up the committee is a tactical defeat for GNPC

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Zuma's first-term casualties

President Zuma faces a tough return to workaday politics.

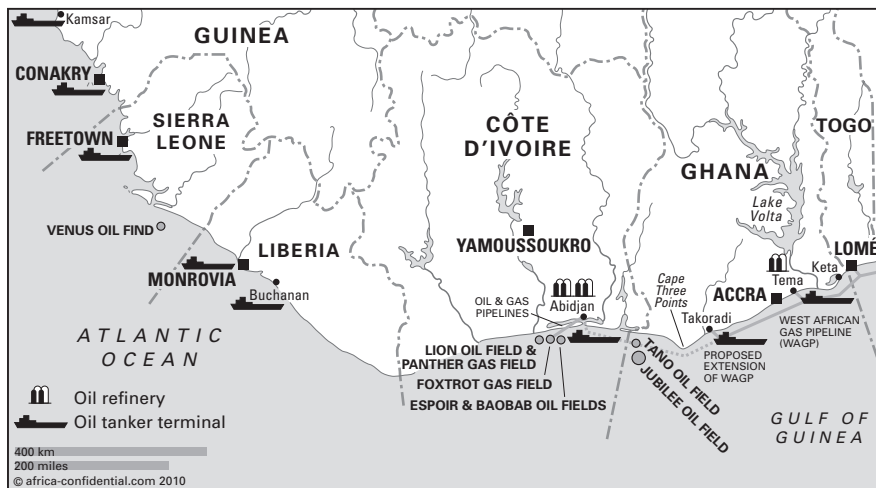
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AFRICA CONFIDENTIAL

73 Farringdon Rd, London EC1M 3JQ, UK

Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amisshah

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THE 3.8 BILLION DOLLAR QUESTION

Aside from the party political rivalries, geopolitics and diplomatic jousting involved in the Kosmos Energy debacle in **Ghana**, there is a central concern: that the government stands to earn at least US\$3.8 billion more in tax under the terms negotiated with **Ireland's** Tullow Oil for the Deepwater Tano block than it will for the West Cape Three Points block negotiated with Kosmos. Given that the two blocks are similar in production potential, the obvious question is 'Why?'

Both contracts were negotiated under President **John Agyekum Kufuor** and the previous board of directors at the Ghana National Petroleum Corporation, chaired by **Stephen Sekyere-Abankwa**. Critics of the deal on the newly appointed GNPC board, chaired by **Ato Ahwoi**, are concerned at the way in which Kosmos and its local partners, EO Group, whose directors are **George Owusu** and **Kwame Bawuah Edusei**, secured what they regard as preferential terms.

At the time of the negotiations between Kosmos-EO and GNPC, Edusei was on the executive committee of the New Patriotic Party (then in office in Accra) in North America and subsequent to the signing, Kufuor appointed him Ambassador to Geneva and then to Washington. Kufuor freely admits that Owusu and Edusei are good acquaintances and he awarded them both the highest civilian honour, the Order of the Volta, before he retired in January 2009. Abankwa, who is Managing Director of Prudential Bank in Accra, is one of Kufuor's closest business associates; Kufuor appointed him to chair both the GNPC and the State Transport Corporation.

Kosmos officials reject any allegations that cronyism or political links (which would have contravened the **United States** Foreign Corrupt Practices Act) enabled it to secure substantially better terms than Tullow. 'It's simply a question of market forces, we were there first and we took the biggest risks when no one else was willing to come in,' a Kosmos official told *Africa Confidential*. He said that Amerada Hess, whom no one has accused of having local political connections, was able to secure even better terms than Kosmos; that was mainly, he said, because the block secured by Hess was in deeper water than the West Cape Three Points block and more technically challenging.

The oil consultancy WoodMcKenzie has produced one of the clearest analyses of the difference between the terms negotiated by Kosmos and Tullow Oil and concludes that over the life of the oil blocks in 2007-2042, the West Cape Three Points block (negotiated by Kosmos) will pay some \$3.61 bn. in additional petroleum tax and the Deepwater Tano block (Tullow) will pay \$7.44 bn. in additional petroleum tax. This tax is calculated on a formula which triggers higher payments at higher rates of return. The tax applies once the oil-producing companies have met all their operating and capital costs. Kosmos and EO were able to secure a higher tax threshold than Tullow, which will allow the producing companies on the West Cape Three Points block to keep more of their profits.

However, it means that the selling price of the Kosmos stake is also important for Ghana's tax collectors. The higher the price the new entrant pays – ExxonMobil has offered \$4.2 bn. – the more the new owner can claim in costs and so reduce its liabilities for the additional petroleum tax. Although Kosmos say the real market value of its stake is \$5-6 bn., officials in GNPC dispute this and pitch it much lower. That would also suit GNPC's strategy of trying to find a rival buyer and increase its own equity stake in the block. Given that it could determine billions of dollars of tax liabilities, fixing a fair market price for the Kosmos stake is of central interest to the Ghana government. That will make it all the more difficult for President **John Atta Mills's** committee to reach a speedy conclusion on the matter. ●

but others say Mills wants to spread the blame for the final decision by taking the widest possible soundings. Whatever he decides, he will face organised opposition. If he approves the Kosmos-EO sale, his own NDC supporters will slam him for rubber-stamping a Kufuor-era deal which might hugely benefit his political opponents. Yet if Mills rejects the deal, he will face opprobrium from the NPP and many business people, who were hoping for substantial commercial gains if ExxonMobil comes to Ghana.

Mills and his government would have to be convinced that any alternative strategy to the Kosmos-ExxonMobil sale would generate more revenue and contribute more effectively to the integrated oil and gas industry the government wants.

In turn, this pressures the committee to produce a convincing conclusion and strategy to break the impasse. This week, it discussed the ExxonMobil offer in detail; next week it is likely to hear the terms of a possible offer from **Norway's** Statoil in conjunction with the **China** National Offshore Oil Corporation (CNOOC).

Few details have emerged about the Statoil-CNOOC offer but it is thought to include financing provisions for downstream development, such as a refinery and a petrochemical plant, and a mechanism to allow GNPC to take another 3% equity in the Jubilee field.

Mills has pulled together an experienced group with some past and present NDC ministers. Chairing the committee is the former World Bank Vice-President and current Executive Director of the International Growth Centre at the London School of Economics, **Gobind Nankani**. Alongside him are former Finance Minister **Kwesi Botchwey**, former Prime Minister **Paul Victor Obeng**, Trade Minister **Hannah Tetteh** and GNPC Director **Kyeretwie Opoku**.

The committee may wonder how a commercial dispute between GNPC and a small US oil company escalated into a dispute that risks damaging diplomatic relations between the two countries. Just over a year ago, US President **Barack Obama** chose Ghana for his first official African trip. Addressing Parliament in Accra, Obama praised Ghana's record on governance and economic reform.

Yet in March, *The Wall Street Journal*

ran an opinion piece entitled 'Ghana beats up on its biggest foreign investors'. It argued that GNPC's opposition to the Kosmos deal was 'capricious government meddling' and the 'kind of official thuggery more frequently associated with Nigeria'.

Near the centre of this campaign is veteran Washington lobbyist **Riva Levinson**, who successfully managed press relations in the USA for **Jonas Savimbi's União Nacional para a Independência Total de Angola** rebels in the 1980s and early 1990s. Some Ghanaians are amusing themselves by circulating an unedited

promotional video in which Levinson declares: 'We are either a problem-solver or a troublemaker...I have a company in Ghana, an oil and gas company that went and invested a billion dollars. Now the government of Ghana has changed the terms of the original agreement... for somebody like Kosmos Energy it's knowing that I can go to the Assistant Secretary of State for Africa, the head of the International Financial Corporation [which has lent Kosmos more than \$100 mn.], members of Congress and get them to advocate on the company's behalf.'

Behind the bluster, Ghana is losing time and revenue as the Kosmos/EO saga drags on, along with the chance to shape its own oil and gas development plan as global demand rises sharply. If Ghana makes the right choices it could develop into the region's second-biggest oil centre, offering industry services and expertise to several new oil producers along the West African seaboard. Get it wrong, as Energy Minister **Joe Oteng-Adjei** warns, and Ghana will join the already populous ranks of badly managed oil-producing states in Africa. ●

KENYA

More gluttony

An attempt by MPs to vote themselves a fat pay rise comes unstuck – the Treasury is running out of money

Last month's vote by Kenyan members of parliament to augment their already handsome salaries is hitting political and financial roadblocks. Treasury officials say it is not affordable and the massive allocation of resources to recurrent spending makes no sense for the country's economic development. For many Kenyans outside the political elite, it would be obscene to reward the politicians who presided over three months of violence after the 2007 elections, at a cost of 1,500 lives and over US\$1 billion.

Although the MPs happily voted for the recommendations of a commission under retired Justice **Akilano Akiwumi** to increase monthly salaries and perks to 1.2 million Kenya shillings from KSh850,000, Finance Minister **Uhuru Kenyatta** says he has no funds available for the increase and is refusing to table the three bills that would turn the MPs' vote into law. In response, politicians are threatening to block the Finance and Appropriations Bill, a move that could paralyse government if it is not passed by the end of August.

Exercising its muscle, Parliament has already scuttled an adjournment motion before the 4 August referendum on the constitution (AC Vol 51 No 13). MPs are in a huge rush to push through the recommended increases before then. If the new constitution passes, matters having to do with their pay would be taken out of their hands and turned over to a Salaries and Remuneration Commission. Moreover, the lion's share of MPs' salaries and perks is currently tax-free but up to three-quarters of MPs' total take-home package would be taxed under the new constitution.

The difference between what parliamentarians now receive and their recommended increase would cover the

proposed levies on their wages and perks.

Hence, they argue that their pay would remain the same, even though they would also gain something from the increase. Many MPs insist that after deductions for loans and other expenditure, including paying off what they borrowed for their last political campaigns, their actual take-home pay is minuscule. Most Kenyans think they should be less greedy and learn to live within their vast means.

Apart from their salaries, Kenyan MPs have perks and allowances for just about everything, including duty-free vehicles, car maintenance, housing, entertainment, communication, transport and 'sitting allowances'. Kenyans are not amused by the bleating. Most ordinary people make just over \$2 a day or \$730 a year – less than two days of each MP's new proposed increased sitting allowances.

UNIONS THREATEN STRIKES

Kenya's Central Organisation of Trade Unions (COTU), supported by its teachers' and nurses' unions and civil society organisations, are horrified by the unremitting gluttony of those they voted for and are threatening to strike. With the proposed increases, the salaries and perks of MPs for one term of Parliament alone come to about KSh27.3 bn., more than the allocation for free primary education.

This is greater than what government now spends on antiretroviral AIDS medication, according to one Kenyan daily. The total annual wage bill for MPs would go up from KSh2.2 bn. to KSh4.3 bn., a massive increase in the government's recurrent expenditure.

The increases for ordinary MPs would leave their Kenyan counterparts with twice what MPs in **France** and **Sweden** earn, in spite of the vast differences between those

countries' and Kenya's gross domestic product.

The new monthly salaries for other senior officials would be KSh3.246 mn. for the Prime Minister, who is opposed to the suggested raises, KSh2.796 mn. for the Vice-President, KSh2.766 mn. for the Speaker, KSh1.841 mn. for the Deputy Speaker and KSh1.891 mn. for the two deputy prime ministers, with all the suggested changes being made retroactive to May 2008.

The pay package for the Prime Minister is a third higher than the salary of **Britain's** Premier and 10% more than that of the **United States** President. Another draft bill in the works proposes vast pension hikes for the President, PM, VP and Speaker, which would give them retirement packages of 80% of their final pay, with huge perks for them, their spouses and children.

This is Kenya's third recommendation for a salary increase since 2002. One of the first acts of the 2003 Parliament was to raise MPs' salaries and perks from KSh395,033 to KSh851,000, plus an additional KSh366,000 for a mileage allowance. Just before the death knell sounded on the 9th Parliament in 2007, MPs awarded themselves another KSh1.5 mn. retroactive gratuity allowance each, consisting of KSh300,000 for each of the five years served. Most think this is already much too much.

These pay increases have huge negative implications for Kenya's fiscal future, since if the constitution passes, the number of constituencies will increase by 80 and there will also be more nominated MPs, as there are provisions for special seats for women and disabled people.

In addition, there will be 47 new senators and governors as well as other elected officials lower down, all of whom will take note of the salary increases demanded by the current batch of MPs and will want something comparable. The salaries and perks of MPs, civil servants and teachers, amongst others, will eat up 70% of Kenya's total budget in 2010, leaving little left for development-oriented spending. ●

Zuma's first-term casualties

With dissenting ministers and departing civil servants, President Jacob Zuma faces a tough return to workaday politics

Someone in President **Jacob Zuma's** office has read a management textbook and reproduced chunks of it as government policy. Ahead of his post-World Cup cabinet 'lekgotla' (big meeting) on 19-20 July, President Zuma sent all his ministers a paper telling them he wanted a 'new programme of action' for the rest of his presidential term, with an 'outcomes-based' approach centring on 12 'priority areas', for which delivery targets will be set. The core items are job-creation, rural development, education, crime, economic development and skills. Ministers would sign performance agreements committing them to deliver. **Collins Chabane**, the Minister for Monitoring and Evaluation, would watch progress. He used to be a singer and is not taken seriously by the cabinet colleagues whose performance he would monitor.

The only ministers to sign the performance contracts were the President's close allies – **S'bu Ndebele** (Transport), **Sicelo Shiceka** (Cooperative Governance and Traditional Affairs), **Lindiwe Sisulu** (Defence) and **Nathi Mthethwa** (Police). Others, such as **Barbara Hogan** (Public Enterprises), demanded that their contracts be more suitably reworded. A senior official said that those who signed the original contracts knew that Zuma's friends would face no sanction in the event that they failed to deliver.

NO AGREEMENT

The new arrangements place ministries in 'clusters'. We hear that the economic cluster could not agree on a joint programme. Ministers within it – **Ebrahim Patel** (Economic Development), **Pravin Gordhan** (Finance), **Rob Davies** (Trade and Industry), **Trevor Manuel** (National Planning) and Hogan – vigorously defend their own turf. The cabinet meeting was supposed to agree on an 'alternative' economic growth path. Instead, each economic minister will now pursue his or her own plans, without any overall coordination.

The big disagreements are between ministers from the opposing camps in the African National Congress's tripartite alliance with the Congress of South African Trade Unions and the South African Communist Party. All the performance contracts aspire to create jobs, especially for the young. **Lindiwe**

Sisulu, Zuma's close ally, has proposed using the army for a youth volunteer scheme. She belongs to the nationalist/business/populist wing of the ANC, which includes the ANC Youth League. **Gordhan**, the Finance Minister, proposes that young unemployed people could be paid less and that companies employing them would receive government subsidies. **Ebrahim Patel** and the leaders of Cosatu and the SACP reject this scheme on the grounds that it would create a two-tier labour market. So far, Zuma has said nothing and the debate continues. Many ministers are anyway reluctant to commit to new strategies until after the ANC's National General Council discusses existing policies in September. They fear that the Council will come up with new and different schemes, as Cosatu and the SACP have already said they intend to do.

Zuma's Presidential Office includes three full ministers, Chabane, Patel and Manuel, but the Office itself is falling apart. The President's economic advisor, security advisor and political advisor are all leaving, along with the chief operating officer, director general, head of communications, spokesman and head of support services.

● **Mandisi Mpahlwa**, Economic Advisor, will become the Ambassador to **Russia**. This means that for one of the President's key priorities, economic development, he will not have an economic advisor. Zuma did not see eye to eye with Mpahlwa.

● **Welile Nhlapo**, Security Advisor, is seeking a diplomatic post. He was a close ally of former President **Thabo Mbeki** and Zuma's allies do not trust him. So another priority area, crime prevention, will have no one to drive it.

● **Charles Nqakula**, Political Advisor, is on his way out; like the other two, he felt Zuma sidelined him.

● **Vusi Mona**, Director General of Communications, has been 'redeployed' to the Government Communications and Information Services. He led the media team which had to deal with the President's sexual controversies.

● **Vusi Mavimbela**, Director General in the Presidency, a close ally of Mbeki, quit because some of Zuma's allies complained that he shut them off from the President. The offer of an ambassadorship could persuade him to depart quietly.

● **Thozzi Gwanya**, Director General in the Department of Rural Development, resigned over 'policy differences' with the Minister for Rural Development and Land Reform, **Gugile Nkwinti**, who is trying to persuade him to stay on. The Department was created by Zuma when he began his term in office in April last year.

● **Vincent Magwenya**, Zuma's Spokesman, says he has discovered that his niche is really in the private sector. **Steyn Speed**, chief of Support Services in the Presidency, says he is going to study. **Joel Netshitenzhe**, Director General of Policy Coordination in the Presidency, was forced out late last year. **Jessie Duarte**, the former Chief Operating Officer, left because she felt Zuma did not heed her advice.

QUEEN LAKELA

The head of Zuma's private office, **Lakela Kaunda**, appears to be the President's most trusted employee. However, without senior officers the office cannot function properly and it takes about three months to confirm an appointment in the Public Service. Some of those who are leaving resented the pre-eminence of Zuma's close advisors, which include the **Shaik** brothers, especially **Mo** and **Yunus**, and Zuma's lawyer **Michael Hulley**. Zuma sent Yunus Shaik to negotiate the departure of the former Eskom Chief Executive, **Jacob Maroga**, usually a task for a minister.

The Department of Labour has suspended **Jimmy Manyi**, its Director General, for using his position to secure government deals. Communications Minister **Siphiwe Nyanda**, another of Zuma's close allies, has been fighting with his Director General, **Mamodupi Mohlala**, who refused to sign off tenders going to supporters of the Minister.

We hear that the President is considering a cabinet reshuffle to reboot his presidency. Senior staff in Barbara Hogan's office at the Public Enterprises Ministry believe that if the reshuffle happens, she will probably get the axe as demanded by Zuma's nationalist, black business and populist loyalists. Hogan oversees the state-owned companies which many in the ANC regard as lucrative sources of patronage for whoever is in control of the governing party. Many of Zuma's allies want a public enterprise minister whom they can 'trust' to award lucrative state tenders and positions to them as 'rewards' for supporting Zuma.

Except for Hogan, most ministers were appointed to balance crucial constituencies within the ANC tripartite alliance. If Zuma fires anyone, their supporters are likely to be very angry. He wants to avoid an Mbeki-style rebellion against his leadership and is likely to play safe. ●

Forgotten promises

In 2007, a just-elected President Sarkozy promised to remake France's Africa policies but strategic political and economic interests still prevail

On 14 July, troops from 13 African countries marched down the Champs-Élysées in the annual Bastille Day parade, while elderly sub-Saharan veterans of the French colonial army saw their pensions put on a level with comrades in France. These gestures, intended by President **Nicolas Sarkozy** as a salute to former colonies on the 50th anniversary of Independence, were widely seen as symbols of post-imperial paternalism. What has happened to the President's election-night promise of 2007 that Africa would be one of his three foreign policy priorities, alongside Europe and the Middle East?

The June departure of France's Ambassador in Dakar, **Jean-Christophe Rufin**, highlighted both the diminishing role of the diplomatic corps in Africa and rifts within the Elysée Palace (see Senegal Box & AC Vol 51 No 14). Rufin's relationship with the family of President **Abdoulaye Wade** had broken down and there was faction-fighting in the Elysée. Rufin told the press that the Foreign Ministry on the *Quai d'Orsay* was 'disaster-stricken' and marginal on policy questions. One French diplomat told *Africa Confidential* he broadly agreed but added, 'At a modest level, we work very closely with the Elysée – we meet there every Thursday afternoon to talk about African issues.'

One faction is led by **Claude Guéant**, the Elysée Secretary General, who worked with Sarkozy as Interior Minister and sees Africa policy as mainly an issue of French security. Guéant, backed by the lawyer **Robert Bourgi**, who has become a buffer between African leaders and Sarkozy, has much more influence on policy than Foreign Minister **Bernard Kouchner**. Some of Kouchner's colleagues reckon he is out of his depth. His Africa counsel is **Charlotte Montel**, a junior advisor who fairly recently graduated from university.

Guéant is currently on top against a rival Elysée faction led by the diplomatic counsellors **Jean-David Levitte** (former Ambassador to Washington) and his deputy, **André Parant**. Their ideas are closer to those of the *Quai*. Levitte and Parant were at the France-Africa summit in Nice in June but a *Quai* official called that 'window-dressing'. We hear that there are plans to replace **Stéphane Gompertz**, a respected diplomat who heads the *Quai*'s Africa division, with the Ambassador to Chad, **Bruno Foucher**.

Sarkozy began his presidency with a visit to Dakar in 2007 but his speech there was poorly received. Yet his first year in office brought an injection of energy and initiatives and the appointments of **Senegalese-born Rama Yade** as Secretary for Human Rights and of **Kouchner**, the founder of the medical aid agency *Médecins sans Frontières*, which is very active in Africa. Yade, now at Sport, remains very popular. The biggest impact on policy was a new focus on Chad and Darfur, **Sudan**. Sarkozy and Kouchner quickly hosted a conference on Darfur, about which France had hitherto said little, and Sarkozy lobbied hard to mobilise the European Union to deploy the **Irish-led** but mainly French EU peacekeepers of Eufor, to protect civilians in Chad and **Central African Republic**.

The overall French aid budget seemed about to shrink, partly because of the completion of Heavily Indebted Poor Countries debt cuts, whose cost counts as aid. The socialist **Jean-Michel Sévérino**, kept on at the head of the *Agence française de développement*, increased the focus on poverty reduction. The Sarko-Kouchner double act has produced a few key results, notably the restoration of reasonable working relations with **Rwanda**.

In Brussels, France supports the EU's Cotonou governance principles for relations with developing countries. Paris and Washington agreed in private to warn **Guinea's** interim leader, **Sékouba Konaté**, that he must introduce democratic reforms after the brutalities of his predecessors. France has kept on pressing **Madagascar's** post-putsch leader, **Andry Rajoelina**, to compromise with his rivals over terms for a democratic transition. Nevertheless, Africa has gradually slipped to the margins of the policy agenda. The messages from Paris have been inconsistent. Where strategic or economic interests are at play, reform slides down the list, notably in the oil-producing states of west and central Africa. Last year's presidential election in **Gabon** was dubious but 'Sarko' rushed to Libreville to show confidence in the dynastic succession of **Ali Ben Bongo**.

In Chad, French soldiers in Eufor were studiously neutral. Yet France's own military mission there provided President **Idriss Déby Itno** with intelligence to help crush Sudanese-backed rebels advancing on Ndjamena. In **Congo-Brazzaville** in March 2009, Sarko met members of

the opposition and raised their concerns about elections with President **Denis Sassou-Nguesso**, yet Sassou's patently manipulated re-election in July passed without comment. Follow-up action on a politically inconvenient official probe into the French assets of ruling families in African oil states was halted.

Sarkozy moved his first Cooperation Minister, the Christian socialist **Jean-Marie Bockel**, in March 2008 after he had upset the late President **Omar Bongo** with remarks about the end of *Francophonie* (AC Vol 49 No 7). The replacement was **Alain Joyandet**, a loyalist who sees political and business interests as paramount. Observers had already noted Sarkozy's personal connections with **Vincent Bolloré** and **Martin Bouygues**, whose companies are deeply involved in Africa.

For two years, Sarkozy has said little about development and reform. He has not disowned the modernising agenda established under **Alain Juppé** and **Lionel Jospin**, which continued fitfully under President **Jacques Chirac**. Now, France's Africa policy looks more like crisis response and the cultivation of old allies. Substantial resources are still allocated to aid and peacekeeping but with no overall strategy. The logical military slim-down in West Africa, abandoning old-style defence accords in favour of a focus on training local peacekeepers, is seen as a retreat.

France retains key economic interests south of the Sahara, symbolised in the uranium mining in **Niger** by nuclear power group Areva, and oil in Gabon and elsewhere. Yet Prime Minister **François Fillon** has little say in foreign policy. Kouchner's ministry does not count for much either. In the late 1990s, its staff joined up with the British Foreign and Commonwealth Office to forge the pro-democracy principles for a common European position on Africa, leading to the Cotonou Accord of 2000. These days, decision-making is concentrated in an old-style presidentialisation of France's actions in Africa, and indeed, elsewhere.

The Elysée is said to have been relieved when Sévérino retired from the AFD. **Dov Zerah**, a strong believer in deploying bilateral aid credits to back business investment, took over. He also has a personal interest in the development of the Sahel, which he knows well from a stint as head of cotton company Dagris.

Sarkozy is trying to be tougher with illegal migrants and negotiate agreements with Sahelian countries on regulating migration. However, the first target, **Mali**, has resisted pressure to sign a deal it sees as unbalanced. The Immigration Ministry has launched development programmes for areas from which migrants come and support for Africans in France who want to invest in their old homes, which has at least bought some goodwill. ●

Fighting on a new front

The United States' containment policy has failed and, with its regional ambitions strengthened, Al Shabaab is back on the front foot

President Yoweri Museveni welcomes African Union leaders to Kampala on 25 July playing a role he has made his own: military leader and regional policeman. Ugandan opposition politicians fear that the two *Al Shabaab* bombs which killed at least 76 people in Kampala on 11 July have made victory impossible for

them in February's elections. Insecurity favours the incumbent and international criticism of Museveni, already muted, will diminish further.

Yet the role and capability of the Uganda People's Defence Force (UPDF) in Somalia is open to doubt despite Museveni's promise to send thousands

more soldiers to 'root out' *Shabaab*. The UPDF comprises most of the 6,300 personnel of the African Union Mission in Somalia bolstering President **Ahmed Sheikh Sharif's** shaky regime. Uganda offered to increase its Amisom contingent to 8,000 last year but the **United States** was reluctant to pay for staff or tactical changes. A rethink looks likely.

Shabaab would welcome the confrontation as it hones its image as Somalia's only true Islamist and nationalist movement fighting foreign influence. Clashes in Mogadishu intensified after the bombings, following some weeks when *Shabaab* had been driven back. US support had decreased along with its faith in Sheikh Sharif, especially after May's unsuccessful Istanbul summit on Somalia. The hope was that a containment policy would manage tensions and keep *Shabaab* within Somalia. That policy has manifestly failed and a more coherent political strategy is needed.

SECRETIVE SHABAAB

Al Shabaab's political tactics and internal dynamics are deliberately, systematically opaque, on the classic Islamist model. It is both nationalist and avowedly part of the global jihad. *Shabaab's* fighters may number anything between 3,000 and 10,000 and it recruits across the region. The bombs in Kampala on 11 July, which Spokesman **Ali Mohamud Rage** claimed for *Al Shabaab* on 12 July, are a response to the **Uganda People's Defence Force's** key role in the African Union Mission in **Somalia** (Amisom), sent to shore up **Sharif Sheikh Ahmed's** Transitional Federal Government (TFG, AC Vol 51 No 6). For *Shabaab*, the bombings initiated a regional jihad while exploiting opposition to Amisom in Mogadishu, where it regularly lobbs mortars into residential areas, killing civilians that *Shabaab* uses as human shields.

Claims from the **United States** and elsewhere that *Al Qaida* foreigners have hijacked the group underestimate the extent to which *Shabaab* field commanders act autonomously, again on a classic Islamist model. Outsiders often underestimate how ambitious Somali jihadis, including the *Shabaab* leader, Emir **Ahmed Abdi Godane 'Abu Zubeir'**, **Fuad Khalaf 'Shongole'** and **Ibrahim Haji Jama 'Al Afghani'** (aka **Zeyli'i**), share objectives with the foreigners who provide new resources and military tactics. The label 'foreigner' is itself misleading, given that hundreds of members are **Kenyan-born** Somalis and that for Islamists, 'nation' means the Muslim nation, the *Umma*.

Confident outsiders claim that foreigners – usually unnamed because unknown – now sit on the central praesidium of a more hierarchical organisation than before, alongside the core leadership of Godane and other Somalis with experience of jihad abroad. The links and relationships may be more informal. There are divisions and nuances, some driven by clan loyalty or personal ambition.

Godane and *Shabaab's* former Spokesman, **Mukhtar Robow Ali 'Abu Mansur'**, remain allies but not friends. Rage is frequently touted as a 'moderate', with little justification. Observers often see doubtful distinctions between moderates and extremists; when the chips are down, they come together. There may be several hundred foreigners, including the US jihadi **Abu Mansur 'al Ameriki'**, but mostly Kenyans and **Bangladeshis**. **Comorios-born Fazul Abdullah Mohammed** (aka **Harun Fazul**) is believed to be a senior commander and, wanted for the 1998 bombing of the US Embassy in Kenya and an Israeli-owned hotel in Mombasa in 2002, one with considerable operational experience.

Shabaab's 'control' of large parts of the south and Mogadishu also relies on clan militia, whose loyalty is bought but who might be turned. *Shabaab* calculates that intensified attacks by the USA and its allies will increase its support. If an ineffectual response from Uganda and the USA poses little threat in the coming months, the status quo can continue and jihadists with broader regional ambitions will be bolstered.

Shabaab may be unable to force Amisom out but the foreign presence is a recruiting tool. Yet *Shabaab's* chances of taking over the country are slim. The TFG may exist only in name but the Sufi militia with which it now has a fragile alliance, *Ahlu Sunnah wal Jama'a*, backed by the USA and **Ethiopia** in the centre and south, cannot be ignored because of the support it gets from major Hawiye clans. *Shabaab* allies hold areas and its administrations in Kismayo and Baidoa function well, but in many places clans and warlords pay lip service to the strongest force and local discontent with *Shabaab's* extremist practices has emerged. Yet in the medium term, controlling all of Somalia as a coherent 'nation-state' may not be what *Shabaab* wants. ●

FAILURE OF SECURITY

In the days after the Kampala bombings, the government arrested some 40 Somalis and seven **Pakistanis**; these moves may have more to do with the police's long-held concern about gangs involved in drug smuggling and human trafficking. The authorities also declared that the Salafist Allied Democratic Forces (ADF), long dormant in western Uganda after **Sudan-backed** prominence in the late 1990s but recently active in **Congo-Kinshasa**, may have been involved in the bombings.

Intelligence officers then announced that the heads of two suicide bombers had been found, one with a 'Somali' appearance, the other Ugandan. Then the name of **Comoros-born Fazul Abdullah Mohammed** (aka **Harun Fazul**) emerged, believed to be in *Al Qaida's* Saleh Ali Nabhan Brigade, named after the senior *Shabaab-Qaida* leader killed by an American strike in 2009 (AC Vol 50 No 19). Fazul is wanted for involvement in bombing the US Embassy in Nairobi, **Kenya**, in 1998 and the Paradise Hotel in Mombasa in 2002. US intelligence sees him as a key player in *Al Qaida's* African operations. He is married to a Somali, who was arrested crossing into Kenya in 2007.

Ugandans have rallied behind the government for now. The opposition Forum for Democratic Change has long opposed the Somalia deployment, arguing that there is no peace to keep, yet the FDC has little power to sway public opinion. That could change in the event of a sustained bombing campaign as some 60% of the economy is based in Kampala.

The UPDF, though, benefits from the training and funds that Amisom provides. The USA, **Britain** and **France** compete to act as security mentors. As in Uganda's involvement in Congo-Kinshasa in 1998-

2002, money and influence is gained from extraterritorial deployment.

'Museveni will use this attack to intensify fear among the people,' FDC presidential candidate **Kizza Besigye** told *Africa Confidential*. The wider opposition fear is that its strategy of using the USA to pressure the President for fair elections will now come to naught. Across East Africa, security will be the overriding US policy imperative.

In Kampala, special forces, antiterrorism police and hundreds of plain-clothes officers hit the streets from 18 July ready for the AU summit. Somalia will dominate meetings of the Peace and Security Council along with the East African Standby Brigade (EasBrig). Heads of state and government meeting on 25-27 July are expected to endorse a decision by the Intergovernmental Authority on Development to send 2,000 more troops to Mogadishu. Kenya may contribute Somalis trained within its borders.

If the United Nations Security Council eventually agrees to a more interventionist role for Amisom, it is not clear whether African governments will contribute more soldiers. Ugandan officials are floating the possibility of unilateral action but this may be designed to draw a US reaction. Yet with equally complex conflicts raging in **Afghanistan** and **Iraq**, Washington may prefer failed containment to messy engagement. **Ethiopia**, whose 2006 invasion brought down the Islamic Courts Union from which *Shabaab* emerged, argues that neither the European Union or USA are ready for the required military and financial commitment to fight *Shabaab*. Addis Ababa would prefer the UN to take on a proper peacekeeping operation.

Prime Minister **Meles Zenawi** withdrew Ethiopian troops in 2009 partly because there was no effective coalition to work with and partly because Sharif Sheikh's Transitional Federal Government (TFG) attracted hostility for its collaboration with Ethiopia. It would take a public and very generous offer from the West to persuade Ethiopia to commit troops again. Or if *Shabaab* finally seized power in Mogadishu and threatened jihad against Ethiopia's Somali region, the Ogaden, Meles told us that he would deploy troops to oust such a regime.

Kenya looks vulnerable. It has a large Somali minority, a porous border and little capacity to back up its words with deeds. That may be changing. Some 2,500 Somalis are reported to have been trained with US help to fight alongside the TFG.

On 20 July, *Shabaab* fighters again attacked Kenyan border guards in Lagdera and there are veiled threats of terrorism against the Nairobi government. The next few months will test the belief that Kenya is relatively insulated by its deep cultural and commercial links with Somalia. ●

CONGO-KINSHASA

Katanga makes a comeback

The secessionist movement that almost split the country 50 years ago is again on the march

In the main square of Lubumbashi on 11 July, more than 20 people were arrested while demonstrating for the independence of Katanga. A month earlier, the Place de la Poste had been renamed the Place **Moïse Tshombé**, in memory of the President of the short-lived secessionist Katanga state, which was suppressed by a United Nations force immediately after Congo was granted its own independence by **Belgium** in 1960. Tshombé, who held Katanga in 1960-63, died in **Algeria** in 1969. May's banned demonstration commemorated the 50th anniversary of his declaration of independence.

The protest, 300-400 strong, was brutally suppressed. A Belgian documentary film maker, **Thierry Michel**, said he had been beaten up, along with many others. On 23 May, Katanga's capital had looked like a city under siege, with soldiers and police everywhere. A score of people were arrested for showing Katanga flags. One of them, **Mbenga Sandonga**, a lawyer who wants a referendum on independence, was mines minister under the late dictator **Mobutu Sese Seko**, whose Katanga security chief, the current provincial Interior Minister and former Ambassador to **Zambia** **Jean-Marie Dikanga Kazadi**, had claimed that an armed separatist organisation controlled by General **Elie Kapend Kanyimbu** was preparing for trouble.

The retired general is now Chairman of the *Front de libération national congolais* (FLNC), whose roots are among the Katangan gendarmes, who organised two insurrections in 1977-78, and their descendants, collectively known as 'diabos'. Kapend was previously arrested in 2006 by UN peacekeepers from the *Mission des Nations Unies en République Démocratique du Congo* (MONUC) and handed over to the Congolese police.

The authorities thought the 23 May demonstrators intended to take over Luano international airport. During the trouble, a soldier and a policeman were killed, and members of President **Joseph Kabila's** family took refuge with the Presidential Guards in Kibembe camp.

Last December, dozens of people were arrested in Lubumbashi, suspected of planning to destabilise the government. Katangans say there is massive anger against the central government, fed by

its failure to implement provisions of the 2005 constitution decentralising more power and 40% of state revenue to provincial authorities. Katanga has felt little benefit from **Chinese** contracts, which are not seen as being in Congo's interest, and hundreds of jobs were lost when the courts cancelled the contract granted to First Quantum Minerals for the Kingamyambo Musonoi Tailings (KMT) project (AC Vol 51 No 13).

The charismatic provincial governor, **Moïse Katumbi Chapwe**, is caught in the middle, trying to boost the hopes of the Katangans and to remain loyal to Kabila. He renamed the square in memory of Tshombé and completely renovated the secessionist leader's car, a black Lincoln convertible. He also took responsibility for suppressing the 11 July demonstration, even if he did not order it. He may have to make up his mind as the 2011 national elections draw near.

There was disappointment in the province when Katumbi told the **French** news magazine *Le Point* that he would not be standing for the presidency. Many powerful figures in the Kinshasa government detest him. In August 2007, someone at Kinshasa airport sabotaged the landing gear of his private jet.

Katumbi's position grows riskier still as support grows for the Katanga secessionists. In 2003, 1,000 senior provincial figures signed a letter sent to the UN Secretary General by the independence leader Sandonga. This is uncomfortable for Kabila, who in the 2006 election took three-quarters of the province's vote and whose father, the late President **Laurent-Désiré Kabila**, was born in Katanga (Joseph is said to have been born in a rebel camp in South Kivu).

Like his father, Joseph Kabila is identified with the Balubakat, the anti-secessionist Katangan Baluba people from the north of the province. Their rivals, mostly Lunda from elsewhere in Katanga, follow Tshombé's secessionist line. If the Katangans were to lose their influence in Kinshasa, it could strengthen the secessionist cause. They might then fall back on their own resources and struggle for their own independence, reckons political scientist **Jean Omasombo**, from Kinshasa University and the African Institute at Tervuren, **Belgium**. ●

He's old but he's running

President Wade is set to take the presidency again but his favourite son is not sure to follow

At 84 and still looking chipper, President **Abdoulaye Wade** plans to run for the presidency again in 2012. His advisors insist he is full of ideas and enthusiasm and he has begun to clean up the political terrain, with moves to restore standards in public affairs. In mid-July, through an advisor, he made peace overtures to the building entrepreneur **Bara Tall**, who is fighting a court case against what many see as a state vendetta aimed at his business. Yet Wade will be 86 in 2012 and one of his numerous constitutional changes restores the presidential term to seven years, instead of the present five.

Wade's supporters point to new roads, housing and the airport now under construction, arguing that after 40 years of sluggish rule by the *Parti Socialiste* (PS) he has modernised Senegal. 'Unlike the others, he works even if he is old' is the refrain from loyalists of the

President's *Parti démocratique sénégalais-libéral* (PDS). Yet for every diehard there is a ferocious critic, particularly in Dakar, arguing that Wade should serve out his term and retire gracefully. His personalised leadership makes the President and his performance the focus of political activity, for both supporters and opponents. Wade's age and his future are central issues, giving an edge to debates over the role of his son **Karim Wade**, who heads a sprawling ministry combining international cooperation, regional development, infrastructure and air transport (see Box).

Karim Wade, who once worked in a London bank, was originally brought in to head an agency to build the infrastructure when Senegal hosted the Organisation of Islamic Conference (OIC) summit in 2008. He now plays a central role in government; his father says he is better than his colleagues. The creation

of a vice-presidency (still vacant) has sparked speculation that the President might install Karim as his deputy, get re-elected, then retire after a year or two to make way for him. The idea appals many Senegalese. Karim is not popular, has a poor command of Wolof, the main language, and his mother is French. He does not seem to be 'one of us'.

The President is a smart politician and may flinch before pushing Karim forward. Many hate the notion that their country, with its long history of elections and debate, might follow the 'Bongo model' set last year by **Gabon's** presidential succession. Karim initially appeared to see government work as a filial duty but sources close to the presidency say he seems to be acquiring a taste for political power. Yet his election outing in the 2009 municipal polls ended disastrously. In the Dakar city council race, he was humiliated even at the polling station near the Wade family home in the prosperous Point E district. Like most other main cities in Senegal (except Ziguinchor, in Casamance in the far south) Dakar voted for the opposition.

PAYING FOR THE OIC JAMBOREE

Many contracts have upset the public (see Boxes). One involved refurbishing Dakar's *Le Méridien* Hotel for 26 billion CFA francs (US\$47.66 million), with 25 'presidential suites' and 46 'junior suites' for the OIC jamboree. The contractors were the Saudi Binladen Group of **Saudi Arabia** and Areen Design Services of **Britain**. The contract led to a clash between Karim – who pushed the project – and Economy and Finance Minister **Abdoulaye Diop**, who refused to sign it off. Karim, after complaining to his dad, persuaded Minister of Urban Development, Housing, Construction and Hydraulics **Oumar Sarr** to sign.

In addition to the fuss over the **Sudanese** mobile telephone company Sudatel (see Box), **Luxembourg**-based Millicom, which operates in Senegal under the Tigo brand, is currently involved in proceedings at the World Bank's court for commercial disputes in Paris, the International Centre for Settlement of Investment Disputes (ICSID). In a meeting in June 2008 with Millicom Chief Executive Officer **Mark Beuls**, Karim said that the company would have to pay \$200 mn. to retain its operating licence. Beuls refused and, in September, Karim sent a letter telling Millicom that its licence had been revoked for unspecified breaches of contract. Millicom was given until midnight on 7 October 2008 to pay \$200 mn. It refused and a ruling is expected later this year.

The capital's new mayor, **Khalifa Ababacar Sall**, supported by the well-oiled PS political machine, has impressed

WADE'S ONE-MAN BAND

Power is concentrated in the hands of President **Abdoulaye Wade**; development strategy is led by his son, **Karim Wade**. There are 41 ministers (plus a new Vice-Premier, a job suddenly announced for **Awa Guèye Kébé** on 3 July) but most have little clout. President Wade takes the big decisions, then allocates subjects to individual ministers with narrow technical briefs and narrow political bases of their own. Some estimates put Karim in charge of 46% of the entire national budget. Presidential sources insist the real proportion is less, when projects funded by foreign aid are included.

Whatever the exact figure, Karim clearly has the financial power to make his presence felt nationwide in funding projects and setting strategy. Donors say he is a highly effective minister but complain that he has undermined the Finance Ministry, which used to oversee all development aid relationships, and deprived the government of a clearly coordinated strategy. Yet contributors' dealings at the technical level with Senegalese officials remain close and efficient.

In recent weeks, Karim's department has begun summoning major international partners for bilateral meetings outside the traditional aid coordination with the Finance Ministry. Transparency campaigners allege the government is trying to circumvent Western governance conditionality by greater reliance on **Chinese** and Arab money. As power has become more concentrated, corruption has certainly worsened. Employees of the national telecommunications company, the *Société Nationale des Télécommunications du Senegal*/Orange threaten a national strike after the third mobile telephone licence, and the right to offer 3G services (high-speed mobile broadband data and voice services), was awarded to Expresso, a group led by Sudatel of **Sudan** in which some very senior figures are alleged to have shareholdings. Sudatel was majority-owned by Sudan's ruling National Islamic Front (now National Congress Party) but now describes itself as publicly listed (AC Vol 41 no 18).

The official price paid for the Senegal licence was US\$200 million and the press has alleged that \$40 mn. in commission was paid through Dubai, where a judicial investigation is under way. Sonatel had wanted the right to offer 3G for a year; the strike threat has pushed the government into hinting it may now allow this. A public petition against the Sudatel deal, launched by businessman **Bara Tall** (see Feature), is rapidly gathering signatures. ●

KARIM THE SUCCESSOR

The presidential succession of **Karim Wade** is far from a *fait accompli*, not least because his father, **Abdoulaye Wade**, does not yet want to step down. One French diplomat, who knows both men well, told *Africa Confidential*: 'When you see them both together, you realise that there is a great taboo in the family, which is the end of [Abdoulaye's] political life. Karim is very respectful and shy in front of his father – I am sure he has never put the topic of succession on the table by himself.'

The most acute source of public opposition to Karim concerns corruption during his time at the *Agence nationale pour l'organisation de la conférence islamique*, preparing the 2008 Organisation of Islamic Conference summit. Amidst allegations that target the government more broadly, many in Dakar lament the days of the **Abdou Diouf** presidency, when a minister might be known as 'Monsieur 10%' – the figure for 'commission' payments is much higher these days. Karim's tenure at ANOCI became a byword for wastage and corruption. Its official total spend of 72 billion CFA francs (US\$142.26 million) was shown to be over CFA205.2 bn. when the ANOCI-associated contracts signed for by other state ministries were included.

The publisher of the Dakar weekly *La Gazette*, **Abdou Latif Coulibaly**, unearthed some of the most egregious contracts, including the expansion of six kilometres of Dakar's Corniche Ouest road – cost: CFA27.55 bn. – and a credit line of CFA26 bn. to build presidential villas to house visiting dignitaries, which were never started.

An ongoing scandal concerns the award of Senegal's third mobile telephone licence in November 2007 to **Sudanese** telecommunications company Sudatel, which was once owned by Khartoum's Islamist government; it still holds 'over 21%'. At first, the government claimed Sudatel had paid \$200 mn. but this was later changed to \$180 mn., a difference blithely written off by government as an exchange-rate fluctuation.

An e-mail sent that November to Sudatel Chief Executive Officer **Emad (Hussein) Ahmed**, obtained by local journalists, shows that a request for a \$10 mn. 'success fee' came from the e-mail account of Senegalese international banker **Keba Keinde**, CEO of the Millennium Finance Corporation, and was forwarded to **Thierno Ousmane Sy**, the government's technology advisor who worked on the deal and is close to Karim and his father.

MANHATTAN TRANSFER

Then on 9 November, a New York property company sued the government of Senegal for \$15 mn. in damages as it had failed to pay the balance on a plot of vacant land in Manhattan, which it had agreed to buy for \$27 mn. According to court documents, Dakar's Ambassador to the United Nations, lawyer **Paul Badji**, signed on behalf of his government. Dakar paid \$2 mn. on 26 June but did not pay the balance, despite repeated promises to do so. The lawsuit accused Badji – widely seen as a mentor to Karim Wade – President Wade and Energy Minister **Samuel Sarr**, a financial advisor to Wade, of 'acting like the notorious deadbeat who swears that the check is in the mail'. In New York for the UN General Assembly, on 21 September Wade met the seller, accompanied by a mysterious Senegalese businessman based in Staten Island called **Pape Mamadou Diedhiou**. On 16 November, Dakar RFM radio reported the lawsuit. Within two days, Wade's government paid the \$25 mn. As questions increased, President Wade claimed he was building a new centre called the '*Maison du Sénégal*'.

Although he is unpopular locally, Karim has been cultivating his image overseas. In **France**, he has amassed a network of supporters in the Elysée Palace, including presidential Secretary **Claude Guéant** and lawyer and Special Advisor on Africa **Robert Bourgi**. **Rasseck Bourgi**, Robert's brother and also a lawyer, is employed by Karim to manage family business interests, including two Paris-based property companies which Karim owns with his sister, **Sindiély**. He also advises the **Equatorial Guinean** government and is a friend of lawyer **Henry Page**. President **Teodoro Obiang Nguema Mbasogo** hired Page to try to prosecute **Ely Calil** for his alleged role in **Simon Mann's** botched coup attempt (AC Vol 51 No 13).

Karim hired **Anne Meaux**, head of public relations firm *Image-Sept* and a veteran of ex-President **Valéry Giscard d'Estaing's** press service, and helped install **Maimouna Sourang Ndir** as Senegal's Ambassador in Paris in 2008, seen as more pliable than her predecessor, **Doudou Salla Diop**.

Karim socialises with celebrity-philosopher **Bernard-Henri Lévy**: they have a mutual friend, **Abbas Jaber**, a Senegalese-Lebanese businessman who has acquired several large national companies under the Wade government. Diplomats in Dakar insist that France's Ambassador in Dakar, writer, doctor and aid worker **Jean-Christophe Rufin**, was pressed to leave the country because he clashed with the Wade family, Karim in particular. Rufin's replacement, former Ambassador to **Congo-Brazzaville** **Nicolas Normand**, may survive longer; he has strong support from Robert Bourgi. ●

citizens and diplomats alike, and it gives his party hope. Senior PS officials admit that the former ruling party has had trouble recovering from its defeat in 2000 by Wade, the opposition veteran. Dakar pundits say it has no prospect of regaining national power on its own in 2012, least of all with technocratic, long-standing party boss **Ousmane Tanor Dieng** as its presidential flag-bearer.

The credible challenge will come from the **Benno Siggil Senegaal** opposition coalition, of which the PS is by far the largest component (AC Vol 50 No 8). Yet it is sapped by rivalries between would-be presidents such as Dieng, **Moustapha Niasse** and the mayor of Fatick, **Macky Sall**. Sall's *Alliance pour la république-Yaakaar* party is small but he is the one opposition figure who stirs popular enthusiasm in Dakar.

Senegal's two-round electoral system would permit several coalition candidates to run in the first round. Then, with luck, they would unite behind the best-placed challenger for the run-off. If too many stand, though, none will qualify for the run-off, so there is a public wrangle over whether to pick a single candidate from the start. Some senior PS figures say they would back a single non-PS opposition challenger if necessary but that would upset many grassroots socialists.

RIOTS IN SOUMBÉDIOUNE

The European Union and **United States** have taken up a government invitation to audit the electoral register and reinforce the credibility of the elections. Politically sophisticated Dakar appears relaxed but pressure and frustration can break through. When government rangers shot dead a fisherman whose canoe had allegedly drifted into a closed zone on 5 July, there were violent riots in Dakar's Soubédioune fishing district.

On the same day, inhabitants of the sprawling Guédiawaye suburb, furious at delays in dealing with local floods and providing new homes, tried to loot the Médina Gounass town hall. Imams in Guédiawaye are organising a national march and there have been rumours of a national general strike on 25 July.

Yet President Wade remains a formidable campaigner, especially in the rural areas. He carefully maintains good relations with religious interests: after the death on 30 June of **Serigne Mouhamadou Lamine Bara Mbacké**, Caliph General of the influential Mourides brotherhood, he hurried to the religious centre of Touba to pay his respects and hold talks with the successor, **Serigne Sheikh Maty Lèye Mbacké** (AC Vol 49 No 1). The PDS government may be unpopular in Dakar but not necessarily so across the nation. ●

What mattered was the football

World Cup fever overshadowed both a spectacular political row and preparations for a new constitution

Robert Mugabe has earned a reputation as one of the globe's leading gatecrashers but his poise, self-confidence and chutzpah have not rubbed off on his travelling entourage. Officially invited to the football World Cup opening and closing matches in **South Africa**, President Mugabe arrived at the VIP box with a platoon of henchmen. The world football authority, the *Fédération Internationale de Football Association* (FIFA) allowed only Robert and **Grace Mugabe** in and the rest, including **Robert Junior**, were shown the red card and had to find less august billets.

Almost everyone in Zimbabwe was obsessed by every game. The Minister of Energy and Power Development, **Elias Mudzuri** of the Movement for Democratic Change (MDC), lost popularity when in the first week of the tournament, he failed to deliver the promised constant electricity for television. He lost the Energy portfolio in Prime Minister **Morgan Tsvangirai's** reshuffle on 23 June (AC Vol 51 No 12).

With everyone indoors, crime abated. Police Commissioner General **Augustine Chihuri** was looking forward to a relaxing month watching the games to the sound of the splash of the **Israeli** water cannons that irrigate his garden. This idyll was broken by the **Temba Mliswa** tsunami, which threatened to engulf leading figures in both the dominant Zimbabwe African National Union-Patriotic Front (ZANU-PF) and the MDC.

MLISWA IN THE SIN BIN

Hitherto a ZANU-PF untouchable, Mliswa rashly and publicly said that Chihuri was the most corrupt person in the country. This exaggeration infuriated the Commissioner and the police began throwing the book at Mliswa for stale offences including those dating from the height of the land invasions, when the police had seemed to turn a blind eye.

At the last count, more than 30 dockets had been opened and the police spokesman, Assistant Commissioner **Wayne Bvudzijena**, implies that there may be more. Mliswa is ZANU-PF's provincial Secretary for Lands in the faction-torn Mashonaland West party. The province's land is rich and Mliswa has been involved in seizing several farms, including a South African-owned crocodile farm. A fitness fanatic and former national rugby player, he has used the tactics of the pitch

to oust farmers (black and white) and to flout restraining court orders. He is from Manicaland, related to the veteran **Didymus Mutasa** of ZANU-PF and part of the power lobby of the Indigenisation Minister, **Saviour Kasukuwere**, and businessman **Phillip Chiyangwa**, men of substantial resources and egos. Like Chihuri, Chiyangwa claims Mugabe as a cousin.

THE UNTOUCHABLES

In anticipation of the Indigenisation Acts and applying to industrial firms the same tactics as to land reform, Mliswa and **Martin Mutasa** set their hearts on an automobile parts supplier operating as Benbar. To their surprise, they were arrested on charges of extortion and fraud and granted bail only on appeal, when the state rescinded it on the grounds that they were interfering with witnesses. Didymus Mutasa, father of Martin, then announced that any police officer helping white farmers would be locked up and the keys given to Deputy Commissioner of Police **Godwin Matanga**. This seeming confirmation of impunity tempted Mliswa into his remark about Chihuri.

The matter was not related to land and Chihuri is conscious of the dignity of his office and his relationship to Mugabe (his stepmother-in-law, Professor **Hope Sadza**, is Mugabe's cousin and Vice-Chancellor of the University of Zimbabwe). With uncharacteristic speed, the police reopened old files to bring more charges of fraud and extortion, outside the special framework for land cases.

Bail was finally conceded under conditions that included not talking to the media. Meanwhile, Didymus was working away outside the court, accompanied not by his ZANU-PF co-Minister of Home Affairs, **Kembo Mohadi**, but by his MDC co-Minister, **Theresa Makone**.

Some think Didymus Mutasa's star has faded since he lost in the Praesidium election at December's ZANU-PF party congress and Mohadi couldn't be bothered to lend a hand. Makone had only been promoted from Deputy Justice Minister the previous week (replacing the ineffectual **Giles Mutsekwa**). Her support for Mutasa outraged some MDC people, who resented her and her husband's influence in Tsvangirai's 'kitchen cabinet' of close advisors. She is also suspect as a close friend of **Jocelyn Chiwenga**, wife

of the Army chief, Gen. **Constantine Chiwenga**.

The World Cup also overshadowed the launch of the Constitutional Parliamentary Committee Consultative Process. Since football took precedence, the COPAC process was deferred until after the games were over. In the rural areas, participation has been low, with meetings badly advertised, poorly attended and short, so that ZANU-PF spokesmen dominate proceedings.

The party has been preparing since January, through the traditional leaders who control communications and seem to have the only copies of what little printed material is available. The presence of security forces has kept people away, as has ZANU-PF's Operation *Chimumu* ('keep quiet'). People are not ready to take risks. Some of the officiating legislators have rented their Parliament-allocated cars to COPAC during the consultations. Few believe that the next two scheduled consultations can be held in time to get a draft constitution out by early next year.

Last Sunday's *Standard* confirmed that the President's former spin doctor, **Jonathan Moyo**, has been working for **Emmerson Mnangagwa** and the Joint Monitoring and Implementation Committee since December (AC Vol 50 No 10). Professor Moyo's strategy includes discrediting COPAC through delays and disruptions. Here the month-long World Cup has been useful.

ZANU-PF is co-opting the fast-growing Apostolic Christian movement. At the weekend, Mugabe was installed as an honorary prophet of the **Johanns Marange** sect (one of the oldest Apostolics) in Manicaland. Accoutred in ankle-length white surtout (like all Apostolics) with shepherd's crook and funny hat, it looked like a parody of the installation of a Grand Wizard of the Ku Klux Klan. The President addressed the faithful, expounding on a pet theme: 'We say no to gays! We will not listen to those advocating the inclusion of their rights in the constitution.'

Mliswa is now back inside doing his press-ups. The score in extra time is three separate arrests, three denials of bail and two successful appeals, although the third was not allowed as the police claimed that Mliswa had been interfering with witnesses on the earlier two. Meanwhile, the number of charges has now risen to 70, many dating back to 2002.

At the opening of Parliament, Chihuri took pride of place next to Mugabe in the inspection of the guard of honour. A very grumpy looking Chiwenga trailed along in their wake. ZANU-PF youth were a disruptive presence, singing Mugabe's praises, denigrating Tsvangirai and openly threatening the same tactics used in the June 2008 elections. ●

Restless spirits

The Ndebele can't agree on a living leader and many still take their inspiration from the late Joshua Nkomo

Sibangilizwe Nkomo, the sole surviving son of **Joshua Nkomo** (1917–99), is campaigning to exhume his father's remains from the 'foreign' soil of Heroes' Acre in Harare and transfer them to the Matopos Hills near Bulawayo, sacred to the Ndebele people. Sibangilizwe believes that his father's spirit is unhappy at having to accompany a lot of upstarts from the Zimbabwe African National Union (ZANU) whom he never trusted in life. In his final years, as **Robert Mugabe's** Vice-President (and owner of several rich farms), Joshua was deeply upset at what the President was doing to the country.

The white-haired Sibangilizwe addressed a modest memorial service on the eleventh anniversary of his father's death, wearing the leopard-skin hat that was his trademark. Most of those present were elderly traditionalists who remember the Gukurahundi massacres of the 1980s. They believe Mugabe dealt the Ndebele and Joshua Nkomo ('Father Zimbabwe') a rough hand after Independence in 1980 and that the 1987 Unity Accord merging ZANU and the Zimbabwe African People's Union (ZAPU) failed to deliver. The recent allocation of confiscated white farms has benefited not the local leaders but

incomers from Mashonaland, Masvingo and the Midlands. When resettled Ndebele peasants reach accommodations with white commercial farmers, ZANU ideologues often scupper the deals.

Matters might not change much should the Movement for Democratic Change win sole power. Under **Morgan Tsvangirai**, the MDC struggled to find suitable cabinet material from Matebeleland in the initial ministerial appointments, as many of its leading lights had switched to **Arthur Mutambara's** MDC-M in 2005. In the recent reshuffle, the reassignment of **Gordon Moyo** and **Thamsanqa Mahlangu** were seen as demotions. **Sekai Holland**, the MDC member on the National Healing Commission, was sharply rebuked by the MDC Deputy Prime Minister, **Thokozani Khupe**, for commenting that in her own Mberengwa area, where Matebeleland meets Mashonaland, the pre-colonial depredations of the Ndebele far exceeded anything done by the white colonialists.

Ndebele tend to see the MDC-Tsvangirai as a Shona-dominated party. In 2008, the MDC-T swept the board in Bulawayo but the Matebeleland rural areas split three ways among the MDC-T, MDC-M and ZANU-Patriotic Front – it was

the MDC-M's only area of electoral success. The independent *Standard* speculates that at the party's elective congress in early 2011, Deputy Prime Minister Mutambara will face a stiff challenge from **Welshman Ncube**, International Trade Minister and an Ndebele. If Ncube then picked **Gibson Sibanda** as his deputy, it would align the MDC-M with its Ndebele grassroots but damage its national ambitions by forcing it to compete for the same voters as **Dumiso Dabengwa's** ZAPU (AC Vol 51 No 10).

ZANU-PF, too, has leadership problems in Matebeleland. Vice-President **John Nkomo** (no relation) is competing with the mega-rich **Obert Mpofu**, Minister of Mines, for the provincial chairmanship. Bigwigs **Sikhanyiso Ndlovu**, **Jacob Mudenda**, **Sithokozile Mathuthu** and **Cain Mathema** back **Zenzo Ncube**, the incumbent, against Mpofu's attempt to replace him with **Jonathan Moyo**. Mpofu stubbed his big toe in the independence struggle, winning a huge disability payout and pension in the war victims' compensation scam of the 1990s. There are concerns that his war wound may trouble him again.

As Matebeleland searches for a credible figurehead among the living, a symbol from the dead could provide a focus. The MDC-run Bulawayo Council has allocated a site for a statue of Nkomo, to replace one completed in the mid-2000s, which portrayed Father Zimbabwe's hand extended in an uncomfortable likeness to the MDC's salutation. Hastily covered up, it may have been melted down. The spirits may have offered a propitious moment for Sibangilizwe's campaign. ●

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Sudan/Britain

KHARTOUM'S MOST WANTED

■ The first test for the International Criminal Court's 12 July arrest warrant for genocide against President **Omer Hassan Ahmed el Beshir** is his visit to Ndjamenah this week. **Chad** ratified its ICC membership in 2006 and is legally bound to arrest him. Before tentatively restoring relations, Chad's President **Idriss Déby Itno** had called for the African Union to expedite the arrest and trial of Omer on genocide charges.

There is also growing concern about the safety of Sudanese assisting the ICC with evidence. In 2009, the then security chief, **Salah Abdullah 'Gosh'**, threatened to kill or amputate them and several 'suspects' have been tortured. In London, many Sudanese believe that the human rights lawyer **Abdel Salam Hassan Abdel Salam**, who helped the Court, was murdered in March by the Khartoum regime (AC Vol 51 No 6).

On 13 July, prominent British-Sudanese activist **Salah al Bander** invited 'the Sudanese community' and police to a 17 July 'symposium' on the murder. Salah Bander added the 'al' when living in **Bahrain**, whence he was deported in 2006; he is now a Liberal Democrat councillor in Cambridge. On 14 July, Salah wrote on the website SudaneseOnline: 'Sudanese feel very worried, especially after the attempt by some through an organised campaign to accuse the Sudanese Security apparatus both directly and in a number of British papers that they are behind the liquidation of the late Abdel Salam.'

Also involved in the meeting, at the Abrar Islamic Foundation off Edgware Road, was **Ibrahim el Nur**, a well-known figure to Arab businesses in that area. He is also known to the Metropolitan Police, as translator, interpreter and what one officer called 'a key advisor' on the Sudanese community at top level. He works, too, on the Arab community. Ibrahim is also a founder of the Sudan International Defence Group, which campaigns against the ICC. In February 2009, the SIDG and the Sudanese Workers' Trade Union Federation used Sir **Geoffrey Nice** QC to try to block the ICC cases against Omer el Beshir, unsuccessfully (AC Vol 50 No 4). On a SIDG trip to Khartoum in 2008, Ibrahim appeared on television with National Congress Party barons **Nafi'e Ali Nafi'e**, **Ibrahim Ghandour** and **Salah Gosh**. Ghandour has said SWTUF, which he heads, paid Nice's fees; he is also NCP Political Secretary.

Few people attended Salah's meeting. Police stayed away but went to a Sudanese community meeting the next day, to appeal for information on the murder.

Egypt/Southern Sudan

SECRET TALKS

■ Egypt has quietly accepted that Southern Sudanese may choose independence in January's referendum in return for assurances that the Juba government will not abandon the 1959 Nile Waters Agreement, *Africa Confidential* understands (AC Vol 51 No 14). After recent 'top-level meetings under the radar', said one Southern source, Cairo has made a 'marked shift', even though there is for Juba 'no question of revisiting' the Jonglei Canal project at present. Egypt wants the canal, uncompleted because of war, to drain (highly controversially) the Sudd swamp. President **Omer el Beshir's** recent belligerent statements on Halaib enclave, contested with Egypt, suggest Khartoum has been told about the secret talks.

Gambia

COUPS AND COCAINE

■ The enforced celebration of 'Freedom Day' on 22 July, the 16th anniversary of President **Yahya Jammeh's** coup, prompted protests by exiles and human rights groups, who say the regime is increasingly repressive and that Banjul has become a regional centre for organised crime.

Rights groups question the validity of the trial of eight people accused of plotting a coup against Jammeh (AC Vol 50 No 22). Six army officers, including former Chief of Defence Staff Lieutenant General **Lang Tombong Tamba** and former Director of the National Intelligence Agency, **Lamin Badjie** were convicted of treason, alongside two businessmen. They were all sentenced to death on 15 July. All plan to appeal.

Widely criticised for corruption and incompetence, Jammeh has become proficient at identifying his enemies. Undercover security units float plans for coups and draw in unsuspecting opponents; there follow reports of 'coup attempts' and waves of arrests. A security roundup in 2007 resulted in the capture and murder of 40 **Ghanaian** fishermen.

Another case – if it comes to trial – could have wider consequences than the myriad phantom coup plots. Earlier this year, police seized 2.1 tonnes of cocaine in Banjul, which they said was bound for Europe. A joint investigation with **Britain's** Serious Organised Crime Agency led to the arrest of a dozen suspected traffickers, none of whom are Gambian. Critics are asking how the country could become a transit point for US\$1 billion worth of drugs without collusion from members of the regime. For some years, Banjul has been an important transshipment point for arms and drug smugglers in the region.

We hear that a dispute has been rumbling between the Banjul government and Whitehall over a letter sent in early July to British High Commissioner **Philip Sinkinson**, informing him he was *persona*

non grata. It might prove costly for Banjul; the new British coalition government has announced it will cut aid to governments which fail to tackle corruption and human rights abuse. Undaunted, Jammeh is campaigning across Gambia for the 2011 election, for a third term in power.

Mali

A FORMIDABLE NEW PARTY

■ Party leaders face a new challenger for the 2012 succession to retiring President **Amadou Toumani Touré** (ATT). The *Parti pour le développement économique et solidaire* (PDES), launched on 17 July with ATT's not-so-tacit backing, presents its mission as continuing his 'project for economic and social development'. Touré governs as a non-party President.

The new party's prime focus is not poverty reduction, though: the subtext is to unblock the domination of the *Alliance pour la démocratie au Mali* (Adema), which has been at the heart of government since pluralist democracy began in the early 1990s. Adema wants to recover the presidency it lost in 2002, when **Alpha Oumar Konaré** (AOK) retired and ATT took his place. Touré says he wants to spend his last two years reinforcing the democratic structures established after he overthrew dictator **Moussa Traoré** in 1991. Malians will soon vote on constitutional measures for accountability and transparency.

The PDES will presumably pushing these reforms. The party is drawn largely from independents and the *Mouvement Citoyen* (MC, Citizens Movement), which supports Touré's presidential work. Many will see the new party as designed to entrench his power and influence.

The key PDES patron is Touré's wife, **Lobbo Traoré Touré**, and its leader is Infrastructure and Transport Minister **Ahmed Diane Séméga**. Other senior figures include ministers **N'Diayé Bâ**, **Hamane Niang**, **Mohamed el Mactar**, **Diarra Mariam Flantié Diallo**, **Ahmadou Abdoulaye Diallo** and **Salimata Gakou Fofana**. The PDES may simply rearrange the pattern of parties and allegiances within the urban political class and the governing *Alliance pour la démocratie et le progrès* (ADP) coalition. Bâ, for example, was once General Secretary of *Mountaga Tall's Congrès national d'initiative démocratique*.

The new party could help offset Adema's dominance: it has been near impossible to elect a government without the biggest party at its core. Yet the PDES will have to resist the clubby pressures towards consensus and develop ties with potential challengers to Adema, such as the *Union pour la république et la démocratie* and its probable candidate, **Soumaïla Cissé**, who heads the Commission of the West African Economic and Monetary Union.

BLUE LINES

Limelight was the only light shining in The Hague this week. After three years of ignoring the trial of a man charged with 11 counts of war crimes, international news networks fought for the best angle on supermodel Naomi Campbell's gripping display of disinterest in the court and its work.

Charles Taylor's trial at the Special Court for Sierra Leone started in June 2007. On 5 August, prosecutors reopened their case, having subpoenaed Campbell. They had wanted to show that she had been courted with blood diamonds by Liberia's warlord-turned-president following a party hosted by Nelson Mandela. She testified that after an event for Mandela's Children's Fund in 1997, she had been given a parcel of 'two or three' – or six, by her former agent's testimony – 'small, dirty-looking stones' by two men who tapped on her hotel room door in the small hours. These, she supposed, were from Taylor, whom she had talked to at dinner.

Unimpressed, the brusque British beauty claims she gave the stones to Jeremy Ratcliffe, then head of Mandela's charity. The fund denies receiving them. Ratcliffe, for now, is silent.

This brief international interest in the trial failed to show how the revelations advance the war crimes case against Taylor. Or even why he would send henchmen to deliver blood diamonds to Campbell. Possession of rough diamonds in South Africa is a crime but the prosecution failed to link Taylor conclusively to them and his operations as an arms trader.

NIGERIA I

Goodluck with the numbers

President Jonathan is slowly winning over the governors and party barons – but time is short

The arithmetic is not right yet but **Goodluck Jonathan** is making steady progress in his bid for the candidacy of his party in next year's presidential elections. Last week the leaders of the six states in the 'South-South' – Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers – vowed support for his campaign for the presidency. It was not a forgone conclusion given the prickly relations between Jonathan and the six governors from his region.

Sceptics want to know to whom Jonathan is in political hock. So far he has managed to rely on a diverse team of advisors – former Inspector General of Police **Muhammadu Dikko Yusufu** and businessman **Bamanga Tukur** from the north, General **Theophilus Danjuma** from the Middle Belt and former Commonwealth Secretary General **Emeka Anyaoku** – without alienating important constituencies. One weakness, according to insiders, is Jonathan's frequent consulting of former President **Olusegun Obasanjo**, who has lost much of the support that propelled him to power in 1999 and is seen as a liability in the north.

The initially lukewarm reception for Jonathan in his own bailiwick, the Niger Delta, was awkward. He was less known there than some of the other governors who said he was not an election winner.

Six months ago when President **Umaru Yar'Adua** was fighting for life, most of the South-South governors refused to back Jonathan's claim for a formal elevation from Vice-President to Acting President. The problem was the People's Democratic Party (PDP)'s informal system of rotating the presidency between the six regions of

the country: this means that if Jonathan gets the presidency this year, other South-South politicians may have to wait 48 years for the region's next chance.

The switch in the South-South view of Jonathan reflects his cautious use of power during this year's interregnum. He has also had some political luck and a decent inheritance from Yar'Adua: the militants' amnesty in the Niger Delta has held, just (see next feature); the electoral reforms and committees inherited are going ahead; world oil and gas prices are strong and stabilise the economy; the banks are much stronger after the consolidations and clean-up; and there may even be some halting progress on electric power before next year's elections.

That has helped but opposition is growing in the run up to primary elections for the ruling PDP. Many critics hide behind sectional interests. The turfing out of Yar'Adua apparatchiks such as economic advisor **Tanimu Yakubu** and national security advisor **Abdullahi Sarki Mukhtar** rang a few alarms in the north although few seem concerned about the arrest warrants for lacklustre Attorney General **Michael Aondoakaa** and former Delta State governor **James Ibori**, currently in Dubai and facing extradition to Britain.

The important Northern Governors' Forum was divided when it met on 28 July. Ten state governors backed the ruling party's 'zoning arrangements', a euphemism for saying they wanted a northern presidential candidate and opposed Jonathan. Seven northern governors at the forum voted against zoning and said they thought the presidency should be open to all. One

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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governor abstained, and another, Bauchi's **Isa Yuguda** (son-in-law of the late Yar'Adua), was absent.

We hear that those northern governors with the best chance of launching a credible presidential campaign voted against Jonathan's candidacy: **Abubakar Bukola Saraki**, one of the wealthiest contenders (Kwara State); **Sule Lamido**, another ally of Obasanjo (Jigawa); and **Ibrahim Shema**, who had a difficult relationship with Yar'Adua (Katsina). National Security

Advisor **Aliyu Mohammed Gusau** retains a strong interest in the presidency and the delegate from his Zamfara State voted against Jonathan's candidacy.

Northern opponents have another persuasive argument, supported by some Western diplomats, that a Jonathan presidential bid could be presented as a usurping of the north's political rights and exploited accordingly.

Jonathan is ahead on points so far: even his opponents within the top echelons of the PDP are not arguing that it is constitutionally wrong for him to stand. So 13 governors out of 36 are publicly backing him – much will now depend on whether he can win enough Yoruba and Igbo support in the south-west and south-east respectively. The backing of Lagos billionaire **Femi Otedola** cannot damage Jonathan much in the commercial capital although journalists are already speculating about the quid pro quo.

Time pressures and incumbency will help Jonathan as he prepares his strategy for the PDP national congress, provided he keeps his nerve. His main rival in the party – General **Ibrahim Babangida** – has provoked strong reactions among his foes, old and new, and his wealthy band of supporters. Few believe that Babangida is doing more than re-establishing himself as a kingmaker but he is still spending lots of money. His supporters put up helpful posters in the north informing Jonathan that 'your good luck is running out'.

There is a tremendous buzz around Babangida's most dedicated opponent – the former chairman of the Economic and Financial Crimes Commission, **Nuhu Ribadu**, who is back in Nigeria and is being urged to run by a national coalition of grassroots activists and trades unionists. Some are proposing that elements of the Action Congress (AC) combined with 'progressive factions' from other parties might rally behind a Ribadu ticket. Without doubt, Ribadu has widespread popularity with voters across the country – even if the political elite detests him.

There is little love lost between him and former Vice-President **Atiku Abubakar**, who was a failed presidential candidate for the AC. Of the other veterans, Gen. **Muhammadu Buhari** has been drumming up support for his new vehicle, the Congress for Progressive Change, to the detriment of his old allies in the All Nigeria People's Party.

The splintering of parties outside the PDP's outside umbrella helps the party, makes its winning of the presidency more likely and correspondingly raises the prices of the presidential ticket. In the next few weeks – perhaps on Independence Day on 1 October – Jonathan will make it clear whether he is prepared to pay that price. On present showing the answer is likely to be 'yes'. ●

FR. KUKAH, PROF. JEGA AND THE VOTE

In the **Nigerian** tradition of irrepressible optimism periodically suffused with brutal realism, Father **Matthew Hassan Kukah** argues that the last decade's attempts at democracy in Nigeria have been 'positive' and the country will hold together by 'sheer resilience'. A Catholic prelate raised in Kaduna with fluency in several Nigerian languages, Father Kukah worked with the National Political Reform Conference and also sat on the commission trying to reconcile the Ogoni people with Royal Dutch Shell's oil operations.

When a Muslim commentator compared Nigeria to a Catholic marriage – 'It may not be happy but it doesn't break up' – Kukah concurred, extolling his country's innate robustness under the last half-century of military putsches, stolen elections and grand corruption. But he immediately warned: 'We have imbibed an unbelievable culture of envious celebration, outright laziness, a culture of waste which you find manifested in the endless, dubious, traditional titles that people are taking, endless awards that are given out to people in an economy and a society that is not working.'

Kukah sees the newly appointed chairman of the Independent National Electoral Commission, Professor **Attahiru Jega**, as an exception to that pattern: 'He's a very kind intellectual. He understands the big issues. Also, he has a proper grasp of national politics and is a fine student of the Nigerian political environment.' Yet Jega's effect will be limited, given the power of the political class to manipulate and corrupt institutions. The INEC chairman has only the power to transfer errant commissioners, not to sack them. Kukah thinks that Jega 'will not be held captive to any constituency, religion, region, ideological or otherwise.'

Jega may struggle to overcome the frustrations of the INEC bureaucracy but will be helped by the provisions for its independent financing. This week President **Goodluck Jonathan** asked the National Assembly to approve a supplementary budget of 89.6 billion naira (US\$597 million). The challenge, Kukah says, will be how to get the best out of the commissioners and technocrats. 'No governor expects to be governor for one term, the same with presidents. The system is such that state executives and office holders don't even hide their conviction that state resources and the apparatus of power can be deployed to achieve that end.'

Because most of the extreme electoral abuses happen in the states rather than at the vote collation centre, the body most in need of reform is the governors' forum, according to Kukah. When the electoral reform committee took soundings from around the country, the most serious criticism they encountered was of the State Independent Electoral Commissions, which were generally seen as a tool of the incumbent state governors. Without a significant loosening of the governors' grip on the state electoral apparatus there is little prospect of substantially better elections in 2011, though some important groundwork could be laid for 2015.

Time will also be pressing hard on Chairman Jega. Kukah's committee proposed that there should be at least 120 days between the date of the national elections and the inauguration of the new president; that period could be used to resolve any legal or statistical disputes in the elections. But instead of pushing back the date for the inauguration, the Senate has brought forward the dates for next year's presidential elections to January from April. That leaves Jega little time to register Nigeria's more than 60 million electors on its sophisticated new electronic database and to allow all the parties and individuals to check the voters' list. It will also squeeze the parties – most of which are in some disarray – into choosing their candidates as early as possible to increase the time for campaigning. ●

For the full transcript of this interview with Father Matthew Hassan Kukah, visit our website: www.africa-confidential.com

Political spills

A new burst of militancy is haunting the Niger Delta less than a year after the amnesty deal delivered an uneasy peace

Delays over cash payments, the coming national elections and rising concern over oil pollution are behind the latest wave of protests and attacks in the Delta. Scores are being settled ahead of the elections and some political thugs launched a river-borne attack on the house of impeached Bayelsa State deputy governor **Peremobowei Ebebi**, on the country home of Bayelsa governor **Timipre Sylva** and other senior figures in the state government.

There are serious grievances about the amnesty deal signed last October. Ex-militants complain about delays in payment once they have disarmed and about lack of accommodation and transport to the special amnesty camps.

Commanders of the Joint Task Force (JTF) in the Niger Delta sent troops and armoured personnel cars to quell clashes between officials and more than a thousand former militants in Warri, the oil capital of Delta State.

The amnesty programme budgeted US\$145 million for the re-integration of ex-militants, many of whom believe they are not getting a fair share (AC Vol 50 No 22). The programme promised to pay 15,000 of the fighters from the Movement for the Emancipation of the Niger Delta 60,000 naira (\$450) a month. But militant leaders such as **High Chief Government Ekpemupolo (Tompolo)**, **Prince Farah Ipalibo (Dagogo Farah)** and **Victor Ben Ebikabowei (Boyloaf)** are getting paid much more – and that stirs resentment.

Some blame **Timi Alaibe**, the presidential advisor on Niger Delta affairs and chairman of the Amnesty Committee, whose own position may have been undercut by the government's decision to put JTF troops back on the streets of Warri and Yenagoa, the capital of Bayelsa.

The plans of President **Goodluck Jonathan**, an indigene of Bayelsa State, to run for the presidency in January 2011 have raised expectations of substantive improvements in the Delta. The amnesty has brought a let-up in the conflict but not much improvement in living conditions.

Delta people contrast President Jonathan's reaction to the persistent despoliation with **United States** President **Barack Obama's** reaction to the Deepwater Horizon crisis in the Gulf of Mexico and his government's demands for \$20 billion compensation.

Local commentators compare the

recent announcement from Royal Dutch Shell, operating in the Gulf of Guinea, of a 34% increase in second quarter profits to \$4.2 bn. Shell produces almost half of Nigeria's production of 2.5 mn. barrels per day, which represents the company's second biggest profit centre. Yet BP, responsible for the Deepwater Horizon catastrophe, has just announced a \$17 bn. second-quarter loss.

There is no consensus on figures for the volume of oil spilt, much less the causes of it. The human rights lobby Amnesty International cites a report by the United Nations Development Programme that there had been 6,800 oil spills recorded between 1976 and 2001. Amnesty calculated that the Delta had suffered from the effects of an environmental disaster equivalent to the Exxon Valdez tanker shipwreck, which spilt about 750,000 barrels in 1989 but with little effort by either government or oil companies to clean up.

After Deepwater Horizon, the oil companies face growing pressure. Activists demanded a rapid response from Mobil's Nigerian affiliate after a spill from the pipeline in the Qua Iboe oil field. Spills in June and July of more than 100,000 bpd from pipelines operated by ExxonMobil in Akwa Ibom State prompted calls for

sanctions against the company.

Activists and local officials blame oil companies which skimp on safety and investment in new rigs and pipelines for the spills. Shell's Chief Executive, **Peter Voser**, counters that 98% of the oil spilt is due to locals – either sabotaging the pipelines or trying to steal the oil. Voser is less clear about how Shell calculates that figure. With the temporary US ban on deepwater drilling, the oil majors are looking at West Africa's prospective Gulf of Guinea with renewed interest.

Some activists are trying to link calls for a wide-ranging environmental clean-up with efforts to shut down the illegal oil bunkering racket. Oil companies reckon that Nigeria is losing between 100,000 and 200,000 bpd, between \$6 bn. to \$8 bn. per year at current oil prices. The proceeds from a successful anti-bunkering campaign could pay for a massive environmental clean-up.

Although the soil at the end of the Niger River is fertile alluvial silt, no one knows how long it will take to recover from decades of oil spills. More worryingly still, no one knows how badly the spills are affecting public health.

Plenty of schemes – such as bio-tagging and fuel dyes – for tracking stolen oil are on offer, but questions remain about the political will in Nigeria. The complicity of senior military figures in the theft undermines local policing and oil companies show little interest in another voluntary scheme to police their industry (like the Kimberley process for diamond producers). Yet without progress in tackling despoliation and theft, there is little chance for the economic uplift to sustain the uneasy truce in the Delta. ●

ABUJA TAKES HALLIBURTON TO COURT

President **Goodluck Jonathan's** government is taking on the **United States'** oil services giant Halliburton and its Nigerian associates for organising bribes to secure contracts for the \$6 billion liquefied natural gas plant on Bonny Island from 1995 to 2005.

In a pioneering case, lawyers for the Nigeria Liquefied Natural Gas company – in which Nigeria's state oil company has a 49% stake – are to sue in the US civil courts for losses on the project due to the elaborate system of bribes and kickbacks operated by Halliburton and its fellow contractors, **France's** Technip and **Italy's** Snamprogetti. All three companies have pleaded guilty to bribery and have paid more than \$1.28 bn. in fines and penalties to US authorities. Halliburton and its partners negotiated the corrupt payments with the military regime of General **Sani Abacha**, whose regime stole over \$4 bn. from the state treasury.

Sources close to the case would not put an exact figure on the sums claimed by Nigeria but said they would be substantial. French investigators found some \$160 mn. in accounts operated by **British** lawyer **Jeffrey Tesler**, who faces extradition to the USA to face criminal charges for his role in the scheme. Investigators have told *Africa Confidential* that the losses suffered by Nigeria due to Halliburton and the other contractors inflating the contract price could be over a billion dollars.

President Jonathan has also asked Attorney General **Adetokunbo Kayode** to file charges against five senior Nigerians suspected of benefiting from the bribery scheme on the gas project. This case will draw largely from the investigations of the Economic and Financial Crimes Commission under a retired assistant inspector general of police, **Farida Waziri**. ●

This time a peaceful vote

After a decisive referendum, Kenyans have a constitution that will shake up both the political system and the party fiefdoms

Kenyans voted overwhelmingly for the new constitution at the 4 August referendum. The process was orderly and voters turned out in impressive numbers to voice strong support for the constitution.

The result is a victory for former enemies President **Mwai Kibaki** and Prime Minister **Raila Odinga**, architects of the Yes campaign, who consolidated their lead by bringing in some stragglers and using tactics reminiscent of Kenya's one-party era.

On 5 August, Interim Independent Electoral Commission (IIEC) Chairman **Ahmed Isaack Hassan** declared that 67% voted in favour of the new constitution, 30% against, with 207 of 210 constituencies reporting.

Only in the No stronghold of Rift Valley Province did the Yes side fail to secure a majority, at 39%. (The three undeclared constituencies, all from Rift Valley, were due to report 6 August after *Africa Confidential* went to press.)

At polling stations across the country, turnout was strong: 71% of 12.7 million registered voters handed in ballots.

Odinga, rarely seen in recent weeks as he recuperated from an operation for subdural haematoma (a superficial brain haemorrhage), appeared alongside Kibaki to address a rally in Nairobi after the results. The new constitution will abolish the prime minister's post in the next national election, but Odinga's ambitions for the presidency look strengthened by the referendum result.

Fears of a repeat of the widespread violence that followed the 2007 elections did not come to pass. No incidents were reported in the hours following the announcement of results.

With Odinga laid up, President Kibaki hit the campaign trail uncharacteristically hard, travelling all over the country rooting for the new constitution. Its passage, he said, will be his legacy.

Also on the road was Vice-President **Stephen Kalonzo Musyoka**. He was once thought to be a wavering watermelon (green on the outside for Yes, red inside for No), and before that, a supporter of the short-lived Kikuyu, Kalenjin, Kikuyu group, along with **William Ruto**, the Minister for Higher Education, and **Uhuru Kenyatta**, Minister of Finance (AC Vol 51 No 12). Dressed in the go-

go green Yes colours, Musyoka held rallies and tried to buoy support for the constitution in his Eastern Province, to some effect: the Yes vote there was weaker than anywhere except the Rift Valley, but still a comfortable win.

On board, too, was Kenyatta. In late June, a meeting of the shadowy Gikuyu, Embu and Meru Association in Limuru appointed him to command the Yes campaign in Central Province. Even hard-line Environment Minister **John Michuki**, once against the new constitution, switched over.

Retired church heavies such as Reverend **Timothy Njoya** and retired Anglican Archbishop **David Gitari** pulled 300 Protestant clergy to their side, calling the No ministers part of Kenya's bygone bad days and uneducated street preachers. The Anglican Archbishop, **Eliud Wabukala**, told his followers to vote according to their conscience. Catholic Cardinal **John Njue** remained a stalwart No.

INDEPENDENCE ALLIANCE

The run-up to the referendum saw an attempt to consolidate the pre-Independence alliance between the Kikuyu and the Luo, as well as a push to marginalise ex-President **Daniel arap Moi**, his Kalenjin, Masai, Turkana and Samburu 'orphans' who lost out when Kibaki came to power in 2002, and Ruto, Odinga's former ally in the Orange Democratic Movement (ODM). There were just over 3 million registered electors in the whole Rift, against about 3.7 mn. in Central and Nyanza provinces, excluding Nairobi. Kibaki's Kikuyu and Odinga's Luo supporters in the Rift Valley were still harassed and threatened. The governing coalition's leaders, Kibaki and Odinga, wanted to stop that happening again.

Both Kibaki, whom Moi supported in 2007, and Odinga, who was once in Moi's cabinet, came out strongly against the ex-President. They said he belonged to Kenya's dismal past of repression and torture, a land grabber who should have been at home rather than on the campaign trail. Moi replied that he had the same rights as any citizen and accused Kibaki of failing to deliver on past promises, including the promise when he took the presidency in 2002 to pass a new constitution after 100 days.

Ruto's following in the Rift was strong and his final rally in Eldoret, replete with a brigade of motorcycles, demonstrated the backing there for the Noes. In the end, provisional results showed the Noes carried the valley with 59%, the side's only victory. Still, the Yes team, with key Kalenjin supporters such as **Sally Kosgei**, **Franklin Bett**, and **Henry Kosgey**, prevented their opponents from gaining 75% of the vote, which would have scuppered the constitution's passage.

The referendum looked much cleaner than the 2007 election. The IIEC polished things up. Its new electronic electoral register eliminated past ghost electors; this new system enabled the IIEC to spot more than 49,120 electors who had registered more than once (one eleven times, in Kisumu town). The double-counters were struck off the roll and IIEC Chairman Ahmed Issak Hassan asked the police to arrest them.

The new tamperproof Form 16, used to transmit results from the field, could not be substituted, as was alleged to have happened in the 2007 poll. Security measures included better methods for counting and transporting votes, the hiring and training of new officials and some public education. The government deployed more than 65,000 security staff, backed by air patrols, from its various forces all over Kenya, especially in 29 'hot spots', mostly in the Rift, Nairobi and Western provinces.

The dark side of Kenyan politics continued to resurface. **Alice Nderitu** of the National Cohesion and Integration Commission warned that 'the threat of violence is real' and the NCIC supported a countrywide coalition, **Uwaino** ('blending'), to counter violence, with a free number available to receive text-messaged reports of hate speech and crimes. The service received some 3,000 complaints prior to the polls. The security forces offered hotline numbers for people reporting emergencies.

Yet minority ethnic groups living in the Rift (the euphemistic press calls them 'certain communities') still feared attacks, as in 1992, 1997 and 2007. Sensitive areas included Timbora, Burnt Forest, Kuresoi, Kipkelion, Kiobatek, Kuria, Molo, Aldai, Tinderet, Muhoroni, Kwanza, Mount Elgon, Kisumu, and Eldoret North.

Some individuals moved back into camps for protection, some were driven from their homes by threatening leaflets, some were cautious about voting for fear of revenge by neighbours from members of local majority groups. The final results, district by district, will show whether the security forces managed to stamp this out.

The Yes side played dirty too, using

tactics employed by Moi and Kenyatta when the country was a one-party state. The coalition government mobilised its permanent secretaries, supposedly impartial public servants, to campaign for the Yes vote. The IIEC, the heads of five independent commissions and Ruto all criticised this. Timothy Njoya supported it, mischievously calling the Yes campaign a 'government project'.

The Yes campaigners hired all Nairobi's public stadiums, forcing the Noes to hold their round-up meeting in Dagoretti on the city's outskirts. Kibaki promised Kisii one new district (with nice jobs for local bosses) and the North Eastern Province three. To North Eastern he implausibly promised a new university. The IIEC and the head of Kenya's Interim Independent Boundaries Review Commission (IIBRC), **Andrew Ligale**, pointed out that the President has no power to draw up district boundaries.

The No campaign's Red Card Centre headquarters suffered a break-in, with five computers and their valuable data stolen. A Moi No rally was disrupted in Suswa in Narok District, No supporters were attacked in Kitui, and Ruto was heckled in Kakamega. A No supporter, Bishop **Joseph Segel**, was murdered early in July near Nairobi. Only junior staff at the government printers were blamed by Attorney General **Amos Wako** for inserting an unauthorised phrase into the draft constitution.

The few individuals charged with hate speech and incitement to violence included **Lydia Masikonde**, an unlikely Yes supporter and daughter of the Minister of National Heritage, and **William Ntimama**, an even more unlikely Yes supporter with a dubious record of ethnic divisiveness.

The Kenya National Commission on Human Rights accused many politicians, national and local, of breaking laws by making false statements and promises, distorting provisions of the new constitution, making inflammatory and hate speeches, calling for evictions and misusing government resources. Those named include the President, the Prime Minister, four cabinet ministers (Ruto, Bett, Kosgei and **George Saitoti**), members of parliament, Catholic bishops and many others. So far, the KNCHR noted, only five politicians have been charged.

Much of what ails Kenya happens in spite of its laws rather than because of them. It is not clear that a new constitution can accomplish much, in the face of the politicians' 'business as usual' behaviour (AC Vol 51 No 15). Even those who relish seeing Moi and Ruto getting a dose of their own medicine realise this is not the way to a better future. ●

RUMBLES IN THE RIFT

Such was the tension in the Rift Valley as the referendum neared that a drunken brawl in a shebeen in Nandi District between a Nandi man and his Kisii friend swiftly formed the core of a rumour that evictions of non-Kalenjin had already started.

Similar tales stirred up tension during the campaign. In Cherangany, for instance, anti-'immigrant' eviction leaflets were discovered; local politicians were blamed. However, the locals turned against one politician and forced him to move. As the media played up local fears, some displaced people returned to the camps – some genuinely out of fear although others were said to be trying to cash in on the local 'victim' industry.

The state of nerves in the Rift Valley was such that the police were not taking any chances this time around. Accused of being complicit in the post-election violence of 2007, police deployed about 100,000 officers across the country, according to Deputy Police Spokesperson **Charles Owino**. Of those, 15,000 were deployed to the volatile Rift Valley. In 2007, police were unable to protect the innocent. Police stations were themselves ethnically and politically polarised: As the Orange Democratic Movement challenged the Party of National Unity, the greeting at Eldoret Police station, for instance, was, 'This is an ODM zone. Welcome.'

Police have not attempted to restore confidence among the locals, either. Soon after signing the National Accord in February 2008, the government strategy used security forces, mainly regular police and the Administration Police, as barriers between the Kalenjin and the displaced people. Police stations sprung up everywhere. The government's reconciliation strategy did not go much further. This 'securitisation' mushroomed in the run-up to the referendum.

Molo member of parliament **Joseph Kiuna**'s recent slip during a public rally that 'this time around, the Kikuyu were ready' indicated that beneath the fragile peace, the talk of communities rearming was a reality. This triggered a fear of mutual annihilation. What some are calling the 'Ocampo factor' (a reference to International Criminal Court Prosecutor **Luis Moreno Ocampo**) has played some part in preventing organised violence; politicians both high and low who are already implicated are wary of being associated with further violence.

Everyone expected the Rift Valley to reject a draft constitution accepted elsewhere. Both **William Ruto** and ex-President **Daniel arap Moi** whipped up local support for the No vote. Coupled with the lack of an effective civic education programme (thanks in part to the reluctance of **Uhuru Kenyatta**'s Treasury to release money until very late), rumours and propaganda have filled the information vacuum. Locals were told that a Yes vote would be a vote for **Raila Odinga** in 2012, an idea they shunned.

Moi and Ruto capitalised on this ignorance and, from a shifting platform that played up Kalenjin fears about land confiscation by central government and a Kenyan distaste for 'foreign' values (in this case abortion and gay marriage), they built up a considerable head of steam.

Many observe, however, that Ruto distanced himself from some key allies since campaigning began. Surrounding himself with yes-men, he convinced his ethnic constituents to vote with him only by sheer will and personal popularity. However, the fact that a veteran politician, Industrialisation Minister and ODM Chairman **Henry Kosgey**, managed to bring four of his Kalenjin cabinet colleagues into the Yes camp (see Feature) suggested a body of support for the Yes camp among Kalenjin electors. Among the Kalenjin elite, there is concern that Ruto's Lone Ranger mission will lock the Kalenjin out of the political mainstream. Many may turn against him as Kalenjin leader. After the results were announced, Ruto conceded defeat but quickly struck an aggressive stance, insisting consultations would be necessary to resolve stickier constitutional issues ahead.

It is the long-term implications of the new constitution that worry Moi and many of his old coterie, for instance, that devolution means dismantling the Rift Valley as an administrative unit. Its boundaries were set during the August 1963 Boundaries Commission exercise, Kenya's first referendum, organised in anticipation of the Independence majimboist (federal) constitution. At the time, the Kalenjin, Maasai and others said they wanted to be administered in one region. Wary of Kikuyu and other 'big tribe' domination, the Rift has served as a homeland to these Nilotic groups, with Moi ruling the roost over the last half century. More worrying for them is that under the new constitution, counties – the new administrative units – will create ethnic homelands, allowing migrant communities, of Kikuyu in particular, to legitimise their settlement in the Rift Valley.

In fact, Moi's old acolyte Ruto was inadvertently behind the trouble. He refused to back his ODM party's position at April's Naivasha constitutional talks and the devolution clauses are largely the result of his deal with Uhuru Kenyatta. ●

New pressure on the war-minerals links

Rebels are taking over more mines throughout the east, while control of minerals by corrupt government forces continues, making even Congo's 'clean' state-sourced minerals more politically toxic than the buyers would like. Moreover, there is the risk that the new and poorly coordinated schemes intended to clean up the sector may lead to the certifying of conflict minerals as clean, rather than weeding them out of the system.

TO CLEAN UP OR CHECK OUT

The buyers and processors of eastern Congo's valuable minerals operate in an area beset by fighting, smuggling and dirty tricks (AC Vol 51 No 15). Many buy their raw materials from mines run by the government's armed forces, the *Forces Armées de la République Démocratique du Congo* (FARDC). Efforts to clean up the trade are led by a new **United States** law which, its detractors say, will push buyers out of the country (or even the region) altogether.

Minerals such as cassiterite (tin ore), coltan (for tantalum) and wolframite (tungsten ore) end up in laptop computers, mobile telephones and light bulbs. For years, well intentioned lobbyists have been complaining that their original sources are in some of Congo-Kinshasa's nastiest war zones. Rebels levy taxes all along

the route from the miners in their pits to the porters who are forced to carry the ore for days through the forest. Government forces do the same. Hundreds of mines throughout North and South Kivu have become strategic sites for attack and control. The minerals have become both a motive and cause for conflict to continue.

A new piece of US legislation, shy on detail, threatens to have a huge impact. It would compel buyers from Congo-Kinshasa and its nine neighbours to report on their efforts to source the origin of their minerals. The law recognises that many of Congo's minerals are smuggled out and sold as **Rwandan**, **South African** or **Zambian** material, and so it puts the spotlight on these countries, too. (South Africa, which is not one of Congo's immediate neighbours, stands to gain as a smuggling hub.) Compliance will be tricky (see Box). Reporting requirements are likely to operate from October 2011, the start of the next full fiscal year, after the regulations are due to be published. The USA has bowed to pressure from the Enough Project, of which former US National Security Council official **John Prendergast** is a prominent leader, and accepted the law before receiving a report from the Government Accountability Office, the investigative arm of Congress.

In September 2009, a report from the Congolese Senate claimed that about 80% of the east's minerals were smuggled out of the country. That would put the true value of cassiterite exports at close to US\$1 billion a year; the official export figures put it at about \$100 million a year (and coltan at \$5 mn.). Gold, also covered by the US legislation and notoriously hard to track, is almost all smuggled out. The Congolese Senate's report put its export value at \$1.24 bn. for 40 tonnes per year.

Most companies that claim to manage a clean mineral supply say their source is either Maniema Province or North Kivu's state-controlled Bisie mine, reached by a two-day trek into the jungle and providing more than 70% of North Kivu's cassiterite exports. They cannot prove their claims, though. The same Senate report says most of Maniema's minerals are smuggled and the province is plagued by Mai-Mai militia groups and Rwandan Hutu rebels from the *Forces Démocratiques de Libération du Rwanda*. Insecurity is likely to get much worse as the FARDC pursues the FDLR westwards. Moreover the *Congrès National pour la Défense du Peuple* (CNDP), led by Rwandan Tutsi, has only recently and unconvincingly been integrated into the FARDC. It still levies mineral rents.

Non-official payments to the army, police, owners, state intelligence services, mining officials and others amount to more than 40% of the value of Bisie's exports. They are taxed illegally at every stage any taxpayer can think up – for each parcel, for each state player, when they leave the mine, when a porter reaches a crossroads, when a porter leaves

CONTRACT CLASHES

President **Joseph Kabila's** government is set for another round of legal clashes with foreign companies. First is **Canada's** First Quantum, locked in battle with Kinshasa at the International Court of Arbitration in Paris. On 27 July, Congo's Court of Appeal nominated Lubumbashi businessman **Eric Monga**, who heads the mining unit of the *Fédération des Entreprises du Congo*, as the liquidator of First Quantum's US\$750 million Kingamyambo Musonoi Tailings project.

First Quantum, which says it has built most of the \$550 million copper processing plant at KMT, is trying to get the arbitration court in Paris to bar Congo from selling the KMT assets until the arbitration is resolved.

Documents at the Appeal Court say the KMT assets should be liquidated since a lower court ruled in March that First Quantum no longer held title to the project and fined it \$12 billion in damages. In any case, KMT rights have been signed away by Minister of Portfolio **Jeannine Mabunda Lioko** and Minister of Mines **Martin Kabwelulu** to a British Virgin Island-registered company, Highwind Properties (AC Vol 51 No 14).

First Quantum and its co-investors, the World Bank's International Finance Corporation and **South Africa's** Industrial Development Corporation, are seeking redress. The IDC has already put in a claim with its risk insurers and the IFC has stopped other projects in Congo. First Quantum and IFC have met with shadowy representatives of Highwind but failed to reach an agreement. One proposal is that First Quantum stops the arbitration and buys the project back.

Congo's other big row – the award of oil blocks 1 and 2 in Lake Albert to two British Virgin Islands-registered companies, Caprikat and Foxwhelp – has prompted threats of legal action from **Ireland's** Tullow Oil, which claims rights to block 1 since 2006. It may have regional repercussions too. At the centre of the Caprikat and Foxwhelp deal is **Khulubuse Zuma**, a nephew of South African President **Jacob Zuma**. Another signatory is President Zuma's lawyer **Michael Hulley**. We hear that a key advisor on the deal was **Marc Willcox**, Chief Executive of Mvelaphanda Holdings, in which Housing Minister and presidential aspirant **Tokyo Sexwale** has a majority stake. ●

a crossroads. The artisanal miners, thought to number over 3,000 at the Bisie site, pay off state officials every day, at the rate of more than \$3,000 a week. In total, they hand over a third of the minerals they mine to officials in the pit itself, pay another \$15,000 or so a week when the goods leave the area and keep paying along the jungle trek, including at Mubi and Njingala mineral trading towns, often via Isanga, the site of a new United Nations-backed trading centre. Goods may be smuggled by other routes, too.

The patchwork of mines controlled by the FARDC is growing. It already controls areas such as Ziralo, in South Kivu, whose product is furtively exported via Bukavu. Little has been achieved by the UN-backed local mission, *Amani Leo* (Peace Today), which has again been extended for three months. The army launched its operations without informing the UN and before it was ready, then failed to coordinate its attacks on hot spots throughout the Kivus. The FDLR is sheltering in Walikale, further from Rwanda and deeper into mining areas. When trouble reaches it, troops will probably flee further south and west into Maniema.

The influence of the FDLR and of Mai-Mai groups, especially Mai-Mai Cheka, has increased as well, over the area between Bisie mine and its far-off airstrip – an enterprising second use for Walikale town's bumpy high street, from which 15 or so flights a day transport minerals for export. Mai-Mai Cheka attacked the strip on 24 July; the FDLR may have joined in and the FARDC may have been complicit. Fissures in rebel groups lead to close collaboration among FDLR, Mai-Mai and former CNDP men now integrated into the army, with the FDLR and some FARDC occasionally taking part. The UN Group of Experts, which previously named, shamed, asset-froze and travel-banned the baddies, is trying a more conciliatory approach, encouraging smugglers, exporters and illegal taxers to see it is in their interest to clean up the chain and so to discourage the big buyers from abandoning the Congolese trade.

Minerals are officially exported from Goma and Bukavu through 25 or so *comptoirs* (counters). **Luxembourg**-based dealer Traxys and **Britain's** Amalgamated Metals Corporation officially stopped buying last year, fearing damage to their reputations. Now the biggest buyer is Briton **David Bensusan's** Rwandan firm, Minerals Supply Africa, registered in **Mauritius**. MSA buys from more than a third of the *comptoirs* and scoops up just over a quarter of the product by volume.

Some think the answer could be to make international banks responsible for any purchases in Congo and to encourage internationally visible companies to take a stake in the mines and the transport process. Several other companies are thinking of owning their own mines. Bisie's research rights are held by Kivu Resources, which is attempting to negotiate better relations with local interests; its efforts to take back the mine are tentative at best. It would need to buy exploration rights and may no longer have enough ready cash, while several others queue up for a piece of the Bisie pie. ●

8 WAYS TO CLEAN UP MINERALS

Several schemes and approaches aim to limit the flow of **Congo-Kinshasa's** conflict minerals, not all of them as well coordinated as they should be. Here is our rundown.

● Lobbyists hail new **United States** legislation as ending the flow of conflict minerals. Yet the law is short on details of what it will make companies do and how to censure them if they do not. Signed into law by President **Barack Obama** in June, Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act sets out new rules. Within 270 days, the Securities and Exchange Commission must publish regulations that require companies who report to it to confirm each year whether they source any of four minerals (coltan, cassiterite, wolframite, gold) from Congo or its neighbours and, if so, what they have done to check that their source and chain are conflict-free. The Secretary of State must publish, every six months, an updated map of which armed groups control which mines in eastern Congo.

● A United Nations Group of Experts recommended in 2005 a pilot study for a certification scheme. In 2007, it mentioned the importance of 'due diligence' in the minerals supply chain, sourcing minerals and ensuring they are conflict-free. The group has named (but not necessarily shamed) intermediaries and end-purchasers. This year's report will aim to establish how to carry out such due diligence and encourage local industry to see that clean (or clean-looking) supply chains can help maintain its business.

● Trading centres, under a government scheme dreamt up by the UN with donor funding, are included in the official Stabilisation and Reconstruction plan (Starec) for eastern Congo. Another scheme, the World Bank-funded Mineral Sector Project (Promines), also promises to clean up the minerals trade. The aim is to extend the state's authority into strategic mineral trading hubs under government authority, free from insecurity and with some UN oversight. The UN is picking five pilot sites, although the east may need more than 100 to make it work. The idea is that all local minerals would be bought and taxed officially at such centres, with scales, experts and officials to certify each bag along its journey to the point of processing. This would require the government to control the mines in demilitarised areas, with no conflict minerals slipping in (all of which are unlikely).

● The Organisation for Economic Cooperation and Development is developing due diligence guidelines. The OECD says it will report in October. The UN Experts will recommend use of the guidelines and the USA will use both their findings to form its own regulations. Coordination between the three is crucial but improbable.

● **Germany's** geological institute, the *Bundesanstalt für Geowissenschaften und Rohstoffe*, is attempting geological fingerprinting. This is intended to identify the sources of valuable coltan but seems to be cumbersome, time-consuming and vastly expensive. The BGR is likely to give up soon.

● Regional responsibility is the key to another German scheme, Certified Trading Chains, supposed to encourage buyers to prove their respectability by employing independent auditors. This may duplicate the UN panel's work but would rate compliance with everything from gender to migration and child labour, which seems impossibly detailed. Four **Rwandan** companies – Natural Resource Development, Ga-tumba Mining, Eurotrade Limited and Wolfram Mining and Processing – have joined a pilot scheme as part of a protocol signed in 2006 by the eleven governments of the International Conference on the Great Lakes Region (AC Vol 51 No 9). Agreement was reached in March 2010 to start the scheme in the turbulent border areas of **Burundi**, Congo and Rwanda.

● Since 2008, Congo has been a candidate for the Extractive Industries Transparency Initiative, a global publish-what-you-pay scheme. EITI published its 2007 report earlier in 2010 and says it is readying its reports for 2008 and 2009. The scheme excludes gold and diamonds.

● The tin industry's lobby, the International Tin Research Institute, runs a Tin Supply Chain Initiative pilot project, which puts tags on sacks at a mine in South Kivu and plans to start doing the same at Bisie this month. The ITRI, funded by smelters and buyers (mistrusted by lobbyists), offers the only scheme that would put people inside the actual mines. Yet the industry would be certifying its own products for export, without independent auditors. One effort showed that of 170 bags that left the South Kivu Nyabibwe tagging site, only a dozen reached Bukavu.

● Other ideas circulate freely, especially among environmental non-governmental organisations. There is small chance that any can make much difference until there is peace and stable government in eastern Congo. That may take a while yet. ●

An uneasy ruling alliance

The ANC needs stronger leadership to referee the intensifying internal debates ahead of the policy-making conference in September

The policies and programmes of the governing African National Congress will be reviewed at the party's National General Council in Durban on 20-24 September. Few of the policies are original and most are redrafts of old ones. President **Jacob Zuma** took office in May 2009 at the head of a broad alliance of nationalists, populists, trades unionists, socialists and conservatives. The policy document reflects his style of saying something to try to please everyone, presenting arguments and counter-arguments for particular policies, with none specifically endorsed. The debate will be dominated by factions – on one side the Congress of South African Trade Unions (Cosatu) and the South African Communist Party (SACP), and on the

other the nationalists, Black Economic Empowerment business interests and populist groupings, including the ANC Youth League (ANCYL).

Sometimes the official document argues for capitalism, at other times it derides 'rampant' capitalism. A Cosatu and the SACP memorandum advocates 'a green economy and green jobs, all of which cannot simply be pursued within the capitalist framework'. They have formed a Joint Socialist Commission, led by their general secretaries, **Zwelinzima Vavi** and **Blade Nzimande**, and excluding the ANC. Vavi says they have 'identified a small right-wing tendency led by materialists and tenderpreneurs within the ANC leadership'. The one thing the factions agree upon is the need for a

tribunal to rein in the media.

On economic policy, only the most anodyne proposals made it into the discussion documents. Cosatu and the SACP want 'a qualitative policy shift away from the failed policies of the past' and are keen on nationalisation, especially of mining, which the ANCYL also wants 'with or without compensation', while Cosatu and the SACP prefer partnership between the public and private sectors. The ANC's official policy document warns against nationalisation, pointing to its failure in **Zambia** in the 1970s. On monetary policy, the document hedges its bets and says nothing about the left-wingers' claim that interest rates should be reduced in a 'big bang' stimulus.

The official document asks whether the government should consider a tax on external capital flows to achieve a more competitive level for the currency, the rand. Finance Minister **Pravin Gordhan** says, 'These matters must be carefully evaluated.' Vavi has told Cosatu leaders that Gordhan and his Finance Ministry are 'infected by the highly organised but conservative bureaucrats who have been driving neoliberal and conservative policies for the past 16 years', adding that overvaluation of the currency has held back manufacturing. Vavi wants devaluation, an end to inflation targeting and controls on the flow of capital abroad.

The official document takes up a proposal by Gordhan for employment subsidies in the form of tax credits for new jobs. The left wing says that would 'open the working class to super-exploitation' and wants 'working class' participation in deciding how the R846 billion allocated to infrastructure will be spent.

On corruption, the official document argues for an Integrity Committee to investigate allegations of misconduct by individual ANC members. The leftists prefer an End Corruption Campaign Coalition with civil society groups. Both sides want more training for party cadres. Cosatu proposes 'lifestyle audits' for senior public officials but everyone else is against that. There is general agreement that local grievances, especially about the provision of services, arise from failure to consult enough with communities. Cosatu would like to organise public consultations; the ANC would prefer to do the job itself.

The ANC broad church, comprising free-marketers and Marxists, agrees on the need to turn South Africa into a developmental state. The state's role is central, especially because the ANC seems to be failing in delivery of its electoral promises and management of state enterprises. But too often, the state and party roles are conflated in terms of business opportunities and plum, lucrative public service appointments. ●

TAKING SIDES IN THE BIG DEBATE

The main opposing statements for the National General Council to be held by the governing African National Congress come, firstly, in the official policy document and, secondly, in proposals from the party's leftist allies, the Congress of South African Trade Unions and the South African Communist Party (plus, sometimes, the ANC Youth League). Some extracts may give a flavour of the debate.

Cosatu and the SACP have sent their members a joint memorandum saying 'there is a need to create a green economy and green jobs, all of which cannot simply be pursued within the capitalist framework'. They propose a Joint Socialist Commission, excluding the ANC, to formulate 'a joint programme to maximise working class unity and build a broad left front for socialism'.

On press freedom, the ANC's policy document asks Parliament to 'investigate the creation of a media tribunal', accuses the media of 'sensationalism' for exposing government wrongdoing and asks: 'Should "sensationalism" be replaced with "developmental communication"?' The media should develop a Black Economic Empowerment 'transformation' charter, if they want to secure future government advertising spending, contracts or secure licences.

On the economy, Cosatu and the SACP want 'radical change and we will continue to defend that change including in the economy – a break with a modernising approach to an economy that needs radical systemic changes'. They say, 'The time is now to make a qualitative policy shift away from the failed policies of the past for the sake of our people. This is not an ideological beauty contest, it is the future of our country and this democracy which we must jealously guard.'

The Youth League calls for the sweeping nationalisation of mines 'with or without compensation' and the formation of a state mining company. All private companies should apply for new mining licences in partnership with the state company, and in such partnerships the state should at all times own not less than 60% of the 'shares and right of determination'. The SACP and Cosatu call that 'opportunistic' and, in a joint statement, say what the 'youth need is leadership and not demagogic mobilisation around a "get rich quick mentality".'

On monetary policy, according to the ANC document, 'debates remain' about whether it has been 'sufficiently supportive of equitable growth'. The official document also asks whether the government should consider a tax on volatile capital inflows to achieve a more competitive level for the rand. Finance Minister **Pravin Gordhan** has already said that while there is 'broad agreement on the need for a stable and competitive exchange rate', there is debate about the 'instruments and tactics to achieve this'. ●

AFRICA/ECONOMY

Roaring to go

As demand soars for Africa's oil, gas and minerals, its governments must find ways to strengthen their bargaining power

Optimism about Africa's economies is in fashion, as commodity prices stay high thanks to demand from Asia and Western investors seek outlets for capital that they find no profitable use for at home. Banks, consultants and fund managers have been selling Africa hard in 2010, sighing with relief at the continent's comparatively successful reaction to the global recession and predicting big things for the next few years as 'African capitalism flexes its muscles', to cite Boston Consulting Group's (BCG) June report on African companies that have the potential to go global.

Another United States consultancy firm, McKinsey and Company, joined the chorus in June, projecting African gross domestic product to hit US\$2.6 trillion by 2020 (from \$1.6 tn. today) and consumer spending to nearly double to \$1.4 tn. A report by Britain's Chatham House think tank takes a more strategic view: 'Africa is the foundation of the global supply chain – a strategic source of almost 40% of the raw materials, agriculture, fresh water and energy essential for global growth.'

Specialised funds crop up, looking to invest an estimated \$20 billion within the next four years, just as the African Development Bank promises to double its infrastructure funding to \$10 bn. by 2015. The AfDB counts on African governments to finance half of the estimated \$80 bn. needed for the necessary infrastructure investment; that will be possible only if reserves remain high and politicians think long-term.

The AfDB has described Africa's reaction to the global recession as 'spectacular', predicting GDP growth of 4.5% in 2010, above 5% in 2011, then an average of 6%. Growth dipped to 2.5% in 2009. Beneath the sunny rhetoric and numbers lie plenty of ifs, buts and skewed statistics, not least since five countries (Algeria, Egypt, Morocco, Nigeria and South Africa) account for half of Africa's GDP. The new focus is whether this rising growth will promote a leap from jobless growth dominated by natural-resource exports to the development of African manufacturing. If projections are borne out, by 2020 Africa will have witnessed two decades of consistent growth.

'If the population grows by 3% a year and productivity growth is only 3%, 6% GDP isn't going to be enough,' says Duncan Green of the non-governmental

organisation Oxfam. 'These projections focus on quantity, not quality.' Indicators, from education to food security, wealth distribution and development outcomes, combined with the problem of climate change, show the immensity of the mountain to climb. Western governments, cutting spending at home, will also cut aid abroad. A new report by Development Finance International argues that, after Keynesian spending in response to the recession, African governments are now running down foreign reserves, borrowing heavily and cutting welfare spending.

BCG's report, 'The African Challengers: Global competitors emerge from the overlooked continent', seeks to identify what it calls an economic awakening in Africa's Lions, the countries whose GDP at around \$10,000 per capita can now rival the BRIC nations (Brazil, Russia, India, China) and the Asian 'Tigers'. Of 40 corporate 'challengers', 18 are from South Africa (including Vodacom, MTN, Allied Electronics, Shoprite and Standard Bank) and 17 from Algeria, Egypt, Morocco and Tunisia. Also on the list are Angola (Sonangol, Banco Africano de Investimentos), Nigeria (Dangote Group, United Bank for Africa) and Togo (Ecobank).

McKinsey's projections in 'Lions on the move: the progress and potential of African economies' share the consensus that Africa's growth is no longer driven primarily by natural resources, citing 'flourishing' telecommunications, retail and building sectors as well as a rise in foreign direct investment from \$9 bn. to \$62 bn. a year between 2000 and 2008 (followed by a drop as Western economies faltered). McKinsey claim that 24% of GDP growth in 2000-08 came from natural resources. Academics point out that the dollars coming in spill into the rest of the economy and that the 2.8% productivity gains across the continent last year reflect economies of scale in urban areas – but little change in agricultural output. BRIC countries increased productivity by more than 7% in the same period.

Many economic statistics are unreliable as much activity in the informal African economy goes unrecorded. Domestic private consumption has increased, though. Standard Chartered Bank attributes growth more generally to stability and a 'democracy dividend' in Nigeria and South Africa, which account for over half of sub-Saharan African GDP. With a new array of international suitors, Africa's bargaining position is stronger than ever but, as Chatham House points out, without effective leadership the competition for its resources 'may degenerate into the kind of colonial exploitative scramble from which much of the continent has only recently begun to recover.' ●

*'Our Common Strategic Interests: Africa's role in the Post-G8 World', Tom Cargill, Royal Institute of International Affairs, London, at www.chathamhouse.org.uk.

THE NUMBERS ARE LOOKING UP

After peaking at US\$72 billion in 2008, foreign investment in Africa fell to \$59 bn. in 2009 but is now growing again and could exceed the \$80 bn. mark within a couple of years. Extractive investment, in oil and minerals, dominates the picture but South Africa is bringing in more backing for manufacturing and service industry projects.

The United Nations Conference on Trade and Development predicts a slow recovery in 2010 before faster growth in 2011 and 2012.

Fund managers predict a resurgence in capital flows, on the back of higher emerging-market returns. Figures released in early August for private equity funds, which account for about a quarter of foreign investment in Africa, show robust returns, with the \$1 bn. in funds raised for potential deals in sub-Saharan Africa in the first half of 2010 already exceeding the total for 2009. Hedge funds are also showing interest again but, according to a specialist fund manager, still less than in 2007. Banks and fund managers know that trend growth of 5% a year and limited corporate expansion present a chance of high rates of return and shareholder value in some areas. Compared to the commodities boom of the 1970s, the crisis of the '80s and the conflicts of the early '90s, Africa is growing faster: this year there are viable projects worth about \$10 bn. in need of finance.

A partner at a specialist Africa fund says he will be managing investment of over \$1 bn. in 2010. A World Bank report in October 2009 argued that although Africa needs \$93 bn. a year to fill the infrastructure gap over the next decade, current spending on infrastructure is higher than previously thought, at \$45 bn. Others warn that building new roads is not enough if transport costs are forced up by haulage cartels, middlemen and border bureaucracy. ●

The Afghan effect

African leaders ask why the West prefers to help the Kabul regime but not the even shakier one in Mogadishu

Behind the general condemnation of the 11 July bombings in Kampala, for which *Harakat al Shabaab al Mujahideen* (Mujahideen Youth Movement) claimed responsibility, Western governments are wary of African calls for diplomats and soldiers to tackle the worsening chaos in Somalia. The **United States** has made it clear it is not prepared to support the African Union's call for a 20,000-strong United Nations peacekeeping force. US officials have also told President **Yoweri Museveni** that Washington would not support a major **Ugandan** assault on *Al Shabaab* under a bilateral agreement with Somalia's Transitional Federal Government (TFG) or offer logistical support for such a move.

Despite these limits, the US Assistant Secretary of State for African Affairs, **Johnnie Carson**, and **Britain's** Africa

Minister, **Henry Bellingham**, in Kampala for the AU summit last month (AC Vol 51 No 15) made clear their continued support for the AU Mission in Somalia (Amisom) and for an increase in its numbers. US efforts will be limited to financial support and stepped-up assistance to Amisom and the TFG security forces.

In a four-hour meeting on the summit sidelines, the presidents of **Burundi**, **Djibouti**, **Kenya**, **Somalia**, **South Africa**, **Tanzania** and **Uganda**, and **Ethiopian** Prime Minister **Meles Zenawi** firmly told Ambassador Carson that Amisom and the TFG faced a critical shortage of resources. Amisom could not be a permanent 'fire brigade', they argued, and the shaky Mogadishu government needed stronger foreign backing. Regional leaders see Somalia as their **Afghanistan** and think that outsiders underestimate the threat.

Somalia's problems are spreading. There are more than 170,000 refugees in Kenya's Dadaab refugee camp. Thousands cross into Kenya every day, and tens of thousands more are in Ethiopia, Djibouti throughout the Greater Horn and beyond. The region is awash with illegal arms and other smuggled goods, many via Somalia. *Al Qaida* was involved in bombing the US embassies in Kenya and Tanzania in 1998 and Kenya's Paradise Hotel in 2002. Now *Al Shabaab*, linked to *Al Qaida*, has bombed Kampala (AC Vol 51 No 15).

The Uganda bombings could help *Al Shabaab* in at least two ways: they will prompt more foreign intervention in Somalia, whereupon *Shabaab* will try to capitalise on local nationalist sentiment, and the bombings may draw more direct support from *Al Qaida*. Already, several hundred fighters from outside are playing growing military roles in *Shabaab*.

Despite the growing influence of *Al Qaida* and more piracy in the Indian Ocean and Gulf of Aden, Western governments are chary about getting involved in projects to restore the rule of law in Somalia. Current policies, and dozens of warships, have had little effect on the piracy. Nothing has been done to track down the financial networks responsible for collecting and distributing the ransoms, a significant part of which has been going to *Al Shabaab* and *Hizbul Islam* in return for arms and protection.

Uganda now accepts the AU and Inter-Governmental Authority on Development position of rapidly providing another 2,000 troops for Amisom (from **Guinea** and **Djibouti**) to bring it up to the mandated 8,100. There was further agreement at Kampala to raise the ceiling to 11,000 with the provision of further forces. Amisom itself sees the increase as helping to create 'the necessary platform to pave the way for a negotiated settlement, to create an environment for a dialogue for all those interested in peace in Somalia.'

The AU meeting encouraged the Transitional Federal Institutions to work towards national reconciliation in line with the Djibouti Agreement of August 2009; it welcomed agreements with *Ahlu Sunna wal Jama'a* in March and with Puntland in April. It asked the Chairman of the AU Commission, **Gabon's Jean Ping**, to appoint a 'high-level personality' to galvanise international support for Somalia and called on the UN Security Council to mobilise suitable resources. This may not be enough to make the TFG and the TFI effective. Fixing Somalia requires a coherent plan and large commitments of funds, people and time.

Kenyan Foreign Minister **Moses Wetangula** has proposed an international task force, with UN and European Union officials, and a large African unit representing all Somalia's neighbours, with TFG, Somaliland, and Puntland

MOGADISHU'S MINISTRY OF TRUTH

Somalia's new Information Minister, **Abdirahman Omar Osman**, wants African Union troops to defend more aggressively the Transitional Federal Government (TFG) and its 'moderate' Islamist vision. The AU should act to 'prevent further extremism...and prevent what's happening in **Afghanistan**' being repeated in Somalia, he told *Africa Confidential* in London last week. Abdirahman Omar praised the Inter-Governmental Authority on Development's decision to send 2,000 troops to the AU Mission in Somalia, 1,000 each from **Djibouti** and **Guinea**. He particularly welcomed Djibouti, which he felt would deflect accusations that Amisom was an occupation force: 'We see Djibouti as our brothers, they are Muslim.' Most Guineans are also Muslim. Abdirahman says relations with regional governments are 'very good'. The TFG receives political and *ad hoc* financial support from **Sudan** as 'goodwill gestures'.

Al Qaida's relationship with *Al Shabaab* has undermined local reconciliation efforts, the Minister claims. 'The foreign elements are the leaders [in *Shabaab*], those who provide the resources, who provide the strategic mission,' he said. 'Without those foreign fighters, we would have been able to find a way out of this.'

So agreement with *Shabaab* looks unlikely: 'They refused to talk to us. We offered reconciliation, for them to discuss with us any power-sharing, anything they want, to stop the killing of the people.' Some might join a coalition, he argued: 'These moderate elements of *Al Shabaab*, those who believe the Somali agenda should be on the table, who are now powerless within *Al Shabaab* – we need to offer them some kind of incentives.' This is calibrated to appeal to both secularists and Islamists. 'To have a functioning state where Somalis can govern themselves, where they can choose their own leaders, where they can have local administrations that are accountable to its people – that is what we mean by the Somali agenda,' he said. Abdirahman shifted uneasily at the mention of secularism, claiming Somalis want *Sharia* but 'not too strictly' and he avoided the central issue of political secularism, a long tradition in Somalia.

The TFG's mandate expires next August. Although a new draft constitution is ready, consultation and a referendum are impossible while the TFG controls only parts of the capital. 'If the situation stays the same, we will ask the parliament to elect a new president and a new government, because we don't want the institutions to collapse.' ●

For the full transcript of this interview with Abdirahman Omar Osman, visit our website: www.africa-confidential.com

involvement. **Egypt** and **Saudi Arabia** could assist in Somalia's 'Islamic reintegration'. The aim would be to shore up an effective government in Mogadishu with support from the clans and key power-brokers which could carry out the agreed transitional programme. For now, that seems a distant prospect.

Neither the US nor the UN supports changing Amisom's mission from peacekeeping to peace enforcement. They argue, though, that the current mandate allows for pre-emptive offensive action when threatened. In fact, Amisom has already shown its support for the TFG's new capacity to push into *Shabaab*-held areas of Mogadishu as its newly trained TFG forces deploy, even if some defect to *Shabaab*. Some US officials say that too great an expansion of Amisom might push **Eritrea** to increase support for *Shabaab* and other extremist groups and trigger an Ethiopian response. Eritrea denies backing Somali extremist opposition groups, despite evidence to the contrary, but it still refuses to recognise the TFG.

More Eritrean involvement risks bringing Ethiopia back into Somalia and complicating matters further. Meles has ruled out any return of Ethiopian troops. Carson visited Ethiopia en route to Kampala to get Meles's assurance on this. Washington believes Addis's operations in Somalia in 2007 and 2008 allowed *Shabaab* to pose as Somali nationalists.

Carson has made it clear he is not impressed by the 'constructive disengagement' catchphrase touted by some as the best option: the argument

is that ending support for the TFG and withdrawing Amisom would prompt the collapse of President **Sharif Sheikh Ahmed**'s government in Mogadishu. Then, the theory goes, *Shabaab* would try to take over Mogadishu and split in the process. Following that, other Somali clan and business forces would be able to rebuild a more moderate political movement and oust *Shabaab* and other jihadists.

THE SEPARATE SHABAABS

Shabaab is not a monolithic organisation and is highly unpopular but its strength does not come from support for its Salafism or jihadism but from the fear that it generates, as well as support from business and clan interests opposed to the TFG. The flaw in the disengagement option is that there is no certainty that *Shabaab* would break up and any disengagement would probably lead to an influx of *Al Qaida* supporters and a worsening humanitarian crisis. A third of Somalia's population is already on the brink of disaster and *Shabaab* does not allow the operation of international non-governmental organisations.

Shabaab controls only southern areas and handing over to it could threaten more peaceful areas in central Somalia, cancelling the progress the TFG has made in reconciliation, with agreements with the more moderate Islamic forces of *Ahlu Sunna* in central Somalia in March and with Puntland in April. Allowing *Shabaab* to consolidate in Mogadishu would mean extensive conflict in the centre of the country, as well as in Puntland and

in Somaliland, which was the scene of a successful democratic change of government last month. Somaliland and Puntland have been more peaceful, though *Shabaab* suicide bombers have targeted them.

Puntland is currently involved in a substantial military operation in the Galgala Hills against Sheikh **Mohamed Said 'Atom'**, who recently declared that he and his 400-500 fighters belonged to *Shabaab*. According to the Puntland President, **Abdirahman Mohamud Farole** (AC Vol 50 No 6), Puntland forces currently have Sheikh Mohamed and his men surrounded. On the other side of the disputed border, Somaliland forces have also been concentrating in Erigavo in case Atom should try to move into Somaliland.

There is concern over developments in Somaliland, where the cabinet of the new President, veteran politician **Ahmed Mohamed 'Silanyo'**, has already run into criticism. As ever, the clan distribution of appointments has raised questions but of greater worry to neighbours, and to people in Somaliland, are the number of appointees associated with Islamic fundamentalist groups. They include **Mohamed Abdi Gaboose** (Interior Minister), **Mohamed Hashi Elmi** (Finance), the Ministers of Commerce, Industry and Tourism, Posts and Telecommunications, Religious Affairs and Aviation, along with the President's *Chef de Cabinet*, **Hirsi Ali Haji Hassan**. The steady Islamist shifting of the goal posts continues. ●

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Zimbabwe BULLFIGHTING

■ The Politburo of the Zimbabwe African National Union-Patriotic Front has always regarded the award of hero status as within its sole gift, something hotly contested by the Movement for Democratic Change and one of the outstanding issues of 2008's Global Political Agreement between ZANU-PF and the two MDC factions.

Within hours of President **Robert Mugabe's** sister **Sabina** dying on 28 July, the Politburo had declared her a national heroine and decreed a ceremonial burial at Heroes Acre. The MDC protested that as it had not been consulted, the funeral should be a ZANU affair. The only senior MDC members present were Finance Minister **Tendai Biti** and Home Affairs Co-Minister **Theresa Makone**. Tsvangirai paid private condolences and the MDC-controlled Harare City Council blitzed the accumulated rubbish along the cortege route.

Most Western diplomats leapt at the opportunity to stay home. However, the **German, Greek and American** ambassadors and the European Union Chargé attended – until Mugabe launched an embittered attack on sanctions and told the West to 'Go to hell!' 'We weren't sure of the exact directions to go, so waited till he had finished his speech before staging a walkout,' said one diplomat.

Meanwhile, defying a police ban, Tsvangirai held his first rally in Hwange, Matebeleland North. In 2008, the local police chief, Assistant Commissioner **Edmore Veterai**, detained Tsvangirai for hours, barred him from campaigning in the province and impounded his armoured BMW X5 (now gathering dust in Lupane police pound). On to Bulawayo for another rally in Deputy Premier **Thokozani Khupe's** Makokoba seat. The MDC wanted to devolve power to the provinces in the new constitution, he declared. He also took a swipe at **Welshman Ncube's** ambition to displace Deputy Premier **Arthur Mutambara** as MDC-M leader.

In the MDC campaign to butter up Matebeleland, Harare Council had allocated a prime site and started the plinth for a statue for **Joshua Nkomo (Baba Zimbabwe)**. Instead of the anticipated accolades, they were startled to be accused of disrespect: the site is overshadowed by the high-rise Karigamombe Centre. *Karigamombe* is a post-Independence Shona nickname of Mugabe's, meaning 'the one who takes the bull by the horns'. The bull was the Zimbabwe African People's Union's symbol in the Independence elections and the Ndebele for 'bull' is *nkomo*. Legal action has commenced.

Ethiopia OPPOSITION NUPTIALS

■ Activists in the opposition coalition Medrek met on 31 July to form a single party after their disastrous performance in the May elections (AC Vol 51 No 11). Although the opposition claimed the government's landslide victory was due to foul play, claims partly backed up by criticism of the polls by European and **United States** diplomats, the opposition parties' lack of organisation and coordination made their position even weaker.

The governing Ethiopian People's Revolutionary Democratic Front now controls 545 of 547 parliamentary seats; Medrek has just one – won by **Girma Seifu** – and it may not take that up in protest at the electoral fraud. Parliament is due to resume in October.

Medrek now consists of six parties and is in informal discussions with another four; in the elections, eight parties backed Medrek, with the common aim of ousting Prime Minister **Meles Zenawi** but they had very different policies. Even before the polls, veteran oppositionist **Mesfin Wolde Mariam** circulated a searing critique of the executive committee of the Unity for Democracy and Justice (UDJ) party as 'dictatorial, incompetent, corrupt and non-transparent'. In some constituencies, two Medrek candidates stood against each other, further cutting the opposition vote.

Malawi DOG DAYS IN LILONGWE

■ When five dogs belonging to a white **Zimbabwean** couple, **Dean** and **Helen van Schalhwal**, savaged their 72-year-old watchman, **Samson Chindima**, in Lilongwe last month, the incident escalated into a political furore drawing in President **Bingu wa Mutharika**.

Mutharika told the press that the Van Schalhwal's insistence on giving their injured watchman an HIV test showed they were more concerned about the health of their dogs than their employee – and accordingly they were grossly racist. 'I don't have room for this couple...I will be sorting them out,' said the President before setting off to **Uganda** to chair the African Union summit. 'Malawi is for black people. We are a black country.'

In his absence, his ministers toed the line: Minister for the Elderly **Reen Kachere** agreed that the couple were more concerned for their dogs than for Chindima, the Labour Minister was appalled that the dogs were not under proper control, the Deputy Home Affairs Minister announced an investigation into the pair's immigration status, and the Director of Animal Health noted that five dogs is above the legal limit of three. Talk of heavy compensation payments and deportation was in the air. The Human Rights Consultative Committee described

the incident as 'an attack on human dignity'. The police, who had begun by treating the case as lightly as all others of its kind, now arrested Van Schalhwal and held him in Maula Prison.

When Mutharika returned from Kampala, his attention had shifted to the more pressing issue of changing the position of the sun on the national flag: the modestly rising sun on the old flag has now been changed to a blazingly triumphant midday sun. This presidential decision was taken with minimal consultation. We hear the government's accountants are yet to produce an estimate of the cost to the already overstretched public finances of the changes to all the flags, official badges, official stationery and driving licences.

Sudan UNDER NO CIRCUMSTANCES

■ When **Awad Ahmed el Jaz** told a National Congress Party youth meeting on 1 August that the separation of the South 'cannot be allowed under any circumstances', it was no slip of the tongue. He is one of the NCP's key leaders. On 31 July, Presidential Security Advisor **Salah Abdullah 'Gosh'** declared that the Permanent Court of Arbitration's 2009 ruling on Abyei's boundaries 'did not satisfy the needs of the two partners', who should seek 'new solutions'.

Next day, also at the youth meeting, Vice-President **Ali Osman Mohamed Taha** declared that 'chaos' would follow any Southern separation and supporters of the idea were 'losers'. All this appears to confirm what many have long believed: the NCP has no intention of allowing credible referenda (AC Vol 51 No 13).

The 'partners' in 2005's Comprehensive Peace Agreement (CPA) no longer even pretend to agree. The Sudan People's Liberation Movement, in power in the South, says the referenda will go ahead as scheduled in January, whether or not the borders of Abyei and the South are demarcated. The NCP, which rigged April's elections, insists that no referendum can be held without a clear North-South border. Borders determine who votes, so that looks justifiable but Khartoum's refusal to accept SPLM candidates for the border commissions has caused most delays.

Interested international parties, especially **Britain, Norway, the United States** and some African governments, are reluctant to offend Khartoum and maintain the same 'even-handedness' they professed over Darfur. So Khartoum escapes censure for its determined attempts to sabotage the referenda. Yet the foreign sponsors of the CPA are showing signs of panic as time runs out. Last month, **South African** former President **Thabo Mbeki** proposed a 'confederation' or at least separation with 'soft borders' and 'free movement'. Both would please Khartoum, not Juba.

BLUE LINES

South Africa's usually amenable President Jacob Zuma rails against journalists' interest in the business liaisons of the African National Congress. 'The media has put itself on this pedestal of being the guardian,' he fumes. 'We therefore have the right to say who is guarding the guardian.' He accuses the press of conspiring to stop him becoming president – it reported in detail the charges against him in 2007 of corruption, racketeering, fraud, money laundering and tax evasion. All the charges were dropped just before his election in 2009.

Zuma proposed a media tribunal to regulate critical reporting. The Congress for South African Trade Unions, whose members are now on a national strike, has warned that it could become a censorship tool. Cosatu's position will do nothing to shore up its already faltering alliance with the ANC. The opposition Democratic Alliance has compared the plan to the draconian apartheid-era press controls; the move has been widely condemned by Western newspapers.

Only a few ANC chieftains, such as Pallo Jordan and Ben Turok, have ventured to criticise the proposal, but some hope it might be quietly dropped before the party's National General Council next month. That is improbable, as Zuma's supporters are ready for a fight with the journalists. If the hardliners win, it will be to the detriment of the freedom to investigate political and corporate malfeasance and to South Africa's international standing, boosted hugely by its successful hosting of the World Cup.

GHANA

The politics of no

Party feuding, jarring personalities and tax deals – not rivalry with China – have kept ExxonMobil out of Ghana's oil fields

The announcement on 17 August by ExxonMobil that it is abandoning its campaign to buy a 23.5% stake in the Jubilee field, Africa's biggest offshore oil field, is likely to precipitate a bid by the Ghana National Petroleum Corporation (GNPC), backed by the China Offshore Oil Corporation (CNOOC), *Africa Confidential* has learned.

Although some interpret the move as another tactical victory for China against big Western oil companies, ExxonMobil's problems are due more to Ghana politics than geopolitics. CNOOC, along with several other international companies – and even investment banks such as Goldman Sachs – were warned off the deal by ExxonMobil's lawyers, who sent letters threatening action against them in the Texas courts for 'tortious interference' (unlawful interference with trade) should they try to propose a rival bid.

Last September, ExxonMobil signed an 'exclusive and binding agreement' to buy a 23.5% stake in Jubilee, owned by Kosmos Energy of the United States. The stake was valued by ExxonMobil at around US\$4.3 billion. However, Kosmos has been locked in a dispute with the Ghanaian government over data-sharing and unproven claims of criminality against its local partners in Ghana (AC Vol 51 No 15). This exclusive and binding agreement between ExxonMobil and Kosmos foundered on the concerted opposition of the GNPC, Minister of Energy Joe Oteng-Adjei and ultimately, President John Evans Atta Mills.

Within two weeks, GNPC officials are due to meet and open negotiations for the

purchase with private equity companies Blackstone Group and Warburg Pincus, which have a majority stake in Kosmos Energy. GNPC has retained US bankers Morgan Stanley and British lawyers Freshfields as its advisors.

CNOOC has guaranteed a \$5 bn. bridging loan facility to Ghana, a senior GNPC official said in Accra: 'Under the arrangement, CNOOC would take 10.1% of the asset, GNPC would keep 3% and market the remaining 10.4% to a credible technical partner.'

In late July, John Atta Mills set up a committee to review the transaction and suggest a way to resolve the dispute. Chaired by ex-World Bank vice-president Gobind Nankani (AC Vol 47 No 22), with several senior politicians and international civil servants among its members, it took just over two weeks to talk to all the companies (including ExxonMobil) and report back to Mills in early August, before his summer holiday. It advised Mills to reject the Kosmos sale to Exxon and instead back the GNPC's efforts to raise finance, either through CNOOC or a consortium of Western banks, to buy the stake direct from Kosmos and select its own technical partner for the Jubilee project.

Ghana insists it has no intrinsic opposition to ExxonMobil, the world's biggest oil company, and says that another unit of the company is interested in a field currently operated by Amerada Hess, further out to sea. While in the USA on holiday, Mills met Assistant Secretary of State Johnnie Carson in Washington to dampen concern there that Accra was showing a preference for business with Beijing.

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President Mills has set up high-powered teams to advise him on the contentious sale of a stake in the Jubilee field.		Khartoum is determined to block them; the South is determined to go ahead.		The NCP employs a variety of tactics to undermine the referenda.		A grenade attack greets Kagame's reelection.		ZAMBIA	9
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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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Exxon's statement livened up the markets in mid-holiday season as bankers jostled to propose financial and management structures for an alternative transaction. The leading contenders as technical partners in the consortium are Norway's Statoil ASA, BP (which had proposed an attractive joint development and training programme to Ghana, despite its crisis in the Gulf of Mexico) and Royal Dutch Shell.

Kosmos recently told GNPC that there was a 'tiny window' in which it would accept a 'realistic market-based bid' from Ghana, according to an official source in Accra. We hear that Blackstone and Warburg Pincus, which stand to make a fourfold profit on their backing for the Ghana oil development, would prefer Kosmos to sell soon if it could secure a

market price. Kosmos is an exponent of the 'find and sell' business model: it is set up to explore, locate and bring oil wells to production and then quickly sell on to a bigger international oil company. Kosmos insists that it can stay put: after its investment of some \$1.5 bn. in Jubilee, it can expect an income of \$1 bn. a year once production starts.

ExxonMobil's entreaties to Accra have dragged on since last September, when a top delegation of the company surprised President Atta Mills, then in New York for the United Nations General Assembly, by telling him its company had secured a 23.5% stake of the Jubilee field in secret negotiations with Kosmos.

This infuriated GNPC officials, at loggerheads with Kosmos. Moreover, the governing National Democratic Congress (NDC) is deeply suspicious of Kosmos's local partner, EO Group, which brought the company to Ghana and secured from it a 3.5% stake in the West Cape Three Points block (AC Vol 51 No 15).

EO's directors, **George Owusu** and **Kwame Bawuah-Edusei**, are supporters of the opposition New Patriotic Party and close to former president **John Kufuor**. They stood to gain \$200-300 million if Kosmos was able to sell its stake to ExxonMobil. NDC officials were convinced

that a substantial part of this would find its way into the NPP's campaign coffers before the 2012 elections.

Ghanaian officials call Kosmos's deal with EO Group 'the original sin'. They see the association as politically tainted and question why Kosmos was able to secure fiscal terms that were \$3.8 bn. better on its West Cape Three Points field in 2004 than the terms secured a year later by its counterpart, Ireland's Tullow Oil, on Deepwater Tano, an adjacent field of similar prospectivity.

Both Kosmos and EO Group emphatically deny any malfeasance and point to a nine-month investigation by the US Department of Justice into the arrangement, which concluded there was no evidence of breaches of the US Foreign Corrupt Practices Act. In Accra, the political sting persists and Attorney General and Minister of Justice **Betty Mould-Iddrisu** is still preparing a case to prosecute Owusu and Edusei for fraud in the Ghanaian courts.

Agreement on sale price could be more problematic following an announcement last month from Tullow of a big new discovery in the Owo field, in which Kosmos also has a stake. According to Kosmos, the ExxonMobil offer of \$4.3 bn. was already well under the stake's market value, so it would now be looking at \$5-6 bn. Although GNPC says it will match the ExxonMobil offer, it would be reluctant to go much beyond it and eat into funds needed for project development, such as refineries and gas pipelines.

Another complication is the status of the EO Group's 3.5% stake. Although the contract between Kosmos and EO Group has not been disclosed to them, GNPC believe that Kosmos will have an obligation to protect and accommodate Owusu's and Edusei's interests in the sale.

Time is pressing. Once commercial production of oil starts, all the stakeholders (including EO Group) will have to pay their share of the production costs on the field. The parties will also face a new petroleum tax regime. Although Kosmos may fend off an excess profits tax on its capital gains from the sale of its Ghana assets, due to stabilisation clauses in its current contract, it would be liable for capital gains tax under a new schedule following the start-up of commercial production later this year, according to the GNPC.

A resolution of the dispute would help the government to bring in new partners for the second and more expensive phase of development. The campaign for the next general election will start in 18 months' time. With that kind of background noise, the next round of negotiations over Ghana's oil assets may not be much more congenial than the last. The difference this time may be that it will be in everyone's interest to reach a speedy conclusion. ●

A GOVERNMENT TEAM IN THE OIL BATTLE

President **John Evans Atta Mills** has remained above the fray throughout the dispute between the Ghana National Petroleum Corporation (GNPC) and Kosmos Energy but has set up two committees to advise him on policy on the contentious sale. The first was set up last November and is jointly chaired by former National Security Advisor **Kojo Tsikata** and former Prime Minister **Paul Victor Obeng**. Its objective is to monitor commercial and diplomatic developments in the negotiations with Kosmos, ExxonMobil and other potential investors.

The second committee was set up in July and was chaired by former World Bank Vice-President and current Executive Director of the Oxford International Growth Centre at the London School of Economics, **Gobind Nankani**, with the sole objective of evaluating the final offer made by ExxonMobil to the government during discussions over the Kosmos sale. The other key members of the committee were President Mills's brother and former general counsel for the World Bank, **Cadman Atta Mills**, **Paul V. Obeng**, Trade Minister **Hannah Tetteh**, GNPC Director **Kyeretwie Opoku** and the Chairman of the governing National Democratic Congress, **Kwabena Adjei**, recently back from China.

The Chairman of GNPC, **Kwamena Ahwoi**, is one of John Mills's closest political allies from the central region. He was particularly infuriated when the United States Embassy in Accra turned down his request for a visa to have discussions with Kosmos's financiers, the private equity companies Blackstone and Warburg Pincus, in New York.

Nana Asafu-Adjaye, Managing Director of GNPC, and **Thomas Manu**, Operations Director, have led the state oil company's opposition to the Kosmos sale on legal and strategic grounds. They are ex-colleagues of **Tsatsu Tsikata**, the influential former GNPC Chairman and Managing Director of the energy consultancy firm Stratoil. Minister of Energy **Joe Oteng-Adjei**, whose primary expertise is in the electric power sector, has become increasingly exercised as the dispute between the government and Kosmos worsened.

The Attorney General and Justice Minister, **Betty Mould-Iddrisu**, is managing Ghana's investigations into relations between the EO Group and Kosmos Energy and members of the previous government. Although the US Justice Department sent letters to both EO and Kosmos directors, informing them that, having failed to find any evidence of breaches of the Foreign Corrupt Practices Act, it had formally ended its investigation of their operations, Mould-Iddrisu says the investigations are continuing in Ghana. ●

No referee for the referenda

Khartoum is determined to block January's referenda; the South is determined to hold them

Four months before the scheduled referenda that would decide Sudan's future borders, the ruling National Congress Party in Khartoum is now openly saying that a 'credible' referendum is impossible in the South. That shifts the focus away from the NCP's delaying tactics on the preparatory measures to the much bigger question of whether the vote will be held at all – and the consequences of postponement or even cancellation.

At the same time, the Sudan People's Liberation Movement, which dominates the Juba government, is ever more loudly categorical that the Southern referendum on whether to stay in a united Sudan will be held on time, no matter what, and it insists that Abyei will get its simultaneous referendum on joining the South or staying in the North. The SPLM has shown how seriously it takes the threat to the referenda by calling a meeting of its highest body, the National Liberation Council, on 15 September. The NLC has not met for two years.

This will make major policy decisions for the coming months: the SPLM Political Bureau had felt it needed a wider consensus, we hear. Women's, youth and diaspora groups, as well as constituency representatives, will all attend. The congress will focus on the referenda themselves, the post-referenda arrangements and the options available after a unity or independence vote – if one takes place.

For three months, the NCP (the rebranded National Islamic Front, NIF) has carefully built its campaign against the referenda (though it rarely mentions the Abyei one). The campaign is public but never overt: the NCP is after all legally bound to hold the referenda by January 2005's Comprehensive Peace Agreement (CPA) with the SPLM. The **United States**, **United Nations**, **African Union**, **Britain** and **Norway** were all facilitators or 'guarantors' and the NCP knows they are watching and more sympathetic to the South than to the Islamist regime. The NCP also knows they are unlikely to do more than complain if NCP interference is not too blatant.

Since the CPA, the NCP has pursued a campaign – which the International Criminal Court (ICC) now calls 'genocidal' – against civilians in Darfur, human rights abuses elsewhere in the North

and interference in the South with few external protests. The UN argues that its engagement policy allows the UN Mission in Sudan (UNMIS) and the UN-AU Mission in Darfur (UNAMID) to function as they should despite evidence to the contrary. US Special Envoy **Scott Gration** has consistently sought to placate his NCP 'friends'. He was effectively demoted on 26 August when **Princeton Lyman** – a UN expert who has been US aid chief in Ethiopia and ambassador to **Nigeria** and **South Africa** – took over the Sudan team. Gration is now mooted as ambassador to

a startled **Kenya**.

Britain's new Africa Minister, **Henry Bellingham**, extolls the benefits Sudan offers to British companies; **France** seeks to mine more gold. Yet both countries were enthusiasts for the ICC, against which Khartoum continues successfully to rally official opinion in African, Arab and Muslim countries. Given the falling popularity of Western interventions in **Afghanistan** and **Iraq**, Khartoum calculates that it has little to fear from outside forces. Essentially, it fears only military attack of the type that Washington launched after **Al Qaida's** 1998 attacks on US embassies in Nairobi and Dar es Salaam.

Khartoum calculates that it has neutralised governments it had earlier tried to destabilise, such as Ethiopia and **Chad**. Ethiopia gets most of its petroleum from Sudan, while sources in Khartoum say the Chadian authorities received US\$3 million this year to stop backing the

STRATEGY OF SABOTAGE

The National Congress Party employs a variety of tactics to sabotage January's referenda. Because a 60% quorum (of a still undefined electorate) is needed and a 51% vote for or against, every NCP move counts.

- Backing militias to destabilise the South. The Sudan People's Liberation Movement now openly blames its 'partner' for supporting **Uganda's** Lord's Resistance Army (increased attacks in Western Equatoria), General **George Athor Deng's** militia in Jonglei, Colonel **Galwak Gai Deng** (Unity State), and **Lam Akol Ajawin** (Upper Nile). It says it has evidence (AC Vol 51 No 12).

- Backing anti-SPLM Southern parties. The SPLM has countered this effectively; many oppositionists have joined the SPLM or agreed to cooperate.

- Creating uncertainty about whether the referendum will be free and 'credible'. The NCP repeatedly says any fair vote could only be for unity.

- Spreading uncertainty that the referendum will take place.

- Harassing the SPLM in the North, including presidential candidate **Yasir Saeed Arman** and the *Ajrass Hurriya* newspaper.

- Refusing SPLM candidates for the referenda commissions. The SPLM, however, cannot refuse NCP candidates.

- Appointing Northerners to both the chair and secretary generalship of the South Sudan Referendum Commission. The SPLM accepted **Omer el Sheikh** as SG this week only 'to break the impasse', said a source. Omer then reportedly resigned, further delaying preparations. Chairman **Mohamed Ibrahim Khalil** earlier threatened to resign.

- Turning the SPLM's insistence on holding the votes on time against it by pressuring it to accept NCP terms.

- Paying Juba its share of oil money in local currency this month, creating shortages in an import-dependent South.

- Using deniable Islamist groups such as *Hizb el Tahrir* to call for abandoning the Comprehensive Peace Agreement and the Southern right to independence.

- Failing to agree on voting eligibility or numbers of Southerners in the North.

- Failing to allow a debate in the North but accusing the SPLM of breaking the CPA by backing separation.

- Encouraging interested foreigners to take an even-handed approach (as in Darfur), even though the NCP wants the CPA to fail while the SPLM wants it to succeed.

- Failing to enable the demarcation of the borders of Abyei and between North and South. The NCP can then claim the votes were invalid.

- Fuelling African fears of state disintegration. Even **South African** ex-President **Thabo Mbeki** mentioned this danger.

- Convincing Arab governments of a Zionist plot to dismember Arab countries.

- Fuelling Western fears of more 'failed states' in the global south.

- Portraying the Nile as under threat.

- Withholding referendum funds from Juba. ●

Justice and Equality Movement and expel its leader, former NIF minister **Khalil Ibrahim Mohamed**. Now Khartoum angrily claims that the SPLM's firm ally, **Uganda**, is training JEM fighters. SPLM sources acknowledge this may be true.

The only other neighbour Khartoum fears is **Egypt**. Yet Cairo has its own problems and, viewing the NCP through a security optic, thinks (as does the West) it has 'contained' the Islamist regime that in 1995 tried to assassinate President **Hosni Mubarak** (AC *passim*). Having nearly succeeded and given a tremendous boost to NCP allies in Egypt's banned Muslim Brotherhood, Khartoum strategists understand well the sensitivities in relations with Cairo.

This leaves the SPLM's most powerful friend. The NCP this month taunted President **Barack Obama's** government on the twelfth anniversary of the bombing of Sudan's El Shifa factory. In 1998, **Bill Clinton's** government said the factory manufactured precursors for chemical weapons. This June, the US Appeal Court rejected yet another claim by Khartoum. Yet the NCP has still not uttered a word

about the **Israeli** bombing of arms convoys it was sending to the Hamas regime in Gaza (AC Vol 50 No 7). Israel remains a threat to Khartoum only if it is caught out again. The Pentagon remains the only strong external threat but, as long as competing US intelligence agencies believe they receive useful information under their cooperation agreement with Khartoum, they may continue to turn a blind eye to its Islamist activities at home or abroad. They have effectively given the NCP a free hand.

NO ONE TO THE RESCUE

In the South, the assumption that the 'international community' would come to the rescue has faded. The people of Abyei, meanwhile, could not fail to notice that UNMIS stood by and watched as Khartoum's troops and militias shelled the town in May 2008, virtually destroying it (AC Vol 49 No 11).

Abyei electors are not supposed to know whether the South will be independent or not when they vote. However, Abyei's boundary is unlikely to be demarcated in time and the required

commission has yet to be formed, since the NCP keeps rejecting SPLM candidates. Meanwhile, it has moved 'thousands' of Baggara Missiriya Arabs into the area, thereby challenging the residence qualifications needed to vote. Some of the Missiriya are militia or troops.

A prime NCP strategy is training and arming militia to destabilise areas throughout the South's 800,000 square kilometres. Khartoum has also had ample help from a ham-fisted disarmament campaign by the Government of South Sudan's armed forces, the Sudan People's Liberation Army. The SPLA disarmed people in a sometimes brutal and partial manner which fuelled local political, economic and ethnic rivalries. This was easy for the NCP to exploit and provided it with useful cover. The SPLM increasingly accuses the NCP of backing the militias. It would be a rash person who mentioned nowadays the CPA 'partnership' between the two parties in the Government of National Unity.

So strong is the independence passion among Southerners that the NCP campaign has had limited success. Yet it has caused many of the 3,000-plus civilian deaths this year and fuelled poverty and hunger, which UNMIS number two **Lise Grande** and others identify as threats to the referenda. The biggest threat, though, is not to the results, widely considered as foregone conclusions, but to holding the vote at all.

NCP referendum propaganda noticeably swelled after it got away with rigging the elections and found itself even more securely in power, and accepted, mutely or warmly, by other governments.

A main NCP tactic is to delay the referenda. As excitement rises in the South, runs the theory, any delay could trigger mutinies, 'tribal' clashes and interventions by other Southern parties, including those widely seen as pro-Khartoum, such as the South Sudan Democratic Forum, led by a veteran politician and former oppositionist, Presidential Advisor **Bona Malwal Madut Riing**, or the SPLM-Democratic Change of **Lam Akol Ajawin**, once an ardent supporter of Southern secession.

The NCP hopes the South will implode, allowing it to intervene militarily, if necessary, on grounds of 'saving the nation from fragmentation' and 'saving the South from itself'. The NCP has redefined the Darfur war as an intervention to save the nation from rebels, rather than the ethnic cleansing campaign that it itself launched. Although it knows international interest in the South is greater than in Darfur, it believes that it could get away with a war seen by outsiders (and many Northerners) as caused more by inter-Southern hostility, incompetence and corruption than by



NCP strategy. Darfur disproves a common external assumption that the NCP signed the CPA because it was 'tired of war'.

Just as the South was a testing ground for its war in Darfur, so now Darfur is a testing ground for any future war in the South or elsewhere. Despite pleas from several international non-governmental organisations, governments and the UN persist in seeing the Darfur and Southern situations as separate: this enables them to avoid confronting the common factor, the Khartoum regime.

This allows the NCP to threaten to 'relocate' 50,000-60,000 displaced people from Kalma camp, forcing thousands to flee. After a show of support for UNAMID, the NCP went into Kalma 'for the first time in six years' on 25 August and blocked access to UNAMID. The UN Under-Secretary General for Humanitarian Affairs and Emergency Relief Coordinator, **John Holmes**, has repeatedly protested this month about the treatment of people in Kalma, but since 2003 neither the UN nor the AU has been willing to stand up to the regime.

The NCP's actions are not just a show of anger; since it has no international goodwill to lose, they cost Khartoum

nothing and test the limits of its relations with other governments and the UN. This will be useful in the South.

Amid the controversy over its ally **Iran's** development of nuclear power, it has even managed to get the International Atomic Energy Agency to bless the construction of two nuclear reactors, one for research and one for electricity, according to Science and Technology Minister **Issa Bushra** last week. In a country with often unreliable infrastructure and an Islamist regime, some find this prospect alarming.

Iran's unveiling of its first armed unmanned aerial vehicle on 22 August increases concern. Tehran has close political and military relations with its fellow Islamists in Khartoum. This had already led in 2008 to the production, under Iranian guidance, of UAVs in Sudan which were used in Darfur in contravention of the UN arms embargo, as *Africa Confidential* revealed (AC Vol 49 No 18). The UN later verified this information, we understand, but no UN Security Council action ensued.

The SPLM knows full well that it must depend on its own army to protect it, a pillar of the philosophy of the late Commander in Chief, Colonel **John**

Garang de Mabior. The SPLA has been quietly training and equipping with help from, among others, South Africa and the USA. The NCP is therefore preparing opinion for a war it can blame on the SPLM. This went up a gear last week as stories sprouted in the Northern media that the SPLA had purchased what the government-linked Sudan Media Centre called 'eleven advanced aeroplanes'. Observed one SPLM official: 'You cannot have an air force without aeroplanes!' The South Sudan Legislative Assembly voted last year to establish an air force. Rather than aircraft, 'air defence weapons are what they need!' commented one Western military source. If drones are used in the South, they will.

'The SPLM will never start a war,' said an SPLM source, 'but the denial of the right to self-determination would create new conditions on the ground and could trigger some to act, as they did in 1983', a reference to the Southern mutiny that began the second North-South war, as it had the first in 1955. Normally cautious observers are certainly warning of the threat of war: they include Southern Sudanese churchmen and a host of Western NGOs. ●

RWANDA

The polls close but violence continues

A grenade attack greets President Kagame's reelection – and another army officer heads to gaol

Assassination attempts – failed and successful – have tarnished **Paul Kagame's** second landslide election victory. Nobody was surprised when, on 9 August, Kagame was reelected to the seven-year presidency with 93.08% of the national vote. His three authorised opponents were **Jean-Damascène Ntawukurirayo** of the *Parti Social Démocrate* and Vice-President of the National Assembly, with 5.15% of the vote; **Prosper Higiho**, *Parti Libéral*, Senate Vice-President, 1.37%; and **Alvera Mukabaramba**, *Parti du Progrès et de la Concorde*, with 0.4%. All three have operated as part of the ruling coalition, the *Forum de Concertation des Formations Politiques*.

The leader of the main Hutu opposition party, **Victoire Ingabire** of the *Forces Démocratiques Unies*, was not allowed to stand for the presidency. A United Nations Panel of Experts has accused her of regular contact with the *Forces Démocratiques de Libération du Rwanda* (FDLR), based in **Congo-Kinshasa**. She called on the world to reject the election result.

All other potential candidates were intimidated or disqualified. After the election, the **United States** National Security Council declared its concern about the closing of two newspapers, the expulsion of a human rights expert, the banning of two opposition parties and the arrests of several journalists. The European Union's High Representative for Foreign Affairs and Security, **Catherine Ashton**, called for a wider 'opening of the political space'.

Violence marred the campaign and continued once it was over. **Jean-Léonard Rugambage**, deputy editor of the banned fortnightly *Umuwugizi*, was murdered on 24 June. **André Kagwa Rwisekera**, deputy of the Democratic Green Party, was killed on 16 July. After the polls, a grenade in Kigali killed two people and injured seven on 11 August. Three suspects were arrested in connection with the grenade attack, the latest of several that have struck Kigali in recent months. The defence ministry spokesperson, **Jill Rutaremara**, announced 'radical measures' against the 'terrorist groups' responsible.

The government blames the instability on dissidents from the *Forces Rwandaises de Défense*. A number of current or former officers have been arrested or have fled the country. Colonel **Patrick Karegeya**, ex-chief of the army's security service, escaped to **South Africa** in 2005, where he remains a vocal critic of Kagame. **Emmanuel Karake Karenzi**, former second-in-command of the UN-African Union mission in Darfur, and **Charles Muhire**, former air force chief of staff, were arrested in April. Brigadier Gen. **Jean-Bosco Kazura**, president of the national football federation, was arrested on 10 June as he returned from the World Cup in South Africa (AC Vol 51 No 14).

Lieutenant General **Faustin Kayumba Nyamwasa**, who defected early this year, was shot and wounded in South Africa on 19 June (AC Vol 51 No 13). The attack strained relations with South Africa, which recalled High Commissioner **Gladstone Dumisani Gwadiso** from Kigali. South African authorities have made ten arrests in connection with the case. Then, on 20 August, Kayumba's younger brother, Lt. Col. **Rugigana Ngabo**, became the latest officer to be gaoled. He was accused of 'acts of destabilisation'.

On 17 September, the High Court is due to sentence another dissident, **Déogratias Mushayidi** of the *Front Patriotique Rwandais*, who is accused of working with the FDLR and conspiring to overthrow Kagame's government. The sentence is expected to be harsh. ●

The battle of the Nile

Egypt and Sudan are playing a central role in the dispute over the Nile. They know they can no longer ignore the thirst for water of the seven upstream countries but are focussed on their own growing needs. The five states most concerned, led by Ethiopia, intend to change the balance of water power.

CHANGING TIMES UPSTREAM

The old arguments about the Nile waters will enter a new stage this autumn, when the nine governments of the Nile Basin Initiative (NBI) next meet. On present form, it looks improbable that this will heal the rift between **Egypt** and **Sudan** on one hand and the upstream countries on the other. The flow of conciliatory but firm statements from Egypt and **Ethiopia** has been rising. **Rwanda** and **Tanzania** joined Ethiopia, **Kenya** and **Uganda** (all major regional players) in signalling that it was time for change by signing the NBI Cooperative Framework Agreement on 14 May. The CFA rejects the 1929 and 1959 Nile Waters Agreements, which gave the lion's share – 85% or 55.5 billion cubic metres per year – to Egypt, but it did not decide new allocations. This leaves room for manoeuvre and negotiation.

Further complicating the regional power balance is the scheduled referendum on Southern Sudan's independence (see Feature). Though Juba has already told Cairo it will keep to the 1959 treaty, Southern independence would certainly reduce Cairo's and Khartoum's control (AC Vol 51 No 15).

The debate is in many respects more political than hydrological and the Nile Basin is a battlefield for other competing interests, both internal and external. Egypt and Sudan still behave as if they owned the river. In 1995, the upstream grumbling grew louder. Cairo skilfully played for time at NBI meetings until, this year, it was jolted into a realisation that the times were indeed changing. With Sudan in tow, it found itself in a clear minority. The determination and organisation of the other riparian states had been quietly growing, to match the pressure on their supplies of food and energy.

In late April 2010, struggling to preserve the 1959 Agreement and with an NBI meeting threatening to draw up a new one, the Egyptian Minister of Water Resources, **Mohamed Nasreddin Allam**, declared: 'The Nile Cooperative Framework Agreement must clearly recognise Egypt and Sudan's historic share of the Nile waters.' Yet Egypt agreed to participate in the negotiations, alongside Ethiopia, Kenya, Rwanda, Tanzania and Uganda, and two countries on the remote upper reaches of the river's tributaries, **Burundi** and **Congo-Kinshasa**. Cairo's strategy was to spin out, and thus delay, the process; with so many countries involved, it would be hard to reach consensus.

The results have been mixed. Against opposition from Cairo and Khartoum, Ethiopia, Rwanda, Tanzania and Uganda signed the CFA in May, near the spot where the Nile becomes a river in its own right, at the Lake Victoria Hotel in Entebbe, Uganda. They left the document open for signature for one year. Kenya signed a fortnight later.

Cairo reacted strongly, while Khartoum played the silent partner. A sixth signature is needed to make the agreement legally binding. Burundi and Congo-K are under pressure from both sides.

Three days before an NBI ministerial meeting in Addis Ababa on 26-27 June, the Egyptian intelligence chief, General **Omar Suleiman**, flew to Burundi to try to persuade President **Pierre Nkurunziza's** government not to sign. Ethiopia appealed to President **Joseph Kabila's** government in Kinshasa to join the upstream group (AC Vol 51 No 14). Neither moved. Even if a new treaty is signed and ratified, Cairo hopes it will take about ten more years to settle the new allocations. This uncertainty has important consequences, notably by deterring potential investors, such as the World Bank and Western governments, from funding dams or irrigation projects on the river's upper waters.

The Egyptian Parliamentary Affairs Minister, **Mufid Shehab**, said in April that his government considered it an issue of 'life and death', since 95% of Egypt's water resources comes from the river, unlike Nile Basin states that can find plenty elsewhere. For millennia, Egyptians have regarded the Nile as the source of life. Some experts argue that the river is less important to the country than it once was, though.

'Egypt is already importing a great amount of food staples to meet its national demands, in particular it imports more than 50% of the cereals it consumes,' notes Dr. **Ana Elisa Cascão**, project manager at the Stockholm International Water Institute. Assuming that Egyptians do not change their diet, and that their population carries on growing, she calls it 'unrealistic' to believe Egypt can meet its food demand by relying on Nile water for irrigation. Cairo aims for 70% self-sufficiency in the main staple, wheat. On 19 August, it said it had reduced the land under rice, a water-intensive crop, by almost half this season, to 1.2 million feddans (504,000 hectares).

Cascão also believes that Egypt's food security cannot be achieved by 'greening the desert', expanding irrigation schemes outside the Nile Valley and Delta. To pipe Nile water to schemes such as the Toshka land reclamation project, in the Western Desert 225 kilometres south of Aswan, is economically and politically unfeasible and, she says, 'an outrageous waste of water'. Egyptian newspapers report that the **Saudi Arabian Prince Walid bin Talal** has invested 600 mn. Egyptian pounds (US\$105 mn.) in Toshka; the semi-official daily newspaper *Al Ahram* said in March that 30,000 of a potential 168,000 ha. had been developed, at a cost of over £6 bn. Critics say that the water lost through evaporation in such desert schemes could be more effectively used upstream to develop a regional Nile food market.

VIRTUAL WATER REALITY

Professor **Tony Allan** of King's College, London University, has invented the concept of 'virtual water' to calculate the amount used for farming and livestock production. The 'virtual trade' in virtual water enables countries that are short of water to access it, reducing potential causes of instability.

The Virtual Water Database of the United Nations Food and Agriculture Organisation (FAO) shows that Egypt imports crops whose production uses 30.57 bn. m³ of water per year, while exporting produce (such as potatoes) using only 1.09 bn. m³ of water annually. Egypt already uses its full Nile allocation under the 1959 Agreement, so the river cannot ensure Egypt's food security, say experts. The country imports most of the grain it consumes, which brings different challenges, such as price

fluctuations, some of them due to speculation on cereals in Egypt's great ally, the **United States**. The global food-price rises of 2008 triggered riots and instability. Since then, President **Mohamed Hosni Mubarak's** regime has been hoping to diversify its sources of grain, reducing dependence on Western countries and increasing imports (particularly of wheat) from eastern Europe. Yet this year, there are desperate droughts in **Ukraine** and **Russia**, which recently banned wheat exports.

Egypt has also tried investing in Northern Sudan, a high-risk country whose weather is growing more variable (including drought), while the Islamist regime has neglected agriculture.

A WATER HEIST

No Egyptian politician, from government or opposition, could survive politically by denying his country's reliance on the mighty Nile. The World Bank calculates that agriculture's share of gross domestic product is only 17% but 30% of the steadily rising population works in the sector. The government skilfully manipulates the symbolism of the Nile, trying to deflect Arab (and domestic) attention from its friendship with the USA and the West in general, and its willingness to coexist with **Israel**, by repeatedly accusing its eastern neighbour of plotting to 'steal' Nile water. It exploits 'threats' to the Nile in the political debate ahead of November's general elections and next year's presidential poll. Mubarak is weakened by illness, uncertainty persists about his son and heir apparent, **Gamal Mubarak**, and the opposition, including the Muslim Brotherhood, looks determined and better organised.

Sudan's ruling National Congress Party (NCP) has largely played its usual long game and kept quiet. However, following June's meeting in Addis Ababa of the Nile Council of Ministers (Nile-COM), Sudan's Irrigation and Water Resources Minister, **Kamal Ali Mohamed**, declared: 'We are freezing activities regarding the NBI until these issues, these legal implications, are resolved.' Nile-COM's new President, Ethiopian Water Resources Minister **Asfaw Dingamo**, protested that Khartoum had made no mention of this at the meeting. Since **Wael M. Khairy**, head of Egypt's NBI team and a seasoned water engineer, had just taken over the revolving post of Executive Director of the NBI Secretariat, Egypt could not publicly take Khartoum's side.

In the background lurks uncertainty about the outcome of January's referendum in Southern Sudan, expected to lead to independence. Since Sudan's Comprehensive Peace Agreement of 2005 gave the Juba government autonomy, Cairo has officially and sometimes loudly supported Sudan's unity. At the same time, though, it was negotiating with Juba to maintain the 1959 Treaty and recommence digging the Jonglei Canal, which would drain the South's immense Sudd swamp and increase the downstream annual Nile flow by some 4 bn. m³ (AC Vol 51 No 15).

The 360 km. canal, twice the length of the Suez Canal, is environmentally and politically contentious. Its construction was halted in 1983 by attacks by the Sudan People's Liberation Army (now the Southern government army) though, armed with his PhD in agriculture, the late SPLA chief, Colonel **John Garang de Mabior**, greatly favoured the Egyptian-backed project. Egypt has tried to promote its influence in the South by investing in water projects, schools and hospitals. Hard-nosed assessments of Egypt's Sudan strategy are more likely to have influenced Juba. President **Salva Kiir Mayardit's** government knows there is no love lost between Cairo and the NCP regime that, in 1995, it accused of trying to kill Hosni Mubarak. It also knows that Cairo has long seen Sudan as its 'strategic depth' and has declared that it would ensure Sudan's unity.

While Egypt flirts with Juba, Khartoum thwarts Cairo with help from **China**. Governments and international financial institutions rarely provide funds outside a stable legal and political framework. Cascão points out that the World Bank's rules require consent from the downstream riparians before financing any

project upstream, and the African Development Bank has similar rules. China's rise creates competition for the power of Washington and other lenders or donors. Beijing, seeking raw materials as well as political clout, is investing hundreds of millions of dollars in African infrastructure, including hydropower dams. A major beneficiary is Sudan, whose new dams, built by Chinese companies with Chinese, Saudi and Sudanese government funding, are expected to use its entire 1959 water allocation of 18.5 bn. m³ a year by the end of 2010.

Sudan's new Hamdab (Merowe) Dam has been built by China International Water and Electric (CWE) and China National Water Resources and Hydropower Engineering Corporation (CWHEC, aka Sinohydro) in a joint venture called CCMD JV, plus **Germany's** Lahmeyer, **France's** Alstom and **Switzerland's** ABB. Khartoum plans new irrigation and electricity projects, requiring yet more water. 'Egypt and Sudan should be informed of any water-related projects carried out in Nile Basin countries,' declared Egyptian Water Minister Allam, 'and they should have the right to veto any projects that may threaten their water security.'

Prime Minister **Meles Zenawi** of Ethiopia – source of the Blue Nile, which joins the White Nile at Khartoum – complained in 2005: 'While Egypt is taking the Nile water to transform the Sahara Desert into something green, we in Ethiopia - who are the source of 85% of that water - are denied the possibility of using it to feed ourselves. And we are being forced to beg for food every year.' According to the World Bank, 46% of Ethiopians are undernourished, against 4% of Egyptians. Ethiopia's agricultural potential is seen as greatly underexploited, with only 0.5% of the land under irrigation, and the population is expected to nearly double to 171 million by 2050.

No upstream county has much irrigated farming. In Kenya, 80% of the land is arid or semi-arid, and most agriculture is rain-fed, with an estimated 3.12 mn. ha. under food crops in 1998. The FAO estimates total water withdrawal at over 2.7 km³, with demand projected to increase to 5.8 km³ by 2010. Kenya's irrigation potential has been estimated at 353,000 ha., with 180,000 ha. in the Nile Basin, around Lake Victoria. The Nile is strategic for both Kenya and Rwanda, where the watershed covers 76% of the territory and accounts for 90% of water withdrawal.

WATER + NATIONALISM = ELECTRICITY

Energy is the other key issue. Shortages anger electors and threaten economic growth. It is estimated that Ethiopia needs around 20% more energy a year and less than 0.2% of its hydropower potential is exploited. Addis Ababa has an ambitious plan to use the Blue Nile to transform the country into a hydropower giant. This puts it on the front line in the Nile disputes. The government has disregarded Egyptian objections and launched projects, causing particular friction over the 460 megawatt Tana Beles dam, inaugurated on 14 May, the day the CFA was signed. Rwanda, with annual GDP growth of 11%, according to the World Bank, badly needs more power and President **Paul Kagame's** government is building a dam on the Nyabarongo River, which flows into Lake Victoria.

Egypt's approach to its southern neighbours has grown less strident and in July, Meles said that Nile Basin countries need to seek a 'win-win' approach to resolve their water differences. The Nile debate reminds Egypt that its geopolitical interest lies not only in the Middle East. On 19 August, Allam announced a 'new strategy' for the next Nile-COM meeting 'between September and November', saying Mubarak had 'entrusted the ministries concerned to cooperate with Nile Basin countries and resort to quiet dialogue along with establishing projects that serve the joint interests between Egypt and the riparian states. Climate change and population growth are shaping future regional challenges and the fact that dams and barrages are being built means the water allocation will change de facto. A viable cooperation agreement is still not in sight, however. ●

Copper-bottomed but leaky

Booming mines and farms, and a government beset by talk of corruption and strange legal decisions

Fuelled by rising world demand for copper and cobalt and by a bumper maize harvest, the economy is growing at a roaring 7.5%. Yet President **Rupiah Banda**, who will seek re-election next year, faces growing opposition both within the governing Movement for Multiparty Democracy (MMD) and from opposition and civic groups. Part of the opposition seems to stem from nostalgia for his predecessor, the late **Levy Mwanawasa**, and part from suspicions about his relations with another ex-president, **Frederick Chiluba**, who has just won a judgment in Lusaka allowing him to keep assets which are widely seen as stolen.

In the MMD's political base in the north-west, the opposition United Party for National Development (UPND) has grabbed two parliamentary seats from the MMD. Banda and the MMD have lost four of seven recent by-elections, the highest string of losses in the party's 19 years in power. Banda is coming to be seen as the architect of his own destruction, as his alliance with Chiluba eats into his support. He seems to be trying to consolidate friendship with people he expects to help him win the election next year, when Chiluba's linguistic connection with the Northern, Luapula and Copperbelt provinces might win over areas currently controlled by the opposition Patriotic Front. The PF leader is the populist veteran **Michael Sata**. The opposition says that the President's association with Chiluba has caused the fight against corruption to collapse.

The accusations against Banda grew stronger after a Lusaka High Court judge, **Evans Hamaundu**, refused to allow the state to recover about US\$58 million from Chiluba and his allies. Chiluba had been ordered to pay the money after a London High Court judge, **Peter Smith**, found in 2007 that the ex-president and his allies had diverted public funds into their personal accounts abroad (AC Vol 48 No 10). The London action was for the recovery of money Chiluba and his allies were accused of stealing and of some property they were believed to own in **Britain** and other European countries; it was brought during Mwanawasa's presidency by the then attorney general, **George Kunda**, who is now Vice-President (AC Vol 46 No 14).

Kunda refuses to appeal against

Hamaundu's judgement, saying that an appeal by the state cannot succeed. Justice Hamaundu said on 13 August that, after searching the statutes, he found no provision allowing the state to register a foreign judgment, although 'applied laws' for any other statutory provision allow judgments obtained in British courts to be enforced by direct registration. Negating an earlier decision he had rendered on a similar issue, the judge said the government should instead have sought to enforce the London judgment by recourse to the Common Law.

This is the second time the government has declined to appeal against a court ruling in favour of Chiluba, a stance that has rattled Western donors, the Law Association of Zambia and prominent groups such as the Zambia chapter of Transparency International, all of whom have urged the government to appeal the decision. Banda remains adamant, saying a government appeal would amount to fighting battles started by other people (meaning Mwanawasa). Meanwhile, Kunda has referred to Chiluba as a 'political consultant' for the governing party and Chiluba has become a strong advocate for Banda's re-election in 2011.

The President's critics have accused him of influencing court decisions to acquit Chiluba; Banda denies the accusation. General **Wynter Kabimba**, an eminent lawyer who is Secretary of the PF, said on 20 August that the failure of Zambian law to enforce a foreign judgment did not in itself invalidate the judgment and called Hamaundu's decision a temporary setback. This may mean that a PF government, if elected, might seek to reverse the decision.

PF boss Sata said that Chiluba's record would remain tainted by corruption accusations. The government case has been further weakened by its plans to remove from the anti-corruption law a clause on 'abuse of office'; this was the clause used to prosecute Chiluba and former ministers and senior government officials. Kunda said in August that the repeal was merely intended to realign the law but Sata and several anti-corruption groups accused the government of trying to entrench official corruption.

Western donors are questioning the government's commitment to fight corruption, saying instances of poor accountability for aid funds were rising. The sceptics include Britain, the **Netherlands**, **Sweden**, the **United States** and the Global Fund to Fight Aids, Tuberculosis and Malaria, all of which will continue to watch how Zambia holds its officials to account. This means that donor funding for the budget is unlikely to flow normally in 2011 and that would constrain the government's capacity to deliver services. With an election in sight, the MMD may lose crucial votes and perhaps its hold on power. ●

STRONG INVESTMENT, WEAK PROSPERITY

According to the latest figures from the Zambia Development Agency (ZDA), foreign direct investment totalled a record US\$2.4 billion in the first half of 2010, up from \$959 million in the same period in 2009. If the flow continues at that rate, it will exceed the government's forecast of FDI of over \$3 bn. for 2010. Mining still shows strong growth, buoyed by new investment and high copper prices. Agriculture will also see further growth this year, thanks largely to a bumper maize harvest.

FDI pledges in manufacturing were \$768 mn. (mostly from **China**), \$593 mn. in mining and \$565 mn. in energy. Tourism and agriculture made up the balance. The ZDA estimates that the total investment pledges could create 33,140 additional jobs in the formal economy.

Yet the bubbly macroeconomic picture has not done much for President **Rupiah Banda's** popularity among ordinary Zambians, many of whom believe the investment does not trickle down fast enough to dent poverty levels before market conditions change again (AC Vol 51 No 9). A hot political issue remains the casualisation of mining labour and, despite the record investment, companies still expect to hire and fire according to the boom-bust cycle in metal prices. Last week came the announcement that key mining operations at Konkola copper mine, the biggest employer in the sector, will be outsourced. Over 10,000 workers are pondering an even more insecure future.

The political pressure is on to reintroduce higher taxes on the companies – a 2008 windfall tax was reversed in 2009 when the market slumped; government was desperate to attract investment. Now that profits are healthy again (projected earnings are over \$4 bn. in 2010), the government is calling for a fairer levy. Banda is likely to make the move before the 2011 election. ●

A dubious election date, again

Organising October elections seems beyond the government's will and the electoral commission's resources

Defying those who say the government is not politically or administratively ready, Prime Minister **Guillaume Soro** announced that elections for president and Parliament will be held on 31 October. President **Laurent Gbagbo's** mandate expired in 2005 but he has stayed on, claiming that the country was not ready to vote, while the issues that precipitated civil war in 2002 remain unresolved (AC Vol 51 Nos 1 & 5).

Soro made his election announcement on 5 August after meeting the cabinet and the Electoral College in the official capital, Yamoussoukro. The three main

parties agreed that the date was possible. Yet diplomats and civic activists doubt whether the government can organise credible elections in under three months. 'Even if the political will exists, 31 October is too soon,' confided one diplomat. The United Nations mission, the *Opération des Nations Unies en Côte d'Ivoire* (ONUCI), called for the *Commission Electorale Indépendante* (CEI) to produce a credible timetable. The African Union, due to send a delegation in September, echoed the UN's guarded outlook.

The celebrations for 50 years of independence, on 7 August, were stage-

managed around Gbagbo, as part of his long election campaign. Loyalists from the ruling *Front populaire ivoirien* (FPI) toured the country to defend his record. The reaction of opposition leader and former president **Henri Konan Bédié** of the *Parti démocratique de Côte d'Ivoire* (PDCI) has been muted, but former premier **Alassane Dramane Ouattara's** *Rassemblement des républicains* (RDR) insists that the election date must be 'definitive' this time and that identity and polling cards must be distributed before the end of September.

SHADES OF GREY

Some 6.3 million people are registered to vote, of whom 5.3 mn. have been cleared for the provisional list. About 1 mn. on the 'grey list', of those whose nationality and right to vote were disputed, have now been accepted. Observers say, though, that around 60,000 cases still languish in local CEI courts following anonymous objections. The RDR maintains that Muslims and people with northern-sounding names – its main supporters – are deliberately targeted or wiped from the register. Pro-government supporters say the opposition is illegally packing the list in its favour. The election process was further delayed in February when Gbagbo dissolved both the CEI and the government.

Before the electoral register can be verified, the CEI must pronounce on the contentious cases. Its deadline is 28 August if the October poll is to go ahead on time; the electoral code says a final list must be distributed 45 days before the poll. The CEI has not so far said what will happen if it runs late. Insiders say it is likely to exclude doubtful cases from the list and opposition parties may well seize on this if, in a two-round system, they are not happy with the results of the first round. An official in the CEI said it would carry on verifying the list after the elections. That too could provide ammunition for dissatisfied parties.

Polling cards are due to be distributed 4-10 October and collected from the place where the holder originally registered, perhaps years ago. It is not yet clear how ballot boxes are to be transported or 60,000 electoral agents recruited and trained in time. Many doubt that the CEI will be capable of handling these essential logistical tasks.

Moreover, there are still disagreements about how to handle the reintegration of the former rebels of the northern *Forces Nouvelles*. The Ouagadougou peace deals of 2007 called for 5,000 FN fighters to be integrated into the national army before the elections, with 4,000 more joining mixed brigades. A payout of 500,000 CFA francs (US\$965) was promised to the reintegrated FN soldiers and militiamen;

POLITICIANS WAITING IN THE WINGS

Political activists of all tendencies are increasingly frustrated by the old guard of **Laurent Gbagbo** (65 years old), **Henri Konan Bédié** (76) and **Alassane Dramane Ouattara** (68). Calls for a new generation of leaders are getting louder.

Gbagbo's close ally **Désiré Tagro** is regarded as the President's favoured successor. As Interior Minister, Tagro will play a key role before and immediately after the polls. Gbagbo avoids open nepotism or tribalism but Tagro, a Bete like the President, escaped unhurt following accusations by National Assembly President **Mamadou Koulibaly** that he had embezzled public funds (including from the US\$198 million paid out by Trafigura to victims of its toxic waste dumping) and dipped into the 10 billion CFA francs set aside by a French company, the *Société d'Applications Générales de l'Électricité et de la Mécanique*, for the production of polling cards.

Gbagbo's niece and Special Advisor on Military Affairs, **Kadet Bertin**, often overrides the army's chief of staff, General **Philippe Mangou**, an Ebrie southerner. Bertin is also head of the *Agence nationale de la stratégie et de l'intelligence*, which oversees internal security. The FPI's Secretary General, **Sylvain Miaka Oureto**, another Bete and Gbagbo-loyalist, is aligned with FPI President **Pascal Affi N'Guessan**, an Akan, whose nationalistic statements regularly stir up trouble.

In a population where 70% are under 30, **Charles Blé Goudé's** *Jeune Patriotes* strengthen the President's hand. Like Gbagbo, Blé Goudé is from Gagnoa and is far better known than the FPI youth leader, **Konaté Navigué**, a northerner. Like other youth leaders, Goudé emerged from the *Fédération étudiante et scolaire de Côte d'Ivoire* (FESCI) in the 1990s. This pro-government group, founded by Gbagbo during his opposition years, is linked to violent demonstrations in Abidjan. As students, Soro and the youth leader of the *Rassemblement des républicains* (RDR), **Karamoko Yayoro**, were also senior members of FESCI, while the older political generation consists mainly of business leaders. Some young people who did not live through the days of peace consider their armed methods a natural solution to political disagreements.

Goudé has talked of a 'conflict of generations', while Soro manoeuvres ably on the political field. He resigned as Secretary General of the *Forces Nouvelles* (FN) in July, ostensibly to concentrate on organising credible elections. This may distance him from the rebel movement but lose him northern votes.

In the long term, an FN-RDR alliance is possible across ethnic lines. FN officials say the party is biding its time before entering the political arena. In the RDR, there are increasingly public spats between the leader Ouattara and the Prime Minister's Special Advisor, **Hamed Bakayoko**, who is hugely popular with the party's youth. In the PDCI, Bédié clashes with former Prime Minister **Charles Konan Banny**, who also has presidential ambitions.

The RDR and FPI are unlikely to survive in their current form without the leaders who hold them together. The *Parti démocratique de Côte d'Ivoire*, once the nation's single party, may well fill the gap left by its leader's departure. ●

the government officially estimates there are 37,000 of them, while internal Defence Ministry figures estimate there are 5,000 to 10,000 FN soldiers. At a meeting in July at the rebel headquarters at Bouake, the FN commanders voted to refuse to disarm until their men got their money. This demand was pushed by the radical FN leader **Zacharia Koné**, who has since been transferred to Ouagadougou, where the mediator, **Burkinabè** President **Blaise Compaoré**, can keep an eye on him.

Gbagbo's defence minister, **Michel Amani N'Guessan**, has dismissed the idea of payouts to the FN, saying there are no funds available. The Prime Minister's office seemed to back him when it talked of the 'reality' of the situation, which the peace accords did not necessarily take into account. N'Guessan has since softened his stance, amid talk of cutting a deal with FN generals.

The European Union has offered \$20 mn. to support reintegration, with strict conditions of disarmament attached. Disarmament is due to finish by mid-September, but there are credible reports that both the FN and the government have been rearming this year. Aid workers say arms and ammunition smuggling in the north has continued unabated for more than a year and the UN Group of Experts has been excluded from government ammunition depots. Observers say there is a real threat that conflict will break out again if the electoral process crumbles. Officially, the Defence Ministry has a public security budget of CFA 4.5 billion for the elections, for which 8,000 electoral police will be deployed.

Critics argue that both the FN and the government would benefit if the polls were indefinitely delayed. The country, divided between them, provides both with funds. In the north, the rebels control diamonds and gold mines, while their roadblocks bring in millions, says the World Bank. Petrodollars and cocoa fill government coffers in the south.

Insiders say that, if the elections take place, the *Cour Constitutionnelle* will invalidate any result that does not give Gbagbo an overall majority in the first round. The new head of the nominally independent CEI, **Youssouf Bakayoko**, was selected by the RDR. The FPI had been pushing for the renewal of Commission staff at local level after the President's clear-out in February.

TETCHY IN PARIS

If elections are not held by the end of the year, Western donors may impose sanctions on the individuals considered directly responsible. Gbagbo's relations with **France** remain tetchy at best. Paris cautiously 'noted' the new election date. Previously, Gbagbo had declined an invitation for Ivorian troops to join the Bastille Day parade in Paris in July, although Defence Minister N'Guessan did attend. France's position as the country's top foreign trader is challenged by **Chinese** and **South Korean** investors. The President has also been fairly contemptuous of the cautious UN mission since **Choi Young-Jin**, a South Korean former Deputy Foreign Minister, took it over in 2007.

Amani N'Guessan has talked of

'vague attempts' at army uprisings, while the President has dismissed such speculation. Some suggest a coup might prove popular, although there is little sign of any putschists willing to take on the rest of the security system.

Gbagbo's regime is rich in internal bickering but he keeps the opposition off balance while maintaining an iron grip on his party. Named after the late Founding President, **Félix Houphouët-Boigny**, the opposition coalition, the *Rassemblement des Houphouëtistes pour la Démocratie et la Paix* (RHDP), is purely a marriage of convenience. Many RDR supporters would vote for Konan Bédié and his PDCI if necessary; the party is credited with inventing Ivoirité, the nationalist concept that split the country, and loyalists cling to that faith. As president, Bédié prevented Alassane Ouattara from running by claiming that one of his parents was from Burkina, so he was not a 'true citizen'.

Gbagbo's FPI still maintains its reputation as the youth party, with Bédié's PDCI as the old guard. If the pattern holds of the country's last elections – for the legislature in 2000 – the RDR should clinch the coming polls, but Ouattara's hope of reelection grows fainter with each passing year. Many regard him as responsible for the failed 2002 mutiny which divided the country. Northerners who believed he represented their grievances are worse off than they were ten years ago. None of the old-guard politicians has addressed the economic and social inequalities between north and south. ●

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Uganda

OTUNNU OBJECTS

■ With only six months before Ugandans go to the polls, opposition parties are mired in disagreement after **Olara Otunnu** made a bid to undermine attempts to field a unity candidate in the 2011 presidential election. The Uganda People's Congress (UPC) President, once Foreign Minister under President **Milton Obote** and United Nations diplomat, told *Africa Confidential* he was 'dismayed' that other parties were backtracking on a commitment to compete only in a free and fair poll.

A boycott next year would be more likely to attract support from the international community, he said. 'We came together as the IPC [Inter-Party Cooperation] above all to make the demand for fair elections. We reject the Electoral Commission. We reject the voters' register. That must mean non-recognition and non-participation in any fraudulent election.'

The Forum for Democratic Change (FDC), allied with the minnows of the Justice Forum (Jeema), Conservative Party (CP) and Social Democratic Party (SDP), intends to fight the presidential election despite estimating there are two million ghost voters on the current register. Otunnu says the strategy of competing against the odds and then challenging President **Yoweri Museveni's** victory in the courts failed in 2001 and 2006: 'I am astonished that they want to do this for a third time.'

The Democratic Party (DP) has already decided to put up its own man, **Norbert Mao**, in the first round of the contest, arguing that the opposition unity project is merely a vehicle for FDC leader **Kizza Besigye**, who is widely expected to be chosen as standard-bearer since his party remains by far the most significant in the opposition.

The UPC won just 0.8% of the vote in the 2006 poll but retains sway as the party of Independence. Otunnu, a northern Acholi with international contacts and a gift for provoking Museveni, has enjoyed a high profile since returning from exile in 2009. Critics say he realises he does not have the support to wrest the joint candidacy from Besigye and is struggling to manage internal party divisions. The UPC old guard around Obote's son, **Jimmy Akena**, resisted Otunnu's assumption of the leadership and does not want the party subsumed within an IPC ticket dominated by opposition rivals they despise.

Talks between Besigye and Otunnu continued in Kampala on 25 August but hopes of a compromise were slim. With or without the UPC, the process of choosing

someone to take on Museveni – already twice delayed – will drag on well into September. With months of organisational groundwork already accomplished (AC Vol 51 No 14) and easily resisting limited international pressure to reform the Electoral Commission, Museveni once again looks to be in a strong position.

Kenya

TURNING A CORNER

■ Kenya is euphoric again. After barely averting civil war following the 2007 elections, the approval of a new constitution by referendum marks a dramatic turn in the country's political fortunes (AC Vol 51 No 16). The 27 August launch of the constitution, dubbed the 'birth of the second republic', is being hailed as the most important political milestone since Independence in 1963.

The renewed alliance between the coalition partners, President **Mwai Kibaki** and Premier **Raila Odinga**, looked impossible only months ago. This alliance was facilitated, insiders say, by staff changes in State House, and became the midwife to the new constitution.

Beneath the cosiness at the top, however, the scramble continues for new alliances for the 2012 elections. Odinga wants Kibaki's endorsement for the presidential race. His zealous campaign for the new constitution appears to have secured him a comfortable lead: post-referendum polls give him a 46% approval rating. His nearest competitor, Deputy Premier **Uhuru Kenyatta**, got 13%.

Buoyed by the referendum victory, Odinga is said to be enthusiastic about building a coalition between his Orange Democratic Movement and Kibaki's Party of National Unity, reminiscent of the Luo-Kikuyu alliance that won the country independence. A recent 'family visit' by Kenyatta, strongly regarded among the Kikuyu elite as Kibaki's successor in Central Province, set tongues wagging about a possible Odinga-Kenyatta partnership.

For Odinga, securing the 2.7 million Kikuyu votes would cancel out his loss of the Rift Valley after he fell out with Kalenjin leader **William Ruto**.

Ruto's options are limited. The referendum campaigns effectively broke up a nascent Kalenjin-Kikuyu-Kamba alliance involving Kenyatta, Ruto and Vice-President **Stephen Kalonzo Musyoka**. While it is clear that Ruto, too, will make a stab for the presidency, his long friendship with Musyoka appears his only option. Musyoka's Kamba stronghold was split over the constitution, reflecting his own wavering position. With his credibility wounded and now weighing his own presidential prospects, Kalonzo, say insiders, would still be reluctant to play second fiddle in any alliance, save for an unlikely one with Odinga.

Alliance politics will force Kibaki and Odinga into delicate management of their lieutenants. This was one reason they decided not to punish the major politicians in the referendum's 'No' faction.

The most apparent danger is reorganising the 'counter-reformists'. Mostly found among the aggrieved in provincial administrations and the security services (all significant losers once the new constitution is implemented), they may well frustrate implementation. That would be the kind of political betrayal Kenya has experienced at every milestone since Independence.

South Africa

MOUNTING STRIKES

■ Support is building for the national strike of nurses, teachers and clerks since it was launched on 18 August, presenting two serious threats to President **Jacob Zuma's** government. First there is the disruption of the post-World Cup euphoria, and second, the further alienation of the Congress of South African Trade Unions (Cosatu) from the African National Congress (ANC).

Cosatu support for Zuma's bid for the ANC presidency was critical to his success at the Polokwane conference in December 2007 but now its General Secretary, **Zwelinzima Vavi**, has become one of the President's sternest critics, threatening to bring the government to its knees and lambasting its attempts to control the media (see Blue Lines). The Deputy Chairman of the South African Institute of International Affairs, **Moeletsi Mbeki**, predicts that Cosatu will soon leave the Triple Alliance with the ANC (AC Vol 51 No 16).

Cosatu's affiliated unions, which represent 1.3 million workers, are demanding an 8.6% pay rise and a housing allowance of 1,000 rand (US\$137) per month. The government has offered 7% and R700. As Zuma left for a state visit to **China**, the government sent in army doctors, nurses and soldiers to keep hospitals running in KwaZulu-Natal and Gauteng. Following a protest by civil servants on 26 August, the South African Municipal Workers' Union (Samwu) was to start a solidarity strike on 27 August. Cosatu has asked its affiliated unions to do the same on 2 September.

That will bring in the mighty National Union of Mineworkers, whose General Secretary, **Frans Baleni**, says unionists were mistaken in voting for personalities rather than policies at Polokwane. Two former NUM leaders (and now top ANC officials) **Gwede Mantashe** and **Kgalema Motlanthe**, face growing attacks from the conservative nationalist wing of the party, led by youth leaguers **Fikile Mbalula** and **Julius Malema**. On his return from Beijing, Zuma's conciliation skills will be stretched to the maximum.

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amisshah

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way to wrongfoot his critics and she might agree to protect his interests after he leaves office. Housing Minister **Tokyo Sexwale** is playing it carefully, as is **Mathews Phosa**, the ANC National Treasurer. Allies of both tell us that they are considering the deputy presidency if Motlanthe becomes the leading candidate to take over from Zuma. Part of Motlanthe's attraction is that he could be a one-term president and would play a transitional role, allowing the ANC

leadership to heal itself after the fratricidal battles. After that, Sexwale or former ANC Secretary General and business candidate **Cyril Ramaphosa** might re-emerge as presidential candidates in 2017.

Services have not much improved under Zuma and recent reports of rich deals by his family – many of whom entered business only after he took office – have outraged supporters. Zuma's former allies disagree over economic policies. ANCYL wants him to nationalise the mines; Malema told a Mining for Change conference that nationalisation 'is the policy of the ANC and we want to reactivate it.' The Chamber of Mines did not attend. The SACP's **Jeremy Cronin** said 'nationalisation was not the best way to deal with poverty' and the state has not got the necessary finance or capacity for effective mining. Zuma cannot even get his cabinet to agree on economic strategies.

Zuma has been visiting ANC branches

in the provinces trying to engage directly with the grassroots. In the Western Cape where this year the ANC has lost by-elections to the Democratic Alliance and independents, he campaigned door-to-door in the Langrecht informal settlement, near Groendaaal. The President intends to use all the powers at his disposal – the intelligence, security and police services, now packed with his allies – in the ANC's internal battles. Early this year, he announced that the intelligence services would investigate underperforming state-owned companies and local governments. The security services will use surveillance to keep ahead of Zuma's political opponents. Cosatu's Vavi has claimed that, in the battle for succession between Zuma and Mbeki in 2007, even former President **Nelson Mandela** was bugged.

BOARD BYPASS

At the SA Broadcasting Corporation on 7 September, two of Zuma's preferred candidates were promoted – **Phil Molefe** as head of news, **Solly Mokoetle** as Chief Executive – against the SABC board's wishes. The board, hand-picked by the ANC, was in conflict with its Chairman, **Ben Ngubane** (formerly leader of the Inkatha Freedom Party, now in the ANC), whom it blames for underperformance. In a 22-page dossier for Parliament's Communications Committee, the board alleges irregularities (including an unauthorised trip to **China** for Mokoetle two weeks before the World Cup), financial waste and controversial appointments. It has also asked Ngubane to resign for appointing Molefe without consultation; board members say that Ngubane claims Zuma approved the appointment.

Behind the scenes, Communications Minister **Siphiwe Nyanda**, one of Zuma's closest allies, has supported Ngubane and Molefe. Zuma wants control of the SABC, not only to secure positive coverage but also to keep scandals involving ANC leaders out of the news. Nyanda has been at the forefront of the attack; a leading member of the nationalist/populist and black business wing of the ANC, he has been accused of owning a 45% shareholding in Abalozi Security Risks Services, which won a R55 million contract with Transnet Freight Rail, among many others. Nyanda has introduced bills to govern broadcasting and is accused of interfering in the running of the SABC.

The Black Management Forum is a vocal supporter of Zuma and its leading members include **Sandile Zungu**, one of his business associates. The BMF's Deputy President, **Tembakazi Mnyaka**, says 'the media industry needs another level of regulation beyond self-regulation to ensure fairness and an equitable information dissemination'. ●

VAVI AND THE UNIONS STAKE THEIR CLAIM

Not only have trades unionists pushed the government to accept most of their demands for higher wages and housing allowances but some of their leaders now believe they should provide a replacement for President **Jacob Zuma**. The unions' candidate against Zuma is **Zwelizima Vavi**, the outspoken General Secretary of the Congress of South African Trades Unions.

Although the ANC Youth League, black business and nationalist groups would oppose Vavi, many South Africans admire his courage in speaking out against the party nomenklatura. Other Vavi-supporters encourage him to support **Kgalema Motlanthe**, currently Deputy President, against Zuma. If Motlanthe became President, they argue, Vavi could become Deputy President. Sceptics say that he would be co-opted into the ANC and might forget his union roots; others see it as the best way for the unions to restore their political power at the centre.

When a recent black economic empowerment (BEE) deal gave Jacob Zuma's son **Duduzane Zuma** and his close ally, **Sandile Zungu**, outrageously lucrative business terms, Vavi said that South Africa had become 'a country where the first family feeds first, followed by other well connected elites'. Then he called on Zuma to reverse other 'seriously embarrassing' deals, such as the recent R9.1 billion transaction between ArcelorMittal South Africa (AMSA) and the Ayigobi Consortium, and others involving his family. After Vavi lashed out against the ANC's crony capitalism, the Youth League's **Julius Malema** joined in the criticism of the family patronage system around Zuma.

Unionists such as **James Kruger**, the Western Cape provincial Chairman of the National Education, Health and Allied Workers Union, warned that Zuma could suffer the same fate as **Thabo Mbeki**, who was ousted with the support of the unions. The strikers demanded an 8.6% pay rise (double the inflation rate) and a 1,000-rand-a-month housing allowance; the government has upped its offer to 7.5% and R800. Vavi said Cosatu would not give the ANC a 'blank cheque' in the coming local government elections.

While the public sector unions were striking, so were workers in the mining, motor manufacturing, tyre and related industries. Cosatu President **Sdumo Dlamini** said: 'We know the strike is not going to change the situation but it can serve as a reminder.' Unless the government changed its economic policies, 'the living condition of workers would remain the same'. Cosatu calls for selective nationalisation of 'strategic' companies, such as *Suid Afrikaanse Steenkool en Olie* (Sasol) and ArcelorMittal SA. The *Kopano Ke Matla* Investment Company, fully owned by Cosatu, has signed a deal for a joint venture with an **India's** National Minerals Development Corporation, to explore opportunities in coal, iron ore and manganese. Cosatu wants to limit foreign ownership of companies to 51% in 'strategic sectors' – mining, energy and finance. It also calls for 75% of the 'content carried by wholesale and retail sectors' to be local – and a wealth tax on high earners.

Ahead of the ANC National General Council meeting on 19 September, Cosatu has released a 40-page document criticising the government's performance in detail. It wants its complaints to form the basis of an appraisal of his leadership at the meeting, which could mean the blocking of his ambitions for a second term. ●

Good man, impossible job

Despite the time constraints, hopes for straight elections are vested in the Electoral Commission's impressive Chairman Attahiru Jega

Everyone, in and out of government, acclaimed the appointment in June of academic and trades unionist **Attahiru Jega** as Chairman of the Independent National Electoral Commission. Now with elections at state and federal levels set for next January, oppositionists and dissidents in the governing People's Democratic Party (PDP) say the timetable will be a licence for rigging – and Jega cannot stop it.

Unflustered, Jega has told *Africa Confidential* in Abuja that he can run credible elections. There will be no question, he insisted, of anyone pressurising him to declare results that his commissioners have not independently verified. Just over half of the INEC commissioners are seen as independent and were appointed under new stricter rules, but some of the other commissioners and minor officials helped organise the highly flawed elections in 2003 and 2007.

Certainly, the tighter timetable helps incumbent **Goodluck Jonathan** as it gives his rivals less time to organise. We hear he is set to announce next week that he will seek the PDP nomination. Initially, his main problem will be outflanking his rivals for the PDP nomination. He will help his campaign with a flurry of policy announcements and spending allocations; next year's budget has just been set at N4.56 trillion (US\$29.6 billion).

The PDP primaries, pitting Jonathan from the Niger Delta against two northern candidates, General **Ibrahim Babangida** and **Atiku Abubakar**, are likely to be almost as hard fought as the final election. Jega and INEC have the right to monitor the primaries, although many of the shenanigans and the political deals sealed behind hotel doors in Abuja will not be detectable by outside observers.

For Jega, the next big challenge is registering 70 million voters in 120,000 polling units (varying in size from 50 to 3000 voters). It took **Bangladesh** nine months to register about the same number of voters under similar logistical constraints. Jega has to do it in two weeks but with properly trained teams: the United Nations Development Programme is sending technical assistants and helped design the computer software. It is expensive: each registration kit with laptop computer, camera and digital printer will cost US\$2,000. Following the National Assembly's approval of INEC's budget of 87.7 bn. naira (\$569.5 mn.) for

the election, Jega says procurement is moving ahead quickly. Foreign consultants have been advising him to clean up the existing electoral register but Jega says the problem is that 90% of the names on the register are wrong or fraudulent. INEC has put out tenders for ballot papers with special security features that will make each set of valid only for a specific polling unit. With 62 registered parties

seeking the votes of 70 million electors, the ballot papers are going to be complex and bulky.

Logistics on the three election days pose a formidable challenge: 70 million ballot papers must be distributed in a matter of hours to ensure security. INEC has been talking to the armed forces and commercial transport companies, said Jega. A big concern at INEC headquarters is the influence of the state governors and party organisations on the Resident Electoral Commissioners. They are appointed by the President and have been central to much of the vote-rigging over the past decade. Although Jega and INEC can redeploy these commissioners to other states, they cannot sack them. As with much of the electoral system, the reforms are a work in progress, Jega admits. ●

A TIGHT ELECTION TIMETABLE

Opposition parties, trades unions and civic activists are protesting against the breakneck schedule announced by the Independent National Electoral Commission (INEC) for presidential elections on 22 January 2010. In fact, it was the National Assembly's amendment of the constitution that created the timetabling problem by insisting that there be four months between the elections and the presidential inauguration on 31 May (to allow for the resolution of all electoral disputes). INEC Chairman **Attahiru Jega** was left with little room to manoeuvre.

For the next five months, Nigeria will be politics-packed, although several important economic policy decisions will be taken which will affect the government due to be sworn in next year. The key events are as follows:

- 11 September-30 October: All the political parties are to choose candidates at their primary elections, which INEC officials are to attend to check for any violations of the Electoral Act. The primaries will start with candidates for local and state governments, then work up to the presidential contest at the end of October.
- 15 September: Delivery of 15,000 computerised voter registration kits for the training of INEC officials.
- 17 September: The favoured date for **Goodluck Jonathan** to declare that he will seek the presidential nomination for the People's Democratic Party (PDP). Two rivals from northern Nigeria – former military leader General **Ibrahim Babangida** and ex-Vice President **Atiku Abubakar** – have already announced that they will contest the ticket.
- 15 October: Delivery of another 105,000 computerised voter registration kits at a cost of over US\$400 million. INEC and other government agencies including the military are to organise the distribution of the voter registration kits to all 120,000 polling areas.
- 17 October: Election campaign formally opens.
- 30-31 October: Probable date for the PDP's presidential primaries, which will be held in Abuja, with delegates from all of the 36 states voting.
- 1-14 November: INEC plans to register 70 mn. voters. Registration is to proceed over the same period in all 120,000 polling areas.
- 20-25 November: The computer generated voters lists will go on public display in all polling areas.
- 30 November: Last chance for the National Assembly to pass the critical Petroleum Industry Bill on which depend the government's promised sweeping reforms of the oil, gas and electric power sectors.
- 7 December: Last chance for the Department of Petroleum Resources to organise two bidding rounds: for marginal fields and for fresh exploration. Both rounds will be politically significant in terms of the patronage distributed, and in terms of political support for Jonathan from state governors and other senior politicians.
- 14 January 2011: Elections for the House of Representatives and the Senate at the National Assembly in Abuja.
- 22 January: Elections for the President of the Federal Republic.
- 28 January: Elections for the Governorships and Assemblies of the 36 states.
- Run-offs for the presidential and governorship elections are to be held within a week of the announcement of the election results.
- 31 May: Inauguration of the President. ●

The President is for turning

The people's protests against ruinous rises in food prices may have ended Guebuza's efforts to extend his rule

A week of street demonstrations has checked the confidence of the ruling *Frente de Libertação de Moçambique* (Frelimo). After describing a 30% rise in bread prices as 'irreversible', President **Armando Guebuza** was forced into a humiliating U-turn on 7 September by protests in Maputo and other cities. Shaken by the brutality of the crackdown, Mozambicans give the government little credit for its last-minute change of mind. Police used live ammunition and tear gas against the demonstrators, killing at least 13 and injuring about 440. They arrested more than 150 people.

The sheepish Development and Planning Minister, **Aiuba Cuereneia**, announced that the proposed bread increases would be reversed, the price of rice would be cut by 7.5% and duty on several imported foodstuffs reduced; and electricity tariffs would be cut by 50%. In an unconvincing show of solidarity with the *povo* (people), the government cut the pay of its top officials by up to 50% and promised to 'limit spending on first-class flights'.

Next come the political casualties: these are likely to include Interior Minister **José Pacheco**, a tough technocrat and former rising star, now widely criticised for the draconian and self-defeating police response. Another casualty is Frelimo's plan to change the constitution, something it could have done unilaterally after its

landslide victory last year. The plan was to end term limits, allowing Guebuza to stand again or to extend his current term to seven years from five. Amid the bloodshed and bitterness, that looks a dead letter for now (AC Vol 51 No 3).

Frelimo had looked unshakeable as it re-established its own hegemony and entitlement under Guebuza, crowned by the victory in last October's controversial elections, which saw the party return to power with 75% of the vote. Party and state have been virtually fused, with Frelimo establishing cells inside government institutions. Revolutionary rhetoric has been resurrected. Such policies are popular within Frelimo and the old guard, who seem unaware of their lack of public support.

The turmoil does not challenge the party's hegemony directly but will pressure its power-brokers to listen to the younger generation's concerns about poverty and jobs after two decades of following World Bank and International Monetary Fund policies. Most of the economic woes require the sort of structural reform the government is reluctant to make.

This latest crisis will affect both Mozambique's international image and the jostling to find Guebuza's successor. Criticism of the country's falling position in global rankings of political and other freedoms had been brushed aside. Guebuza thus began his second and

constitutionally final term resurgent, seemingly immune to pressure. Frelimo's aim was to return to a time when its rule was almost unchallenged.

The protesters' determination initially surprised the authorities, shutting down large areas of Maputo. Police attempts at suppressing the protests were already heavy-handed; then the army moved in – for the first time since the civil war ended in 1992. The government response was aggressive, denouncing the rioters as criminals and cowering journalists. As the state-owned media defended the government's position, police arrested people accused of instigating the protests.

The government dragged in members of the opposition *Resistência Nacional de Moçambique* who claimed to have been only attending a routine meeting. Renamo's leader, **Afonso Dhlakama**, has denied any involvement. In any case, Renamo is now a marginal force. The newer, more dynamic *Movimento Democrático de Moçambique* would have been better placed to exploit popular discontent if its leader, **Daviz Simango**, did not espouse the same neoliberal economic policies as the government. With stronger leadership, the protests could have precipitated a much bigger threat to Frelimo.

After demonstrators communicated by text message, counter-messages with 'patriotic' pro-government statements began circulating, unsigned, and eventually messaging services were suspended altogether. Significantly, it was Frelimo not the government that took the lead on how to confront the demonstrators; Guebuza consulted the Central Committee before talking to the cabinet. Mass and street protests are one of the few ways to express dissatisfaction with a ruling elite seen as arrogant and out of touch, particularly in Maputo where displays of extreme wealth are directly associated with Frelimo. Party membership is a prerequisite for business success.

Some senior Frelimo officials were alternately embarrassed and irritated on 6 July when the **United States** Department of Justice imposed financial sanctions on a prominent local businessman and party member, **Mohamed Bachir Suleman**. The DOJ accused him of drug trafficking under the Foreign Narcotics Kingpin Designation Act. Now, all US businesses and citizens are banned from commercial and financial dealings with Suleman and his companies. The case has highlighted drug trafficking and money laundering in Mozambique and the country's role as an important drugs transit point, with concomitant damage to local politics. Suleman has been a generous contributor to Frelimo's coffers and the Mozambican police's efforts to investigate Suleman's affairs have met with little success. ●

THE REAL COST OF MAPUTO'S AID

Mozambique receives more aid per head than neighbouring – and similar – countries like **Malawi** and **Tanzania**. This is partly because of its long-past 'post-conflict status' but also because of its loyal adherence to World Bank/International Monetary Fund strictures on macroeconomic stability and liberalisation. This has delivered gross domestic product growth of over 6% a year but with mixed effects on economic development. Aid represents 15% of GDP, compared to 6-8% for the rest of Sub-Saharan Africa.

Agriculture has underperformed, leading to a reliance on food imports. Surveys have shown half of the people in the countryside growing poorer since 2000 and there has been a sharp increase in poverty in the towns, especially Maputo. The pace of rising food prices, a global trend this year, has quickened because of the 25% devaluation of the currency, the metical, against **South Africa's** rand in the last six months. For nearly a decade, the government kept the currency stable against the South African rand and the **United States** dollar. Abandoning that policy has hit the poor in an economy relying on imports of food such as wheat, tomatoes and rice.

This month's food riots are not the first; protests against high transport costs ended in violence in 1998 at a time of surging oil prices. In 1995, protesters took to the streets – and met a state crackdown – as a state banking crisis fuelled rocketing inflation. This year, popular protests may have forced the government to change tactics but it is not tackling most of the structural constraints that cause employment and rural poverty. ●

Ghostly presences

As Mugabe's party declines in Matebeleland, the old alternative resistance movement is climbing out of the grave

A black shroud materialised on Bulawayo's Main Street a month ago in the dead of night and has since been guarded around the clock by uniformed and plainclothes security officers. It stands where once a Maxim gun commemorated the breaking of Ndebele power by **Cecil Rhodes** and his **Pioneers** in the 1890s. It is over six metres high and is believed to cover a massive statue and plinth honouring **Joshua Nkomo**, the Ndebele leader who hoped to become President at Independence. He died in 1999 and has recently become a nostalgic cult figure in Matebeleland.

The co-Minister of Home Affairs, **Kembo Mohadi** of the Zimbabwe African National Union-Patriotic Front, is in charge of national monuments. He has confirmed that President **Robert Mugabe** will eventually conduct an unveiling ceremony. 'Nkomo was a big man so the honour falls to a big man,' he said – inappropriately in some respects, since Nkomo weighed some two or three times more than the wizened Mugabe. The problem is to get Mugabe to Bulawayo, where he seems to feel uneasy and people are uneasy about him. He and Nkomo were always rivals but his party is now trying to hijack the Nkomo legend.

The initiative for the statue came from the City Council, led by the Movement for Democratic Change (MDC). Mohadi took over their idea. He has done the same to Harare Council, where the plan to erect a statue of Nkomo at Karigamombe is stalled in the courts (AC Vol 51 No 16).

Mohadi will not name the sculptor but the work is assumed to be **North Korean**, in standard Stalinist **Soviet** style. Zimbabwean stone-carving is renowned, so that seems like a snub to local artists. Moreover, North Korean officers helped to train the notorious Fifth Brigade, which spearheaded massacres of Ndebele people during the Gukurahundi suppression in the mid-1980s. Mugabe's loopier apologists claim he has nothing to apologise for, as the Gukurahundi exercise was retribution for the Ndebele raids on the settled Shona which characterised the pre-colonial era, notably by their king, **Lobengula**. The devastation of his Great Chitungwiza raid left an area depopulated when the Pioneers marched in and caused the local Shona to greet them as possible protectors.

Discussion of this is politically incorrect. Extremists stir up old animosities between Shona and Ndebele but more thoughtful

voices say that national reconciliation must go further back, beyond Independence.

Two prominent Matebeleland personalities died last month but neither was granted hero status by the ZANU-PF Politburo, although they did get state-assisted funerals. The 97-year-old Chief **Khayisa Ndiweni** stood aloof from the liberation movements, then served in Bishop **Abel Muzorewa's** pre-Independence government. His territory east of Bulawayo includes the Ndebele shrine of Ntabazinduna but his people arrived there with the Pioneer column, having been recruited among the Xhosa in Cape Colony. Nonetheless, he ruled for 70 years and was revered in Matebeleland.

A HERO FOR THE MDC

The death at 66 of **Gibson Jama Sibanda** aroused much more controversy. He was a veteran trades unionist, deputy leader of the MDC-Mutambara faction and a member of the National Reconciliation and Healing troika. Opposition groups have united in condemning the Politburo for vetoing Sibanda as a hero in less time than the fifteen minutes it took them to award the status to Mugabe's sister, **Sabina Mugabe**, last month. Senior ZANU-PF figures were absent from Sibanda's funeral in Bulawayo. The MDC's **Arthur Mutambara** argues that the process illustrates the dysfunctional nature of the Government of National Unity.

Meanwhile, Nkomo's former party, the Zimbabwe African People's Union, is

coming to life again. **Dumiso Dabengwa**, former head of its armed wing, the Zimbabwe People's Revolutionary Army, has finally been confirmed as leader of the revived Patriotic Front-ZAPU at a congress in Bulawayo attended by 5,000 delegates. He promotes two myths. Firstly, he claims that ZAPU is not merely an Ndebele movement but enjoys countrywide support, so its ruling body must preserve the old regional balances; this leaves **Tenjiwe Lesabe** as its only well known figure. Secondly, he styles the party as a continuation of Joshua Nkomo's old PF-ZAPU, whose original party constitution had to be formally amended. The aim is to claw back from ZANU-PF the substantial assets that Nkomo brought with him on entering the 1987 Unity Accord or that Mugabe had confiscated earlier.

The rump of ZANU-PF in Matebeleland is in the throes of its own three-way power struggle. In Matebeleland North, Vice-President **John Nkomo** is trying to face down Professor **Jonathan Moyo** and **Obert Moses Mpfu**, the Mines Minister (and, since the discovery of the Marange diamonds, reputedly the richest man in Matebeleland), for control of the provincial party. In Bulawayo, John Nkomo wants to block nominations to key posts by the new National Chairman, **Simon Khaya Moyo**. Given the party's lacklustre performance in Matebeleland, the prize is hardly glittering but the winner will be well placed in the eventual succession race to be ZANU-PF's token Ndebele vice-presidential nominee.

Whichever way the political rollercoaster turns, Nkomo and Mpfu always seem to have secure berths, although neither is especially popular. By contrast, Simon Khaya Moyo shows an astute political intelligence, after an apprenticeship as a young political secretary to Joshua Nkomo and, more recently, service as a highly effective ambassador to **South Africa**. ●

JULIUS MALEMA LOSES A FRIEND

Robert Mugabe's bid for **Kwame Nkrumah's** pan-African kente cloth won mixed reviews at the African National Congress's Youth Conference near Johannesburg. **Tongai Kasukuwere**, Zimbabwe African National Union-Patriotic Front Youth League Secretary for External Affairs, was the star. (His older brother, **Saviour**, a former agent of the Central Intelligence Organisation, is Economic Empowerment Minister.) He urged that **South Africa** follow Zimbabwe's example and forcibly redistribute land and nationalise mines.

The conference enthusiastically endorsed the mandate for Youth League leader **Julius Malema**, the wild child of the ANC. Malema, who earlier this year met Mugabe during his quasi-official visit to Harare, claimed that his inspiration came from Zimbabwe. All this should have been music to Mugabe's ears. In most of the rest of Africa the white versus black question is something of a dead issue and the opportunities for exporting the revolution are limited. The whole effect was ruined when Malema added: 'We will never agree to permanent leadership...Mugabe must hand over to those young chaps so that we can engage with them on the same level.' Although this was probably a coded attack on his own leader, **Jacob Zuma**, Malema alienated an erstwhile friend. Given Mugabe's prickly pride that he is indispensable, both Kasukuwere Major and Minor would do well to keep a low profile and take care over the coming weeks. ●

Kigali wins another round of the blame game

United Nations Secretary General Ban Ki-moon held an emergency meeting with President Paul Kagame in Kigali on 8 September after the Rwandan government threatened to withdraw from UN peacekeeping missions. Kigali's logic was unassailable. A draft UN report had suggested that Rwandan troops might have committed 'crimes of genocide' in eastern Congo-Kinshasa in 1997; if the UN endorsed those claims, Kigali said it would have no choice but to withdraw its 3,500 troops from the UN force in Darfur, Sudan.

THE FOG OF GENOCIDE

The credibility of the United Nations is on trial again after the leaking of its draft 545-page report mapping human rights violations in Congo-Kinshasa between 1993 and 2003. It seems almost certain that the draft report's criticism of regional governments, especially Rwanda, will be substantially amended before the document is formally published on 1 October. That will spare the UN another round of regional protests during the summit meetings on 22-23 September and save the very pressed Secretary General **Ban Ki-moon** the effort of more restorative diplomacy. The organisational cost may be the resignation of a few UN officials in protest and yet more criticism that the UN has covered up evidence of atrocities by member states.

The report, commissioned during **Kofi Annan's** tenure as UN Secretary General, catalogues in detail the atrocities in Congo-Kinshasa that it blames on forces from neighbouring countries. It lambasts the actions of **Burundian**, Congolese and **Ugandan** troops, but its most incendiary claims are that Rwandan troops, then under the overall command of General **Paul Kagame** pursued and indiscriminately killed Hutu soldiers and civilians based in Congo. The report touches the rawest of nerves since the extremist Hutu-led *Interahamwé* militia organised the genocide of over 800,000 Tutsi and moderate Hutu in Rwanda in 1994. It effectively shores up the case of those who argue that there was a second genocide – against the victims of the victims – when Kagame's *Armée patriotique Rwandaise* (APR) pursued those it held responsible for the first genocide.

It may be couched in UN legalese but the most offending phrase for Kigali is the report's claim that it can reveal 'damning elements that, if they were proven before a competent court, could be classified as crimes of genocide'. The claims are, of course, not new: in April 1997, the UN's special rapporteur **Robert Garretón** recommended that the UN Human Rights Commission establish its own enquiry into the case. Congo's President **Laurent-Désiré Kabila** and Rwanda's Kagame were then in close alliance; Kabila blocked Garretón from pursuing his own investigations. Subsequently, Kabila fell out with Kagame and with Uganda's President **Yoweri Museveni**, and Ugandan and Rwandan troops occupied areas of Eastern Congo in 1998-2002. Now Kagame and current Congolese President **Joseph Kabila** have brought their countries into alliance again and they both roundly condemn the UN report's claims.

The UN report, leaked in late August, revives all the old arguments and adds some new ones of its own. For some, it is another orchestrated attempt to undermine Kagame and drive a wedge between him and millions of Rwandans, as well as several neighbouring states. So far, it has had the opposite effect in the region – all the other states that the report criticises have banded

together with Kigali to attack it and openly speculate about which officials leaked it to the press.

Certainly, the report makes many claims and cites telling details, sometimes drawing surprising conclusions. It says, for example, that the APR and its Ugandan allies, the Ugandan People's Defence Force (UPDF), decided in August 1998 to stop the turbines of the Inga power station on the River Congo. By 'making property essential to the survival of the civilian population unusable', this could be classified as a war crime. Other 'crimes against humanity' included massacres of Hutu refugees by the APR and the forces of the Congolese government of President Laurent Kabila. These accusations come on top of the 2008 issue by **Spanish** judge **Fernando Andreu** of international arrest warrants for some 40 Rwandan officers for alleged war crimes (see Box). As head of state, Kagame is not on the list but two of his senior officers, Defence Minister Major General **James Kabarebe** and Brigadier **Jack Nziza**, are.

The Rwandan government's response to the report was one of fury, from 'malicious, shocking and ridiculous' to 'dangerous and irresponsible'. It could 'bring only instability in the Great Lakes region'. The government's Hutu opponents were delighted, even though the report also highlighted crimes by the then Hutu army of the previous government, the *Forces armées rwandaises*, and by *Interahamwé* militia. They see the report as balancing out the two sides' atrocities, including the genocide of Tutsi in 1994. The President of the *Forces démocratiques unies* (FDU), **Victoire Ingabire**, was identified in an earlier UN report as maintaining regular contact with the Hutu-led, Congo-based rebels of the *Forces démocratiques pour la libération du Rwanda* (FDLR). She used Facebook to comment that the latest UN report shows that Hutu, too, were victims of genocide. The non-governmental organisation *Assistance aux victimes des conflits en Afrique centrale*, a largely Hutu group led by **Elysée Ndayisaba** and based in **Belgium**, says much the same.

Sooner or later the FDLR will use the UN report to back its claim to a share of power in Rwanda, even though its Executive Secretary, **Callixte Mbarushimana**, protested from his exile in Paris that the UN should have investigated more carefully before condemning crimes by the former Hutu regime. Within Rwanda, Hutu spokesmen and individuals convicted of hate crime will use the UN findings to call for clemency.

KAGAME'S FOES APPLAUD

The loudest applause came from **Faustin Twagiramungu**, a Hutu politician who was the first post-genocide Prime Minister. From Brussels, he declared that the official release of the report would give the Rwandan people new hope and lead to reconciliation and agreement to condemn both the genocide 'by Hutu extremists' in 1994 and that by the APR in 1996-97 against Hutu refugees in Congo. He called on the UN to set up a special criminal tribunal for the Great Lakes countries.

The report may not help reconciliation. Even the Tutsi critic of Kagame and former head of the Directorate of Military Intelligence, **Patrick Karegeya**, exiled in **South Africa** since 2005, takes the government's side for one simple reason: he was a senior APR officer when the alleged crimes were committed. Indeed, in 2008 he said, 'Rwanda never set out to commit genocide against the Hutu but war crimes were committed.' However that may be, the UN document does damage the credibility of the

governing Rwandan Patriotic Front, which has always presented the APR as ending the 1994 genocide.

A further consequence of the row may be to strengthen the hand of civilian politicians against the military men of the Rwandan Defence Force, as the APR was renamed in 2002. Kagame may be encouraged to promote acceptable civilians, such as former Economy Minister **Donald Kaberuka**, who is regarded as the father of Rwanda's economic miracle. In fact, he is now outside domestic politics, having been chosen in May for another five-year term as President of the African Development Bank, currently based in Tunis.

The UN draft's appearance further damages Rwanda's relations with its friends, including Western governments. On 13 August, the **United States** National Security Council declared its disapproval of recent government actions: the closing of two newspapers, the expulsion of a human rights expert, the ban on two parties which had hoped to contest the presidential election and the arrest of several journalists.

Relations with **South Africa** have deteriorated since the attempt there in June on the life of the RDF former Chief of Staff, Lieutenant Gen. **Faustin Kayumba Nyamwasa**, who has fallen out with Kagame (AC Vol 51 No 17). On 5 August, Pretoria withdrew its ambassador, **Gladstone Dumisani Gwadiso**, from Kigali. The Congolese government, too, is angry about the report. Its Minister for Justice and Human Rights, **Luzolo Lessa Bambi**, says the authors should have identified the countries which contributed to the crimes in Congo-K by financing the war or profiting from the theft of natural resources. To embarrass the UN, Kinshasa says the draft should also have mentioned crimes committed by UN troops against Congolese civilians or those (allegedly including cannibalism) by **Jean-Pierre Bemba's Armée de libération du Congo (ALC)** in Ituri in 2002 – or even the 'genocide' of 3.8 million Congolese in the successive conflicts. Kinshasa also denies that the **Zimbabwe** Defence Force committed war crimes when its aircraft bombed civilians in 1998-2003.

KINSHASA ACCUSED TOO

Kinshasa is particularly annoyed that the report points the finger at some Congolese who are now in power or near it. They include **Gabriel Kyungu wa Kumwanza**, a former Governor of Katanga who is now chairman of the provincial assembly, for leading the persecution of Kasaians in 1993, and a former Foreign Minister under the late Laurent Kabila, **Abdoulaye Yerodia Ndobasi**, who stirred up hatred against Tutsi in 1998. The report describes both events as crimes against humanity. Among several crimes blamed on Congo's security forces are the massacres of Hutu refugees in Orientale Province, said to have been committed jointly by Rwandan and Congolese soldiers; the Congolese were commanded by Joseph Kabila, who is now President.

Uganda, too, gets a share of the blame, notably for the alleged slaughter by its soldiers of hundreds of civilians in Kisangani in 2000. 'That is what the UN is best at: waiting for a bad situation which is never resolved and when people try to resolve the bad situation, then they turn around and start finger-pointing,' said Ugandan Information Minister **Kabakumba Lubwoni Masiko** in a radio interview. Her Congolese counterpart, **Lambert Mende Omalanga**, said his government was ready to denounce the

THE UN'S CREDIBILITY ON THE LINE

Relations with the United Nations in general have taken a heavy hit. Kigali accuses the UN of leaking the report to distract attention from the inadequacies of its force in **Congo-Kinshasa**, renamed as the *Mission de l'organisation des nations unies pour la stabilisation de la République démocratique du Congo*. Monusco was recently blamed for failing to prevent mass rapes in eastern Congo. UN Human Rights Commissioner **Navanethem Pillay** said the report would not be published until 1 October, 'to give concerned states a further month to comment on the draft'. If the word 'genocide' appears in the official version, the Kigali government will not readily forgive the UN.

Rwandan Foreign Affairs Minister **Louise Mushikiwabo** is a stern critic of former UN Secretary General, **Kofi Annan**. She was though much kinder about the current Secretary General, **Ban Ki-moon**, stating that he was leading the UN with 'honesty, integrity and transparency'. A former official of the African Development Bank, Mushikiwabo is tipped to head a new UN agency dealing with women's issues. On 31 August, she ordered Rwanda's Lieutenant General **Patrick Nyamvumba**, Commander of the UN-African Union joint peacekeeping mission in Darfur, **Sudan**, 'to make contingency plans for immediate withdrawal as we wait to see how the UN treats this report'. Said Mushikiwabo: 'The UN can't have it both ways. You can't have a force serving as peacekeepers and it is the same force you are accusing of genocide.'

Secretary General Ban tried to smooth things over in July by appointing Rwandan President **Paul Kagame** (alongside **Spanish** Premier **José Luis Rodríguez Zapatero**) as Co-Chairman of the Millennium Development Goals (MDG) Advocacy Group. That might prove an unfortunate pairing, given that the Spanish High Court announced its intention in 2008 to prosecute 40 Rwandan army officers for 'genocide, crimes against humanity and terrorism' in 1994-1997 under Kagame's rule. The Rwandan officers are accused of murdering Spanish missionaries. Kagame's government dismisses the charges. Ban would not comment on the case but he said that Rwanda was one of the 'rare' African nations to have made 'significant' progress in the fight against infant mortality.

Zapatero shunned a planned meeting with Kagame in Madrid in July to discuss their joint role in the Advocacy Group. Deputy PM **Maria Fernandez de la Vega** said some Spanish political parties had asked Zapatero not to meet Kagame because of the High Court case. This may complicate arrangements for the grand MDG summit on 22-23 September in New York, which Kagame and Zapatero are both expected to attend. ●

report when it was published: 'If there is anything jeopardising our efforts to stabilise the country and this region, we won't keep silent. We shall denounce it.'

Burundi, too, comes in for criticism. In October 1996, claims the report, 'Burundian armed units from the *Forces pour la défense de la démocratie* publicly executed between 12 and 20 Banyamulenge in the village of Kamituga.' At the time, the FDD was led by **Pierre Nkurunziza**, now President of Burundi. Several other massacres are alleged to have been committed by Burundian troops, alongside men of the *Alliance démocratique des Forces de libération du Congo-Zaïre* and the APR, against refugee camps in South Kivu. The biggest massacre, of 800 people, was at Makobola (South Kivu), allegedly by Burundian soldiers.

The report has also annoyed **Chadian** President **Idriss Déby Itno**: it claims his troops burned 18 people alive in Equateur Province in 1999. **Angolan** soldiers, too, are accused of summary execution and rape in Bas-Congo in 1998. The Angolan government also wants the report suppressed or amended.

We hear that – prior to the leaking – officials advised the Department of Peacekeeping and the Commissioner for Human Rights to handle the release of the report with extreme care. Any attempt to suppress or delay its publication would result in the leaking of the information to local human rights groups and interested political parties, and damage the 'impartiality and credibility' of the UN. Instead, many officials advised, the UN should work closely with Congo and other concerned governments, as well as the surviving victims of the atrocities, on managing the report's release. The UN hierarchy should be aware, its officials warned, of the dangers posed by those wanting to sensationalise the report and use it to fuel ethnic hatred. Tragically, the UN's handling of the report and its subsequent leaking failed to take into account such sound advice. ●

A suspect at the parade

In one fell swoop, the Khartoum government strengthens President Omer el Beshir and undermines the Nairobi government's new constitution

With arrest warrants for genocide, war crimes and crimes against humanity over his head, Sudan's President **Omer Hassan Ahmed el Beshir** does not often get the chance to star in an international celebration of democracy. That is what the ruling National Congress Party (NCP) achieved for him – and itself – on 27 August, when he 'stole the limelight from democracy', as Nairobi's *Standard* newspaper put it, at the formal launching of Kenya's long-awaited new constitution.

This constitution was meant not only to establish deeper democracy in Kenya – already highly democratic in comparison with NCP-ruled Northern Sudan – but to reconcile the two parties in the governing coalition after the bloody violence

following the 2007 elections, events now being investigated by the International Criminal Court. This is the same ICC which has issued warrants for Lieutenant General Omer's arrest.

This left some fence-mending to do for both Nairobi and the Court, whose Prosecutor, **Luis Moreno Ocampo**, carefully skirted the issue when addressing the Darfur Victims' Organisation for Relief and Rehabilitation in London the next day. He focused on the civilians who are still suffering 'an ongoing genocide', adding: 'The crimes are not a mistake. The crimes are the policy!' This dimension has fallen off the international agenda; the United Nations no longer publishes regular human rights reports on Sudan,

complained an international official. One Kenyan parliamentarian, **Bonny Khalwale**, did acknowledge it: 'It seems the big boys in this country do not have the interest of the poor people who died in Darfur,' he complained.

Kenya's welcome for Omer breached its legal obligations as both an ICC and UN member – so it was breaking the very constitution it was celebrating. The ICC had referred Kenya to the UN Security Council even before Omer landed at Wilson Airport, so that it could 'take any measure they deem appropriate'. Though most Kenyan politicians were shocked by Omer's presence, Khartoum had announced he would attend. Some now wonder who is paying the cost of closing Kenya's airspace for four hours and 'the region's busiest airport' for the best part of a day, amid intense security. Omer's trips abroad always involve a short hop to a neighbouring country, noted one Khartoum source, leaving no time to intercept his aircraft and escort it to a place where he can be arrested.

Few governments are eager to arrest him, as the NCP (the rebranded National Islamic Front) knows. External parties are focusing on the South as the 9 January referendum deadline looms, although little planning for the possible outcomes is evident (AC Vol 51 No 17). The UN General Assembly later this month will be preceded by a grand Sudan gathering of governments and UN agencies, hosted by the **United States**, on 24 September. Arguments have already erupted over whether NCP strongman and Second Vice-President **Ali Osman Mohamed Taha** or First Vice-President **Salva Kiir Mayardit** – who might soon be the first President of a newly independent South Sudan – will lead Sudan's delegation.

Diplomats are already drawing up the final communiqué, grumbled one international official, and are reluctant to discuss the South seriously, let alone Darfur or the common factor to Sudan's crises, the NCP – a regime that most are prepared to live with. The NCP, however, is undistracted by the short-termism of most international policy.

Omer's visit was not only a gesture of defiance to the ICC and the West and, therefore, another brick in the wall of 'African solidarity' and 'Global South solidarity' which Khartoum has so painstakingly built. For a regime which, since it seized power in 1989, has sought to destabilise all its neighbours, this is a major coup. Kenya's new constitution was meant to signal a new beginning after last year's dangerous conflicts. The government will now have to work hard to repair the damaging splits that Omer's visit triggered. Nairobi is seen as a friend of the South. Khartoum's strategists knew exactly what they hoped to achieve. ●

WETANGULA – MP FOR KHARTOUM NORTH

Was the invitation to Sudan's President **Omer Hassan Ahmed el Beshir** for the promulgation of Kenya's new constitution another attempt by the securocracy to frustrate a new dispensation? It certainly delayed the rehabilitation of Kenya's battered international reputation (AC Vol 51 No 17).

South Sudan's flag billowed as Foreign Minister **Moses Wetangula** addressed journalists. The dignitaries had departed for a State House lunch after the party – minus Omer el Beshir, who flew straight home, not only because it was Ramadan. Wetangula's explanations – that Kenya was 'being a good neighbour' and showing solidarity with the African Union – sounded rickety. Beforehand, civil service head **Francis Muthaura** had reconfirmed that Southern President **Salva Kiir Mayardit** was the invited dignitary from Sudan. Omer had not been mentioned. Considering Kenya's close relationship with the South and its hope of future rich pickings, most observers saw the invitation as internal self-sabotage, a foul-up consistent with May's mysterious attempt to insert a national security clause in the draft constitution's Bill of Rights at the government printers.

That no less a personage than Attorney General **Amos Wako** had claimed intimidation by the National Security Intelligence Service (NSIS), which was integral to planning the 27 August celebration, did not escape notice. The puzzle deepened when officials from Prime Minister **Raila Odinga's** Orange Democratic Movement said they hadn't known Omer was coming and accused President **Mwai Kibaki's** Party of National Unity of not consulting them. Odinga, who had been recuperating from surgery in **Italy** until the night before, publicly criticised the PNU, provoking a quarrel that threatens a year's worth of careful fence-mending within the governing coalition.

Officials from Odinga's office who sat on the organising committee were out of the loop. Sources there claim that when inviting Omer was mooted, the idea was shot down. Instructive, too, was the collective body language of securocrats and civil service – and the internal security architecture is PNU-heavy. The show of military might at the Uhuru Park event, unprecedented at any recent national day, made many wonder why, especially on a day supposed to belong to the *wananchi* (citizens).

While it was expected that the Provincial Administration would be abolished, the new constitution establishes a parallel central administration to oversee the governance of the devolved regions. Internal Affairs Minister **George Saitoti** moved to placate the 10,000 provincial administrators. Barely ten days after the jamboree, he called a meeting for provincial commissioners and senior district commissioners and circulated a document outlining their changed roles. The NSIS, which with the Provincial Administration has long been the executive's eyes and ears, recently received the green light to recruit 300 more intelligence officers. ●

Museveni's ambitions, American reservations

The President's enthusiasm for an onslaught in Somalia is not shared by US officials

In the wake of the *Al Shabaab* bombings on 11 July in Kampala, President **Yoweri Kaguta Museveni** expected a massive boost in funding from Washington for the regional military effort against the Islamist militia in **Somalia** (AC Vol 51 No 15). He has been disappointed and there is little sign that the **United States** takes seriously his claim that he would send more than 10,000 soldiers 'to wipe out the threat'. Ugandan forces are already overstretched. Another 750 have already arrived in Somalia. That means Ugandan troops now make up over 4,000 of the 6,300 African Union peacekeepers there; the remainder come from **Burundi**. Although other African states give rhetorical support to the AU Mission in Somalia (Amisom), they are reluctant to send troops to a badly run and poorly financed deployment.

Djibouti and **Guinea** promised troops at July's AU summit in Kampala but are in no hurry to send them. For now, Amisom's full complement is to be 8,100 peacekeepers. Any more would require a United Nations Security Council vote. The US State Department envisages 'a few thousand more' and few share Museveni's grandiose ambitions. To shore up President **Sharif Sheikh Ahmed's** regime in Mogadishu – where it controls less than half the city and faces daily attacks – would take several thousand more troops and far better equipment.

At its height in 1994, the second UN Operation in Somalia, Unosom II, had 28,000 troops. It failed woefully. Washington provides US\$180 million a year for training and logistics to Amisom, far less than a week's funding for US troops and private security companies in **Afghanistan** and **Iraq**. Serving and former officials in Washington concede that current tactics in Somalia are not working. Officials at the Department of Defence are sceptical about ambitious goals in the region. DOD operatives have been training Ugandan soldiers in Kitgum and launching drone attacks on suspected *Al Shabaab* and *Al Qaida* targets.

A former Pentagon official said that planning was not focusing on how to bolster the Transitional Federal Government in Mogadishu but on how to manage the political fallout when it collapses. Others claim that talks between US officials and 'elements close to *Al Shabaab*' are already under way about how a new regime could be established. An underlying assumption

is that *Al Shabaab* by itself is incapable of taking control of Mogadishu. In terms of security and living conditions, the situation is worse today than four years ago, when the USA backed **Ethiopia's** ousting of the Islamic Courts Union. Accordingly, some in Washington advocate 'letting things lie' and focusing on supporting the 'oasis of stability' in Somaliland.

US President **Barack Obama's** government sees **Ethiopian** Prime Minister **Meles Zenawi** as a more reliable regional ally than Museveni. Meles told *Africa Confidential* that Addis Ababa could not tolerate an Islamist regime with expansionist aims in Mogadishu but there is no sign that Ethiopia would invade again. It prefers limited interventions and would respond strongly to any attacks on its territory: with 200,000 troops, it has the biggest armed forces in the region.

Museveni has ambitions to expand Uganda's military reach. In May, the government agreed to buy six fighter jets from **Russia**, presumably paid for by expected oil revenue. Yet Kampala's foreign policy is driven more by domestic concerns: Museveni's need to maintain relationships with the Uganda People's Defence Force (UPDF) and the patronage opportunities offered by military

procurement contracts. Military officers are still Museveni's most trusted advisors.

The opposition accuses Museveni of creating enemies. 'This government has worked hard to make people hate Uganda,' the Forum for Democratic Change's presidential candidate, **Kizza Besigye**, told us. 'We have regional enemies because we invaded Congo, then we send soldiers to Somalia.' For Museveni, contributing to Amisom was essential to regain American support and resources but the strategy is not working in Somalia.

Oppositionists in Kampala criticise the growing military budget, projected to reach 600 billion Ugandan shillings this year (US\$265 million), 9.2% of the national budget. Minus reserves, auxiliaries and 'ghost soldiers', the UPDF has about 25,000 fully equipped men and women. The campaign against the Lord's Resistance Army in and around **Central African Republic** continues to draw resources; Uganda's Allied Democratic Forces have re-emerged in eastern **Congo-Kinshasa**, while the threat of conflict in post-referendum **Sudan** next year may destabilise Uganda's northern border. LRA attacks were again reported this week from the Darfur-Southern Sudan border.

For now, the government talks less about the LRA, although it is yet to capture its leader, **Joseph Kony**, and has cut its UPDF presence in CAR to 500 this year. With the US Congress passing the LRA Disarmament and Northern Uganda Recovery Act in May, there is more interest among Washington politicians in backing Museveni's campaign against Kony than in his mooted onslaught on *Shabaab*. ●

MUSEVENI'S FOREIGN POLICY TEAM

- **Sam Kahamba Kutesa:** When the wealthy Foreign Affairs Minister was appointed in 2003, President **Yoweri Museveni** had just won a disputed election and was amending the constitution to turn again. Kutesa, whose daughter **Charlotte Kutesa** is the wife of First Son, Lieutenant Colonel **Muhoozi Kainerugaba**, has repaired much of the damage, helping Museveni win rights to host the Commonwealth Meeting in 2007, the African Union summit this year and a temporary seat on the United Nations Security Council.
- **John Patrick Amama Mbabazi:** A close ally of Museveni's for over 30 years and Secretary General of the National Resistance Movement, Mbabazi remains a key figure. As Security Minister, he is the political authority behind the Uganda People's Defence Force and has run procurement for several years. He is close to **Israel**, which supplies and trains elite sections of the UPDF.
- **'Ndugu' Ruhakana Rugunda:** Nicknamed 'Ndugu' (friend) for his easy-going demeanour, Rugunda had been in cabinet since 1986 and was Ambassador to the UN when Uganda was on the Security Council. He headed the government team that negotiated with **Joseph Kony's** Lord's Resistance Army rebels.
- **General Aronda Nyakairima:** Although he keeps a low profile, the Chief of Defence Forces remains influential on the key military and diplomatic issues. Kutesa and his deputy, **Henry Okello Oryem**, set out policy on regional cooperation but it is Nyakairima's job to enforce it – with the tactical support of Brigadier **James Mugira**, who heads Military Intelligence, and **Robert Masolo**, who runs the External Security Organisation.
- **Gen. Salim Saleh:** In poor health in recent months, Gen. Saleh (aka **Caleb Akandwanaho**) remains a critical ally of his brother Museveni. Lt. Gen. **David Tinyefuza**, coordinator of all the security agencies, reports to him. ●

All to play for

The military organisers of the presidential election claim that they are neutral and that the candidates are evenly matched

Two politicians enter the second round of the presidential election, the most open contest since Guinea won Independence in 1958 – thanks mainly to the apparent lack of political ambition of the incumbent military leader, General **Sékouba Konaté** (AC Vol 51 No 14). The second round was postponed from July and will now take place on 19 September, after the Supreme Court gave the go-ahead on 7 September.

Contesting are **Cellou Dalein Diallo**, once Prime Minister under President

Lansana Conté, and **Alpha Condé**, who has always been in opposition. Diallo leads the *Union des forces démocratiques de Guinée* (UFDG), Condé the *Rassemblement du peuple de Guinée* (RPG). On 3 August in Ouagadougou, **Burkina Faso**, they signed an agreement to obey the will of the electorate. Yet, after 24 bitter years under the ruthless Gen. Conté, there is no guarantee of peace.

In the first round of polling in late June, Diallo took (on the official count) 43.69% of the votes cast while Condé took

only 18.25%. The final result therefore depends on attracting votes that were cast for other candidates in the first round or people who did not vote at all. Diallo's main ally is former Premier **Sidya Touré** of the *Union des forces républicaines*, who won 13.62%, plus **Ibrahima Abé Sylla** of the *Nouvelle génération pour la république* (NGR), with just 3.23%. A few tiny parties have joined that team in the '*Alliance Cellou Dalein Président*'.

Professor Condé may have got only 18.25% of the vote but he reckons he can make up the gap in favour of the *Alliance arc-en-ciel* (rainbow) he has been steadily building. The Supreme Court declared that the turnout was only 52%. This gives Condé's supporters hope that they can boost it to at least 70%, win most of the new voters and persuade enough of Diallo's camp to come over to their side.

PUBLIC IMAGES

Electoral sentiments turn on many factors. In the towns, especially the capital, Conakry, it is about the image and history of the candidates: Condé is a lifelong and brave oppositionist. He compares himself to **Senegal's Abdoulaye Wade**, who finally won a presidential election after 40 years of opposition politics. He has never collaborated with the military, who have presided over the grand corruption and physical decay of the country. Yet in his early seventies, Condé struggles to project himself as a technocratic candidate. He is also seen as something of an autocrat and it is difficult to get an idea of his team.

Diallo is the consummate politician. He has worked with the military and is 20 years younger than Condé. His effective running mate, Sidya Touré (tipped for Premier if their ticket wins), is technocratic and did improve things when he was Premier in the 1990s, so much that the military dismissed him for taking anti-corruption campaigns too seriously.

In the hinterland, both camps try to get votes by emphasising ethnic allegiance: their teams say Diallo stands for the country's Peulh (Fulani) people, Condé for the Malinké (Mandingo). That is not enough, though, to swing the election because both candidates have to stitch together a coalition to bring in all the other constituencies. Conakry, which accounts for over 20% of electors, is integrated and deracinated and political support depends more on the personal credibility of the candidates and their parties and their record on delivering what they promise.

Condé and his Rainbow Alliance have two significant supporters: **Lansana Kouyaté** of the *Parti de l'espoir pour le développement national* (Party of Hope for National Development, PEDN), another former Premier who took 7.04% in the first round and was Condé's main opponent among the Malinké in Haute-

EXPANDING THE CONTRACTS

Several mining companies took advantage of Guinea's political transition to sign contracts in exchange for shining promises of future wealth. Both the candidates in the second round of the presidential election have promised to review these contracts in the national interest.

The Hyperdynamics Corporation of Texas, operating in Guinea as the SCS Corporation and recently linked up with Dana Petroleum, has renegotiated its original contract with the Minister of Mines, **Mahmoud Thiam**. Since 2008, steered by its Africa Vice-President, **Famourou Kourouma**, a Guinean, it has been trying to firm up a production-sharing deal which would give it first refusal on two-thirds of Guinea's offshore waters – a total of 80,000 square km., of which it already holds rights to 26,000 km². Negotiations between Thiam and Hyperdynamics' new boss, **Ray Leonard**, an American, would give the state 70% of the offshore area, with no option for the company to acquire more on special terms. The deal is obscure and a new government might want to alter it. Our sources say Premier **Jean-Marie Doré**, has urged Thiam to sign the new contract with SCS. It has been initialled but must be ratified by the National Assembly, which does not yet exist.

Amid the confusion about SCS, Thiam confirmed that half of the Simandou iron-ore concession (Blocks 1 and 2) had been taken back into state ownership. The area, said to contain more than 2.4 mn. tonnes of 65% iron ore, was previously held by Rio Tinto, now an Australian company. The Minister wants to transfer it to General Resources, an Israeli firm controlled by **Beny Steinmetz** – a move opposed by Thiam's predecessor, **Ahmed Kanté** (AC Vol 51 No 11). The hitch is that some Mines Ministry officials consider the rights to be accorded to General Resources illegal. Steinmetz's firm relies on a shadowy system inherited from President **Lansana Conté**, who died in December 2008. **Ibrahima Sory Touré**, brother of one of Conté's wives, **Mamady Touré**, runs General Resources' public relations in Guinea.

We hear that Thiam is negotiating with Bellzone, another Australian company, which says it has found a big iron deposit at Kalia, some 400 km. from Conakry. Western companies particularly object to the biggest of all such contracts, with the **China International Fund**, worth US\$7 billion. CIF has promised loans to finance the building of conventional and hydro-driven power plants, air, rail and road transport companies, and other infrastructure projects. This would be done by a mining, oil and gas joint venture between Guinea and CIF called the Guinea Development Corporation (GDC), with the state holding just 27%. Several senior officials in Thiam's ministry find this shocking; the Minister himself has been out of sight for two months (in the United States, some say), and runs his ministry over the internet.

A new government might cancel any one of these contracts and proposals, especially if there is pressure from the '*mouvement social*' that calls itself the *Forces Vives*, whose politicians, trades unionists and activists urged the transitional government to sign no contracts or agreements on mining. For the time being Thiam, no admirer of **Oleg Deripaska's** Rusal or Rio Tinto, is the all-powerful ruler of the mining sector. The election result could change all that. ●

Guinée, and **Papa Koly Kourouma** of the *Rassemblement des républicains* (RDR), who had 5.74%. Kourouma is an ally of **Moussa Dadis Camara**, the officer who led the 2008 coup d'état and also comes from the southern Forestière region. The Rainbows have attracted a few other small parties and leaders, the most significant being **Jean-Marc Telliano**, who took 2.33% in the first round.

The first-round results were confirmed by the Supreme Court on 20 July, since when both camps have been struggling to improve the conduct of the second round. All 24 first-round candidates condemned the faults of the *Commission électorale nationale indépendante* and Condé now thinks the CENI is biased towards Diallo. One of Condé's allies told us that Diallo's party had placed supporters in positions where they could influence the Commission; Condé's people are extremely critical of Diallo's two representatives on the CENI, **Pathé Dieng** and **El Hadj Boubacar Diallo**. To set that right, he wants to involve the Ministry of Territorial Administration and Political Affairs (known as MATAP), which has long experience of organising elections – none of which, evidently, were very democratic.

To involve MATAP in organising the election, Condé's party wants a decree signed by the head of the interim junta, Konaté; Prime Minister **Jean-Marie Doré**, thought to lean towards Condé, also favours this. The problem is that the law governing elections gives the main responsibility to the CENI and is vague about MATAP's role, if any. The relevant

article of the law merely says that the CENI is 'technically assisted' by ministries, including MATAP. **Amadou Oury Bah**, a founder of Diallo's UFDG, rejects the idea of invoking the Ministry's help, arguing that it would be wrong to change the rules between the two rounds of voting. This also seems to be the position of the Chairwoman of the ruling Transitional National Council, **Rabiatou Serah Diallo**, but she has been taken to Canada with an undisclosed illness.

CONSULTING COMPAORÉ

Gen. Konaté is reluctant to make a decision that might be construed as interfering in politics. He went to Burkina (according to his office) to present his condolences to coup-maker Dadis Camara who, after his wounding by one of his own guards, suffered the death of his son, **Moriba Dadis Camara** ('Junior'), who drowned in a Canadian swimming pool. The General's aim was also to consult the chief mediator in the Guinean crisis, President **Blaise Compaoré**. We hear that Dadis grumbled to Compaoré about being 'abandoned' by Konaté; some say he refused to see the General, whose reception by Compaoré was cordial but somewhat tense. It seems that Guinea must sort out its own tangled affairs.

In that spirit, CENI and MATAP have agreed in writing to coordinate their work. Firstly, they are making it easier to vote. At the first round, both the main parties, especially the RPG, complained that some of the 8,400 polling stations were too far away from the electors' homes. The law prescribes a maximum distance of

5 kilometres; some voters had to travel 20 km. Some regions had huge numbers of registered electors for each polling station, some had few. By agreement with both second-round candidates, the CENI's Director of Operations, Dieng, has announced that 1,500 extra stations will be added to the total for the second round (in practice there will be 1,250 more). Further, MATAP and the CENI will set up a joint system for reporting local results by text message, which could reduce confusion and delays.

Before the elections, the French specialist electronics company, the *Société d'applications générales de l'électricité et de la mécanique* (SAGEM), placed 4.2 million Guineans (in a total population of 10.2 mn.) on the electoral register. Yet only about 3.8 mn. of them obtained their polling cards in time. Dieng says that this time, some 400,000 electors will get alphanumeric cards, without photographs but impossible to forge, in good time. Fraud was so evident in some places last time that the Supreme Court cancelled the results. All this reduced the total number of votes cast and explains why the Court reduced the CENI's initial claim of a 77% turnout to near 52%.

The risk remains that, if the first-round results are disputed by either of the candidates, ethnic violence might break out, despite the good intentions of Konaté's interim government. If, as seems probable, the eventual winner is Diallo, his opponents may claim that, after the coup and the elections, nothing has changed since the days of **Lansana Conté**, who died in December 2008. ●

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Krystyna Boughey or Penny Lang,
Subscriptions Department
Asempa Limited, Vine House, Fair Green, Reach,
Cambridge CB25 0JD, UK
Tel: +44(0)1638 743633 Fax: +44(0)1638 743998
Email: subscriptions@africa-confidential.com
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Libya/Italy

THE COLONEL'S ROMAN HOLIDAY

■ Libyan President **Moammar el Gadaffi** flew into Rome on 29 August for the second anniversary of his 'friendship treaty' with Italy, accompanied by 30 berber horses and a speech aimed at converting young Italian women to Islam. Beyond the spectacle, the summit was designed to finalise economic deals between Gadaffi and Prime Minister **Silvio Berlusconi**. In 2001, Berlusconi claimed he was misquoted when making a speech asserting the superiority of Western civilisation over Islam; the Arab League rejected his attempted apology. Yet Berlusconi's coalition partner and Northern League leader **Umberto Bossi** is one of the fiercest critics of Islam in European politics.

Now Berlusconi and Gadaffi are trying to resolve the confusion over Libya's relationship with Italian oil major Eni. The Libyan Energy Fund announced its intention in December 2008 to buy a 10% stake in ENI worth about US\$8 billion, making Libya Eni's second-biggest investor after the Italian state itself. Libya is believed to already hold a small share in Eni. In fact, so certain was **Uganda** about Libya's involvement that key advisors to President **Yoweri Museveni** counselled against letting Eni buy into the Lake Albert oil fields in late 2009. 'We deny emphatically statements carried by some news outlets abroad about investment in BP or other foreign oil firms...including Italian ENI,' an official press release said, after the chief of Libya's National Oil Company, **Chokri Ghanem**, had remarked on the attractiveness of BP as an investment opportunity.

Elsewhere, Eni remains interested in the Congolese side of Lake Albert and is rumoured to be close to a deal with the current licence holders, Caprikat and Foxwhelp, after accusations last week from Tullow Oil, the **British** company which lost out, that a quick sale to a bigger company was imminent. Securities regulation in Italy only requires public declaration of stakes over 2%. Libya may be waiting for the right time and price to increase its stake.

Egypt

NUCLEAR-POWERED BROTHERS

■ With the political endgame well under way for President **Hosni Mubarak**, his government is expanding its nuclear ambitions. Given that Mubarak has been a loyal Western ally, his nuclear programme and plans for uranium enrichment and reprocessing have, unlike **Iran's**, attracted little critical attention in Washington. Indeed, some Western states point to their nuclear cooperation with predominantly

Muslim Egypt as proof that their campaign against Iran is about politics not religion.

That could change should Mubarak or his successor decide to allow free elections: such polls might well be won by the currently banned but flourishing Muslim Brotherhood, whose ideological positions are close to Iran's and those of the **Sudanese** regime, which also seeks nuclear reactors (AC Vol 51 No 17).

On 25 August, Mubarak identified the site for Egypt's first nuclear plant at El Dabaa on the Mediterranean coast. The cost will be US\$4 billion and Electricity Minister **Hassan Younes** expects it to be completed in ten years. Egypt has experienced power shortages since demand is growing at an average 7% per year. The plan is to build eight nuclear plants by 2028.

During a visit to Egypt on 22-23 June, the Director General of the International Atomic Energy Agency, **Yukiya Amano**, expressed support. Egypt, which joined the Nuclear Non-Proliferation Treaty in 1981, refuses to join further agreements unless **Israel** does, too. In 2008, Egypt's former Ambassador to the **United States**, **Nabil Fahmy**, said Egypt opposed any attempt to limit the right of NPT state-parties to the full fuel cycle – i.e. including enrichment.

Zimbabwe

INDIGENS AND EXPATRIATES

■ The National Indigenisation and Empowerment Board is supposed to ensure that 51% of the economy is indigenised by 2015. However, its original target of a blanket 51% indigenous holding has been replaced by a sector by sector approach with subsidiary boards for each. The Board's powers are hazy but the minister responsible is the ambitious **Saviour Kasukuwere**, who has little patience with legal niceties (see Zimbabwe box).

Few of those appointed have much direct business experience, although the National Board Chairman, **David Chapfika**, was a banker before a brief stint as deputy Finance Minister. Yet the sectoral boards are packed with placemen and retired army officers, including presidential Spokesman **George Charamba** and Affirmative Action Group President **Supa Mandiwanzira** ('Supa Man'), a former ZBC TV newscaster. The military men include **Gibson Mashingaidze** (head of the Sports and Recreation Commission) and **Mike Karakadzai** (head of the run-down National Railways). With fellow General **Douglas Nkyiaramba**, they form the key layer below the junta itself. There is a growing fear that the military is positioning itself to benefit from the indigenisation drive as ruthlessly and destructively as it did in the land grab.

● Zanu-PF's latest challenge has been the **United States** Embassy's sponsored visit of award-winning documentary filmmaker **Molefe Khumalo** 'MK' **Asante**. The 28-year-old, dreadlocked, beanie-capped MK

was born in Zimbabwe but taken when two to Philadelphia in the troubled mid-1980s. (Khumalo is the family name of the old Ndebele kings.) MK was a keynote speaker at a seminar at the Zimbabwe Film and TV School for Southern Africa.

Aiming to wean him away from his sponsors, ZANU-PF smothered MK with attention. World-weary Security Minister **Sydney Sekeramayi** spent an afternoon showing MK and his party round the shopping malls of plush Borrowdale. Earlier **Chen Chimutengwende**, *kwasa kwasa* exponent and former Information Minister, was spotted briefing MK on the evils of the Movement for Democratic Change in a downmarket restaurant. Preferring to get closer to his subjects, MK quit his five-star hotel for something more modest. This baffled the freebie-loving ZANU-PF nomenclatura as did the notion that any black American, other than a White House slave, could see Mugabe as anything less than the Great Pan-African Redeemer.

Ethiopia

THE NEW GUARD STEPS UP

■ Just before this year's elections, Prime Minister **Meles Zenawi** promised an overhaul of the party leadership. Now the next generation of politicians is edging up the hierarchy in the governing Ethiopian People's Revolutionary Democratic Front. Leaders of the EPRDF Youth League (1.25 million members) and the Women's League (996,000 members) will enter the top leadership for first time. Deputy Prime Minister **Adissu Legesse** is expected to resign at the party's eighth congress on 15-18 September in Adama in Oromia state. Information Minister **Bereket Simon** and Foreign Minister **Seyoum Mesfin** have they stepped down as members of Parliament.

Last year, Meles told *Africa Confidential* that he was looking forward to retirement; the latest plans suggest he will go by 2015. Preparations are under way for the reshuffle. At least 16 ambassadors have been recalled and await the appointment of the new cabinet.

Affiliated parties are holding conferences to elect delegates to the Adama congress. In the Oromo People's Democratic Organisation **Alemayehu Atomsa** replaces **Abadula Gemedo** as Chairman and **Mukhtar Kadir** ousts **Girma Birru** as his Deputy. **Girma** and **Abadula** retain their places on the 9-strong executive committee. The Tigrayan People's Liberation Front and Amhara National Democratic Movement have yet to decide. Opposition parties are also reorganising: the Oromo National Congress, All Ethiopians National Movement, Ethiopian Democratic Unity Movement and All Oromo People's Democratic Party have come together as the Ethiopian Democratic Forces Coalition. However, they are struggling to agree on common policies.

NIGERIA	LIBERIA	SUDAN/CHAD	SOUTH AFRICA	AFRICA/TRADE
The field gets more crowded There is no shortage of candidates or parties contesting next year's presidential election.	Critics, crooks and credibility With Liberia's elections just a year away, the early contenders are declaring.	A new strategy for Darfur With all eyes on the South, Khartoum has refocused on attacking Darfur.	Postponing the policies President Zuma wins himself a few more months to remake his shaky presidency.	SAHEL/SECURITY SAHEL/POLITICS CONGO-KINSHASA POINTERS

THE FIELD GETS MORE CROWDED

There is no shortage of candidates or political parties contesting the presidential election due early next year; the exact timetable (AC Vol 51 No 18) is under review after the Chairman of the Independent National Electoral Commission (INEC), **Attahiru Jega**, last week called for more time to register an estimated 70 million electors. The first and perhaps most important stage of the battle is the race for the presidential nomination for the governing People's Democratic Party. So far, it is the most heated race since the PDP was founded in 1998. Given its political dominance in the past three elections, the PDP candidate starts as clear favourite to win the presidentials.

After a precipitate launching of his campaign on Facebook's social networking site on 14 September (pre-empting General **Ibrahim Babangida**'s more formal announcement), President **Goodluck Ebele Jonathan** announced he would seek the PDP presidential nomination at a rally in Abuja on 18 September. Jonathan has already been spreading the largesse and is expected to launch another oil licence bidding round before the election, which should boost government and maybe party finances.

His main challenger for the nomination is former military head of state Babangida (aka IBB), who launched his bid for the PDP nomination on 15 September at a grand ceremony at Eagles Square in Abuja. In attendance were Governor **Mu'azu Babangida Aliyu** of the General's home state of Niger, Governor **Murtala Nyako** of Adamawa State, former Rivers State Governor **Peter Odili** and a former Speaker of the Federal House of Representatives, **Ghali Umar Na'Abba**. On the dais, IBB sat between Odili and former Senate President **Ken Nnamani**. We hear Odili is Babangida's chosen running mate: he presided over the opaque management of more than US\$8 billion during his tenure as Rivers Governor and is expected to provide substantial finance for IBB's campaign.

One of Nigeria's richest men and canniest politicians, Babangida is a formidable rival for Jonathan, assuming that he is serious about running for the presidency rather than trying to establish some leverage in the changing political order. Although many Nigerians like or feel indifferent towards Jonathan, Babangida arouses much stronger emotions of support or opposition. His public relations campaigns have failed to shake off his links to the grand oil corruption of the 1980s and 1990s, and his never-explained decision to annul the 1993 elections, still Nigeria's freest to date.

The three other competitors for the PDP ticket are former Vice-President **Atiku Abubakar**, Kwara State Governor **Abubakar Bukola Saraki** and retired Lieutenant General **Aliyu Mohammed Gusau**, now a former National Security Advisor. All the candidates, bar Jonathan, claim to represent the PDP's northern constituencies, which claim the right to the presidential nomination under the party's regional rotation rules. Jonathan's campaign hopes the proliferation of northern candidates will help split the northern vote at the PDP congress next month and allow him a comfortable victory.

After much speculation in the press, Gusau resigned his post on 15 September. Few think that as a low-profile intelligence official he can do much more than put down a marker against the other candidates, who are all professional politicians. Yet Jonathan was loath to let him go, given the government's need for northerners in its ranks.

Few rate the chances of Kwara's Bukola Saraki for the nomination, although he served as Chairman of the Governors' Forum and should have been able to mobilise the all-important governors' support for the contest. However, it seems he left it too late to do much more than deprive Jonathan of some of the votes from the Middle Belt that he badly needs. The rumour that Saraki might pick Rivers State Governor **Chibuike Rotimi Amaechi** seems bizarre in light of the pressure of all Niger Delta governors (such as Amaechi) to back Jonathan.

After several efforts to block his standing for the nomination, former Vice-President Abubakar has pushed his way into the contest but he remains at odds with many in the party, including the governor of his home state of Adamawa, Nyako. Adamawa State PDP finally dropped its opposition to Atiku entering the race: it had previously claimed he was ineligible because he had not formally rejoined the party. Party insiders say that Atiku won over the PDP National Chairman, **Okwesilieze Nwodo**, who was previously seen as a Jonathan ally. Some wonder whether Jonathan might be contemplating a deal with Atiku, should he encounter problems this month. At least for Jonathan, the more northern candidates in the race the better. ●

new regime, so the 'bad luck coalition' – as some call IBB, Atiku and Gusau – merely want to retain their relevance as kingmakers. As the campaign intensifies and northern sentiment hardens against Jonathan, that is beginning to look like wishful thinking.

In his favour, Jonathan has power of

incumbency with all the patronage that implies in Nigeria. The campaign is just beginning and his officials gave out 2 million naira (US\$13,000) to 800 local governments to persuade people to back his 18 September declaration party.

If the north fails to rally behind a single candidate, Jonathan would be

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Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amisah

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favourite to get the ticket. It is another matter how far one can trust the local, questionable public opinion polls, one of which boldly drew the following helpful conclusions for Jonathan: about 80% of Nigerians support him for the presidency, 87% plan to vote, 73% believe INEC can deliver free and fair elections and 63% want to end the regional zoning of party posts. The lack of scientifically sampled political opinion polling of the type done in **Kenya** and **South Africa** is a blight on Nigeria's political scene.

Should Jonathan fail to win the PDP presidential nomination, Nigeria would enter unknown territory. He could choose to leave the umbrella of the PDP and contest the presidential election for another party or he could ignominiously drop his ambition. Either way, his home region, the Delta, would be in ferment. For a smaller party, Jonathan as incumbent President and controller of state patronage would be quite a catch. By defecting to another party, he would stand a good chance of persuading many PDP loyalists from the Delta and perhaps the Middle Belt to join him. Such a splitting of PDP ranks could start to make the election unpredictable. Better, more honest management of the INEC and some strong opposition presidential candidates may pave the way for a really fiercely contested election.

Such scenarios are exercising the PDP barons. The last thing they want is to split the party and undermine its political dominance. For the past decade, they have preferred backroom deals to open contests: the question is whether Jonathan can cut the necessary deal with his northern rivals, who argue determinedly that it is their turn for the presidency.

The PDP state governors going for a second term are as determined as their presidential counterparts. Cross Rivers State Governor **Godswill Akpabio** has block-booked all airline tickets to his state convention. We hear that landlords who rent property to opposition candidates are being told to evict them in some states. Although the PDP's new National Chairman, **Okwesilieze Nwodo**, had tried to reduce the power of the state governors in the party's primary elections, they remain critical and no PDP presidential candidate can emerge in the face of opposition from the states. ●

Critics, crooks and credibility

The opposition girds itself to challenge President Ellen Johnson Sirleaf, the international darling, in next year's elections

The enthusiastic reception accorded to President **Ellen Johnson Sirleaf** at the United Nations summit this week must come as a welcome relief from the political roughhouse in Monrovia. Although Johnson Sirleaf, a sprightly 72, can be certain of strong international backing as she prepares to run for a second term in the elections due in October 2011, she may have mixed feelings about another tough six-year term in the Executive Mansion. There are no plans to replace Vice-President **Joseph Boakai**, 66, but many favour a younger running mate. We hear that former human rights activist and current Minister of Public Works **Samuel Kofi Woods**, 46, is a favoured candidate.

The UN Mission in Liberia will keep its military and police contingents at present levels until after the elections. UN Security Council Resolution 1938, adopted on 15 September, praised Liberia's economic recovery, reconciliation and attempts at land reform but referred to concern about security issues and the need for 'well-functioning institutions'. Despite tributes from **United States** Secretary of State **Hillary Clinton** and other visiting grandees, foreign governments complain about corruption, the slow pace of change and continuing administrative problems. Reforming the police and military remain top priorities. The UN Secretary General's Special Representative, **Ellen Margrethe Løj**, again hinted that UNMIL may stay well beyond October 2011 – investors want their own security guarantees.

A well-publicised recruitment drive notwithstanding, the Liberian National Police is ineffective, its morale sapped by low salaries and inexperienced leaders. Its brutal reaction to protests in Monrovia and elsewhere points to more problems. The revamped national army, trained by the US military, is yet to be tested.

Yet the adoption of the Freedom of Information Bill and the emergence of a feisty media suggest a democracy in rude health, compared to the regimes of **Charles Taylor**, **Samuel Doe** or **William Tolbert**. Some worry that the findings of the Truth and Reconciliation Commission, under review by an expert committee, may be buried. Johnson Sirleaf has already seen off the suggestion that her early dalliance with Taylor should disqualify her from office for 30 years. Taylor's trial in the Hague contrasts strongly with the fate of other ex-warlords, such as Senator

Prince Yormie Johnson, whose excesses were well documented by the TRC.

The 2005 elections left twelve parties with parliamentary representation but none close to a majority. Most are trying to build electoral alliances before 2011. The National Electoral Commission hails the slow moves towards a US-style two-party system as a success but the alliances have been expedient, messy and inconclusive, with plenty of scope for ego battles and splits before elections.

Sirleaf's Unity Party won 12.5% of the vote in 2005 and only twelve seats in the Senate and House of Representatives. Party loyalists make much of the UP's merger with the Liberia Unification Party and the Liberian Action Party, likening it to the Grand Coalition, which unsuccessfully challenged Doe in 1985. Veteran lawyer **Varney Sherman**, who came fifth in the 2005 presidential race, now chairs the rebranded New Unity Party; he ruffled feathers in the hierarchy by forcing out Secretary General **Henry Fahnbulleh**.

Yet the UP's mergers have been smoother than the opposition's. After winning the first round in the 2005 elections, former football ace **George Weah** watched with frustration as the Sirleaf camp co-opted former adversaries and the hitherto non-aligned. Now Weah may be the opposition's best and only prospect in 2011, due more to the lack of

alternatives than his political strengths. Accused in 2005 of being unqualified to lead, Weah took a break from local politics and enrolled at DeVry University in Florida to study business administration. His party, the Congress for Democratic Change (CDC), calls Weah, now 44, the candidate of youth and the disenfranchised.

In August, the CDC announced that it had become the Coalition for Democratic Change. Its fellow coalition members include former foes such as the Progressive Democratic Party, led by **Sekou Damate Conneh**, better known as leader of the Liberians United for Reconciliation and Democracy (LURD); the National Patriotic Party, still irrevocably linked to ex-President Taylor; the Liberia National Union, headed by **Winston Tubman**, and the True Whig Party, a very slimmed-down version of the party that dominated Liberian politics for decades. Dissidents in the CDC and other parties have questioned the viability of this coalition of rivals.

Keeping Weah at arm's length is the Democratic Alliance. Old-guard politicians and academics have been linked to the Alliance, notably **D. Karn Carlor** and Professor **Dew Tuan Wreh Mayson**, who served as both head of the National Investment Commission and Ambassador to **France** under Doe before falling out with the regime. Mayson dismisses both government and opposition, prompting speculation that he is a presidential candidate. A more likely name is **Charles Brumskine**, a former Taylor ally turned opponent, head of the Liberty Party, who came third behind Sirleaf and Weah in 2005. Prince Johnson, former guerrilla leader and killer of Samuel Doe in 1990, will stand. He is now Senator for Nimba County and capable of proving an irritant to the UP on the campaign trail. ●

LESS DEBT, MORE DEALS

Buoyed by debt deals and new investors, Liberia's economy is strengthening. It won debt relief of US\$4.6 billion under the World Bank's Heavily Indebted Poor Countries scheme on 29 June and a further \$1.2 bn. debt write-off by the Paris Club in September.

Yet Finance Minister **Augustine K. Ngafuan**'s department has come under scrutiny from the European Union-backed General Auditing Commission (GAC), headed by **John Sembe Morlu**. In contrast to Morlu's dogged pursuit of transgressors, the Liberian Anti-Corruption Commission (LACC) has been unable to prosecute successfully any of its cases against former ministers and ruling party notables.

After finalising deals worth hundreds of millions of dollars with steel giant ArcelorMittal and the Firestone Tire and Rubber Company, President **Ellen Johnson Sirleaf** has brought in many new investors – Equatorial Palm Oil, Golden Veroleum, Sime Darby and **Côte d'Ivoire**'s SIFCA in oil palm; BHP Billiton and **China** Union in mining; Chevron in petroleum; and **United States** airline Delta, which now flies in direct from Atlanta. National Investment Commission Chairman **Richard Tolbert**, nephew of former President **William Tolbert**, hails the deals as proof of Monrovia's improving image.

The latest investments, which bring the prospect of new jobs outside Monrovia, should boost the government. Yet Tolbert and his ministerial colleagues face criticism in the media and Parliament for their handling of concessions and poor due diligence. The incoming companies and local officials face protests in areas such as Maryland, in the south of Liberia, if they do not quickly deliver new community services and jobs. ●

A new strategy for Darfur

With all eyes on the South and preparations for January's referendum, Khartoum has stepped up its attacks in Darfur

As attention from Juba to New York focuses on January's referendum in Abyei and the South, Khartoum is trying to build a new reality in Darfur, away from the spotlight. The National Congress Party officially adopted its 'new' Darfur strategy on 16 September. The uncrowned king of this week's United Nations summit, Southern President **Salva Kiir Mayardit**, has slammed the strategy and also accused the NCP of backing **Uganda's** Lord's Resistance Army (LRA).

Since January's pact between Khartoum and Ndjamená, Chadian President **Idriss Déby Itno** is integral to the NCP strategy. One conspicuous result is the presence, officially, of Sudanese Armed Forces (SAF) inside Chad, as part of a joint forces initiative to guard the border. This has spread fear of being driven back into Darfur among nearly three million refugees near that border, according to non-governmental organisation sources.

January's agreement – which was **Libya's** idea, said a UN source – has held. The NCP wants a free hand in Darfur while all eyes are watching the South and General Déby has parliamentary elections to win in November and a presidential poll next year. Though the NCP, then called the National Islamic Front, helped Déby to power in 1990 (AC Vol 49 No 4), when it discovered he was not the puppet it believed, it began trying to overthrow him. Its main vehicle has been Chadian oppositionists, whom Khartoum helped to train and arm.

Déby's government, meanwhile, hosted armed Darfur oppositionists, especially the Justice and Equality Movement (JEM), led by former NIF minister **Khalil Ibrahim Mohamed**, a relative of Déby's seen as the protégé of NIF guru **Hassan Abdullah el Turabi**.

The agendas are different. While Déby might well want the NCP ousted, his main aim is survival. The NCP is also keen on survival and on keeping JEM in line. However, since its 1989 coup, it has sought to destabilise its neighbours. Western containment policy and external events forced tactical shifts: Khartoum has tried to tie **Eritrea** and **Ethiopia** into alliances that weaken their ability to take it on and now it is Chad's turn.

Neither side trusts the other. Déby, we hear, has been wondering about the NCP's real intentions: while he has driven JEM fighters out of Chad, largely into Sudan,

Chadian rebels are still thriving in Sudan. Khartoum expelled only top leaders, to Doha, where they received a royal welcome. The NCP has privileged **Qatar** among governments seeking to mediate Darfur peace talks. The 'Qatar Initiative' is widely seen as having collapsed but its theoretical continuation serves both governments, as well as Western and African governments who don't want to challenge Khartoum.

With **Khalil Ibrahim** exiled in Libya, JEM refuses to return to the Qatar talks. 'Doha is dead. They [Khartoum] killed it, so we left,' the Sudan Liberation Movement-Unity told *Africa Confidential* this week. The Liberation and Justice Movement, led by former South Darfur Governor **El Tigani Seisi Mohamed Ateem**, is also having second thoughts, we hear.

The LJM was cobbled together with help from (separately) Libya and the **United States** by omitting groups that doubted its usefulness. Now both Tripoli and Khartoum also have such doubts: for them, it got too friendly with US Special Envoy **Scott Gration**.

SUCCESS FOR LIBYAN SPOOKS

Colonel **Moammar el Gaddafi's** regime watches carefully. Libyan intelligence, experienced in Africa, has partly achieved one major aim: keeping Western and UN troops out of its backyard. After getting rid of the European Union Force (EuFor), Déby signed up with Khartoum partly to get rid of the *Mission des Nations Unies en République Centrafricaine et au Tchad*. Minurcat 'played no role whatsoever', he said in June. Khartoum shares this aspiration and has supplied SAF troops to help to 'guard the border' and 'protect Sudanese refugees'. This doesn't seem to worry Déby: he and his officers have a low opinion of the Sudanese army, we hear.

So do Darfur oppositionists from different movements, which have fought the SAF. 'This is not the Sudanese army but an NIF army,' said one SLM official, referring to 21 years of brutal purges of officers and Islamist 'orientation'. A JEM source agreed that SAF was weakened, noting that the '16,000 troops' it had recently fought in 'nine battles...did not want to fight'. Yet Khartoum may not need the proudly professional armed forces of yesteryear to cause mayhem in Darfur, Chad or the South.

Sudanese forces in Chad did not prevent the kidnap not far from the border this month of a **Chinese** engineer. They did not announce that he worked on a water project at Ndjeres, the camel camp north of Tiné 'where Déby's father's grave is' and which he hopes to turn into a town. Darfur sources said local criminals had abducted the man and said a ransom had been paid; he apparently escaped.

However, Darfur and international NGO sources agree that the recent spate of kidnappings in Darfur are not by bandits but by Khartoum. Most, including those of a US NGO worker and of **Jordanian** security officers with the UN-African Union Mission in Darfur, happen in broad daylight, often in state capitals. Culprits are not caught, even though police and security forces are often nearby. 'They're fighting UNAMID and the NGOs by proxy,' observed one oppositionist.

Kidnapping illustrates how Khartoum can make war without deploying large forces. So does the LRA, resurgent in both South Sudan and South Darfur, which implies increased aid from Khartoum. 'We are in touch with different countries,' said JEM Spokesman **Ahmed Hussein Adam** when asked about reports that JEM forces were training in Uganda (AC Vol 51 No 17). 'We have a common enemy with Uganda in the LRA.'

Proxy forces are key to the NCP's new Darfur strategy as they were to the old. The policy has 'five pillars': security, development, repatriation, reconciliation and negotiation, said **Ghazi Salah el Din el Atabani**, who handles the Darfur 'file'. Security is the most obvious, including the dismantling by force of displaced persons' camps, starting with Kalma, Nyala. 'This is the start of a new phase of the genocide,' said Ahmed Hussein, 'which is against international law.'

Refugees of varying political views are united in condemning NCP policy, as AC found at a 19 September demonstration in London. The International Criminal Court talks of 'ongoing genocide'. Around 70 civilians were killed at Tabra, near Tawilla, last week; with the New York Sudan meeting looming, Khartoum, unusually, admitted responsibility.

One stalwart of NCP strategy is South Darfur Governor **Abdel Hamid Musa Kasha**, a founder of the 'Arab Alliance' (*Tijamu el Arabi*) in 1988, widely seen as the start of Darfur's ethnic variety becoming ethnic conflict. One of his closest advisors whose name is being mentioned these days is **Mohamed Hamdan Dogolo**, known as 'Himeiti', a feared *Janjaweed* leader named in ICC and UN reports. The Small Arms Survey reported that he brought 3,000 men into the regular army in 2008. Khartoum can still call on plenty of fighters, wherever they are needed. ●

Postponing the policies

After fighting back against his detractors at the party summit, Zuma has won himself a few more months to remake his shaky presidency

It was a rare victory for President Jacob Zuma. By persuading the governing party's National General Council (NGC) in Durban on 20-24 September to delay all substantive decisions on policy and the succession, Zuma managed to see off the most serious challenges to his authority. All these issues are now to be discussed at the African National Congress's National Elective Conference in 2012.

The anti-Zuma camps will not be packing their bags just yet, though: he remains under attack from leftists in the trades unions and South African Communist Party (SACP) and from the right, particularly from former ally and ANC Youth League (ANCYL) President **Julius Malema**. Instead of discussing divisive issues, Zuma and his allies tried to focus debate on a state tribunal to regulate the media and an Information Bill which ANC officials claim would protect state secrets.

SLAMMING MALEMA

Opening the conference, Zuma slammed Malema for calling for leadership change in the ANC and demanding nationalisation of the mines. He took a sideswipe at his critics in the Congress of South African Trade Unions (Cosatu), such as General Secretary **Zwelinzima Vavi**, who wants to 'co-govern' with the ANC. Demands by ANCYL and others to discuss the succession, Zuma said, portrayed the ANC as 'people who are preoccupied with fighting for influential positions to advance personal interests'. For the first time, he attacked Malema and the League by name: 'Action must be taken against them.' To underline his new hostility, Malema arrived noisily 30 minutes into Zuma's speech.

On 22 September, ANCYL assigned 45 of its 62 delegates to the Economic Commission on Transformation and pushed for a motion on nationalising the mines. It was the main item at the Council meeting and most of the delegates from Cosatu and the SACP, as well as Zuma's own supporters, were in attendance. ANCYL heckled its opponents and booed Planning Minister **Trevor Manuel**.

In his opening address, Zuma, and later Finance Minister **Pravin Gordhan**, had insisted there would be no economic policy shifts at the conference but that didn't stop the intense and sometimes raucous exchanges. Before the meeting,

Cosatu released a growth path calling for a state-owned bank to cater for the poor, nationalisation of mining, metals and other sectors, a more progressive tax system and the abolition of inflation targeting. It also wanted the NGC to back proposals to devalue the rand and tax capital inflows. By 22 September, the rand hit its highest level for two and half years: R7.0225 to US\$1.00. It has gained around 25% since the start of 2009.

Gordhan said the immediate challenges were to increase exports and create new enterprises – a 6.5% growth rate was needed to tackle unemployment and poverty. **Ebrahim Patel**, the Economic

Development Minister and former union leader, is pushing his own more leftist growth plan, which the unions say will tackle unemployment. Gordhan tried to sound conciliatory.

Zuma extolled the ANC's collaboration with business. 'Politics and business go together. Once business steps closer to the political party in power, it means things are going very well,' he said at the business exhibition at the NGC. Sixty companies set up stalls and paid the party for meetings with Zuma but foreign diplomats were not invited. 'Business sense tells you that investing in the ANC, which is supported by more than 65% of the population, is good value for your money,' Zuma told the companies.

Zweli Mkhize, Chairman of the ANC's Health Committee, presented a National Health Insurance plan to be launched over three phases starting in 2012 and costing several hundred billion rand. Mkhize said the plan would be funded by a surcharge on taxable income, payroll taxes and increase in value added tax. ●

AFTER THE COUNCIL, A RESHUFFLE

Amid the doctrinal squabbles in Durban, speculation intensified about how President **Jacob Zuma** might reshuffle his cabinet. Hard-line presidential allies such as the Communications Minister, General **Siphiwe Nyanda**, fear the erosion of the President's authority. Some call for the marginalisation of Deputy President **Kgalema Motlanthe**, whom many want to succeed Zuma. One plan was to persuade Motlanthe to step down and redeploy him to the African National Congress headquarters in Luthuli House.

Initially, that was what Motlanthe wanted to do following Zuma's election as President last year but some of Zuma's more paranoid allies feared that would allow Motlanthe to build up an independent base within the ANC. Despite the views of plotters on all sides of the party, Motlanthe remains an improbable political assassin: last week in London, he insisted that he had no interest in returning to the presidency after his brief stint as interim President following the ousting of **Thabo Mbeki** in 2008. If another faction led a rebellion against Zuma, then Motlanthe might step in for the sake of the party.

If Zuma moves Motlanthe, there could be two beneficiaries. One would be Minister for Monitoring and Evaluation **Collins Chabane**, whose appointment as Deputy President would not threaten Zuma. The other would be Defence Minister **Lindiwe Sisulu**, whose supporters want Zuma to anoint as his successor. More probable is that the former Finance Minister and current National Planning Minister, **Trevor Manuel** may step down. His mooted replacement is **Max Sisulu**, Speaker of Parliament. Manuel's allies say he is looking for 'new challenges'. Senior World Bank staffers say that Manuel would be a popular candidate to replace **Robert Zoellick** as President of the World Bank next year; his appointment would be an important symbolic shift for the Bank.

Zuma also has to appoint a new Deputy Health Minister, following the death of **Molefi Sefularo**, in a road accident. He may also sack some ministers without strong constituencies, such as Correctional Services Minister **Nosiviwe Mapisa-Nqakula**, a close ally of Mbeki. He may also jettison or shift Minerals Minister **Susan Shabangu**. Her efforts to clean up patronage in the mining business are unpopular with Zuma's backers. **Makhenkesi Stofile**, the Sports Minister, is another easy target as is **Noluthando Mayende-Sibiya**, the Minister of Women, Children and People with Disabilities: both lack party support and haven't performed well. The future of some provincial premiers is also at risk. Most precarious is Mpumalanga Premier **David Mabuza** after a *Sunday Times* journalist, **Mzilikazi wa Afrika**, was arrested and charged with fraud for having a copy of his resignation letter. In May, 14 million rand (US\$1.99 mn.) in cash disappeared from Mabuza's farm. There has been no investigation as to why he needed that much cash.

Gauteng Premier **Nomvula Mokonyane** may also be in the firing line after losing the ANC Provincial Chairmanship to former provincial Premier **Paul Mashatile**. Zuma may also bring KwaZulu-Natal Premier **Zweli Mkhize** into cabinet, although he has criticised the national government's performance. Leftists want Zuma to replace the premiers of the Eastern Cape, Northwest and Free State, whom they say run 'right-wing cabals'. ●

The bonus culture

Payments by oil and mineral companies to ensure that governments sign on the dotted line are not always what they seem

New or renewed deals to explore for or produce minerals must be licensed by governments. When deals are signed, companies expect to hand over a bonus or other upfront payment to show they are serious. Sometimes, such payments are legitimate contributions towards infrastructure or training programmes. Sometimes, they go into the coffers of a ruling party or the pockets of rulers. It is not always easy to tell which is which.

In Africa, Western oil and mining firms claim that the entry of new rivals from Asia has made it harder to unravel the legitimacy of signature bonus schemes. Those Western companies are themselves coming under closer scrutiny, through tougher anti-corruption laws (especially in the **United States**) and voluntary schemes such as the Extractive Industries Transparency Initiative (EITI). Payoffs to African politicians (or to Western politicians, company executives and fixers) were common in the 1980s and 1990s. Now they have to be shrouded in subterfuges, such as shell companies in tax havens (the safest are **British**, such as the Channel or Virgin Islands). Investigators see the involvement of such places as an alarm signal. But that does not necessarily help them to find out what is going on or to show that laws have been broken.

'Signature bonuses are an art form,' said Professor **Jenik Radon**, who studies oil contracts at Columbia University. He argues that countries without experience of foreign investment cannot demand big bonuses and that experienced companies know what they are getting and will already have calculated it. Bonuses are supposed to cover the government's negotiating costs but governments often have less information and capacity than the companies. Radon believes that high bonuses are in general a good thing since they eliminate the smaller players, provide early revenue to governments and offer companies an incentive to work fast.

When commodity prices are as high as they are now, countries with resources to sell can demand payment schedules to suit their needs. Ten years ago, **Angola** was receiving US\$200-300 million per oil block in bidding auctions, with the sum depending on price projections, negotiating strategies and competition for capital. In 2004, **Nigeria's** President, **Olusegun Obasanjo**, had to do without bonuses in

order to entice Asian companies which, in 2000, had shown no interest in marginal fields. The government scraped together only \$190 mn. in bonus money and even that trickled in. In 2007, shortly before his term ended, Obasanjo was offering 45 oil blocks with minimum signature bonuses of \$50 mn. each. Companies chose to wait a year for a new president.

High times strengthen governments' bargaining power. Since 2008, **Congo-Kinshasa's** government has demanded large bonuses in both oil and mining deals, and got them despite the risk that it might soon tear up the contract and demand a sweeter one. In a controversial deal, Highwind offered a \$60 mn. bonus to displace First Quantum Minerals from the Kolwezi copper and cobalt project in Katanga (AC Vol 51 No 16). Some analysts claim that government unpredictability deters investors, with the standard line: 'President **Joseph Kabila** must play it straight or lose investment.'

Yet bonus payments, even when in the tens of millions of dollars, may be seen by companies as a fee for access to the game, rather than a guarantee. When they hold the upper hand, bonuses may be small or non-existent, with state revenues pushed into the future. A bonus for exploration in virgin territory may be as low as \$500,000, as in **Uganda's** deals with Tullow Oil. Bonuses are just one of the revenue streams available to a state; more paid now should mean less in the future, if the company has done its sums right.

COMPETITION FROM ASIA

In 2006, **China's** state-backed oil major Sinopec sent ripples through the markets when it promised Angola a record \$1.1 billion signature bonus for the right to develop two oil blocks. Western oil companies, despite the \$900 mn. bonus offer from **Italy's** Eni in a previous bidding round, had been wary of handing over that much money up front, even when the return seems likely to be juicy. Chinese lavishness hampered **Indian** efforts, through the Oil and Natural Gas Corporation, to make progress in Nigeria.

The ability of Chinese companies to marshal capital resources threatened a new signature-bonus inflation, delighting African governments hoping for ready cash. Yet Sinopec's \$1 bn. was not so much a bonus as a decision to pay the government early and so secure access

to fields that will eventually generate at least \$30 bn. in revenue. Radon considers it 'just part of the overall strategy of compensation and negotiation'. Sinopec was in partnership with the Angolan state company, Sonangol, thus reducing the risk of a government U-turn after payment. Nor is the bonus always paid at signature – there is considerable confusion in Angola over how much and when Sinopec actually paid. An ad hoc committee in Nigeria's House of Representatives in August 2008 claimed that the government was owed more than \$1.4 bn. in unpaid bonuses across dozens of deals, including with Chevron and Shell. Companies talked of big bonuses to secure deals, then prevaricated while they found the capital.

It is misleading to treat the signature bonus as the key variable in a bidding round, as happens in Nigeria, said **Diarmid O'Sullivan** at lobbying group Global Witness. 'It can have a distorting effect because the company willing and able to pay the biggest bonus may not be the best company to do the job.' Front-loading huge payments should, if the revenue is used properly, be good for states seeking to invest in infrastructure and development.

However, once it is paid, the money may be channelled to private spending, used for debt-repayment – or disappear. Countries that miss out on big bonuses at the outset (usually because contracts have been signed with preferred parties, not in an auction or bidding process) may press for windfall taxes on super-profits if the development turns out to be lucrative. The result can be messy legal battles.

Governments like to boast of 'negotiation victories' and bonuses are often the most visible part of a natural resource contract. There is less transparency about details such as the company's anticipated rate of return, the state's share of profits over the duration of the contract, and social and environmental protection. Revealing bonus payments can give companies a sheen of transparency without the substance of accountability. When BP Amoco announced in 2001 that it paid a \$112 mn. bonus to Angola, campaigners hailed a breakthrough but there was no way to trace the money.

Under pressure from global initiatives such as Publish What You Pay (PWYP) and the EITI, companies may publicise bonus payments; it is then up to the state to account for where the money went. The same companies may be in partnership with state-owned entities or complicit in undermining attempts to establish revenue-management systems. Under the new Dodd-Frank Act in the USA, legally registered companies will from 2012 be required to publish even more information about payments, project by project. The bonuses are already mostly public, though, and the problem has moved on.

CASH UPFRONT: SIGNATURE BONUSES IN OIL AND MINING

MAURITANIA

OIL: In 2006, Australia's Woodside Petroleum agreed to pay the government a signature bonus of \$100 million for rights to the Chinguetti field.

NIGER

OIL: Chinese National Petroleum Company (CNPC) paid \$272mn. in 2008.

LIBERIA

MINING: Bong iron ore mine: China Union promised \$45mn. signature bonus in 2009; partly paid.

SÃO TOMÉ & PRÍNCIPE

OIL: Chevron paid \$123mn. for a block in 2004.

CONGO-KINSHASA

OIL: Lake Albert relicensed twice, ranging from \$500,000 from Tullow in 2006, \$2mn. from SacOil, and \$3mn. per block from Caprikat/Foxwhelp.
MINING: China paid \$350m bonus to seal \$6bn. resources-for-infrastructure deal in 2008. Highwind is offering \$60mn. bonus to displace First Quantum Minerals (FQM).

LIBYA

OIL: \$1bn. plus bonuses paid by American consortia in 2006 and 2008, and most recently by Eni in 2010.

SOMALIA-PUNTLAND

OIL: In 2006 Canmex and Range Resources agreed to pay a signature bonus of \$5mn.

CENTRAL AFRICAN REPUBLIC

MINING: AXMIN to pay \$11mn. for a 25-year mining licence at Passendro gold project.

UGANDA

OIL: \$300,000 signature from Tullow for one block in 2001.

SOUTH AFRICA

MINING: No upfront bonuses are paid for gold deals.

FOLLOWING THE MONEY

EITI gives headline numbers but does not trace where the money ends up. One of Africa's newest oil states, **São Tomé e Príncipe**, is already embroiled in confusion over payments for rights in its Joint Development Zone with Nigeria. Money released by Nigeria was transferred to São Tomé's oil account at the New York Federal Reserve Bank. In Nigeria, an investigation is under way about the alleged misappropriation of millions of US dollars from the signature bonus for Block 1, which was deposited in Hallmark Bank, a Nigerian enterprise owned by **Marc Wabara**, an associate of former President Obasanjo (AC Vol 48 No 13).

In Angola, diamond industry signature bonuses are neither paid nor publicised, since contracts are awarded secretly to government contacts. In Congo-Kinshasa, bonuses are alive and well since the contract review of 2007 and so is corruption. Signature bonuses of \$23 mn. paid as part of China's \$6 bn. *Sino-Congolaise des Mines* (Sicomines) deal with Kinshasa, were stolen when they passed through the Congolese copper parastatal *Générale des Carrières et des Mines* (Gécamines). The Chinese consortium paid a total of \$350 mn. in bonuses or 'entry fees' to secure a resource-for-infrastructure deal in 2008. If the concession succeeds, it will make billions over the coming decades.

In the Congolese mining contract reviews since 2007, higher signature bonuses have been a central feature, with Metorex, Anvil, Katanga Mining and many others agreeing to pay more.

Some big companies decline to say how much more but others have been more forthcoming. **Canada's** International BarytexResources, which owns Katanga-based Shituru Mining, was required to increase its signature bonus from \$2 mn. to \$10 mn. to conclude its contract review. Freeport-McMoRan and Lundin, which control Tenke Fungurume, were called upon to increase their signature bonus from \$100 mn. to \$250 mn.

The days may be over when companies made payments directly into private bank accounts. In **Equatorial Guinea**, the signature bonuses were often relatively modest, at around \$750,000, but the real sums were channelled through other mechanisms and semi-covert bonuses were a way to reward politicians or officials for agreeing to favourable contracts. Nowadays, that obvious route is likely to prompt legal action or at least investigation, though the US Foreign Corrupt Practices Act has more bark than bite.

Ian Gary, a natural resource contract expert at Oxfam America, said there has been a move towards including in contracts small and unknown companies which provide the revenue for connected people. Recent cases have included the controversial 3.5% share awarded to EO in **Ghana** for the West Cape Three Points (WCTP) oil block, whose directors were allies of former President **John Kufuor**. No signature bonuses were paid for Ghana's production sharing agreements.

THE REAL PAY-OFFS

Procurement, not bonus payments, offers the real opportunities for corruption. Oil and gas service companies such as Halliburton have benefited from the outsourcing of work from the big commercial oil companies to contractors linked to state officials. Nigeria's \$6 bn. gas export complex is a case in point. A bribery/signature scheme managed by Halliburton, Technip, Snamprogetti and **Japan's** JGC Corporation to secure the initial \$2.5 bn. procurement and construction contract in 1993 has become the biggest foreign corrupt practices investigation for the US Department of Justice.

'Official' channels for transferring money from company to state open at different stages, including time of signature and when further production targets are hit, as well as taxation, profit-share and royalties. What companies concede financially is usually recouped later and bonuses in many contracts are explicitly 'cost recoverable': they can be claimed back from profits before the government gets its share.

Companies may still fall prey to corruption since there is no transparency once the money is handed over, as in Angola's 'Bermuda Triangle' – the presidency, central bank and Sonangol – in which billions are siphoned away. Unofficial procurement arrangements, opaque licence shares and loans are even harder to follow up, because they are even more secret. For politicians and business operators, these are the real bonuses. ●

Storms in the sand

The EU is building a strategy to fight terrorism and crime on the fringes of the Sahara

The kidnapping of five French people on 16 September is a wake-up call to the European Union about crime in the Sahel belt – terrorism; the trade in drugs, arms and people; banditry and Tuareg uprisings. Three days earlier, the EU's Counter-Terrorism Coordinator, **Gilles de Kerchove**, had told a special session of the European Parliament's Defence and Security Subcommittee that the fringes of the Sahara were a priority for the European 'stability instrument', whose budget for 2007-13 is 2.06 billion euros (US\$2.71 billion).

The EU was working on the issue even before the murder of a French aid worker, **Michel Germaine**, 78, who had been kidnapped in Niger on 19 April. On 25 July, **Abdelmalek Droukdel**, alias **Abou Moussab Abdel Wadoud**, head of *Al Qaida* in the Islamic Maghreb, claimed the murder on Qatar's *Al Jazeera* television. The word around Niger was that the retired engineer had been seized by bandits, who sold him on to AQIM, we hear. AQIM claimed allegiance to **Usama bin Laden's Al Qaida** in 2007, when it changed its name from the *Groupe Salafiste pour la Prédication et le Combat* (GSPC), a largely Algerian group driven into the Sahel by Algerian security forces.

The Arlit and Imouraren mines are strategically important for France, which depends heavily on nuclear power for electricity supply. This month's kidnapping involved seven people – a Malagasy, a Togolese and five French – working for the French nuclear giant Areva and French building company Sogea-Satom, a subsidiary of Vinci Construction which works in 19 African countries. It happened at Arlit in northern Niger and AQIM again claimed responsibility. The French journalist **Jean-Dominique Merchet** reported on 21 September that hundreds of soldiers from the French *Commandement des opérations spéciales* have been 'prépositionnés' in Ouagadougou, Burkina Faso, presumably for a rescue operation. Merchet says that COS, which boasts up to ten troop transport aircraft and two helicopters, arrived from the Atar base in Mauritania, where it trains local special forces. The United States has been asked to help locate the hostages via satellite.

On 8 September, Malian President **Amadou Toumani Touré** ('ATT'), had visited the European Parliament in Strasbourg and asked for help in fighting

terrorism. The EU already supports an anti-terrorism unit in his presidential office and is helping to reinforce 13 of Mauritania's frontier posts; France supports seven more.

The European counter-terrorism effort, suspended after coups in both Niger (February 2010) and Mauritania (2008), is restarting. The immediate task is to identify threats and needs but it aims to create an integrated security and development strategy. The lack of opportunities for young people in the Kidal region of Mali, for example, gives opportunities to AQIM, which has both jobs and cash to hand out. There can be no development without security, though, says De Kerchove, a Belgian. Tourism, in particular, is being destroyed; the French Ministry of Foreign Affairs advises its citizens not to travel anywhere in Mauritania, in most of Mali north of Bamako, in the northern Gorom-Gorom region of Burkina Faso and in most of Niger north of Niamey.

SMUGGLERS' PARADISE

Terrorists are not the only enemies. A new route for cocaine shipments has been established across Mali, in addition to the familiar route through West Africa which involves drugs imported by Colombian gangs into Guinea-Bissau, then towards Europe through Mauritania and Morocco. According to De Kerchove, a big transport aircraft which made an emergency landing last November in northern Mali was believed to be loaded with cocaine (AC Vol 50 No 24). Hashish is moved across the Sahel, along with cigarettes, weapons (from Chad and East Africa) and migrant workers heading for Europe.

Further dangers arise from the discontent of Tuareg people in northern Mali and Niger, which AQIM tries to exploit. The Malian and Nigerien governments, encouraged respectively by Algeria and Libya, agreed to integrate Tuareg fighters into their armies and decentralise some administration to the Tuareg communities. The Tuareg say they have not kept their promises.

De Kerchove and EU development officials seem to see Mali as the soft underbelly in the fight against AQIM, which is trying to link up with the *Boko Haram* Islamist group in northern Nigeria, while also (on the classic Islamist international model) making deals with criminal traffickers.

If AQIM can strike in Mauritania or Niger, it is because it has a safe haven in northern Mali, where the state's power does not extend beyond Gao and Kidal. There are reports of two *katibas*, or mobile fighters' camps, there. About one-third of its fighters are said to be originally from Mauritania, led by former GSPC Algerians. The rest are from Mali, Niger and Tunisia, though AQIM has recruited from as far away as Britain, AC understands.

De Kerchove blames the number of Mauritians on Pakistani imams working from Nouakchott to transform the quiet local Malekite Sufi tradition into something far more radical. Iran, where majority Shia affiliation is no barrier to a government thrust into Sunni societies, has also been busy. After Nouakchott suspended relations with Israel in March 2009 following its raids on Gaza, an Israeli-funded and -run hospital lost its entrance hall plaque thanking Israel and rapidly found one thanking Tehran, which also handed over \$10 mn., AC sources say.

One interesting Malian idea is to create 'pôles de sécurité et de développement' around army bases, to provide state services that have disappeared, such as health, education and water supplies. Several EU countries are involved, including France and Spain, alongside Canada and the USA. In Mali, France is developing camel-borne ('*mehari*') fighting units, backed by about 40 light fighting vehicles, of which the first ten arrived on 13 September. The EU plans to start by investing about 10 mn. euros in security programmes covering equipment, training, reconnaissance and cross-border cooperation. Some in Brussels worry that the Sahel states are not sufficiently concerned about Islamist radicalisation. That is partly because their governments want to keep politics and religion separate, although some are willing to call it 'culture' and encourage the region's traditional religious calm through ministries of religious affairs. The EU policy focuses on local development efforts, for instance by building roads that would incorporate northern Mali fully within the state or by supporting Mauritania's special laws and courts to deal with terrorism. It wants to promote youth employment and to train judges and border police. De Kerchove says that if the EU can carry on with aid at the present rate of 100 mn. euros a year, even when its own workers become targets, it would be quite an achievement.

With AQIM present throughout the region, the EU hopes to foster a regional response. One urgent project is to establish a security college where soldiers and police from Mali, Mauritania and Niger would train and work together. A joint operational general-staff committee began to bring them together with Algeria and Burkina Faso in Tamanrasset in

Algeria, on 21 April. Sahel states have very different policies, though. Mali and Mauritania take a tough line, though ATT says he would never endanger the lives of hostages and always be open to negotiation.

In Nouakchott, relations between Mauritanian President **Mohamed Ould Abdel Aziz** and his opponents remain edgy, although July brought hints of a slight thaw. For the first time since being sworn in, the President received **Ahmed Ould Daddah**, one of the main opposition leaders, for talks. On 17 September, Mauritania launched a 'pre-emptive' raid in Mali on what was said to be a column of AQIM vehicles, about 100 kilometres north of Timbuktu near Hassi Sidi well. The next day, Mauritanian troops went further into Mali to Ras el Ma, 235 km. west of Timbuktu. The raid was led by Mauritanian fighter jets. Paris denied involvement but the French Communist daily *L'Humanité* reported that 80 French soldiers sent to Niger had gone into Mali. France is back in the field once again.

COLLATERAL CASUALTIES

The attacks on jihadists in Mali highlighted the local political dangers of the situation: one of those killed was a woman said to be the wife of a jihadist fighter. Local community leaders report that a second woman also died. Such 'collateral casualties' could begin to antagonise local people who have hitherto broadly supported the government.

While the Tuareg remain strongly hostile to the foreign Islamists, some local *Berabiche* (Moorish) tribes are more welcoming, for social and family reasons: AQIM has begun to develop ties with the community through marriage. For the first time, now, the jihadists are beginning to develop a more welcoming local refuge in parts of north-east Mali.

The EU's policy is at a crossroads. Its Director General of Development, **Manuel Lopez Blanco**, believes that Niger's army is more efficient than Mali's and gets better local cooperation – although AQIM also wins friends by paying three times the market price for supplies from local Tuareg. Local support for AQIM is evident from the number of Bin Laden T-shirts in shops and the startling ease with which AQIM carried out the September kidnap.

A Portuguese Socialist Member of the European Parliament, **Ana Maria Gomes**, complains that some European governments are willing to ransom their captive citizens, while others (like France, in the Germaneau case) refuse to pay up. She also criticises the EU decision to close its police and army assistance mission in Guinea-Bissau. Her German colleague **Sabine Lösing** asks whether army bases in northern Mali will not further radicalise that region's disaffected people. ●

NIGER, MAURITANIA, MALI: THE POLITICS

NIGER

For Niger, the crisis with *Al Qaida* in the Islamic Maghreb (AQIM) comes as the military regime that overthrew President **Mamadou Tandja** last February approaches the return of democracy. Thanks to its reformist agenda, the *Conseil suprême pour la restauration de la démocratie* junta has largely escaped opprobrium (AC Vol 51 No 5). Its leader, Major **Salou Djibo**, has been at the United Nations Millennium summit in New York this week, a sign of acceptance. Yet that depends on the CSRD junta re-establishing constitutional democracy by 18 February 2011, a deadline recommended and accepted by the *Conseil consultatif national* of parties and civil society. Djibo has stuck to it so far.

The regime's crackdown on corruption has verged on a witch-hunt at times, provoking local comparisons with the 'Dadis Show', the public humiliation of wrongdoers staged by last year's Guinean military ruler, **Moussa Dadis Camara**. Djibo has said that Tandja will not be released, despite an appeal to the Court of Justice of the Economic Community of West African States. The presidential election is scheduled for January 2011 and as long as the CSRD keeps moving towards it, governance concerns are unlikely to trouble Western governments anxious to see Niger stable and containing the AQIM threat.

Seïni Oumarou, one of Tandja's ex-premiers and likely presidential candidate of the formerly ruling *Mouvement national pour la société de développement*, was detained in August under the anti-corruption probe and released on bail in four days. Djibo has hinted that if those who stole funds repay them, they may avoid gaol.

MAURITANIA

President **Mohamed Ould Abdel Aziz** in Mauritania is also a military man but of a different stripe. Having seized power in August 2008, deposing elected civilian President **Sidi Mohamed Ould Cheikh Abdallahi**, he stood for election in July 2009 and is clearly aiming for the long haul (AC Vol 49 No 17). As prime justification for his coup, he demanded a more effective antiterrorist campaign.

His stance towards AQIM is more aggressive than Niger's or Mali's. The leader of the opposition *Alliance populaire progressiste*, Parliament Speaker **Messaoud Ould Boulkheir**, has attacked Ould Abdel Aziz's management of the campaign against AQIM, especially his public criticism of Mali's President **Amadou Toumani Touré** and his unilateral decision on which border posts to keep open on the Senegalese border.

Ould Boulkheir also complains that Ould Abdel Aziz has abandoned Mauritania's neutrality over Western Sahara, taking a pro-Moroccan position that could hurt relations with Algeria, a key anti-AQIM partner. The President denies this. The Speaker also fears Nouakchott's ties with **Cuba**, **Iran** and **Venezuela**, who do not ask awkward governance and human rights questions, may alienate Western allies in the fight against terrorism.

Ould Abdel Aziz has a twin-track approach: a military policy that includes cross-border raids on jihadist camps and beefed up border security combined with a sometimes softer policy towards disenchanted young Mauritians drawn into AQIM.

The courts are left to deal with detained jihadists: several have been condemned to death and have appealed. At the same time, religious scholars, *ulemaa*, have been allowed to begin a theological dialogue with prisoners, in an attempt to de-radicalise them with Islamic arguments for abandoning Islamist violence, an approach widely used in **Saudi Arabia** and **Yemen**. The President has hinted at generous treatment for young men led astray into violent radicalism. He has launched a drive to recruit and train 500 imams, to ensure mosques are led by preachers who believe in peaceful Islam.

MALI

It is probably in northern Mali that AQIM poses the greatest challenge. With a relatively weak military and an established culture of democracy and consensus problem-solving, Mali is a less hostile environment for roving AQIM bands than neighbouring Algeria and Mauritania.

Yet precisely because most members are Algerian, AQIM is not as susceptible to the traditional negotiation and patronage that have served President Touré well in his long campaign to defuse Tuareg uprisings. His strategy is to reassert government control of the north, through investment and reopening military posts, backed up with projects for local people and the close involvement of community leaders.

He also wants a joint Sahara security force: regular soldiers with armed Tuareg, who are generally hostile to *Al Qaida*. Algeria and Mauritania consider this too cautious and slow a strategy so Touré has agreed for troops from both countries to operate in Mali, on the sort of offensives against AQIM that his own regime is reluctant to pursue. Algeria has not yet finalised plans for a joint regional anti-terrorist command in Tamanrasset but it now has the freedom to send troops into Mali in search of AQIM. Bamako has allowed Mauritania to take an even more aggressive approach (see Feature). ●

A poll that perplexes

The coming elections are immense, will cost US\$715 million and are quite possibly illegal

The grumbles are growing fast, although there is still a year to go before the votes are cast. Several Congolese non-government organisations are casting doubt on the legality of the entire election process and arguing that the *Commission électorale indépendante*, which drafted the election roadmap, does not legally exist and therefore the election process is already suffering from irregularities. The

CEI is stoutly defending itself. The critics say that donors should not be financing an unconstitutional process (see Box).

Father **Apollinaire Malu Malu**, the CEI Chairman, is widely blamed for trying to prolong President **Joseph Kabila's** term in office, which should end on 6 December 2011, the fifth anniversary of his swearing-in (see Box). According to Malu Malu's plans, parliamentarians elected on 30

July 2006 would also serve more than their terms. Malu Malu reminds his critics that the dates for national elections had to be postponed once the due date for local elections had been passed and that was in mid-June 2009. He says the CEI deserves thanks for saving the democratic process and points out that the United Nations Security Council did not dissent from the timetable when it agreed to pay a share of the cost. In other words, it could not have been done sooner.

If the duration of the presidential and parliamentary mandates is contested in the courts, Malu Malu argues that it will be up to the CEI's eventual successor, the new *Commission électorale nationale indépendante* (CENI) to ask the Supreme Court for a waiver. He does not mention that the Court has no such power under the constitution.

Some Congolese NGOs claim that under the constitution the CEI lacks the power to organise the elections. It was in fact due to be wound up in February 2007, when the present Parliament started work. **Didier Nkingu**, a lawyer who is head of the *Association pour la promotion de la démocratie et du développement du Congo*, says the CEI is legally dead. The spokesman for the opposition coalition known as the *Union pour la nation*, **Clément Kanku**, declared last month that Malu Malu's calendar was 'unconstitutional'.

However, since the law establishing the CENI has not been passed, Malu Malu had already asked the Supreme Court for an extension of the CEI's term and it was granted in August 2007. Nkingu points out that the life of a defunct body cannot be extended and that Malu Malu had no legal standing with the Court. Malu Malu replies that the Supreme Court (whose members were appointed by Kabila) approved his actions by invoking force majeure and that the law establishing the CENI states that the CEI remains in office until the new body takes over.

The state's official second leader, Senate Speaker **Léon Kengo wa Dondo**, prudently acknowledges that there is a problem since the CEI was lawfully 'reactivated'. Asked by the Brussels daily newspaper *La Libre Belgique* whether the 2011 elections are irregular, Kengo replied: 'Yes, if we follow the Court. No, if we follow the constitution.'

Legality could to a certain extent be established once the National Assembly has named the CENI's seven members (four from majority parties, three from the opposition). Yet vagueness remains: force majeure is not defined in the constitution and the Assembly has not yet voted in the CENI's members. The Speaker, **Evariste Boshab**, a close ally of Kabila, wants the candidates to be formally proposed by 25 September. Yet even if Kabila can get a majority in the House, he no

RUNNERS AND FRONTRUNNERS

Only three candidates have so far declared that they will stand for president at the election whose first round is due on 27 November 2011. **Oscar Kashala Lukumuenda**, 56, Chairman of the *Union pour la reconstruction du Congo* (UREC), put his name forward in September 2009. At the last election in 2006, this medical doctor came fifth in the first round, with 3.46% of the votes cast. **Vital Kamerhe**, 51, put himself forward in August. He was Speaker of the National Assembly until March 2009, when he was voted out by President **Joseph Kabila's** *Parti du peuple pour la reconstruction et la démocratie* (PPRD). **Etienne Tshisekedi wa Mulumba** from Kasai, the veteran leader of the *Union pour la démocratie et le progrès social* (UDPS), also declared in August, from Brussels where he is receiving medical attention.

All three main parties have yet to nominate a candidate. They are Kabila's PPRD, **Jean-Pierre Bemba's** *Mouvement pour la libération du Congo* (MLC) and the *Parti lumumbiste unifié*, led by **Antoine Gizenga** and Prime Minister **Adolphe Muzito**. Everyone expects Kabila to stand. For months, he has been campaigning across Congo and reminding people about his five big (but delayed) reconstruction projects. In late August, he was in Tshikapa (Kasai-Occidental) and in Bandundu on 2 September, then on to North Kivu, where he promised to end the insecurity provoked by the rebels of the National Army for the Liberation of **Uganda** near Beni and to stop the militias profiting from the Walikale mineral deposits. He went on to inaugurate a public lighting scheme in Bunia (Province-Orientale) on 16 September.

The main rival, Bemba, is still blocked by delays to his trial before the International Criminal Court for crimes against humanity. In August, Kamerhe visited him in the Hague, **Netherlands**, and some suspect he may be the party's candidate. Kamerhe would be a tough opponent for Kabila; he is from South Kivu, popular in the east and the west, where Bemba beat Kabila in 2006. The MLC is a strong party and it is not clear whether its Secretary General, **François Muamba**, and his colleagues would back Kamerhe. In East and West Kasai, Kabila is accused of undermining the rescue of the once rich diamond company, *Société Minière de Bakwanga* (Miba), blocking its salvation by the businessman **Kalaa Mpinga**, formerly of Anglo American, now boss of *Mwana Africa* and himself (like Tshisekedi, Kashala and Muamba) from Kasai-Oriental. If the three united, with or without Kamerhe, they could beat Kabila.

The hard core of Kabila's support, the PPRD, now has only 111 of the Assembly's 500 seats. Independents or minor coalitions joined up while the going was good. They have now left again. The *Alliance pour la majorité présidentielle*, a loose coalition, cannot agree whether Kabila should stand in its name or that of his own PPRD. **Pierre Lumbi Okongo**, the President's Special Advisor on Security Matters and leader of the *Mouvement social pour le renouveau*, called on Kabila in August to stand as an independent. 'We should not drag JK towards a separatist logic in the name of a single party,' observed the MSR's President, **Yves Mobando Yogo**. Yet Kabila, with the state's resources behind him, can use the carrot as well as the stick. In August, he handed out US\$10 million to save Miba and he can intimidate his opponents, too. The social affairs director of Oscar Kashala's UREC party, **Marie-José Kimpiobi**, was on 23 August summoned by the general staff of the President's *Garde Républicaine*; the document was signed by Major **Kasongo Kumwimba Désiré**. ●

longer controls it. With elections ahead, many independents who signed up to his *Alliance pour la majorité présidentielle* when the going was good have gone back to their former political homes, hoping to get a good price for backing whoever eventually wins the national presidency.

On a visit to Brussels, Malu Malu laid out the entire budget for next year's elections, for every office from president to local mayor. The total is US\$715 million: \$367 mn. from the state, \$266 mn. from foreign donors and \$82 mn. from the relabelled UN operation, the *Missions de l'organisation des nations unies pour la stabilisation du Congo* (Monusco). The CENI will have at its disposal aircraft to transport election materials to 210 dedicated sites; the government is supplying 157 lorries, two transport aeroplanes and some helicopters.

Malu Malu says the shipment of these supplies, budgeted at \$30 mn., began on 2 September; 15,000 election kits will be needed, 5,500 more than in 2006 since there are that many more constituencies. About 6,000 of the previous election kits will be reused but 3,500 are missing because the UN found it cheaper to leave them in the provinces rather than collect them, according to an executive of Zetes, the Belgian identification and logistics firm which designed them and is helping to revise the electoral register. So far, about \$87 mn. (\$6.4 mn. of that from Belgium) has been spent. Revision of the register will employ 50,000 staff and the entire process (with army and police protection) will involve 300,000 people. ●

ELECTION SCHEDULE 2010-2013

- 10 November 2010: electoral register completed.
- 27 November 2011: first round, presidential and Assembly elections.
- 30 December 2011: deadline for results of presidential first round.
- 10 January 2012: if first round is decisive, president sworn in.
- 26 February 2012: presidential second round (if necessary) and provincial polls.
- 24 March 2012: deadline for declaration of presidential second round.
- 4 April 2012: president sworn in.
- 13 June 2012: provincial assemblies elect senators.
- 12 July 2012: provincial assemblies elect governors.
- 21 January 2013: election of local councillors.
- 8 August 2013: election of mayors. ●

MIXED MINERALS

The job of Congo's *Centre d'Evaluation, d'Expertise et de Certification* (CEEC) and its director, **Léonide Mupepele**, is to certify the value of metals produced, and so to ensure that the state gets its dues in taxes and charges. The vexing question is the value of the 'bonus' minerals. Katanga's cobalt, for example, may contain tiny amounts of gold, germanium, silver, platinum and palladium. The mining giant *Union Minière* used to extract the bonus minerals at its plant at Hoboken in **Belgium** and paid several millions of dollars for the privilege to its Congolese partner, the state-owned *Gécamines*.

In July 2008, Mupepele spent US\$600,000 on a laboratory from the **United States** firm Thermo Fisher, which can identify minute amounts of other metals. In samples from Katanga it found that foreign mining companies were acquiring, along with the copper they declared, traces of gold, silver, germanium, baryum, indium, platinum, palladium and rhodium. The total value is disputed. Mupepele claims that a mere five grammes per tonne of rhodium, in 50,000 tonnes of copper, can be worth up to \$2 million. The Mines Ministry hopes that Katanga will produce up to 450,000 tonnes of copper this year.

In 2009 Mupepele persuaded Mines Minister **Martin Kabwelulu** to order firms to send samples to the CEEC. Large companies such as Tenke Fungurume (US-controlled) and Kamoto Copper (**Swiss**-controlled) were keen to know the full value of their metal. But most of the Katanga miners in the *Fédération des Entreprises du Congo* did nothing, including Anvil Mining, which extracts copper and silver at Dikulushi, and one of whose veterans is President **Joseph Kabila's** close advisor, **Augustin Katumba Mwanke**. ●

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Guinea

ELECTION DELAYS AND DOUBTS

■ The sudden postponement of the 19 September second round of the presidential election raises fresh doubts about the military's commitment to handing over power and the prospect of a tougher line on foreign mining companies.

This followed a meeting at the office of Prime Minister **Jean-Marie Doré**, which included the two candidates, **Cellou Dalein Diallo** and **Alpha Condé**; interim President General **Sékouba Konaté**; his trusted Secretary General to the Presidency, **Tibou Camara**; the two Vice-Presidents of the *Conseil National de Transition*, the de facto legislature created to oversee the transition; and representatives from the Ministry of Territorial Administration and Political Affairs and the *Commission Electorale Nationale Indépendante*. On 16 September, CENI's interim leader, **Hadja Aminata Mame Camara** (who took over after the death from illness of its President **Ben Sékou Sylla** on Monday in Paris), declared that she would continue 'working within the logic of 19 September'.

When a fire destroyed important election material on the same Thursday (in the main military camp in central Conakry, Almamy Samori Touré) people asked why the material had not been distributed. CENI said the material was 'additional'. Then more polling cards were found to be on their way from **South Africa**, due to arrive on 20 September, the day after polling.

Just before the postponement announcement, Doré wrote to **Anglo-Australian Rio Tinto**, accusing it of delaying development of the US\$6 billion Simandou project (one of the world's biggest in iron ore) and violating the mining code. We hear Rio has just ten days to accept the transfer of 50% of its licences at Simandou to a rival consortium led by **Israel's Beny Steinmetz** and **Brazil's Vale** (AC Vol 51 No 18).

Doré and Konaté have given no date for the presidential vote. United Nations Secretary General **Ban Ki-moon** called for a quick solution. On 17 September, leaders of the Economic Community of West African States demanded the second round be held not later than 10 October. The African Union and European Union have backed that but have less influence.

The delay amid disputes over multibillion-dollar mining deals complicates calculations. Frontrunner Diallo is furious and says a new, legitimate government would have to review mining deals 'not in Guinea's national interest', a coded criticism of arrangements made by Doré and Mines Minister **Mahmoud Thiam**. Condé is less exercised and is using the

delay to criticise the weaknesses of CENI and problems with the first-round vote.

As tensions rise in Conakry, the military's position is ambiguous: 'The security and defence forces will not abandon their duty to preserve the hope and confidence they have created,' insisted Gen. Konaté.

Uganda

FOUR AND NOT OUT

■ President **Yoweri Museveni** will run for a fourth term after the ruling National Resistance Movement elected him as its candidate – unopposed – on 12 September. The NRM primaries held across Uganda to select parliamentary and local council candidates were marred by violence, postponements and hundreds of petitions from members accusing officials of fraud.

Daudi Ruhinda Maguru, a retired army captain and former Museveni aide, has filed a suit in the High Court, asserting that Museveni and NRM Secretary General **Amama Mbabazi** prevented him from challenging Museveni as party chairman. Several other candidates are now threatening to stand as independents.

Mbabazi, who is also Security Minister, resisted strong internal challenges to ensure his re-election as Secretary General. The rest of the old guard held onto their positions; Museveni may wait until after the election to shuffle his unpopular pack.

The opposition has its own problems. On 31 August, Forum for Democratic Change leader **Kizza Besigye** was confirmed as the unity candidate for February's presidential and parliamentary elections. A group of 'wise elders' from his party, along with the Justice Forum, Conservative Party and Social Democratic Party who formed the Inter-Party Cooperation (IPC) alliance in 2008, chose Besigye by consensus – some said it was coronation.

As Museveni prepared to fly to the **United States** for the United Nations General Assembly, Besigye unveiled his manifesto to an audience of Ugandan expatriates in Johannesburg, **South Africa**, on 19 September. When Besigye, a former Colonel, takes on Museveni for a third consecutive time, he will not have the support of **Olara Otunnu's** Uganda Peoples Congress (UPC). Otunnu pulled out of the IPC a week before, claiming that an election boycott in 2011 would do more damage to Museveni. The decision proved unpopular in the UPC, and Otunnu faces a revolt in his ranks as UPC stalwarts, including **Jimmy Akena**, look set to run as independents in the parliamentary contests.

Norbert Mao, the Democratic Party candidate who accuses Besigye of undermining the opposition parties' independence, will run outside the IPC ticket. The DP is also riven by splits: **Samuel Lubega** has declared his candidacy at the head of a breakaway DP faction.

Zimbabwe

THE MISSING ELECTION FUND

■ A chipper-looking President **Robert Mugabe** arrived in New York for the United Nations summit this week despite the strike by Air Zimbabwe's pilots. Defying reports of his imminent (or in some cases, actual) demise, Mugabe, 86, insists on taking ostentatiously long walks around the UN complex with not a stick or wheelchair in sight. We hear aides are toning down his annual 'state of the universe' speech to the General Assembly after **United States** President **Barack Obama's** more conciliatory address on 22 September.

Zimbabwe ranks much lower among Western concerns than the pressing issues of **Sudan's** referendum and **Congo-Kinshasa's** and **Nigeria's** elections. If Western eyes are off the ball, that would make next year an ideal time for fresh elections, from Mugabe's point of view. Yet there is no money to finance the constitutional referendum and national elections, estimated to cost around US\$200 million apiece, according to Finance Minister **Tendai Biti**. There is also growing disarray within the three parties in the coalition government: Mugabe's Zimbabwe African National Union-Patriotic Front, **Morgan Tsvangirai's** Movement for Democratic Change-T and **Arthur Mutambara's** MDC-M. Their supporters on the ground are getting increasingly fired up at the prospect of elections, though.

Efforts to discuss proposals for the new constitution with electors at the grassroots have run into trouble. In Mashonaland West, **Beauty Zhuwao**, wife of Mugabe's nephew **Patrick Zhuwao**, beat up MDC member of Parliament **Bednock Nyaude**, the leader of the Constitutional Parliamentary Committee consultative process. In another incident, MDC-T Deputy Prime Minister **Thoko Khupe** clashed with a policeman who was conducting a protracted search of her motorcade en route to Gokwe. ZANU-PF and the MDCs agree on many of the constitutional reforms but civic activists are more dubious. There are no contingencies for a rejection in the referendum of the constitution.

Meanwhile, the three MPs who lost their seats when MDC-M expelled them are making a High Court application for by-elections in their former seats. In their replying affidavits, Mugabe and Justice Minister **Patrick Chinamasa** claim that not only the three seats but all vacancies would need to be fought – a total of eleven parliamentary seats and six senatorial ones. This would cost an unbudgeted \$38.2 mn. By-elections on such a scale would test the public mood and the possibility of free, peaceful elections. Some call for foreign funding for the by-elections as a dry run for next year's votes, although Western diplomats at the UN summit are distinctly sceptical about such a plan.

BLUE LINES

Breaking bread with South African President Jacob Zuma can be expensive but enlightening. The going rates before the African National Congress's council meeting in Durban last month ranged from 100,000 rand (US\$13,700) to 500,000 rand, depending on one's proximity to the leader.

The Chairman of African Rainbow Minerals, Patrice Motsepe, one of South Africa's wealthiest businessmen, huddled close to Zuma, perhaps urging him to resist ANC Youth League leader Julius Malema's calls to nationalise the mines. Motsepe may also worry about trade union calls for a new tax on the 'super rich'. Zuma opposes nationalisation and has no qualms about friends and family, such as nephew Khulubuse, taking advantage of new opportunities. Khulubuse has just taken a couple of oil blocks in Congo-Kinshasa, thanks to commercial diplomacy from President Joseph Kabila.

That makes Zuma's encounter with United States President Barack Obama in New York somewhat puzzling. Zuma deliberately departed from his talking points, we hear, to tell Obama that Kabila's political days might be numbered. Zuma said that Kabila's popularity had nosedived, while Congolese oppositionists such as Vital Kamerhe, Kalaa Mpinga and Jean Pierre Bemba (currently detained by the International Criminal Court) would win a free and fair election. They may not have expected to, but it seems that US and South African officials agree about President Kabila's mounting problems.

SUDAN

A New York divorce

Positions are hardening in both Washington and Khartoum in the lead up to the referenda in the South and Abyei, due in January

Within days of the United Nations' New York meeting on Sudan, the 15-member UN Security Council set off for Kampala, Juba and Khartoum. The 4-10 October trip, led by Britain's UN Ambassador, Sir Mark Lyall Grant, and his counterpart from the United States, Susan E. Rice, signals serious concerns about a return to war in Sudan over the referenda due next January. The tour was meant to send a strong message – at least from Britain, France and the USA – about Khartoum's efforts to obstruct the vote in the South and Abyei.

At the High-Level Meeting on 24 September, both Washington and Khartoum's National Congress Party (NCP) took a sharp new tone over the referenda. Diplomats and politicians in New York sketched out several possible areas of conflict, ranging from Khartoum attacking across the (still undemarcated) North-South border, focusing on Abyei, to sponsoring militias to undermine Southern President Salva Kiir Mayardit's government in Juba.

The USA now says Sudan is a top priority after Afghanistan and Iraq; Britain, which takes the chair of the Security Council next month, says the same. Yet under the Conservative-Liberal Democratic coalition, Britain is taking a more aggressive line on commerce across Africa, with the exception so far of Zimbabwe. On 29 September, it organised an 'Opportunities in Sudan' trade mission under Ambassador Nicholas Kay and invited several NCP officials in London, including Ambassador Abdullah el Azrag, previously Director of the Foreign Ministry's Arab Affairs Department. In July, British

Africa Minister Henry Bellingham had declared that London wanted investment in Sudan and distanced himself from US sanctions imposed because of the regime's terrorism links, such as the 1995 attempt on Egyptian President Hosni Mubarak's life.

US President Barack Obama, though, left no doubt, in his speech to the New York Meeting, that his government would press for the referenda to be held on schedule on 9 January. This signals to the NCP, 'Don't think you can play foul!' commented one US official. It was a strong implicit criticism of Khartoum's tactics. In the days leading up to the meeting, Chinese diplomats were working hard to build support for a deferral of the referendum date or at least agreement for a transition period between the vote and any subsequent secession. Like South Africa's former President Thabo Mbeki, Beijing officials argue that in present circumstances, an immediate secession of the South could spark a political and security crisis – if not outright war – that would damage everyone's interests (including China's oil imports). This ignores the likelihood of instability if the referendum is delayed.

SUPPORTING THE SOUTH

Washington has been showing stronger support for the Government of South Sudan. Lieutenant General Salva found a welcome at New York think-tanks such as the Council on Foreign Relations and the International Peace Institute for his message that the 9 January referendum date is immovable. Although Salva, who is also Sudan's First Vice-President, told the UN meeting that he opposes a unilateral declaration of

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amisshah

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independence, Southerners widely expect the GOSS to 'declare UDI' if Khartoum blocks the popular vote.

The main focus of the NCP's efforts is Abyei: it now openly rejects the July 2009 Permanent Court of Arbitration ruling on the district, a position launched by Gen. **Salah Abdullah Mohamed 'Gosh'**. The spearhead of Sudan-US 'intelligence cooperation' was clearly not sidelined when shifted from his post as National Intelligence and Security Service (NISS) director last August to Presidential Security Advisor (AC Vol 50 No 17); he now presides over the North-South border issue, too. It was, of course, the NCP which had first asked the Hague-based PCA to rule on the Abyei border, after it had rejected the Abyei Boundaries Commission findings, which it had signed up to under the same the Comprehensive Peace Agreement (CPA) which governs the impending referenda.

'FORGET WHAT WE'VE SIGNED!'

Khartoum's New York delegation, led by Vice-President **Ali Osman Mohamed Taha** (still powerful despite years of speculation) left no doubts in private talks with US officials that the NCP rejected compromise on Abyei, we hear. 'The NCP clearly has its own priorities,' said one source. 'It's "Forget what we've signed on Abyei!"' A dinner arranged by the US State Department for Ali Osman and his team

on 20 September was, we hear, poorly attended and the chill between Khartoum and Washington is spreading again.

The NCP hopes to divide the dominant GOSS party, the Sudan People's Liberation Movement, over the structure and timing of the two referenda. SPLM Chairman **Salva Kiir** says the referenda are indivisible. Many Southerners, though, wonder why the South would risk its own referendum for Abyei which is in the North. Nuba members already see the SPLM as having left them isolated: they will remain part of NCP-controlled Northern Sudan, whatever happens in the referendum.

Khartoum seeks to exploit divisions to pressure the SPLM over the Post-Referendum Arrangements. Issues include oil but also the 'soft borders' favoured by the African Union panel that Mbeki leads. These would favour not only reconciliation but also NCP infiltration. Some in the NCP are even floating a five-year interim before full Southern independence, *Africa Confidential* understands, an absolute non-starter for Southerners.

The GOSS is trying to bring on board as many dissidents as possible to counter Khartoum's tactics. Officials have been talking to militia leader Gen. **George Athor Deng** (now among those pardoned), serial agreement-signer **Lam Akol Ajawin** and **Bona Malwal Madut Riing**, once a major NCP critic but now ensconced in Khartoum as Presidential Advisor.

Intelligence officers from the GOSS armed forces, the Sudan People's Liberation Army, say ten 'units' comprising 'tens of thousands' of Khartoum's troops are on the North-South border, said an SPLM source. On the other side, the SPLA is arming and training. Obama flagged his support, telling the UN meeting: 'And we're leading the effort to transform the Sudan People's Liberation Army into a professional security force, including putting an end to the use of children as soldiers.' South

Africa and Britain are among countries helping the SPLA transform itself from a guerrilla army into a professional force. Southern neighbours **Ethiopia**, **Kenya** and **Uganda** may play a key role, given their economic and strategic interest in the South's independence. Should Khartoum return to war, the South could expect diplomatic and military support from its neighbours. Washington would be ready to support them, we understand.

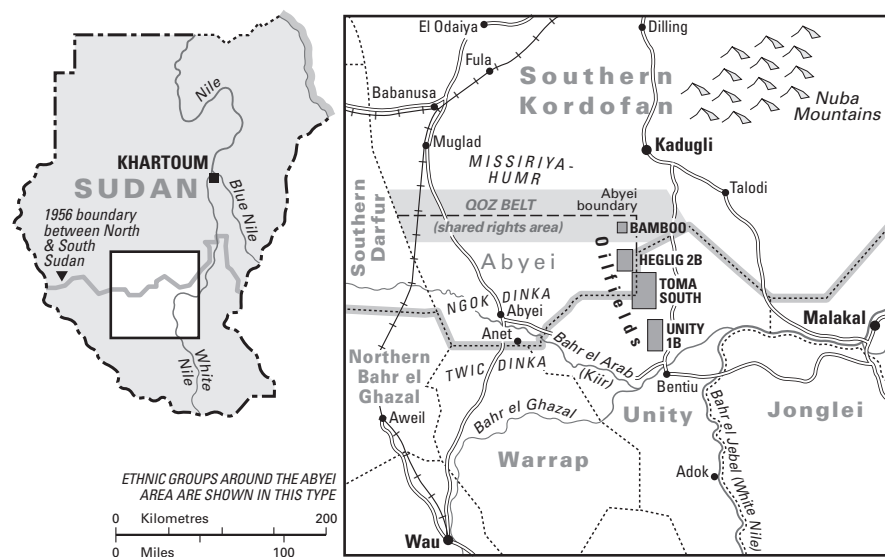
As many warn of the threat of war, including the normally cautious, such as Episcopal Church Archbishop **Daniel Deng**, visiting London this week, and his British counterpart, **Rowan Williams**, some are looking beyond Abyei. The Bahr el Ghazal-Southern Darfur border is thinly populated and Darfur armed opposition groups use it to go South for talks and training, while Uganda's Lord's Resistance Army deploys there when Khartoum calls. If war resumes, this will matter more. Juba has good relations with 'all Darfur groups', observed one SPLM source, and if Khartoum attacks 'after the South's independence', it will once again be able to support them against Khartoum.

STIRRING UP TROUBLE

Other kinds of violence threaten. At greatest risk are ordinary Southerners in the North, where they may number four million, mostly in the capital. Government media have been depicting Southerners as unwelcome and as illegal foreigners who must be sent home. Advocacy group Refugees International in a June report cited fears of 'large-scale revenge killing of Southerners in the North if even a single Northerner were harmed in the South'. Such fears recall the killing of Southerners in the capital in August 2005 and 1964. Such violence would be officially triggered but be depicted as spontaneous.

Late in September, Information Minister and regime Spokesman **Kamal Mohamed Obeid** declared that Southerners would lose their right to be Northern citizens if the South opted for separation. Presidential Advisor **Mustafa Osman Ismael**, first Secretary General of the People's Arab Islamic Conference, later seen as cradle of *Al Qaida*, called for people to join militias to fight. Foreign Minister **Ali Ahmed Kurti**, founder of the People's Defence Force militias that spearheaded the NCP jihad in the Nuba Mountains, South and Darfur, belittled Southern concerns.

In a 28 September interview with *Asrar al Awsat*, he responded to a question about Southern objections to being labelled 'abid' (slaves): 'It is irresponsible and a travesty that SPLM leaders talk about being insulted as "abids". Sudan is facing a new historical chapter and they talk about being insulted? People have insulted people in every country, and throughout



ETHNIC GROUPS AROUND THE ABYEI AREA ARE SHOWN IN THIS TYPE
0 Kilometres 200
0 Miles 100

history. The fact that SPLM leaders talk about this proves their short-sightedness, and they need to be more confident in themselves.' On the next day, the **Saudi Arabian**-financed paper's Editor, **Tariq Alhomayed**, lambasted the Khartoum regime in his editorial, concluding: 'Here we say that there is no hope in a solution to maintain Sudanese unity, since the wound is much bigger than the band-aid.' Given how much energy it has devoted to cultivating the Saudi royals, this is more damage for the NCP.

In fact, the South sounds increasingly confident. Salva is looking 'fit, engaged...

and intellectually acute', observed one Western former official. The Security Council, on its 6 October visit to Juba, will have been clearly told, as one analyst put it, that this is 'a nation in waiting'.

The nation waiting in dread is in Northern Sudan, where the regime is set to intensify its repression whatever the referendum outcome. If the South goes, the main opponents of the Khartoum regime in Darfur, the Nuba Mountains and Eastern Sudan will see a big opposition vacuum. 'Many assume the CPA is only about the South,' said **Monim el Gak**, at the 4 October launch of Amnesty

International's report 'Agents of Fear: the National Security Service in Sudan'. 'Immediately after the [April] elections, the NISS cracked down on civil society,' noted Monim, one of several rights activists tortured in 2008, predicting a repeat of such atrocities. With the help of the Arab-African bloc, the NCP last month tried, but failed, to block the renewal of UN Independent Expert on Human Rights **Mohamed Chande Othman's** mandate. However, he will not be able to protect Southerners in the North nor protect Southern leaders from assassination, another weapon in the NCP arsenal. ●

NAMIBIA

SWAPO suffers bee stings

Elections next month and rumbling financial scandals around SWAPO-linked businesses could boost support for the opposition

The opposition was cheered by a legal victory last month, when the Supreme Court overturned the Windhoek High Court's dismissal of an application by nine opposition parties to have the results of November 2009's National Assembly elections declared null and void (AC Vol 51 No 4). That case will now be heard. The Rally for Democracy and Progress, the breakaway from the governing South West African People's Organisation led by former cabinet minister **Hidipo Hamutenya**, hopes to be the main beneficiary of any turning against SWAPO over the scandal. In the wake of the ruling, the RDP ended its boycott of Parliament and its eight members have taken up their Assembly seats to become the official opposition. However, the High Court is more likely to order a recount of the Assembly votes than a rerun of the whole election.

SWAPO joined the discredited Electoral Commission of Namibia (ECN) in opposing the appeal and has now been saddled with the costs of the appeal, at over N\$1 million (US\$146,000), plus the opposition's legal costs. The same two judges who dismissed the application in March will now decide the case; the RDP said it had 'no problems' with Judge-President **Petrus Tileinge Damaseb** or Judge **Collins Parker**.

The financial scandal has been running out of SWAPO's control and is generating considerable discontent. The Government Institutions Pensions Fund, which has over N\$25 billion in pension fund assets belonging to 75,000 public sector employees, is said to have been plundered by companies and individuals close to

SWAPO in what could become Namibia's worst-ever financial scandal. GIPF has been forced to acknowledge that it has written off almost N\$700 mn. in loans as bad debts. Between 1994 and 2002, GIPF, through its Development Capital Portfolio (DCP), issued loans worth N\$659 mn. to 21 companies, eight of which were then liquidated, five of which were sold, leaving only one to repay its loan.

The loan recipients included former President **Sam Nujoma's** brother-in-law, **Aaron Mushimba**. He has been accused of creating Namibia's Black Economic Empowerment programme as a self-enrichment scheme. Loans also went to other BEE moguls such as Nujoma's son-in-law **David Imbili** and former trades unionist **Ranga Haikali**. Other loan beneficiaries include High Court Judge **Nate Ndauendapo**, businesswoman **Lucia Shipena** and the Namibia Mineworkers' Investment Company.

The National Union of Namibian Workers, many of whose members work in the public sector, is demanding a presidential commission of inquiry and prosecutions for fraud before the regional and local elections take place. NUNW is threatening to boycott the elections unless the government recovers the missing monies.

SWAPO is expected to easily retain control of the 13 regional councils because they are not elected by proportional representation, which is the system for the National Assembly polls, but on the first-past-the-post system, which disadvantages smaller parties. If the scandal refuses to go away though or the government's

actions are judged inadequate, SWAPO could conceivably lose control of the upper house, the National Council, for the first time.

GIPF's Chief Executive Officer, **Primus Hango**, a SWAPO insider, has issued several press releases denying any culpability. GIPF has admitted only to 'mistakes' while intending to 'empower' Namibians. In September, GIPF defiantly declared that all loans had been issued on merit and not awarded to 'politically well-connected people only'. It maintained that each award was made 'in the sincere belief' that the project was viable but did not explain why certain individuals continued to receive loans despite failing to account for earlier borrowing.

Serious concern about GIPF's loan-book dates back several years. A 2005 audit recommended forensic investigation of the companies granted loans through the DCP but nothing happened. The report, conducted for the Namibia Financial Institutions Supervisory Authority, revealed a blatant disregard for basic corporate procedures and provisions of Namibia's Companies Act during loan disbursements. It cited instances of loans being granted before applications had been submitted formally to GIPF. Only Hango and the board had authorised some loans, not the trustees, and several GIPF trustees were paid directors of companies receiving loans.

One case is illustrative. Sepiolite Production, which was promoted by Imbili, **Sackey Aipinge** and **Harrison Marenga**, received a N\$10 mn. loan to buy one-third of the shares in another BEE concern, Afhold, even though Afhold had, eight months earlier, disclosed that it might not be able to continue as a going concern. The audit report said the decision to lend money to Sepiolite 'places in doubt if a proper due diligence was conducted prior to considering this investment'. After several requests for an extension of the loan repayment period, Sepiolite was finally liquidated without any of the N\$10 mn. having been repaid. ●

SOUTH AFRICA/EUROPEAN UNION

Buttering up Zuma

In trying to sort out its relations with Africa, Brussels takes care to befriend its main trading partner on the continent

South Africa is the European Union's leading trade partner in Africa and the 27 EU countries form its most important trading bloc. Both parties are well aware of the changing balance of economic power: **China** is South Africa's biggest single trading partner and Asia is fast overtaking Europe as the dominant trading region in Africa. Unlike European commerce and diplomacy, Asia's trade generally comes free of lectures on governance or human rights and free of political complications.

South African President **Jacob Zuma**, who likes to be liked, has been helping to improve European-African relations. In 2007, South Africa and the EU signed up to a 'strategic partnership', involving regular dialogue on the world economy, climate change, science and technology, and security, with some shared programmes. The EU is also the leading aid contributor to South Africa. So Brussels takes a keen interest in Zuma and his policies. At the EU-South Africa summit meeting in Brussels on 28 September, Brussels showed its goodwill by announcing a gift to Pretoria of a useful 122 million euros (US\$168 mn.) to promote primary education. The deal was signed by South Africa's Minister for Basic Education, **Angelina Motshekga**, and the EU Commissioner for Education, Culture, Multilingualism and Youth, **Androulla Vassiliou**, a Cypriot lawyer.

EU leaders believe Zuma might provide some sweeteners at the next EU-Africa summit, due in Tripoli on 29-30 November. This could be awkward due to the yearly 5 billion euros demanded by Colonel **Moammar el Gaddafi**, the **Libyan** leader, for clamping down on illegal immigration through his country, which he did not get. A political nightmare could arise about some likely African participants, notably **Sudan's** President **Omer Hassan Ahmed el Beshir** (for whom the International Criminal Court has issued arrest warrants for war crimes and genocide) and **Zimbabwean** President **Robert Mugabe**, whom **British** Prime Minister **David Cameron** would surely refuse to meet.

Some European leaders would be reluctant to shake hands with the presidents of **Angola**, **Burundi**, **Rwanda**, or **Uganda**, who refuse to accept the 1 October United Nations' report on human rights violations in **Congo-Kinshasa**. There is still no agreement on the

Economic Partnership Agreements (EPAs) by which the EU wants to bring free trade to Africa, in a process that began three years ago (AC Vol 48 No 25).

Zuma may smooth over such tricky issues. The President of the European Council of Ministers, **Herman van Rompuy**, took care that the EU-SA summit's final communiqué affirmed that both parties consider that 'the Rome Statute and the International Criminal Court constitute an important development for international justice'. He also expressed the EU's 'appreciation for South Africa's active engagement in Sudan' and asked Pretoria 'to join us in capacity building projects in Southern Sudan'.

On Zimbabwe, 'South Africa and SADC [Southern African Development Community] were commended for their continued efforts' to resolve the situation. Moreover, Van Rompuy identified 'a number of positive developments in the implementation of the Global Political Agreement' and said that the EU might consider lifting sanctions against Mugabe, his family and officials, if further 'positive developments' including institutional reforms take place. Zuma disagrees. He called for the lifting of sanctions in a speech to the European Parliament's Foreign Affairs Committee on 29 September, saying that the original grounds for those sanctions no longer existed.

DODGING AWKWARD ISSUES

Van Rompuy refused to give a straight answer when asked about African National Congress proposals to clamp down on media reporting (AC Vol 51 No 19), calling it a domestic political issue. Two European parliamentarians, **Graham Watson** (Liberal Democrat, Britain) and **Judith Sargentini** (Green Left, **Netherlands**), strongly dissented and voiced their concern in questions to Zuma. He took care to emphasise that his governing party was right to debate the issue, and repeated the ANC's line that at present 'freedom of the media is the only unregulated freedom'.

Although trade remains the main bone of contention, European Commission President **José Manuel Durrão Barroso** said he hoped for agreement by the end of the year. South Africa's Minister of Trade and Industry, **Robert Davies**, told journalists it would be 'very difficult to conclude the EPA-SADC before late 2010'.

The question is whether South Africa will sign an EPA with the EU alongside five other members of SADC, namely **Botswana**, **Lesotho**, **Mozambique**, **Namibia** and **Swaziland**, the last four being also members of the Southern African Customs Union. It is all fiendishly complicated. Brussels is trying at the same time to negotiate four other separate but similar trade arrangements. African activists and some governments complain that the EU is unfairly restricting their exports and demanding further sweeping liberalisation of Africa's import tariffs.

One EPA is with Congo-K and the rest of the *Communauté Economique des Etats d'Afrique Centrale* (CEEAC); one with **Tanzania** and the East Africa Community (EAC); and one with **Madagascar**, **Malawi**, **Mauritius**, **Seychelles**, **Zambia**, **Zimbabwe** and the other Common Market of Eastern and Southern Africa (Comesa) countries. Angola is a special case, since it belongs to no group and has signed no interim EPA with the EU.

Officials of South Africa's Department of Trade and Industry (DTI) complain about the EU's 'divisive' negotiating strategy. In December 2007, the other five southern African governments initialled an interim EPA and all but Namibia signed it in 2009. This has bred divisions within SADC and SACU, and South African diplomats say it will hamper regional integration efforts.

The most-favoured-nation clause would compel South Africa to give the EU all the trade openings it offers to other partners (such as **India**) and thus, says South Africa, hamper South-South trade. It also objects to new EU proposals about sustainable development, tax cooperation and intellectual property, which could delay things even further.

On agriculture, the EU sticks by its notorious protectionism and wants no free trade. South Africa, though, wants 'enhanced access to the EU market', which could help it prosper. According to Robert Davies, existing agreements have opened 81% of SA's agricultural market to EU imports, while the EU has opened 61% of its own. With full implementation of the present Trade, Development and Cooperation Agreement, South Africa would retain protection in 108 lines and the EU would be allowed to protect 615.

South Africa wants freer trade in processed products such as ethanol, cut flowers and wine; the EU demands an opening of the SA market in meat, dairy products, honey, cereals, wine and cheese. Further, on services and investment, the EU has made separate public procurement arrangements with individual SADC states, not regionally, which could cause problems for South Africa's engineering and building companies. This tangle will not be sorted out quickly. ●

The politics takes over again

Bold reform plans are put on hold as the battle for Aso Rock intensifies

The brief interest shown by President **Goodluck Jonathan's** government in economic reform seems to be waning in favour of a concentration on short-term tactics that might help his electoral chances in 2011. The best ideas of Jonathan's government – the Petroleum Industry Bill and restructuring of the Nigerian National Petroleum Corporation, together with a bid to promote private investment in the power sector – are now under threat. Both ideas started under the late **Umaru Musa Yar'Adua's** presidency, then ran into opposition from vested interests. As Yar'Adua's health worsened last year, a cabal ran the government, signed contracts and blocked reform.

The costs of that interregnum, during which Jonathan was sidelined, are becoming apparent. Nigeria's foreign reserves had dropped to US\$34.7 billion as of 5 October, compared to \$40.75 bn. a year earlier. At least some of the money has gone to paying off the country's expensive political class. The Lagos daily *BusinessDay* calculates that the National Assembly has consumed some N684.6 bn. (\$4.5 bn.) of state funds over the past 11 years. The rougher political and economic environment raises doubts about earlier predictions that the government would push through its oil sector reforms as a prelude to another bidding round for oil exploration and production licences before the elections.

As northern opposition to Jonathan's presidency hardens, the prospects of pushing any contentious legislation through the Assembly diminishes. It confuses investors who had been expecting progress and were lining up projects. More fickle investors are looking elsewhere, worried by dire warnings of political instability and north-south clashes by analysts such as former **United States** Ambassador **John Campbell**. Although Foreign Minister **Odein Ajumogobia** took issue with Campbell, the events of the past week have worked against him.

The economic bounce that occurred when Jonathan took over in May has proved to be short-lived. Few expect another recovery until after the next elections despite Jonathan's best efforts to engineer one. Meanwhile, inflation is rising, mainly because the federal government is on a borrowing, spending and contract-awarding spree.

Arthur Nwankwo, Director General of the Debt Management Office, has worked to develop the domestic debt market and extend the yield curve (lengthening repayment schedules). All this has helped the government steer the economy through the global crisis. The current levels of interest rates, inflation and economic growth are 'extremely supportive' for corporate bonds, according to the new Director General of the Nigerian Stock Exchange, **Arunma Oteh**.

Whether that is enough to persuade international markets will be tested soon: Barclays Capital has been appointed to advise the government on its planned \$500 million Eurobond. FBN Capital, a subsidiary of First Bank, is Barclays' local partner. Officials say they need the bond

issue to finance the budget deficit and new infrastructure projects. Even if the government manages a successful bond issue before the election, it will have little practical effect on the economy save to steady a few nerves. The big issues in the political economy are galloping youth unemployment and some of the worst social inequality in the world.

Optimists argue that annual income is rising again in Nigeria. From a level of about \$885 in 1980, per capita income dropped to \$200-300 for much of the next two decades under military rule. Now it has bounced back to \$1,370 per capita and is set to rise to \$1,840 by 2015, according to **Britain's** Standard Chartered Bank.

In the medium term, the demographics should work in Nigeria's favour: a sharp rise in the working population, lower fertility rates and rapid urbanisation could all power a growing economy. Yet that requires the sort of structural reform of the oil, gas and power sectors which is now on hold. Without that, boosting manufacturing and service industries would be nigh on impossible as would be creating enough jobs even to keep pace with the birth rate. ●

THE CAR BOMB WHODUNNIT

Whoever was responsible for the car bombs that killed 12 people in Abuja during the 50th anniversary of Nigeria's Independence on 1 October and whatever their motives, they have succeeded in weakening President **Goodluck Jonathan** and sharply ratcheting up tensions between the north and the south.

President Jonathan's security operatives have not helped his cause. Although an email purporting to come from the Movement for the Emancipation of the Niger Delta claimed responsibility for the bombs, there is little information about which faction of the militant group might be involved. MEND, which last year negotiated an amnesty with the government, has previously had no capacity or inclination to extend its military operations from the Delta to the capital in Abuja. The group's supporters interviewed by *Africa Confidential* in Paris last week insisted they back Jonathan's campaign.

A call from Jonathan's government to the **South African** authorities to arrest MEND leader **Henry Okah** backfired badly. From his detention cell in South Africa, Okah told the **Qatar-based** *Al Jazeera* news channel by cellphone that an 'aide' of Jonathan's had asked MEND to withdraw its statement of responsibility for the Abuja bombings and blame them on his political rivals in the north. Although Jonathan's office dismissed Okah's claims as fantasy, the political temperature is rising ahead of the ruling People's Democratic Party's primary elections that will pit Jonathan against three northern candidates – former military leader General **Ibrahim Babangida**, former Vice-President **Atiku Abubakar** and former head of military intelligence **Aliyu Mohammed Gusau**. All of the northern candidates have strongly criticised Jonathan's statements about zoning, the regional sharing of the top posts in the PDP.

Security officers exacerbated tensions by arresting **Raymond Dokpesi**, the television magnate and campaign manager for Babangida, claiming that a string of text messages had linked him to the bomb plot. One of the richest men in the Niger Delta, Dokpesi had already faced threats from militants in the region that he would be killed should he try to return there after working for Babangida. Jonathan's failure to condemn such threats played badly among northern politicians.

Now led by the previously amenable **Adamu Ciroma**, northern politicians have gone on the offensive with a campaign to impeach President Jonathan for his mishandling of the bombing crisis and failure to secure the safety of Nigerians. Even if Jonathan can face down the threat in the National Assembly, it will divert him from his main task of winning the PDP presidential nomination at the upcoming primaries. As all sides step up the regional rhetoric pitting the Niger Delta or the South-South against the political barons of the North, the primary contests look set to be more fraught than ever. ●

The IMF asks the 5 billion euro question

Fund officials in Washington want more reforms at Central Africa's regional bank after uncovering billions of dollars of unauthorised dealings

Central African finance ministers will face more awkward questions about fraud at their central bank, the *Banque des états de l'Afrique centrale*, at the annual meeting of the International Monetary Fund and World Bank in Washington on 8-11 October. This follows an IMF investigation which found transactions worth 5 billion euros (US\$6.97 bn.) that had not been properly authorised and top-level political interference in the Bank's operations. BEAC issues the CFA franc currency in six Central African states and is underwritten by France's central bank.

The IMF therefore halted all disbursements to BEAC in May because of its concern about fraud and lax controls, according to sources in Central Africa and Washington. We hear the Fund has now resumed disbursements following some reforms but officials in Washington are likely to ask questions about its governance and operations. The most awkward political issue is the suspected involvement of two presidents in the affair – **Denis Sassou Nguesso** of Congo-Brazzaville and **Teodoro Obiang Nguema Mbasogo** of Equatorial Guinea.

The IMF demanded an audit after extensive fraud worth 40 million euros involving documents, forged invoices and cheques was uncovered at the *Bureau Extérieur de Paris* (BEP), BEAC's small branch in Paris. According to financial sources, the fraud is believed to involve heads of state and senior officials in the *Communauté économique et monétaire de l'Afrique centrale* (CEMAC, the monetary and economic union of the mainly Francophone Central African countries), which BEAC serves. They had been using BEAC as a conduit to export misappropriated funds into private bank accounts in Europe.

We hear that some French officials were alarmed at the growing embarrassment of a scandal involving heads of state diverting state funds for personal gain through an institution guaranteed by the French state. Last year, the anti-corruption lobby Transparency International launched a case to pressure President **Nicolas Sarkozy's** government to investigate how Sassou Nguesso and Brigadier General Obiang were able to buy property worth millions of euros in France.

Following the IMF investigation, **Armand Brice Ndzamba**, the former accountant for the BEP in Paris, and

Maurice Moutsinga, the Gabonese former Accounts Director at BEAC headquarters in Yaounde, **Cameroon**, were arrested late in 2009, but so far no one else has been charged. **Jean-Pierre Oyiba**, Gabonese President **Ali Bongo Ondimba's** *Chef de cabinet*, resigned in November 2009 after cheques in his name worth 100,000 euros, drawn on the BEP, were discovered. He claims no knowledge of them and has not been prosecuted yet.

We hear the IMF's investigators found the fraud was authorised at the highest levels. The investigations were part of a 'safeguards assessment' by the Fund's Finance Department. Such assessments are technical reviews by IMF staff of central banks to ensure that the Fund's disbursements are properly used. 'The investigations confirmed misappropriation in the period 2004-07 and revealed a deliberate high-level override and breakdown of controls in both the Paris Office and BEAC headquarters, as well as an absence of effective oversight by headquarters', reported the Fund. Its report indicated not that controls were inadequate but that persons of high authority were either bypassing them or instructing bank staff to ignore them.

SACKING THE GOVERNOR

BEP was outside normal management channels and insulated from the usual lines of responsibility within BEAC. The leaders of the CEMAC countries, which also include **Central African Republic** and **Chad**, reacted to the crisis by holding a summit in January 2010. They sacked **Philibert Andzembé**, the Gabonese Governor, and replaced him with **Lucas Abaga Nchama** of Equatorial Guinea. This reflected the growing importance of Equatorial Guinea, whose oil bonanza has transformed it from the poorest to the richest of the CEMAC nations.

President Obiang sought to win greater influence by constructing a parliament building for CEMAC in Malabo and he used the death of President **Omar Bongo Ondimba** in June 2009 to move against Gabonese control of BEAC. Under a 1973 accord, Gabon had always provided the Governor. The summit resolved that in future the governorship would rotate among member states in alphabetical order. According to a European financial source, Obiang is growing disenchanted with the CFA Zone and French dominance. Malabo

has reduced the reserves it holds in BEAC and refused to pay the required penalties. A former **Spanish** colony, Equatorial Guinea lacks the deep cultural, personal and political ties that the Francophone African countries have to Paris.

The replacement of Andzembé was not enough to satisfy the IMF. Its Africa Department Director, **Liberian** former Finance Minister **Antoinette Sayeh**, wrote to the CEMAC ministerial committee on 28 May that she was cutting off disbursements until changes had been made. She said adequate controls or monitoring exchange operations were not taking place.

The CEMAC leaders then held an emergency summit on 6 June in Brazzaville, at which it had been expected that Nchama would be removed. However, Obiang had not expended so much effort to get an Equatorial Guinean appointed to the governorship only to have him sacked six months later. The leaders accordingly decided to spare Nchama and cull a raft of second-tier managers at the Bank instead. The CEMAC ministerial commission and individual heads of state have promised vigorous prosecution of all those involved in the fraud but many are sceptical that anyone more senior than the two already arrested will face charges.

The resumption of IMF disbursements was made possible by BEAC agreeing to a set of reforms and conditions. It had to commit to making public its delayed financial statement for 2009, which it has now done. The report, by KPMG and Ernst and Young, recounts the rule-breaking at the BEP in detail and is available on the BEAC website. BEAC also had to agree to institute internal audits using outside and independent consultants in certain areas of the Bank's operations. External audits would also be required. The IMF also insisted that BEAC adopt a resolution to broaden the review of Bank operations to the national directorates for each of the six member-countries.

After these measures were implemented, the Fund ended its ban on disbursement and released \$13.1 mn. to BEAC which was destined for CAR. The Fund also completed its review of the Extended Credit Facility (formerly known as the Poverty Reduction and Growth Facility) for Congo-Brazzaville. It released \$1.78 mn. to Brazzaville on 1 September. These two countries are the only CEMAC members with current IMF programmes.

The IMF's concerns remain high. The reforms required should help BEAC to counter fraud but will not address the political dimension: the corruption at the Bank was ordered at the highest level and was not simply a result of administrative errors or incompetence. An IMF official said that the Fund will have a 'continued involvement' with BEAC in governance and operational matters. ●

Massaging the message

UN officials believe their edited investigation has persuaded Uganda and Rwanda not to withdraw their peacekeepers

At the opening of the United Nations General Assembly in New York on 23 September, Rwandan President **Paul Kagame** did not look like a man leading a government condemned for human rights abuses. He had co-chaired the UN's Millennium Development Goals summit on 21-22 September with Spain's Prime Minister, **José Luis Rodríguez Zapatero**. Spain's judiciary has issued arrest warrants for 40 Rwandan military officers whom it accuses of human rights abuses. Zapatero was under pressure from his coalition partners in Madrid to snub Kagame, which made diplomatic arrangements rather awkward. Kagame's other international friends – such as UN Secretary General **Ban Ki-moon**, British ex-Prime Minister **Tony Blair** and United States ex-President **Bill Clinton** – had no such reservations about glad-handing the Rwandan leader.

Haunting the proceedings were the leaked details of a 545-page UN report mapping human right violations in Congo-Kinshasa in 1993-2003 (AC Vol 51 No 18). The draft report's conclusions – that troops under Kagame's command may have been guilty of genocide in eastern Congo in 1996-97 – were explosive enough to send Ban to Kigali to plead with Kagame not to withdraw all Rwandan troops from UN peacekeeping missions, as he had threatened to do.

The report was finally published, with a few tactful amendments, on 1 October to fresh condemnation by the governments it accused: **Angola**, **Burundi**, **Rwanda** and **Uganda**. The only dissenting African voice came from Congo-Kinshasa itself: Communications Minister **Lambert Mende Omalanga** praised the report and proposed setting up 'hybrid' courts to try those officers accused. Diplomats argue that Mende's stance helps to distract attention from the dire state of Congo's human rights: the UN last month reported 'over 500' sexual attacks on women and children in the east since July.

The formal release of the UN report may appease those officials who feared the Secretary General's office would push for substantial dilution but it does not resolve the bigger dilemma: what is the status of governments which contribute to UN peacekeeping missions and whose troops are accused of war crimes? And how could a mechanism to try officers accused of war crimes in Congo be established?

On 20 September, UN Human Rights Commissioner **Navi Pillay** received the latest official objections, from Burundi, to her investigators' account of terrible events in Congo-Kinshasa in 1993-2003. The facsimile from Burundi's Ministry of Foreign Affairs objected to allegations against the former army, the *Forces armées burundaises* (FAB), and the Hutu former militiamen of the *Forces pour la défense de la démocratie* (FDD). It claimed such things could not have happened, since neither group was in Congo at the time; there was never any alliance between the FAB, FDD or *Alliance des forces démocratiques pour la libération du Congo*, nor was Bujumbura involved in the 2001-02 Lusaka negotiations on the conflict.

On 24 September, Angolan Foreign Minister **Assunção Afonso de Sousa dos Anjos** expressed 'indignation and surprise' at the allegations made against the *Forças Armadas Angolanas*. Angola was, he said, the country that had made most effort to stop the violence. His government categorically rejected the UN allegations and described as slanderous the report's linking of the deployment of FAA units in Congo to an exchange for supposed economic incentives.

Rwandan Foreign Minister **Louise Mushikiwabo** had already expressed outrage when the document was first leaked in late August. Her country's letter to Pillay, sent on 30 September, called the report 'unacceptable' and a 'manipulation of UN processes by organisations and individuals (inside and outside the UN) for purposes of rewriting history'. Kigali says the report omitted the historical context, 'especially the immediate and serious threat posed by armed and ideologically charged refugees, positioned right at the border of Rwanda and Zaïre'; it also blames the UN for its 'knowledge of the situation and its blatant inaction', condemns the report's 'flawed methodology' and calls it a 'dangerous and irresponsible attempt' to undermine peace and stability in the Great Lakes region.

The letter from Ugandan Foreign Minister **Sam Kahamba Kutesa** rejected the allegations that the Ugandan People's Defence Forces had committed war crimes and crimes against humanity, calling them 'a compendium of rumours' premised on standards of evidence not 'sufficient for court proceedings'. Moreover, noted Kutesa, the report said nothing about

the so-called 'negative forces' which continued to fight on behalf of the previous government in Kigali.

Yet Congo's UN Ambassador, **Ileka Atoki**, said on 1 October that he considered the report detailed and credible, adding that 'the victims deserve justice'. He admits his government is under pressure to deliver it, with 220 civil society groups asking for justice and reparations for the victims. He recalls that in 2003, President **Joseph Kabila** had asked the UN to establish an international criminal tribunal to prosecute the perpetrators of crimes and was ignored, while prosecutions before the International Court of Justice had limited results, since Burundi, Rwanda and some others do not recognise its jurisdiction.

The Ambassador notes that the International Criminal Court can deal only with crimes committed since July 2002, while many atrocities were committed before that date. He called on donors to work closely with his government to establish how to deal with those responsible for the violence and offered to organise a meeting in Kinshasa with legal experts and donors, to discuss options such as a hybrid court with national and international judges.

One fear is that the report could damage several UN peacekeeping operations. Rwanda appears to have withdrawn its August threat to pull its 3,500 soldiers out of the UN-African Union Mission in Darfur. **Alain Le Roy**, UN Under-Secretary General for Peacekeeping Operations, was quoted as saying that Kagame had given that assurance during the recent session of the UN General Assembly.

The big problem is Uganda. In his letter to Pillay, Kutesa blames the authors' 'sinister tactics' which 'undermine Uganda's resolve to continue contributing to and participating in various regional and international peacekeeping operations' such as those in **Côte d'Ivoire**, **Liberia**, **Somalia**, **Sudan** or **East Timor**. Uganda, which began its six-month chairing of the UN Security Council on 1 October, may try to defuse things. On 4 October, army spokesman Lieutenant Colonel **Felix Kulayigye** told the press that Ugandan troops would not abandon Somalia.

The Southern African Development Community will debate the issue. Angola's Foreign Ministry points out that the country's troops were in Congo on an SADC mandate. Angola wants a role in UN peacekeeping. On 21 September, Secretary of State for External Relations **George Chicoty** proposed that the UN help to train Somali soldiers as peacekeepers in Luanda, much as Uganda's army trains Somalis with funds from the European Union and USA. The UN, however, still has to explain its continued deployment of Rwandan, Ugandan and Burundian troops for peacekeeping missions. ●

How Kibaki blocks the ICC

The International Criminal Court is blocked at every turn as it tries to investigate political violence

At last President **Mwai Kibaki's** bluff has been called. The pious hopes in his speech to the United Nations General Assembly last month about peace, democracy and development belie his government's obstruction of the International Criminal Court's investigation into the violence that followed Kenya's general elections of 2008 (AC Vol 51 No 17). Kibaki and his senior ministers want the ICC to drop the case. They refuse to hand over official records from 2007-08 requested by its investigators, who visited Kenya at the end of September.

The blocking of the ICC is led by Justice Minister **Mutula Kilonzo**, who claims that the Court is infringing Kenya's sovereignty. He says that, with its new constitution, Kenya wants to try the perpetrators of the post-election violence in its own cleaned-up courts, once old judges have been vetted and new ones appointed (AC Vol 51 No 19). It is true that the ICC cannot intervene until local justice has run its course but its Chief Prosecutor, **Luis Moreno Ocampo**, says it is too late, now that the Court's Pre-Trial Chamber has taken up the case. The Rome Statute (Article 18, 2) says that the opportunity for Kenya to try its high-level perpetrators closed one month after the PTC made its decision, on 31 March.

Moreno Ocampo reminded Kenya that, as a signatory to the Rome Statute, it was obliged to support the ICC and said he planned to bring two cases against between four and six individuals before year's end. Only if the PTC then rejects his evidence and refuses to issue warrants or summonses could the cases be dropped. His reputation is on the line and he is unlikely to bring weak cases to the PTC.

Cleaning up Kenya's courts and vetting its judges would take months, if not years, and senior politicians are unlikely to go after their own. Some think Kilonzo is anxious to derail possible prosecutions until after the 2012 elections. Anyway, he has partially retreated from his original statement, telling **Kofi Annan**, the African Union mediator (who made sure that the ICC got the evidence it needed), that only cases outside the Court's jurisdiction should be tried by Kenya's own judiciary.

Kilonzo's arguments are the same ones that the government used when trying to put off the ICC in July 2009. Then, it signed an agreement with Ocampo to 'self-refer' cases to the ICC if it was unable

to set up its own national mechanism to 'end impunity of those most responsible for the most serious crimes'. This accord was never honoured and the top civil servant in the Ministry of Foreign Affairs, Permanent Secretary **Thuita Mwangi**, argued in the *Daily Nation* in September 2009 for Kenya's sovereign right to try its own people without international interference. This was the first official anti-ICC statement by a government official; repeated more than a year later by the Minister of Justice, it sounds dated.

Kenya's government is still acting as if it can play politics as usual. The ICC is having none of it. On 3 September, Kenya sought to placate the Court by signing an agreement with its Registrar, former **Italian Judge Silvana Arbia**, to open a Nairobi office with full diplomatic privileges. A few days previously, the same government had violated the Rome Statute by inviting **Sudan's President Omer Hassan Ahmed el Beshir** to the celebrations marking the approval by referendum of the new constitution.

This year, 76 representatives of victims' communities and 320 individual victims gave statements to the ICC's Victims Participation and Reparations Section. Over 97% of those interviewed said they wanted the ICC to investigate the post-election violence. When asked why, one replied: 'Because we're tired of impunity in this country of ours.' Another said that she had high hopes of the ICC because her government 'protects those who caused me a lot of harm and because...they won't rule in favour of the big fish.'

The government is still intent on derailing the Court. Last week, senior Kenyan officials refused to hand over key official documents requested by the ICC's Head of International Cooperation, **Senegalese lawyer Amady Ba**. The government is also obstructing attempts by ICC investigators to interview former provincial commissioners and police officers, saying that only those currently employed would be available. Before the ICC's visit, Attorney General **Amos Wako** said its written request was 'too general' and infringed Kenya's 'national security interests'. When the ICC asked for the minutes of a meeting of officials of the Kibaki's Party of National Unity, allegedly held at State House during the post-election violence, the government said there has been no meeting, so no minutes.

The Court also wants more information on security discussions at the Ministry of Internal Security and Provincial Administration during the relevant period; on security meetings held by district and provincial officials; explanations of actions, or inaction, by the security and intelligence services; and reports, if any, on various proscribed militias.

The Office of the President has said that, if the ICC wants interviews with officials, they must take place in the presence of the High Court's Registrar or of a judge appointed by the Chief Justice, who would pass on the evidence taken to the Attorney General. The government has hired three lawyers for the interviewees, including sharpshooter **Evans Monari**, who represented the police at the Waki Commission hearings in 2008.

The ICC's investigators had planned to start their interviews when they arrived. To show willing, the government has promised that 40 minder-drivers from the paramilitary General Service Unit would be assigned to the ICC's investigators in Nairobi and on trips to the Rift Valley, the epicentre of the post-election violence. Yet the civil servants and security people they are allowed to meet are unlikely to want to speak about anything but the weather.

George Saitoti, the Minister of Provincial Administration and Internal Security and head of the cabinet subcommittee on Hague-related matters, has said he would not object to handing over 'relevant' documents to the ICC, subject to cabinet approval and a preliminary vetting by Attorney General Wako and the Director of the National Security Intelligence Service, Major General **Michael Gichangi**. Some say the ICC may already have some of the documents it wants and is trying to get the originals, without which it could still proceed. If the blockage continues, Ocampo could ask the judges of the PTC to requisition the material.

Gitobu Imanyara, member of Parliament for Imenti Central, and **Ndung'u Wainana**, Director of the International Centre for Policy and Conflict, criticise the silence of Kibaki and Prime Minister **Raila Odinga** during the ICC's visit. They say neither has the stomach for prosecutions which might endanger their new alliances before the 2012 elections. Other critics include **Florence Simbiri-Jaoko** and **Hassan Omar Hassan**, Chairwoman and Deputy Chairman of the Kenya National Commission on Human Rights; Canon **Peter Karanja Mwangi**, Secretary General of the National Council of Churches of Kenya; and twelve human rights organisations in the Rift Valley, where the ICC's investigators stated in a report published in March that displaced people do not trust the governing politicians to prosecute their own. ●

Buy now, vote later

Island states with small populations are among the best run; many of the bigger countries are getting richer but more oppressive

The latest Index of African Governance from the Mo Ibrahim Foundation does not explain whether African economies are doing better in spite of or because of more authoritarian, head-cracking and vote-stealing regimes on the continent. Certainly, Africa's performance, as measured by the Index, flies in the face of Western claims that more liberal pro-market economic policies will encourage more liberal and democratic governments.

Some of the most undemocratic regimes with poor human rights records, such as **Egypt, Gambia, Rwanda and Tunisia**, registered strong economic performances. **China** might see such trends as vindication of its scepticism about Western enthusiasm for political

pluralism in Africa and Asia. However, the multiparty democracies in **Ghana and South Africa** were among the best performers across the full range of economic and political indicators.

The Ibrahim Index gets people talking about, and then interested in improving, standards of governance. In the latest Index, released on 4 October, the continent's overall score for 'good governance' stood at 49/100, slightly down from the 2009 score of 51. 'Nobody except **Mauritius** is happy with this,' said Mo Ibrahim, the **Sudanese** telecoms magnate (AC Vol 48 No 20). Mauritius led the rankings, as it had in 2009. Strong southern economies and secure island states filled out much of the remaining top ten: **Seychelles, Botswana, Cape**

Verde, South Africa, Namibia, Ghana, Tunisia, Lesotho and Egypt.

Eritrea, Zimbabwe, Congo-Kinshasa, Chad and Somalia were at the bottom of the rankings. The many countries occupying the middle ground scrutinised the Index's data in search of positive news. **Nigeria**, its golden jubilee celebrations bloodied by explosions in Abuja on 1 October, found little comfort in taking 40th place. **Liberia**, ranked 36th, could point to stunning improvements across all categories since 2004/05, reflecting its progress since the civil war ended in 2003, along with flows of aid and investment.

The Index recorded some impressive economic and developmental progress, despite the global slowdown; no country showed significant decline. It sounded a loud political warning, though: 'There appears to be stagnation, if not sliding back, of democracy and human rights,' Ibrahim said. 'It's not a disaster but alarm bells are ringing.' Several countries showed ambiguous results: political and legal regression with social and economic progress (see Table). Gambia, **Malawi, Morocco, Niger, Rwanda, Senegal, South Africa and Swaziland** have made strides in public management and the provision of infrastructure, education and health care; at the same time, accountability and civil liberties have declined.

The Index, now in its fourth year of publication, assesses governance using 88 indicators across four main categories: safety and rule of law, participation and human rights, sustainable economic opportunity and human development. The full data sets are open for civil society and academics to analyse. 'Our objective is to get as close to reality as possible,' Ibrahim said, but he admits (unlike the United Nations' enthusiasts for the Millennium Development Goals) that reliable figures are missing for some of the continent's most pressing concerns. This year's Index is the first to include indicators for HIV/AIDS governance, water and sanitation provision, statistical capacity and gender equality. It lacks a measure of poverty because 'there was no data that stood up to scrutiny'. It reports that accurate data for maternal health – a key target of the MDGs – and infrastructure are also scarce.

Above all, Ibrahim argued, was the importance of ending and avoiding war: 'Any country, once they stop conflicts, will score well.' He called Somalia, lurking at the bottom of all categories, a tragedy whose effects were felt far beyond its borders. 'You've got a huge armada of warships off its coast, you've got the effects on neighbouring countries – no one is measuring the cost.' ●

2010 IBRAHIM INDEX OF AFRICAN GOVERNANCE

Top ten countries

1. Mauritius 81.8	6. Namibia 66.6	44. Côte d'Ivoire 37.7	49. Eritrea 32.8
2. Seychelles 74.5	7. Ghana 63.9	45. Guinea 36.2	50. Zimbabwe 31.9
3. Botswana 74.2	8. Tunisia 60.3	46. Equat. Guinea 35.9	51. Congo-Kinshasa 31.7
4. Cape Verde 73.8	9. Lesotho 59.7	47. Cent. African Rep. 34.3	52. Chad 30.6
5. South Africa 70.2	10. Egypt 59.0	48. Sudan 33.4	53. Somalia 7.9

Bottom ten countries

Scores by category

Sustainable economic opportunity	Human development	Safety and rule of law	Participation and human rights
TOP FIVE COUNTRIES			
Mauritius 84.2	Libya 84.9	Mauritius 90.2	Cape Verde 79.7
Botswana 69.8	Seychelles 82.5	Botswana 88.0	Mauritius 77.5
Cape Verde 66.8	Mauritius 75.2	Cape Verde 83.9	South Africa 73.4
Seychelles 66.0	Tunisia 73.9	Seychelles 80.8	Botswana 69.1
Tunisia 66.0	South Africa 70.5	Namibia 80.4	Seychelles 68.7

BOTTOM FIVE COUNTRIES

Cent. African Rep. 27.9	Sierra Leone 33.2	Cent. African Rep. 35.3	Chad 22.5
Congo-Kinshasa 26.3	Cent. African Rep. 32.6	Zimbabwe 35.2	Eritrea 19.6
Eritrea 25.1	Angola 32.6	Congo-Kinshasa 32.8	Libya 19.2
Zimbabwe 18.8	Chad 29.5	Sudan 22.3	Equatorial Guinea 19.1
Somalia 3.8	Somalia 7.9	Somalia 8.0	Somalia 11.7

COUNTRIES EXPERIENCING SIGNIFICANT CHANGE SINCE 2004/05

Sierra Leone +12.9	Angola +11.4	Liberia +16.8	Angola +13.1
Mauritius +12.4	Liberia +10.9	Togo +11.0	Liberia +12.0
Cape Verde +10.6	Uganda +10.7	Somalia -10.4	Senegal -11.9
Swaziland +10.4		Gambia -12.6	Madagascar -13.1
		Guinea -13.4	
		Eritrea -14.7	
		Madagascar -16.7	
		Mauritania -18.2	

ECONOMICALLY FORWARD... (SCORE CHANGE SINCE 2004/05)

Gambia +5.5	+3.5	-12.6	-6.6
Malawi +7.9	+8.5	-1.6	-3.3
Morocco +5.5	+1.2	-3.4	-4.5
Niger +6.0	+6.6	-1.4	-9.5
Rwanda +3.6	+3.5	-5.5	-3.2
Senegal +3.7	+2.8	-3.0	-11.9
South Africa +2.4	+8.9	-2.1	-3.4
Swaziland +10.4	+8.4	-2.8	-0.8

...BUT REVERSING POLITICALLY

Sustainable economic opportunity	Human development	Safety and rule of law	Participation and human rights
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Source: Mo Ibrahim Foundation. Score /100. Data for 2008/09.

Tobacco and the forex puzzle

Better prices alone for the tobacco crop will not address the worsening economic crisis

To judge by his speech, delivered in stentorian tones to the United Nations General Assembly on 23 September, President **Bingu wa Mutharika** is presiding over a new economic miracle. Moreover, according to his supporters, as Chairman of the African Union, he plays a leading diplomatic role in upholding the continent's sovereignty by protecting **Sudan's** President **Omer Hassan Ahmed el Beshir** from arrest by the International Criminal Court and **Zimbabwe's** President **Robert Mugabe** from colonial interference (AC Vol 51 No 16). Even civic activists outside Malawi celebrate Mutharika's defiance of the World Bank policy against subsidising fertiliser as a blow for an independent economic policy.

Inside Malawi, the picture looks different. The country is in the middle of a serious foreign exchange crisis, with worsening shortages of fuel and worries about export earnings. The last bales from the 2010 tobacco-marketing season are reaching the auction floors of Lilongwe.

These have stayed open longer than expected, even though the volume of tobacco leaves is smaller than last season.

The shortage of foreign exchange means less fuel can be imported. While trucks, buses and cars queued for days at petrol stations during September, projections for the value of this year's tobacco earnings have been mixed. In late August, local analysts estimated that this year's earnings would be higher than the 2009 season, which showed the greatest volume on record, earning US\$433 million. According to Auction Holdings Limited (AHL), earnings up until 9 September stood at \$360.8 mn. The Chief Executive Officer of the Tobacco Control Commission (TCC), **Bruce Munthali**, insists the real level of earnings is higher. At the beginning of the season, he predicted the price would exceed the \$2 per kilogramme minimum set by the government. However, in the weeks to follow, the rate has fluctuated between \$1.30 and \$1.98 per kilo. Buyers rejected

an average of 4,000 bales, almost half of what is offered every day at the Lilongwe auction floors, every day in September. The marketing season was extended to allow those bales to be sold.

A fall in tobacco earnings would worsen the forex crisis. Although petrol and diesel are scarce, Mutharika has spent most of the month travelling. He attended the Common Market for Eastern and Southern Africa (Comesa) summit in **Swaziland** on 31 August (see Box), then continued to Germany on an official visit. After a brief return home, he set off to **Rwanda**, then travelling to **Iran**, to New York for the UN General Assembly, and finally to **Cuba**, responding to an invitation from President **Raúl Castro**.

The Council for Non-Governmental Organisations in Malawi pleaded with Mutharika to travel less to save foreign currency. He responded that the trips were for Malawi's benefit. Meanwhile, the Reserve Bank of Malawi announced more rationing of hard currency.

Problems in the tobacco sector affect both the economy and politics. About 12% of Malawians work in the industry and around 80% are dependent on the earnings from it. Malawi is the world's largest exporter of burley tobacco, which earns it most of its foreign exchange. Overall, the average price has been higher this season but the lower quantity of tobacco will push down earnings. The National Bank of Malawi has projected a fall in earnings of 5.3% on last year. A senior buyer for Alliance One Tobacco, a partner of major cigarette manufacturers such as Philip Morris International and **British American Tobacco**, said they were buying only by order and demand was currently for raw material at low cost.

Bales are brought to the warehouse and lined up in rows of 200. On one side stand the sellers, employees of AHL, and on the other stand the buyers, representatives of the tobacco merchants. Each bale is auctioned with the successful bid written on the bale. Unsold bales are put aside for the next day's auction. Early in the season, the rejection rate at the Lilongwe auctions was close to 20%. Some bales are rejected as many as four times before a price is agreed that is satisfactory to both the buyer and the TCC.

Malawian tobacco farms have seen an increase in productivity over the past few seasons, with improving prices compared to the beginning of the decade. Anti-smoking campaigns in North America and Europe dampen demand, though. At the end of May, the European Commission launched a \$20.8 million anti-smoking campaign. 'We are told that cigarette consumption in the EU has gone down by 9%,' says Munthali, but he adds that consumption is growing in Eastern Europe. ●

TOBACCO LOBBY MEETS IN SWAZILAND

The Common Market for East and Southern Africa (Comesa) summit in **Swaziland** at the end of August, which President **Bingu wa Mutharika** attended, pledged to support tobacco growers around the world in opposing changes to the United Nations World Health Organisation's Framework Convention on Tobacco Control. The FCTC is the global treaty governing how tobacco products are designed and sold. The International Tobacco Growers' Association (ITGA), with Comesa and other organisations supporting tobacco farming, want to prevent changes to the treaty.

The proposed changes, which are to be presented to the FCTC Conference of the Parties meeting in **Uruguay** in November, would ban additives to tobacco in tobacco products. The intention, according to FCTC sources, is to recommend to signatories to the treaty that they restrict flavourings that are intended to attract young people to smoking. Comesa and ITGA argue that burley tobacco, which is the type most grown in Southern and East Africa, and which, with oriental tobacco, accounts for about half of the world's cigarettes smoked outside **China**, requires flavouring to reduce its bitterness. Glucose, menthol and ginger are among the substances added to the tobacco to make it more palatable.

ITGA and Comesa are hopeful that larger members of Comesa, such as **Egypt**, **Kenya** and **Libya**, even though they are not substantial tobacco growers themselves, will use their heft to help the poorer countries to resist the changes. They claim that the proposed restrictions on flavourings will affect the African growers disproportionately and hinder their ability to meet Millennium Development Goals in agriculture.

Some Comesa members have tried to argue that the proposed restriction is an attempt to discriminate against African tobacco in favour of tobacco types that do not require flavouring. They cite this as another move to 'keep Africa in poverty' using health-promotion arguments as an excuse. FCTC advocates say these are conspiracy theories promoted by big tobacco. The treaty proposes that African tobacco growers should try cultivating other crops. ITGA and Comesa say that the WHO is insufficiently aware of the poverty of many tobacco-growing regions and of how seriously further shrinkage in the global tobacco market will affect African farmers. ●

In search of policy

As outsiders worry about terrorism and piracy, social breakdown in Somalia gets worse

Nobody knows what to do about Somalia. In Madrid in September, the International Crisis Group held the latest of a series of international meetings that included the United Nations, African Union and the Inter-Governmental Authority on Development (IGAD). For want of an alternative, all agreed on business as usual: reinforced support for President **Sharif Sheikh Ahmed's** unelected and ineffectual Transitional Federal Government, for the AU Mission in Somalia (Amisom) and the guidelines laid down in the **Djibouti** Peace Process. The ICG concluded that there was no chance of reconciliation or even discussion with the TFG's foes, *Haraka al Shabaab al Mujahideen* or *Hizbul Islam*. Some members of the UN Security Council disagree (AC Vol 51 No 16).

As discussion is not an option, the ICG wants the Council to agree formally to expand Amisom to 20,000 troops. Financial considerations rule out a UN peacekeeping force but the recommendations from the ICG and IGAD should mean more support for Amisom and there are plans for the UN Political Office for Somalia (UNPOS) to increase its presence in Mogadishu, Hargeisa and

Garowe. Yet even if countries could be persuaded to contribute them, 20,000 troops might not suffice. Amisom is trying to implement a national security plan, train forces and deliver relief aid safely. As the TFG approaches the end of its mandate in August 2011, attempting to generate a larger support base and improve basic services, further fighting is inevitable.

Sheikh Sharif has regularly disagreed with **Omar Abdirashid Ali Sharmarke**, who stepped down as Prime Minister on 20 September. The ICG called for his rapid replacement, recommended that the TFG produce a road map of intended progress during the rest of the transition period, and urged greater strides towards finalising a constitution.

The TFG's recent small successes include the failure of a big *Al Shabaab* offensive during Ramadan in Mogadishu, where the TFG controls eight of the 16 districts. Yet many residents who dislike *Shabaab* dislike Amisom too, especially when *Shabaab's* shooting from civilian areas triggers an Amisom response in which civilians are killed. The TFG has plans for an attack in the next few months on Kismayo, controlled by *Al Shabaab* and important because of its port and airport.

Amisom's status was helped by international concern after July's bombings in Kampala (AC Vol 51 No 15), in which 75 people died and a further 70 were injured. This was *Shabaab's* first declared operation outside Somalia and identified the group as international terrorists. Interpol Secretary General **Ronald K. Noble** said this week that Somalia could soon pose more of a terrorist threat than Afghanistan. Antiterrorist security is being stepped up in Europe and Somali extremism could reach further afield. Yet *Shabaab's* structure and links to *Al Qaida* are not understood, although it has made routine statements of support. *Al Qaida* figures involved with *Shabaab* include **Fazul Abdullah Mohamed**, wanted for the bombing of the **United States** Embassies in **Kenya** and **Tanzania** in 1998 and of the Paradise Hotel in Mombasa in 2002.

Al Shabaab is not only Islamist but also nationalist. It targeted Uganda because it contributes most of the muscle to Amisom, which many Somalis see as an occupying force. As *Al Shabaab's* attacks on the flimsy transitional government intensify, and the pirates along the coastline grow ever bolder, international efforts to stabilise Somalia look increasingly beleaguered.

United States officials talk about bolstering Puntland and the semi-autonomous Somaliland but other Western officials are said to be studying which elements of *Al Shabaab* might be open to negotiations to form yet another transitional regime in Mogadishu when the current regime under President Sharif Sheikh Ahmed finally collapses. ●

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Zimbabwe/Ecuador

THE QUITO QUESTION

■ Arms smuggling, drug trafficking and questionable clergymen all provide clues as to why President **Robert Mugabe** was planning a foray to Ecuador after his annual trip to the opening of the United Nations General Assembly in late September. But urgent business in Harare forced the postponement of the Ecuador visit until early December, said an official.

This was fortuitous for Mugabe. His trip, during which he was to receive an honorary doctorate, would have coincided with an attempted putsch by police in which Ecuador's President **Rafael Correa** was overcome by tear gas and sought refuge in a local hospital. Soldiers loyal to Correa rescued him after a street battle which left many people dead. Neighbouring **Peru** closed its borders and airspace for the duration of the crisis, thereby trapping all aircraft. Mugabe was lucky not have been stranded without fuel or money to finance an alternative route home for his 80-strong delegation on their aeroplane, taken from Air Zimbabwe's shrinking fleet.

Harare's decision to postpone Mugabe's Quito trip owed less to its diplomats' prescience and more to concern that the Autonomous University might be a bogus institution, created by **Walter Crespo**, the Bishop of the self-declared Anglican Province of Ecuador. There is no official Anglican Province in Ecuador. Among Mugabe's delegation was Archbishop **Norbert Kunonga**, the excommunicated head of the Anglican Church in Zimbabwe. Kunonga has taken property from the Anglican Church in Zimbabwe and ignores court orders to return it. It was he who introduced Crespo to Mugabe this year when the award of the doctorate was mooted.

Another reason for Crespo's notoriety is his detention by Ecuadorian police in 2000-03 for arms trafficking to the guerrillas of the *Fuerzas Armadas Revolucionarias de Colombia*. He says the charges were trumped up and police drugged him to obtain a confession. We hear some of the end user certificates for the arms were supplied by Zimbabwe Defence Industries, an army-controlled firm headed by retired Colonel **Tshinga Dube**. Given that arms supplied to FARC are generally paid for with cocaine (AC Vol 51 No 12), the ZDI's foray into Latin American operations may partly explain the surge of money laundered through the Zimbabwe Stock Exchange over the past decade. Quite how Mugabe's relations with Crespo will be interpreted by Correa is another question.

Guinea

ODDS NOW ON CONDÉ

■ Former Prime Minister **Cellou Dalein Diallo** is no longer the favourite to win the second round of the presidential elections, due on 24 October, after several sackings at the *Commission électorale nationale indépendante*. His rival and long-time oppositionist **Alpha Condé** had accused CENI directors of presiding over electoral abuses, which he claimed favoured Diallo in the first round of voting. But CENI's new President, **Louacény Camara**, is now suspected of favouring Condé.

Mamadou Sylla, one of the richest men in Guinea and a backer of former military leader General **Lansana Conté**, is also supporting Condé. The high profile entry of businessman and arms trader Sylla into an election that may determine the future of Guinea's iron ore and bauxite mining operations greatly raises the stakes. Sylla is yet to state his position on Mines Minister **Mamadou Thiam**'s decision to transfer **Anglo-Australian** Rio Tinto's rights to Blocks I and II of the giant Simandou iron ore mine to **Israel's Beny Steinmetz**. Yet we hear that near identical letters from the British and Australian governments complaining about the treatment of Rio have hardened Conakry's resolve.

Congo-Kinshasa/Canada

KINSHASA IN COURT

■ President **Joseph Kabila**'s government now has the distinction of facing three international court cases in which foreign companies accuse it of arbitrarily seizing their assets. The biggest plaintiff is Vancouver-based First Quantum Minerals, which launched its case at the International Court of Arbitration in Paris this year. FQM is disputing Kinshasa's expropriation of the US\$750 million Kolwezi tailings project, in which the company claims it had invested more than \$400 mn. After persuading Canada to raise the issue in June at the G-20 in Ottawa (AC Vol 51 No 13), FQM seems to have given up all hope of restitution of its copper sites in Kolwezi and is stepping up its media and legal campaign against Kinshasa and Eurasian Natural Resources Corporation (ENRC), which has been awarded the concession.

On the media front, FQM is having some success: two City of London firms, fund managers BlackRock and Hermes Equity Ownership Services, have criticised ENRC, one of the top 100 companies on the London Stock Exchange, for taking on the Kolwezi asset. FQM's corporate allies are also pressuring ENRC's brokers Morgan Stanley and Deutsche Bank to drop the company. The saga has taken a political twist in London with mounting pressure on Sir **Richard Sykes**, an advisor to **Britain's** Conservative-led government, who also sits as an independent director

on the ENRC board and who voted for the Kolwezi deal. Sykes describes the fixer in the deal and President Kabila's business ally, **Dan Gertler**, as a 'colourful character.'

In turn, ENRC has hired lobbyists who are investigating FQM's track record in **Zambia** and **Congo**, where it came under the scrutiny of the United Nations' investigation into illegal mining deals in 2002. Kinshasa's decision to strip FQM of its Frontier Copper mine, which produced 94,000 tonnes last year, prompted the company to launch another case, this time at the International Centre for Settlement of Investment Disputes in Washington DC.

Ireland's Tullow Oil is going to court over its loss of exploration rights in Block 1 in Lake Albert. Kinshasa transferred the block first to **South Africa's** Divine Inspiration Group and then to Caprikat and Foxwhelp, the British Virgin Islands-registered companies which South African President **Jacob Zuma's** nephew **Khulubuse Zuma** claims to own. Tullow's lawyers won an interim injunction in the Eastern Caribbean Supreme Court, barring the companies from working on the blocks. Tullow is also seeking international arbitration, this time against the Congolese government. The case will be heard in Paris.

Zimbabwe

MOVING STATUES

■ The controversial statue honouring **Joshua Nkomo** on Main Street in Bulawayo could not wait to be officially unveiled by President **Robert Mugabe** (AC Vol 51 No 16). One night, the black shroud enveloping it slipped off, to reveal a distinctly unheroic figure in a business suit. Bulawayans were unimpressed and the Nkomo family outraged at this treatment of their icon. Nobody had a good word for it: it was too short, it was the wrong colour, it was belittling and, above all, it was **North Korean**. Then it vanished again, only to reappear, this time in the museum, joining other politically incorrect statuary from the colonial era. Perhaps as a final insult, it nestles alongside a statue of **Cecil John Rhodes**.

The whole sorry saga is celebrated as a victory for Ndebele self-assertion. Bulawayo City Council, run by the Movement for Democratic Change, deplored the waste of public funds but is to press ahead with the renaming of Main Street as Joshua Nkomo Street (elsewhere, renamed Main Streets usually end up as Robert Mugabe Streets). Since the suspension of the Zimbabwe dollar, most of the country has adopted the **United States** dollar as its currency, but in Matebeleland and parts of Midlands, the preferred unit is the **South African** rand and to lesser extent the **Botswana** pula. As the US dollar weakens against the rand and the pula, this could give further impetus to separatist sentiment in Matebeleland.

BLUE LINES

It has been a bad week for Equatorial Guinea's President Teodoro Obiang Nguema Mbasogo: the United Nations Educational, Cultural and Scientific Organisation has politely turned down his offer of a US\$300,000 prize for research scientists whose work improves the quality of life. Wide-ranging protests that Obiang had improved the quality of his own life by stealing his country's oil money and gaoing opponents prompted UNESCO's refusal, it seems. However, at least one former inmate of Obiang's gaols is standing by his captor.

Enter Simon Mann: released from detention in Equatorial Guinea last November, just 18 months into a 34-year sentence for plotting a coup, he reported that he had been treated more like a guest than a prisoner in Malabo's notorious Black Beach gaol. Mann's flame-haired wife Amanda declared that President Obiang was a 'lovely, lovely man.' But how far has the love between these former foes developed?

Mann was seen back in Malabo a few weeks ago. According to one official, he has been acting as a special advisor to Obiang. A business source in Johannesburg said he was helping to resolve a longstanding contractual dispute with South African creditors. So, how to explain this tropical Stockholm syndrome? Could it be that Black Beach has rehabilitated a repeat offender? That is harder to judge since Obiang will take no credit for Mann's change of heart and his officials are unwilling to make further comments about any formal appointments.

NIGERIA

The gangs of Port Harcourt

After the Abuja bombings, the political process turns back to the Niger Delta, where militants are frustrated by the aftermath of the amnesty deal

Bomb blasts in Abuja on 1 October killed twelve people. They could foretell more trouble to come and it is still not clear who was responsible, despite an e-mail purporting to come from a loose affiliation of militant groups in the Niger Delta (AC Vol 51 No 20). President **Goodluck Jonathan**, who is from the Delta, faces calls for his impeachment from northern rivals for the People's Democratic Party (PDP) presidential nomination. National and state elections, due in January, are expected to be delayed until April, giving candidates more time to fill their war chests.

The impeachment calls from the Northern Political Leaders' Forum are being pushed by **Adamu Ciroma**, hitherto an uncontroversial pillar of the governing PDP (whose National Women's Leader is his wife, **Maryam**). Months of manoeuvres to secure the party's nomination – or for Jonathan to run for a rival party – could involve the end of an amnesty for militants, a rapid disintegration of security in the Delta and a resumption of armed conflict there.

Amid the furore over responsibility for the Abuja bombing is a leading figure in the Movement for the Emancipation of the Niger Delta, **Henry Okah**, whose own statements on the matter are as tangled as the government's. In February 2008, Okah was arrested in **Angola** for trafficking arms for MEND and detained by the Nigerian Federal authorities. Under an amnesty during the presidency of the late **Umaru Musa Yar'Adua**, he was released in July 2009 and took refuge in **South Africa**. After the Abuja bombing, South African police

arrested him at his house in Johannesburg on suspicion of terrorism and at Jonathan's behest. He now faces extradition to Nigeria, where subsequent claims and counterclaims have cast confusion over the bombers' identities and motives.

The government rubbished Okah's claims that it wanted to blame the bombing on Jonathan's northern rivals and the Joint Task Force talked down the threat of militants resuming serious armed struggle in the Delta. The JTF insisted that its aerial surveys proved there were no longer any militants' camps. However, Okah claims the amnesty is close to falling apart. There were not 15,000 fighters in the rehabilitation programme, more like 500, and the rest were a 'rent-a-crowd', he said; there were thousands of weapons in the region and Jonathan was not sincere in wanting to return the land to the Delta's people.

OKAH'S LITTLE LIST

The authorities quickly summoned MEND leaders who had signed up to the peace process to the presidency to denounce the bombings. Meanwhile Okah's diary, scrutinised by South African magistrates, referred to 'Boats, Micro-uzzi, binoculars, Jungle boots, 40mm cannon, raincoats, Surface to Air Missiles, Grenade launchers, Land mines, Assault machine guns'. An entry dated 19 September reads: 'We will fight to the finish.' Okah told journalists he feared he would be poisoned in gaol.

Rival conspiracy theories proliferate, mostly without a shred of evidence. One is that Jonathan's supporters set off the bomb,

NIGERIA	2	ZIMBABWE	3	SOUTH AFRICA	4	SUDAN	5	IMF/WORLD BANK	6
Ready for change in the Delta		Everyone wants a vote		Battles of the plans		Northern opposition faces increasing duress		ETHIOPIA	7
If the amnesty fails and MEND resumes its armed struggle, the militants will take charge.		Mugabe defies the agreement with the MDC while Tsvangirai ponders his declining power.		Rival personalities and ideas obstruct a promised plan for growth.		Khartoum cracks down on its many opponents in the north.		TANZANIA	8
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with Okah as the fall guy, to give the impression that Delta militants were again a threat to state security, so Jonathan should stay on to keep them in check.

The day after the bombing, Jonathan told a meeting of the Economic Community of West African States that MEND was not to blame: 'What happened yesterday was a terrorist act and MEND was just used as a straw; MEND is not a terrorist group.' He claimed that other forces were behind the e-mail. Security officers then arrested **Raymond Dokpesi**, manager of the former military leader General **Ibrahim Babangida's** campaign for the PDP nomination. They alleged that a string of text messages linked Dokpesi to the bomb plot but later released him. A television tycoon, he is now suing them for wrongful arrest. Militants had already threatened Dokpesi, one of the richest men in the Niger Delta, with death if he

came home after working for Babangida.

Another theory is that a group of hard-line northern activists was behind the bombs. The message would be that Jonathan is weak and cannot keep the Delta under control, so the north needs to take charge again. On paper, that could favour any of the northern contenders for the PDP's nomination: ex-military leader Babangida, former Vice-President **Atiku Abubakar** and former head of military intelligence **Aliyu Mohammed Gusau**. Whatever the truth, the ructions around the government have weakened Jonathan. Some in the Delta think that a faction within MEND wants to show it remains central to politics, with or without him. Yet this theory does not explain the President's eagerness to shift the blame away from MEND.

The Abuja bombings may be forerunners of greater violence but not of a

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Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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change in the Delta militants' tactics. Few MEND people know how to plant bombs triggered by mobile telephones. There have been bombings before but they were not followed by wider violence. Jonathan has old links to the Delta militants. As Bayelsa Governor, he inherited a relationship with Ijaw nationalists and armed youth groups, originally deployed by his predecessor, **Diepreye Solomon Peter Alamiyeseigha**, to fight the neighbouring Itsekiri community. MEND brings loosely together the Ijaw Youth Congress fighters of this period, remnants of **Mujahid Dokubo-Asari's** Federated Niger Delta Ijaw Communities and the Niger Delta People's Volunteer Force, with smaller criminal gangs and armed groups such as **Ateke Tom's** Niger Delta Vigilantes (AC Vol 45 No 18). Factions may switch between different parties and candidates, leading to sudden and bloody conflicts.

In 2003 and 2007, most of the armed thugs were employed by the PDP. It is likely to be different in 2011. Only a few MEND leaders profit much from the amnesty – **High Chief Government Ekpemupolo** (aka **Tompolo**), **Prince Farah Ipalibo** ('**Dagogo Farah**') and **Victor Ben Ebikabowei** ('**Boyloaf**', see Box). Despite the military's claims, men from hundreds of militant camps have moved to Obubura camp in Cross Rivers State and another in Bayelsa, ready to take up arms.

Bayelsa is beset by criminal gangs linked to the main camp near Yenagoa, with Governor **Timipre Sylva** using them as his shock troops. In May, 'General' **Eris Paul** and 'General' **Africanus Ukparsia Tuwonwei** aided former Delta Governor **James Ibori's** escape from arrest, spiriting him away to Sylva's personal yacht, the *Silver Spirit*, stationed off the coast of Brass, and thence to a West African safe haven and Dubai, where he is now fighting extradition to **Britain** to face corruption and money-laundering charges.

The gangs still kidnap, rob and bunker (steal) oil, enriching themselves and their political patrons. International markets are awash with this illicit oil, much of which finds its way to Port Arthur in Texas, a key destination for Nigerian oil. The International Maritime Bureau's Piracy Reporting Centre in Kuala Lumpur,

READY FOR CHANGE IN THE NIGER DELTA

If the amnesty fails and the Movement for the Emancipation of the Niger Delta resumes its armed struggle, figures from the past and future of Delta militancy will take charge. Some turned to politics after the dictatorship of General **Sani Abacha**, who died in 1998. The younger **Boyloaf**, **Shoot at Sight**, **Busta Rhymes** and **Soboma Jackrich** (**Egberipapa**) rose as lieutenants after 2003 and work in the violent criminal underworld as well as with the militants. They represent a younger generation in waiting.

● **Soboma George**: Formerly **Ateke Tom's** second-in-command, George went independent. With his gang, he made two audacious gaolbreaks and escaped numerous attempts on his life. He has a formidable reputation for violence and ruthlessness.

● **High Chief Government Ekpemupolo (Tompolo)**: In May 2009, the former MEND commander in Bayelsa State was the target of a Joint Task Force operation that left scores of people dead and drove thousands of refugees from the Gbaramatu area. Fourteen of his ex-commanders have written to President **Goodluck Jonathan**, complaining that he profits from money meant for rehabilitating militants.

● **Prince Farah Ipalibo (Dagogo Farah)**: Like George, a former commander in **Mujahid Dokubo-Asari's** Niger Delta People's Volunteer Force (NDPVF). He led the Niger Delta Strike Force which emerged in 2007 from Asari's group. Four days after the 1 October Abuja bombing, Farah and other MEND leaders met Jonathan to repudiate the atrocity.

● **Victor Ben Ebikabowei** (Boyloaf): Another former soldier in Asari's NDPVF and associate of Farah and George. He was MEND's government relations officer in 2006 and set up his own group from camps in southern Ijaw in 2007. Boyloaf's attack on Shell's offshore Bonga field established his reputation as the main militant commander in Bayelsa. Officially part of the amnesty, he may lead a breakout.

● **Alhaji Mujahid Dokubo-Asari**: Son of a judge and born **Melford Dokubo Goodhead Junior**, Asari graduated from leading the Ijaw Youth Congress into armed direct action against foreign oil companies. After military training in **Libya**, he returned home in 2003. He fell out with the then Rivers State Governor, **Peter Odili**, and formed the NDPVF, fighting with rival militant Tom. After his arrest and release under an earlier amnesty, he informed on his former patrons and comrades. Now based in **Benin**, he makes occasional forays into Nigeria and backs the opposition Action Congress of Nigeria.

● **Ateke Tom**: He promised Jonathan he would renounce violence in October 2009. In 1999, he had formed a vigilante group to fight the Bush Boys and at the 2003 elections in Rivers State, his 'Icelanders' delivered victory for the People's Democratic Party in Okrika local government, an opposition stronghold. His group, Niger Delta Vigilantes, took over the KKK and Greenlanders gang, beheading its leader, **Julius**. Until the 2004 peace accords, his rivalry with Asari paralysed the Delta for a year. Tom has renounced militancy but could resume operations if political patronage dries up.

● **Africanus Ukparsia Tuwonwei (General Africa)**: MEND commander Africa has kept his head down during the amnesty while acting as muscle for Governor **Timipre Sylva** and aiding the flight of ex-Governor **James Ibori**. If Sylva sides with the PDP over Jonathan or MEND, Africa could lead thousands of fighters from Yenagoa camp against forces loyal to the President. ●

Malaysia, ranks Nigeria second only to **Somalia**, and estimates that half the incidents go unreported. For example in January 2009, the *MT Meredith*, laden with 4,000 tonnes of diesel oil, was attacked by gunmen in speedboats at the Bonny Fairway Buoy. The **Romanian** crew was kidnapped and the engine dynamited. MEND claimed that an affiliate group carried out the operation. The Delta's waterways are clogged with rusting ships

with crews from eastern Europe and the **Philippines**.

Vested interests in the shipping industry prefer to minimise the danger. Identifying the risk would increase insurance rates and draw attention to bunkering and other illegal business such as arms-dealing. West Africa hosts an oil and gas boom with new finds made almost weekly. The region, its investors and their clients want stability in international shipping. Energy security is

crucial for the **United States**, the largest buyer of Nigerian crude oil. Americans are now shying away from offshore oil, except from foreign shores. The Delta is Anglo-**Dutch** Shell's second-biggest profit centre, so European governments worry, too.

Any further collapse of security would allow fishermen and fighters from poor communities with expert knowledge of the creeks to make their own law of the sea. ●

ZIMBABWE

Everyone wants a vote

President Mugabe defies the agreement with the MDC while Morgan Tsvangirai ponders his declining power

Prime Minister **Morgan Tsvangirai** is staying away from cabinet meetings in protest at President **Robert Mugabe's** move to extend the tenure of the ten provincial governors without consulting him. The 2008 Global Political Agreement (GPA) between the governing parties clearly provides for a split of four governors to Mugabe's Zimbabwe African National Union-Patriotic Front (ZANU-PF), five to the Movement for Democratic Change-Tsvangirai (MDC-T) and one to **Arthur Mutambara's** MDC faction.

More unilateral action can be expected. Addressing the annual congress of the ZANU-PF Youth League, Mugabe announced that a referendum on a new constitution would be held in February 2011 followed by elections in July. He also confirmed that the power-sharing GPA would not be extended beyond February, when its two-year term will end. The remarks were reiterated at the Women's League congress a week later.

The gearing up of the party machine into election mode will continue at the provincial congresses and culminate in December in the full congress in Mutare. The Manicaland capital will thus become the launch pad for next year's elections.

Very few people believe that the country can be ready for free and fair elections before 2012 but Mugabe insists the processes can be 'fast-tracked' – a euphemism for getting his own way, as in the 'fast-track land-reform' or the 'fast-track delimitation of constituencies' in 2008. The Constitutional Parliamentary Select Committee (Copac) Consultative Process outreach programme, which is designed to reach a consensus for a new constitution, has been irretrievably compromised and it is difficult to see how the partisan views which did manage to get an airing can be cobbled together into

reconciled proposals for the second round of consultations. To meet a new February deadline, the draft would have to be either negotiated by the parties or, failing that, unilaterally put forward by presidential fiat.

Mugabe would prefer a variation of the Kariba Draft, which would further entrench presidential authority in the new constitution. The MDC formations would find that unacceptable and would have to campaign against it in the referendum. If the electorate rejected it, the existing constitution would remain in force and any subsequent election be held under it. In the short term, this might suit ZANU-PF by continuing presidential dominance (AC Vol 51 No 20). However, in the longer term, the issue of who next becomes president could be decided by a parliamentary joint session of House and Senate.

DODGING AN MDC MAJORITY

Allowing for vacancies, the MDC parties are in a majority of twelve in the lower house. In the Senate, ZANU-PF's majority has been eroded by three deaths to the MDC's one. Had Mugabe abided by the GPA on the appointment of provincial governors, he would have had to surrender six Senate seats to the MDC, which would have ended the overall ZANU-PF majority. It was not a gamble the kingmakers were ready to take, given that the ten chiefs who usually follow the ZANU line are not bound to do so. Mugabe has ruled out holding by-elections to fill vacancies.

The uncertainty about who will succeed Mugabe has left a faction-ridden ZANU-PF and if it were up to Parliament, it would not be totally fanciful to see one of the aspiring heirs doing a deal with the MDC parties. That might mean a ZANU-PF president beholden to Parliament rather than the security forces – not something the ruling junta would relish.

In the House, there have been signs of unauthorised cooperation between some ZANU-PF and MDC members of parliament, particularly on the Energy and Mines Portfolio Committee and its investigation into the Marange diamond fields scandal (AC Vol 20 No 12).

Even if a new constitution were endorsed by referendum, it would still take considerable time to clean up the shambolic electoral register, the responsibility of Registrar General **Tobaiwa Mudede**. He has refused outside help for the task of undertaking an electoral registration drive followed by boundary changes, mainly because ZANU-PF is the main beneficiary of the associated vote-rigging. The current distribution of seats seriously under-represents the urban areas, where MDC's bedrock support lies, to the advantage of ZANU-PF in the rural areas.

In ZANU-PF's eyes, the current situation probably offers a better chance than any other of clawing back some of its lost rural seats. It will not flinch from heavy-handed action as in 2008. The army has been a highly visible presence in southern Manicaland, where it also keeps an eye on its diamond-field interests. In neighbouring Masvingo, 'war veterans' led by **Jabulani Sibanda** are doing some strong-armed canvassing which is being tolerated by police in the Zaka and Bikita districts. In both areas, the MDC won a sweeping majority of the seats and local councils. Yet their members and structures are vulnerable and fragile.

From Tsvangirai's personal point of view, an election in 2011 may offer his last chance of becoming national president. He was elected party leader in 2000 and the MDC constitution limits the leader's tenure to two five-year terms.

At next year's congress, the MDC must choose a new leader or amend its constitution. A front-runner to succeed him would be Finance Minister **Tendai Biti**. There are already rumours that the security forces' dirty tricks departments are beaver away to bring criminal charges – possibly of a financial nature – against him. As Tsvangirai's treason trial showed, the charges do not have to be believable; their mere existence distracts attention and detracts from the political effectiveness of the accused. ●

Battles of the plans

Rival ideas and personalities obstruct a promised plan for growth and the President will not pick a winner between the ideological factions

Jacob Zuma notched up a success when the Hawks, the special crime investigation unit, abandoned its inquiries into the arms deal in which it had been alleged that he was corruptly involved. The President's next task may prove even harder. It is to get his allies in the governing African National Congress (ANC) to agree on a 'new growth path' for the country. With the cabinet divided, his advisors fear he may not come up with a comprehensive economic growth strategy before the end of his first term in 2012.

Everyone in the ANC wants a new economic growth path but nobody agrees which path to follow. Zuma's ambition is to line his country up with the 'BRICS' – **Brazil, Russia, India and China** – whose growth rates approach double figures. South Africa needs that not only for its international reputation but also to deal with poverty, unemployment and the need for massive investment in infrastructure.

Several ANC leaders and cabinet ministers will visit China in December to 'learn' how it stimulated its economy to grow at double-digit rates and lift so many millions of people out of poverty. Even that delegation will be split. Some in the cabinet and the ANC, such as General **Siphiwe Nyanda**, the Communications Minister, want to copy Beijing's tough stance against internal dissenters as well as its development model. Yet the Congress of South African Trade Unions opposes imports of Chinese goods because they 'take away local jobs' and criticise the hard Chinese line with would-be democrats. Cosatu's strategists prefer to look towards Brazil and they want protection from imports from BRIC countries.

In the absence of a coherent strategy, the country continues on the economic trajectory of former Finance Minister **Trevor Manuel** and former President **Thabo Mbeki**, whose 'business-friendly' economic policies Zuma's backers regularly attack. In his presidential campaign, Zuma promised to reverse those policies. Yet Finance Minister **Pravin Gordhan**, Manuel's successor, has steered a 'growth path' in tandem with the central bank, the South African Reserve Bank, which includes the strict monetary policy to which Cosatu and the ANC's other partner, the South African Communist Party (SACP), strenuously object.

Economic Development Minister **Ebrahim Patel** has been drafting the

outlines of an economic policy, saying that it is his job. He has promised business leaders the 'new growth path' to address the 'impediments' limiting economic expansion. Gordhan, though, maintains that designing economic policies is his job. Zuma, characteristically, has refrained from choosing sides. So while Patel drafts his new path, Gordhan quietly implements existing policies which, he says, represent a growth plan on their own.

Patel claims his draft plan is a stimulus package that would also deal with the structural impediments which limit growth and respond to the impact of the rich world's financial crisis. To lead the drafting of his plan, Patel has recently appointed **Neva Makgetla**, formerly Cosatu's chief economist. Patel has a close relationship with Trade and Industry Minister **Rob Davies** (an SACP man), who is cobbling together his own industrial policy. Patel, Deputy Transport Minister **Jeremy Cronin** and Higher Education Minister **Blade Nzimande** lead the left-wing caucus in Zuma's cabinet.

UNIONS ARE IMPATIENT

Yet when Patel outlined his growth path to the ANC's powerful Economic Transformation Committee, we hear there was resistance from centrists, business tycoons and nationalists. Patel's union friends in Cosatu are impatient that their man has not yet come up with a growth path and appears to be losing steam.

Manuel was appointed to head the National Planning Commission in May 2009 and to devise a long-term economic growth plan (AC Vol 50 No 10). Unlike the policies of Gordhan, Patel and Davies, it will be based on the 'existing macroeconomic policy' (code for the platform he bequeathed to his successor, Gordhan). Whatever Patel is working on, it will not be integrated with the rival plans from Manuel and the Treasury. **Collins Chabane**, the Minister for Monitoring and Evaluation, is left without a substantial policy to monitor or evaluate; anyway, his department has still not filled some key posts and, no political heavyweight, his cabinet colleagues do not take him seriously. As President, Mbeki introduced a 'cluster' system into cabinet, hoping to ease policy coordination. The present economics cluster is paralysed by ideological and personal infighting.

Key to any new growth plan will be

more than 300 state-owned companies (SOEs). Ministers are battling over them, too. Patel has bagged the Industrial Development Corporation, while Gordhan has held on to the Development Bank of Southern Africa and the Agriculture and Land Bank of South Africa. Both want to take control of SOEs now under other departments, saying the existing ones do not do a proper job of oversight. Preparations are under way for a council of state-owned development finance institutions, probably under the Treasury (which, for now, means Gordhan); most recently, Chabane has been handed the presidential review of SOEs.

In May, Zuma appointed an external team to review the SOEs' role and mandate, a job he had given in March to Public Enterprises Minister **Barbara Hogan**. Zuma's allies did not want Hogan, who is notoriously independent-minded, to get such an important role. To keep her busy, she has been allowed to investigate the remuneration of SOE boards. Nyanda recently announced his own investigation into the SOEs that report to his Communications Ministry.

Many ANC leaders see the SOEs as sources of patronage, so want them removed from central control and hived off to line ministers. The most valuable SOE is the state pension fund, the Public Investment Company. Patel wants to use it as fuel for his new growth plan; most civil servants disagree. Some black economic empowerment players want selected SOEs privatised and sold to BEE consortia (other BEE owners, finding their companies indebted, want them re-nationalised).

Whatever the new growth path, monetary policy will be central to it and so will the rand exchange rate. The Reserve Bank has continued the monetary policy mix of former Governor **Tito Mboweni**, a close ally of Manuel's and Mbeki's. High interest rates have brought a strong rand and bitter arguments. Cosatu has proposed following Brazil's lead, by imposing a tax on portfolio investment and Cosatu's arch-enemy, the International Monetary Fund, favours this in its latest briefing note. Gordhan, Reserve Bank Governor **Gill Marcus** and Manuel had already rejected such a tax which, Gordhan points out, has not stopped the Brazilian currency rising. Patel's draft growth framework called for a Brazilian-style intervention to keep the rand down.

All ANC factions agree that a new growth strategy must address structural issues, such as a lack of skills and education. Gordhan and Manuel prefer to clear structural impediments by, in the words of Treasury Director General **Lesetja Kganyago**, increasing productivity and reforming products and labour markets. This is anathema to Patel and Cosatu. The battle is sure to continue. ●

Northern opposition faces increasing duress

Khartoum plays the national unity card to crack down on its many opponents in the North as a new movement is launched

The prospect of independence for Southern Sudan after the referendum due in January is sharpening the cleavages in the Northern opposition. Many Northern oppositionists say their movement would be weakened by the secession of the South, which would allow the ruling National Congress Party (the rebranded National Islamic Front) regime to step up attacks on critics in Darfur, the Nuba Mountains, and beyond. The NCP is also using the crisis over the referendum to pose as the party of national unity, a tactic to which Northern oppositionists have failed to respond effectively.

As the 9 January date of the plebiscites on the future of the South and of Abyei draws near, Khartoum is increasingly contesting the North-South border area. Southern President **Salva Kiir Mayardit** seemed to take the NCP by surprise by proposing that United Nations troops (already in Sudan) form a buffer zone about 15 kilometres wide between the Sudan People's Liberation Army and the Sudan Armed Forces. The UN Under-Secretary General for Peacekeeping Operations, **Alain le Roy**, said it did not have the resources for such an operation but agreed on 15 October to send troops to 'some hotspots' along the border.

This prompted the wrath of the NCP, which lambasted the **United States**, accusing it of being 'behind the UN'. The NCP may fear that the chilly welcome Second Vice-President **Ali Osman Mohamed Taha** and his delegation received in Washington last month signals a more serious threat from President **Barack Hussein Obama's** government (AC Vol 51 No 21).

After Obama said last week that renewed North-South war might cause 'millions of deaths', the NCP and friendly newspapers produced a torrent of articles accusing America of being about to intervene, of 'controlling' the South and of fronting an international conspiracy against Sudan. The long-established Islamist newspaper *Alwan* on 19 October accused **Britain** and the USA of preparing to 'occupy' Sudan under 'a UN umbrella'. On 19 October, *Akhbar el Yoom* said 'graveyards' were preferable to 'injustice, subjugation and humiliation' and called for 'victory or martyrdom'.

Although such language will confirm most Southerners in their desire for separation from the North, the nationalist

rhetoric will appeal to some Northerners, as the secession crisis deepens. However, the doings of foreign governments and organisations seem to be of little interest to the Northern opposition, its eyes firmly fixed on internal disputes.

Isolationism is a long-term feature and is one reason why the opposition National Democratic Alliance failed to impress foreign supporters – whether Western, Arab, African or other: it hardly tried to win foreign support. This was true even when the NDA was at the height of its political and military activity in the mid-1990s. After years of inactivity and of some politicians trying to work with the NCP regime, the NDA's successors now have a much harder time convincing either Sudanese or outsiders that they are a viable alternative to the NCP.

The attempt to form a new opposition alliance, the Broad National Front (*El Jebha el Watania el Arida*) highlights the problems of the Northern opposition. The BNF, which launches itself in London on 22-24 October, might be the spearhead of a reinvigorated opposition but it may also sink without trace.

RAGE AGAINST THE REGIME

The BNF is led by **Ali Mahmoud Hassanein**, Vice-President of the Democratic Unionist Party-Original but now openly estranged from the DUP's and the Khatmiyya sect's leader, **Mohamed Osman el Mirghani**. 'The present regime is the cause of all the miseries in Sudan,' he told *Africa Confidential* this week. 'It is incurable...a waste of time to try to improve it...We are directing our efforts to overthrowing the regime'. Lawyer Ali has a long track record of being gaoled and harassed by the NIF-NCP for his outspoken demands for democracy and justice.

Millions of Sudanese would agree with these echoes of the late Sudan People's Liberation Movement (SPLM) Chairperson, Colonel **John Garang de Mabior**, who liked to say the NIF was 'too deformed to be reformed'. The sentiments also echo widespread popular complaints about engagement with the NCP by interlocutors ranging from *Maulana* Mohamed Osman to former Prime Minister **El Sadig Sideeg el Mahdi** and from US Special Envoy **Scott Gration** to Western and UN officials, who all appear to believe they have the magic touch to reform the regime.

The new BNF is therefore a challenge to the traditionalist and cautious 'Juba forces' or National Consensus Forces (NCF, AC Vol 51 No 7). The 'Consensus' of NCF theoretically includes the NCP, a line irregularly followed by both **El Sadig el Mahdi** and **Mohamed Osman**. 'We are trying our best to include the NCP in our efforts,' said one senior politician in **El Sadig's** National Umma Party, arguing that in a 'very fragile' situation, 'the NCP has to put the country first'. Many argue that the NCP has never put the country first and reject any collaboration with it. They also question the NCF's willingness to cooperate with **Hassan Abdullah el Turabi's** Popular Congress Party, which ardently repressed the same opposition when Turabi ran the NIF.

The BNF invites support on an individual basis, thereby excluding the political parties. This looks the biggest obstacle to its success, unless it rapidly succeeds in creating a new party. Not surprisingly, the old parties feel threatened and there are over 30 in the NCF. Though most do not count, they are useful for Khartoum's divide and rule tactics and also block potential opposition coherence.

The leaders of the major Northern parties – **Mohamed Osman** of the DUP, **El Sadig** of the Umma and **Mohamed Ibrahim Nugud** of the Sudan Communist Party – have all reigned for decades and **Ali Mahmoud** said it was time for them to give way to a new generation. **Mohamed el Ansari Ali**, Chairman of the Umma Party in Britain and Ireland, agreed but also included **Ali Mahmoud** (72) and **El Sadig** himself (74), who was already Premier by 1966. 'They have been controlling the country since the 1950s,' he said. 'The Sudanese political environment needs new people. They should all leave the opportunities for the new generation.'

The BNF has support from Darfur groups, including the Justice and Equality Movement (which is also trying to work with the SPLM). However, during the dictatorships which have followed Sudan's three democratic periods, there have always been disputes between the domestic opposition and that abroad – which is one reason the NIF drove thousands of activists into exile, then divided them by tempting them home piecemeal on condition they kept quiet. It was impossible to topple the government from abroad, noted a senior oppositionist inside Sudan, and bypassing the parties was 'nonsensical'.

Both the NCF and the BNF 'will not make any change', argued **Mohamed el Ansari**. The South would become independent, the SPLM would leave the NCF and 'people need to think again... with a very collective and political front'. Whether the BNF enjoys the support to become that front may be clearer after its first conference next week. ●

As power shifts eastwards, Africa boosts its stake

The new seat for Africa on the World Bank's board is a step forward – gaining more clout at the IMF is the next challenge

Africa has won its first big victory in the ongoing reform of the international financial institutions in Washington by securing a third seat on the Executive Board of the World Bank. Both the Bank and the International Monetary Fund have been under intense pressure since the West's financial crisis of 2008 to cede more shareholdings and votes to developing economies, especially those in

Asia. However, Africa's 53 states remain the least well represented on the boards of both Bank and IMF.

There is broad agreement that at least 5% of voting power in the Fund should shift to the emerging economies and African officials are lobbying hard to ensure their countries benefit, as are mega-economies such as those of **Brazil**, **China** and **India**. Africa's new director's

seat at the Bank is just the first stage of negotiations which could drag on into 2011. When the former Deputy Governor of the South African Reserve Bank, **Renosi Mokate**, takes her seat on the World Bank Board on 1 November, representing **South Africa**, **Angola** and **Nigeria**, she will have to confront African concerns about the continent's relationship with World Bank.

High on the list are the composition of the Bank's loan portfolio and the conditions still accompanying its financing packages. In 2009/10, World Bank lending to Africa reached US\$11.5 billion (about \$7.2 bn. on concessional terms), a considerable increase since the 2008 financial crisis. Yet much of that was for infrastructure and energy, sectors where states such as **Ghana**, **Kenya** and **Uganda** are raising money from the markets and from Asia.

At the same time, African and external civic activists criticise performance in social-sector lending, particularly health and education, where the Bank has accumulated great expertise. According to its own Independent Evaluation Group study of the last decade of lending to health projects, only 18% had satisfactory outcomes. Although Bank officials insist that many problems the study highlights have been addressed, this audit raises tough questions about the Bank's health role amid big-spending institutions such as the United Nations Global Fund to Fight AIDS, Tuberculosis and Malaria or the **Bill and Melinda Gates Foundation**.

CAUGHT IN THE CURRENCY BATTLES

The main protagonists in the current currency skirmishes are the **United States** and **China** but developing economies are caught in the crossfire as governments talk of competitive devaluation and more controls on capital. A bid for a multilateral deal on currency rates will dominate the Group of 20 (G-20) summit in **South Korea** on 11-12 November, at which **South Africa** and the African Union will be represented.

A few days of sabre-rattling at the annual meetings of the World Bank and International Monetary Fund in Washington on 8-9 October achieved little more than warnings about serious risks to global economic stability. IMF Managing Director **Dominique Strauss-Kahn** warned that currency instability would affect all economies, especially African ones which had boosted exports to Asia.

If multilateral action fails, pessimistic analysts predict a currency war followed by a trade war. **Stanley Fischer**, the IMF's **Zimbabwean**-born former Deputy Managing Director, said a currency war was 'probably inevitable'. Fischer, now Governor of the Bank of **Israel** (the central bank), added that intervention in exchange markets by emerging market economies was already happening on a 'massive scale'.

For Africa, the currency battles' most serious effects have been in South Africa, which accounts for about a quarter of the continent's gross domestic product and over 75% of Southern Africa's economy. Under trades union pressure over the exchange rate, Finance Minister **Pravin Gordhan** conceded in Washington: 'The currency [the rand] has become too strong. We share the concern of other emerging markets.' His big concern was export-sector jobs; SA has lost a million jobs since the financial crisis of 2008. He said the 'strong rand' was affecting export industries and could be a 'negative on the competitiveness side'.

Gordhan, who will join President **Jacob Zuma** on a state visit to China this month, is working for much closer cooperation with the BRICs (**Brazil**, **Russia**, **India**, **China**) – all are taking an increasingly tough line to protect their export competitiveness, putting controls on incoming capital and stopping their currencies appreciating.

South Africa's Standard Bank, in which the Industrial and Commercial Bank of China has a 20% stake, argues that African states should look more closely at selling processed goods as well as raw materials into China's economy, where there would be great opportunities as domestic demand picks up. African exporters would have to keep their currencies extremely competitive and bankers say such opportunities are on hold until there is at least a truce in the battle between the US dollar and China's yuan.

Nigeria faces the opposite problem from South Africa. Should it try to protect the value of the naira against the dollar or let it slide? Despite enthusiasm about Nigeria's importance as an investment destination from Goldman Sachs and other banks, inflows have not reduced the downward pressure on the naira.

Over the past year, Nigeria has been using its foreign exchange reserves to defend the naira's exchange rate at around US\$1 = 140-150 naira. Now reserves are down to \$34.6 billion, a 15% fall, although central bank officials told *Africa Confidential* that there would be 'substantial rebuilding' of foreign reserves over the next few months. Central Bank of Nigeria Governor **Lamido Sanusi** took a pragmatic view, that the naira's value did not need to be maintained 'at all costs'. He said the CBN would continue to set interest rates at a level to deter government from borrowing and worsening the deficit. ●

BAD MARKS FOR EDUCATION

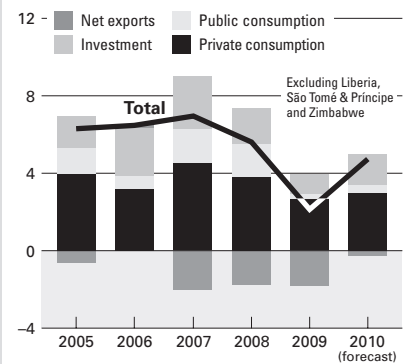
Also contentious is the Bank's record on education in Africa: average financing of US\$400 million a year will not achieve the Millennium Development Goals of primary education for all children by 2015. African shareholders also want far more resources for vocational training and tertiary education, to boost their economic competitiveness.

Bank officials say there has been an important shift of resources across Africa into education, despite growing pressures on finance ministries. Yet they acknowledge that in several countries – especially **Angola**, **Congo-Kinshasa** and **Sudan** – there is a massive backlog of social investment.

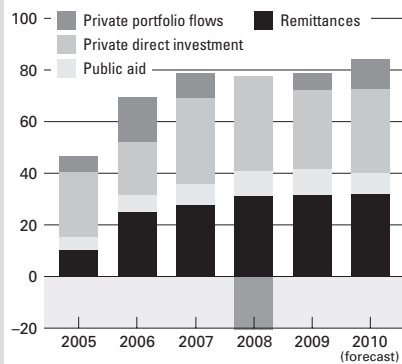
That is why, officials say, the Bank campaigns so hard for a replenishment of its soft loan affiliate, the International Development Association. This year, the Bank is seeking a \$50 bn. replenishment of IDA funds (over 50% of which go to Africa). The last replenishment was \$41.6 bn. Success in securing those funds from cash-strapped Western treasuries and from a cautious China (which sees itself playing an important and unilateral development role in Africa and Latin America) will be a key test of Bank President **Robert Zoellick's** leadership.

AFRICA REBUILDS AFTER THE CRISIS

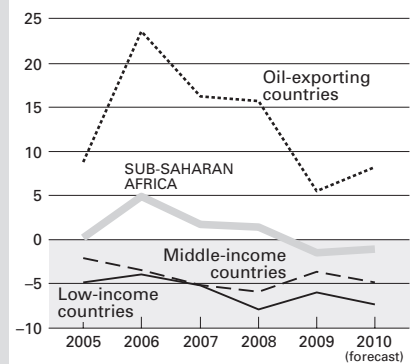
CONTRIBUTIONS TO SUB-SAHARAN GROWTH Percent



NET FINANCIAL FLOWS TO SUB-SAHARAN AFRICA US\$ bn.



SUB-SAHARAN CURRENT ACCOUNT BALANCE % of GDP



Source: IMF World Economic Outlook, April 2010

This year, the Bank has speeded up the reform programme it launched two years ago after the Group of 20 was set up as a major economic policy-maker. The G-20, on which the Presidents of South Africa and the African Union sit, is encouraging the Bank to shift resources – not just financing but offices and research capacity – to developing countries. Now over 70% of Bank officials working on Africa are based on the continent.

That shift is likely to intensify as the Bank continues consultations with shareholders on developing its new Africa strategy. Its soundings so far suggest some important policy trends: shareholder countries want more money

targeted at local entrepreneurs in small- and medium-scale businesses, who will generate the jobs and tax revenue to sustain development initiatives. They want the Bank to work more closely with continental and regional economic institutions; the African Development Bank's lending this year in Africa is higher than the World Bank's.

The IMF shareholders are yet to agree on shifting power to developing economies. The argument is most intense between impatient Asian countries and European powers afraid of losing influence. African states are wary of being sidelined in any backroom deal. Although Managing Director **Dominique Strauss-Kahn** has

presided over a breakneck expansion of the Fund, trebling resources to \$750 bn., it lags behind the Bank on the critical issues of quotas and voting right reforms.

South African Finance Minister **Pravin Gordhan** is adamant that Africa must have a third seat on the IMF Board to 'reflect new historical realities'. Talks will continue at the G-20 in Seoul. Global South states are calling for representation to be based on calculating gross domestic product at purchasing power parity, as opposed to the current national income standards. This would hugely boost IMF quota entitlements for developing countries and push several African countries into the middle-income category. ●

ETHIOPIA

Counting on growth

Prime Minister Meles Zenawi, now in his fourth consecutive term, uses his claimed economic policy prowess to counter critics

Just before May's general elections, Prime Minister **Meles Zenawi** attributed his expected victory to seven years of double-digit growth. Yet the figures are controversial and pose questions about the country's economic direction. The latest furore broke out on 19 October, when Human Rights Watch published a scathing report, 'Development without Freedom: How Aid Underwrites Repression in Ethiopia'. Wrote HRW, 'The Ethiopian government is routinely using access to aid as a weapon to control people and crush dissent. If you don't play the ruling party's game, you get shut out. Yet foreign donors are rewarding this behavior with ever-larger sums of development aid.'

The government called the claims 'baseless', 'misguided' and 'unsubstantiated', adding that HRW seemed 'bent on undermining the democratic

process in Ethiopia.' Observers note that aid recipients are frequently required to prove support for the ruling Ethiopian People's Revolutionary Democratic Front (EPRDF) before receiving funds but donors are divided as to how important an obstacle this is.

Regardless of the uses to which the aid is put, how credible are the country's growth statistics? Detractors accuse the government of cooking the books for the outside world. On its own figures, Ethiopia has grown at an average of 11% a year over the last seven years; the International Monetary Fund's forecasts project growth of 7% in 2010 and 7.7% in 2011, while World Bank figures show growth above 11% in 2007 and 2008, when the world financial crisis hit.

Depending on the source, figures for gross domestic product growth can vary by as much as four percentage points. The

issue is further complicated by the fact that Ethiopia's position in many development indexes continues to be low. Some growth figures start from very low bases, which can call into question the reliability of the baseline data. Oxford University's Department of International Development recently released its Multidimensional Poverty Index, a classification that uses access to key services, such as water and education, as well as income. According to this index, 90% of Ethiopia's population is classified as poor, compared with 39% classed as living in 'extreme poverty' when income is the criterion. Ethiopia ranks 171st of 177 countries on the United Nations Human Development Programme's Human Development Report, which uses similar markers to those in Oxford's MPI.

There is also concern about the structure and stability of the economy. It suffers from low productivity, considering its size, and the state keeps a tight grip on all major economic activities, including those not under its direct control. Access to credit and other finance is controlled and the state is responsible for all land sales, which can deter new investment, foreign or otherwise. Concern has also been expressed about the danger of

ETHIOPIA'S GDP GROWTH PROJECTIONS

IMF (International Monetary Fund):



EIU (Economist Intelligence Unit):



Ethiopian government:



AfDB (African Development Bank):



double-digit growth leading to increased inflation and a run-down in foreign currency reserves.

Moreover, economic growth is highly dependent on factors outside the government's and the domestic economy's control, thanks to the overwhelming reliance for capital on foreign aid, foreign direct investment and remittances. This year, according to the Ethiopian National Bank, remittances totalled US\$780 million, with yet more coming through the non-banking system.

At September's EPRDF conference, Meles announced a hugely ambitious and optimistic 'Growth and Transformation Plan', aimed at achieving all the Millennium Development Goals by 2015 and turning Ethiopia into a middle-income country by 2025. The country has already achieved or is on track for six of the seven goals but much of this apparent success may be due to the low base from which it started.

The most obvious sign of growth is the building boom in Addis Ababa, whose expansion is being facilitated by the hydroelectric projects that promise to make power cuts rarer. Visible economic and infrastructural development is also on the rise, even in the Somali Region, in the eastern part of the country. The government launched economic and other projects to mitigate a massive influx of former guerrillas in 2006 and the region now boasts five universities, more hospitals and other, better infrastructure.

Visible poverty remains ubiquitous, especially in the countryside, where the uncertainties of small-scale agriculture can leave millions of people dependent on food aid, which the government has come to regard more as a form of social security payment than famine relief. Infrastructural problems deriving from the difficult terrain in much of the country mean that a drought in the north can coincide with a bumper harvest in the south but with scant capacity to move supplies from one to the other.

CHINESE ROADS TO MARKETS

The government plans to build 2,000 kilometres of new railway in the next five years, including refurbishing the line from Addis Ababa to Djibouti. The Export-Import Bank of China (China Eximbank) has agreed to finance the reconstruction of parts of the Addis-Djibouti line and new light-railway lines into areas not reached by rail before. New Chinese-built roads are helping to transform some areas.

Agriculture, which accounts for 41% of GDP, has seen the greatest investment so far. Ethiopia has attracted some criticism over possible dislocation for local farmers when it leased vast swathes of land to

Indian and Saudi Arabian investors but details of major projects are few. India, however, has already invested more than US\$4.2 billion. The leased land is expected to be used mainly for producing flowers and bio-fuels. The government's GTP focuses on industry, which now contributes just 13% to GDP, well below the African average. The aim is to bring this up to 20% of GDP.

The development of both mineral extraction and hydroelectric power cannot take place without improved infrastructure, which in turn depends on foreign direct investment. Meanwhile, to encourage exporters, the National Bank of Ethiopia devalued the birr in September by nearly 17%, to 13.6 birr per US dollar, thus also increasing the local value of remittances from abroad. Inflation, which peaked at an annual rate of 64.2% in July 2008, has been brought under control.

The government wants to maintain the momentum of economic growth, even if the details are not all in place. However, as befits an old Marxist, Meles is putting much emphasis on industry and the Ministry of Trade and Industry has been split into two, giving industry greater weight in government.

The new Ministry of Industry has been given to **Manyazewal Mekonnen**, a former Minister of State who was key to drawing up the GTP. The Ministry of Water Resources is concentrating on hydroelectric power, with the goal of making Ethiopia a zero-carbon emissions state by 2025. The lofty, general goal is to more than double the size of the economy, from 460 bn. birr a year to 1 trillion birr. Many donors question that target, fearing that the plan could result in the economy overheating. ●

TANZANIA

Challenging the CCM

The rise of the opposition Chadema party will not threaten the CCM's majority but it will make the election battles fiercer

The majority of the governing party, *Chama cha Mapinduzi*, is unlikely to be overturned at the 31 October election. There are nevertheless widespread expectations of good results for the opposition. The Parliament which was dissolved in July had a CCM majority over all the opposition seats combined – 277 of 322 – but this time around, *Chama cha Demokrasia na Maendeleo* (Chadema) looks set for a strong showing.

Illustrative of the new possibilities for the opposition is the candidacy in Tarime

of Chadema's **Mwikabe Mwitwa Waitara**, a former CCM Youth League leader in Tanga region who was unceremoniously expelled from the party after a row with CCM bigwigs. Waitara comes from one of the biggest clans in the area, in the north-west bordering Kenya and Lake Victoria, and is highly regarded in Tarime town and the surrounding villages. He has managed to win a significant following among owners of small and medium businesses, who are backing his campaign fund with their money. The campaign bears

a strong resemblance to that of the late **Chacha Wangwe**, who had no money but harnessed a popular protest against the CCM candidate to win against the odds. He died in a car crash outside Dodoma two years ago. Wangwe's successor as member of parliament for Tarime was **Charles Mwera Nyanguru**, who defected to the Civic United Front (CUF) after he failed to prevail over Waitara in the selection process. Mwera's chances of victory are thought to be remote.

Waitara is a powerful orator and a political science graduate of the University of Dar es Salaam. The CCM's chances of success against him are considered poor but the party sees the seat as a vital target. Waitara's CCM opponent will be **Nyambari Nyangwine**, who comes from the same clan (Mwilegi) as Charles Mwera but has a reputation for arrogance. CCM bigwig **Enock Mwitwa Chambiri**, who has a lot of influence in the area and is vying for

a seat in Babati, makes frequent visits to Tarime to campaign for Nyangwine, who is at a great disadvantage in not having a permanent residence in the constituency, where local issues and ties are seen as particularly important to electors.

Tarime is the only area where the CCM is regarded as the opposition and Chadema as the natural governing party. If, by some remote chance, the CCM won the elections there, the consensus is that there would be widespread mayhem as voters would believe the result had been fixed. Chadema is widely regarded as having replaced the CUF as the second-largest party and its most credible challenger, which is a first for the CCM offshoot. Chadema is likely to win seats in constituencies such as Ubungo (Dar es Salaam), Moshi Urban (where it hopes to hold the seat of **Philemon Ndesamburo**) and Arusha Urban.

Since the advent of multiparty politics in 1995, **Wilbrod Peter Slaa's** Karatu constituency has been a Chadema stronghold and attempts by the CCM top brass to woo voters in the area have borne no fruit. With Slaa standing for the presidency, the candidate is expected to be Reverend **Israel Yohana Natse**, once Slaa's right-hand man. The CCM is fielding **Wilbord Slaa Lorri**, former Director of the Tanzania Food and Nutrition Commission, in a blatant attempt to exploit possible confusion over the names.

POSSIBLE GAINS FOR CHADEMA

A generally held view is that Chadema is likely to make significant gains in the constituencies of Hai in Kilimanjaro region and Kawe in Dar es Salaam. In the Nyamagana constituency in Mwanza, **Ezekiel Wenje**, a newcomer to politics, is giving the Minister for Home Affairs, **Lawrence Masha**, a run for his money in the campaign so far. Nevertheless, the CCM is likely to try everything in its power to avoid losing the seat.

Another constituency likely to go to the opposition is Vunjo in Kilimanjaro. Chadema is also likely to retain Kigoma North, held by the youthful **Kabwe Zuberi Zitto**. Mbeya Urban is the locus of another determined attempt to oust the CCM incumbent. **Joseph Mbilinyi**, a hip-hop artist better known as **Mr II** or **Sugu**, is standing for Chadema against the CCM's **Benson Mwailugula Mpesya**.

Vigorous as campaigning has been, many observers viewed the stern warnings of possible disruption to the polls by the Chief of Staff of the Tanzania People's Defence Forces (TPDF), Lieutenant General **Abdulrahman A. Shimbo**, as the biggest threat to electoral peace so far. Several influential clergy and politicians declared that the army was making an attempt at intimidation after statements he made at a joint press conference with

the Tanzania Police and its top officers early in October.

Shimbo had said that certain parties were predicting bloodshed at the polls and warned that the police and army were ready to deal with this should it happen. 'The opposition parties must accept the results,' he said, adding that they were investigating people intent on disrupting the elections and noted that there was 'an unbecoming trend and behaviour' among political parties in their approach to the polls. Wilbrod Slaa had earlier alleged that the government had told various state agencies to ensure a CCM victory but Shimbo strongly denied this. Of the contentious constituencies, electoral observers see Tarime as the main possible flashpoint. The European Union expressed its dismay at Shimbo's statement. The Chief Observer of the EU Election Observation Mission, **David Martin**, said he was 'really disappointed'. The TPDF had never said anything similar, whether in conjunction with the police or not, in the run-up to any previous elections.

The strength of the CCM's campaigning recalls that of an opposition party attempt to gain power, not one trying to keep it. Plentiful resources to woo electors have been deployed, including placards, scarves, key-rings, caps, T-Shirts, banners and other paraphernalia. Though missing from the currency, President **Jakaya Mrisho Kikwete's** face is everywhere else and his posters far outnumber those of the other candidates. Taking its cue from Chadema which has been using a helicopter in its presidential election campaigns, the CCM has gone one better

and hired two, the presidential chopper plus an escort.

Tanzanians are generally loathe to comment on the health of others and this could be benefiting the President, 60, as he has fainted while on the campaign trail in the past, leading to questions about his general health. The major political issues that are coming out strongly include proper management of national resources, health, agriculture and mining contracts, which Chadema has promised to look at afresh. Reconstituting the National Electoral Commission is another big issue. The NEC has been accused in the past of favouring the governing party. Chadema has also pledged, if elected, to amend the 1996 Tanzania Intelligence and Security Service Act and to form an agency that would have its allegiance to the nation rather than to individual leaders.

Since last year, when the CCM and the main opposition party in the Isles, the CUF, decided to bury the hatchet and amend the constitution to create a Government of National Unity accord aimed at bringing about lasting peace, campaigns have been peaceful. During violent elections in Zanzibar in 2005, several lives were lost. The present campaign, where all sides are preaching harmony, is in strong contrast with the often vicious rhetoric of the past. Observers consider the process in Zanzibar peaceful so far but fear possible overzealousness by the police. As well as the EU, the Southern African Development Community (SADC) has also sent in a strong observer team, led by the **Zambian** Foreign Affairs Minister, **Kabinga Pande**. ●

KIKWETE MARSHALS HIS TROOPS

The political parties expected to do best in the 31 October general elections are the governing *Chama cha Mapinduzi* (CCM), with *Chama cha Demokrasia na Maendeleo* (Chadema) probably pushing the previous number two party, the Civic United Front (CUF), into third place except in Zanzibar, where its position remains the same. It is clear that President **Jakaya Kikwete** and the CCM see Chadema as the main threat and local observers believe that is the real reason for all the current publicity and litigation over the marital affairs of its presidential candidate, **Wilbrod Slaa** (AC Vol 49 No 2).

All the parties are deploying their heavy guns. For the incumbent CCM, retired Colonel **Abdulrahman Kinana**, Kikwete's campaign manager in 2005, is once more in charge. Other members of his team include veteran politician **Kingunge Ngombale Mwiru**, **Yusuf Makamba**, the former Regional Commissioner for Dar es Salaam, and **Muhingo Rweyemamu**, Managing Editor of New Habari Corporation (NHC), who was also part of the 2005 team. NHC belongs to a businessman and friend of Kikwete's, **Rostam Aziz**, who has kept a low profile but is said to be the brains behind the campaign strategy. We hear he has been awarded the contract to supply the ballot papers for the coming polls. Aziz was reported to have been involved in the controversy surrounding a fraudulent contract with the American firm Richmond Development Company, over which Prime Minister **Edward Lowassa** resigned in February 2008 (AC Vol 49 No. 22).

Other members of the Kikwete team include **Mahmoud Kingwande**, who is said to have withdrawn after suffering an injury. In the past, retired heavyweight CCM politicians could be relied upon to lend their support to the CCM candidate. Yet retired Prime Ministers, including **Joseph Sinde Warioba**, **Cleopa Msuya**, **Frederick Sumaye** and **Mzee John Samuel Malecela**, are said to be lukewarm about the whole process because they are unhappy with Kikwete and his team. ●

CONGO-KINSHASA

Murder again

The death in detention of another critic illustrates the government's arbitrary power as its reputation declines at home and abroad

The official story is that **Armand Tungulu Mudiandambu** killed himself on 1 October with a cloth he was using as a pillow. He had been detained by President **Joseph Kabila's** National Guard. This was the second such recent death. Four months ago, **Floribert Chebeya**, Chairman of the human rights group *La Voix des Sans-Voix* (Voice of the Voiceless), was found dead after giving himself up to the Inspector General of Police, **John Numbi**. The security services seem to be immune from responsibility. Opposition leader **Etienne Tshisekedi wa Malumba** accuses Kabila of treating his countrymen like animals. The campaign for the presidential election in November 2011 is already brutal and bitter.

Tungulu Mudiandambu was about 30 and had lived in **Belgium** for 20 years. He recently went home to Kinshasa and his widow's lawyer, **Jean-Claude Ndjakanyi**, admits that he threw a stone at Kabila's motorcade in the early afternoon of 29 September. Soldiers of the Republican Guard then arrested him with, according to the lawyer, exceptional brutality, and took him to Kabila's farm at Kinkagati, 80 kilometres from Kinshasa. On 2 October, the Prosecutor General's office announced that he had committed suicide at Tshatshi army camp in Kinshasa.

The lawyer claims that Tungulu was abducted, tortured, imprisoned and murdered. The family is demanding his body, said to have been buried without their consent, so that it can be taken back to Belgium for a post mortem. They have also submitted a complaint to the Belgian courts about the head of Kabila's Presidency Military Staff, Brigadier General **Célestin Mbala Musense**, and Brig. Gen. **Dieudonné Banze**, Commander of the Republican Guard. The lawyer, Ndjakanyi, says the Belgian courts have jurisdiction because one of the dead man's children has Belgian nationality and he was the victim of 'serious violations of international humanitarian law'. Belgian law claims 'universal competence' in human rights cases.

On 16 October, about 500 Congolese exiles demonstrated in the Matonge district in Brussels, calling for the death to be explained. In Kinshasa, the United Nations Mission, the *Mission de l'organisation des nations unies pour la stabilisation de la République démocratique du Congo* (MONUSCO), voiced deep

anxiety. Washington said it was concerned and the spokesman for **France's** Foreign Ministry, **Bernard Valero**, called for a full explanation of how this 'Congolese of the diaspora' had died in a Republican Guard prison. Congolese human rights bodies want an 'objective and impartial' inquiry.

Similar protests had followed Chebeya's death. Numbi, the police chief, was suspended from office but is still a free man and the subject of a complaint to the Belgian courts. A similar case was presented in June against Gen. **Denis Kalume Numbi** and Police Inspector **Chalwe Ngwashi Raus**, who has Belgian nationality. In the case of Tungulu, Belgian Judge **Marc Vanwelkenhuyzen** ordered Congo to deliver the dead man's body to his family. On 14 October, a higher Belgian court made an order to hand over the body 'as soon as the forensic doctor has carried out the autopsy'. The Congolese government spokesman, Communications Minister **Lambert Mende Omalanga**, called this an insult to his nation's sovereignty.

TUNGULU'S DIASPORA SUPPORT

Tungulu was not a prominent figure but politically significant: he was identified with the diaspora and his death illustrates the impunity surrounding the Kabila government's security services. Another instance of this is Kabila's refusal to dismiss Brig. Gen. **Jean-Bosco Ntaganda**, against whom the International Criminal Court (ICC) issued an arrest warrant in 2006, for his part in recruiting children as soldiers in 2002-03 for the warlord **Thomas Lubanga**, who faces trial in the Hague.

Kabila actually promoted Ntaganda, formerly second-in-command to the dissident Tutsi General **Laurent Nkunda**, to deputy coordinator of Operation *Kimia 2*. Launched in May 2009, this is a joint operation by the Congolese army and MONUSCO against the Hutu rebels of the *Forces démocratiques de libération du Rwanda* (FDLR). The UN is upset because, in an interview published by Reuters on 4 October, Ntaganda admits that he collaborates with the UN force – which is aware of his status, since documents published a year ago by *La Libre Belgique* show that he had signed official papers in that capacity. UN Security Council Resolution 1906 of 23 December 2009 specifies that MONUSCO is obliged to ensure that it enters no military

collaboration with people suspected of serious human rights violations. Last November, a **United States** diplomat said it was 'inexcusable' that Ntaganda had not been handed over to the ICC.

Western diplomats agree that Kabila fails to deliver in other areas, especially governance. Investors were angry when mining concessions for copper and cobalt were withdrawn without apparent reason from **Canada's** First Quantum Minerals, which was in partnership with the World Bank, and more recently by the ousting of **Ireland's** Tullow Oil from two oil concessions in the north-east (AC Vol 51 No 20). There are mutterings of discontent about Kabila's approach to mining by armed gangs or their associates in North Kivu, South Kivu and Manyema provinces. The President issued a ban on 10 September, which applies to the FDLR and the MaiMai militias but not to the government's own army. Families can no longer pay for their children's education or for medicine.

Few diplomats or investors want Kabila to continue in office without closer scrutiny. Little has changed since the European Union set up the EU Advisory and Assistance Mission for Security Reform and the EU police mission in 2005 to ensure accountability in payments to the army and police, which remain mired in racketeering and extortion. Seven years after the official end of the civil war, the Washington-based International Food Policy Research Institute rates Congo, with its huge agricultural potential, down with **Burundi**, **Chad** and **Eritrea** as a country where hunger is common due to instability and conflict. In mid-October, Barclays Capital said Congo posed 'the most significant risk...for the metals and mining sector', adding that 'US State Department officials consider President Kabila to be at his most unpredictable, which does not bode well'.

Pessimists had assumed that Kabila, backed by the machinery and money of the state, would surely win the 2011 presidential election. If he lost, it could be even worse if those who profit from his rule resisted his successor. The favoured alternative is *Tshisekedi*, the veteran leader of the *Union pour la démocratie et le progrès social*. Some said he was sick and feeble but he reacted vigorously to the murder of Tungulu. The ruling team, he said, 'regards the Congolese as animals', and he condemned the refusal to hand over the body as cruel and inhumane. His video interview seemed to be the launch of a new campaign based on 'authenticity', meaning that he called into question Kabila's true nationality. 'Those in power call themselves Congolese, they must show that they are indeed Congolese.' He believes a new leader should incarnate the human values of the nation's people. ●

El Baradei's boycott falters

As elections approach, the Muslim Brotherhood may be the only challenger to President Hosni Mubarak

The campaign by Nobel Peace Prize laureate **Mohamed el Baradei** for a mass boycott of the general elections on 29 November is in disarray after several opposition groups, including the Muslim Brotherhood (MB), decided to stand. The only sure beneficiary will be the ruling National Democratic Party (NDP).

El Baradei's campaign for political reform has already been running into difficulties and not only from NDP-inspired attacks by the state-sponsored media, whose coverage of his campaign to collect one million signatures in favour of political reform and a free presidential election next year has been unsurprisingly poor. Divisions have arisen in the National Association for Change (NAC), supported by El Baradei, which brought together opposition activists across the spectrum, from Islamists to leftists.

The NAC has protested about the state of emergency, the sweeping powers of the security services and the regime's control of the electoral process, including the arbitrary power to exclude certain candidates. But a former NAC spokesman, **Hamdi Kandil**, said El Baradei's frequent absences on overseas trips had 'adversely affected the association's performance'.

The MB, also represented in the NAC, had backed El Baradei publicly. In June, it promised to help to collect signatures for the political reform petition after a meeting between the head of its parliamentary bloc, **Mohamed Saad el Katani**, and El Baradei. This year, the MB failed to win any seats in the upper chamber, amid widespread accusations of electoral fraud by the government of President **Mohamed Hosni Mubarak**.

THE MB BREAKS RANKS

The MB broke ranks with El Baradei and the NAC after its Shura Council overwhelmingly voted to take part in the November elections. The MB is fielding candidates in 150 of Parliament's 508 seats. The Wafd Party is putting up 200 candidates.

Officially, the MB is banned but the Mubarak regime allows the Brothers to run as independents. In the 2005 parliamentary elections, the MB won 88 seats, or almost 20% of the 445 seats. It is unlikely to do as well this time, regardless of government manipulation of the vote, because it is suffering internal divisions. The current leadership advocates a gradualist approach to political change.

Many analysts see this as purely tactical.

A day after the Shura council, **Khaled Dawood**, a spokesman for MB members supporting the boycott, said that the leadership never conducted any internal opinion polls on the issue. The dispute within the brotherhood continued on 19 October when Dawood filed a complaint with the attorney-general against MB MP **Hamdi Hassan**. Hassan questioned Dawood's financial integrity in recent interviews.

International pressure for political liberalisation in Egypt also appears to have let up. The **United States** government cut funding for pro-democracy civic groups in 2009, from US\$45 million to \$20 mn. At the same time, the security forces are keeping up the more traditional pressure on the opposition. After the MB had announced it was taking part in November's polls, an MB representative said, over 150 Muslim Brothers were arrested.

Rounding off the picture of its traditional election preparations, last week the government imposed new restrictions on the media. The telecommunications regulator, the Egyptian Radio and Television Union, has terminated the licences of private satellite companies to broadcast live. Each company must now apply for a new licence from the ERTU but the owners are complaining that they do not know what new conditions they are supposed to fulfill. In early October, the Egyptian Journalists' Union accused the government of being behind the sacking of the Editor-in-Chief and founder of the outspoken and independent *Al Dostour* daily newspaper, **Ibrahim Eissa**. ●

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Niger

COUP-MAKERS FALL OUT

■ Having seized power in a relatively popular coup, vowed to hold elections and tackled a food crisis, Niger's military junta, headed by Major **Salou Djibo**, looked to be sitting pretty (AC Vol 51 No 19). It was attracting foreign support for its plans for elections early next year. However, the coup-makers have fallen out.

Djibo has arrested four officers for plotting to oust him while he was away at the United Nations General Assembly in September. Among those held are the number two in the *Conseil suprême pour la restauration de la démocratie*, Colonel **Abdoulaye Badié**, and the National Guard Commander, Lieutenant Col. **Abdou Sidikou**. Further instability is suggested by the replacement of **Seyni Chekaraou** as head of the secret service by **Yaye Hamadou**. The military and the civilian transitional governments have said nothing and up until the arrests, there had been no signs of division among the officers. Differences, we hear, emerged over the election timetable, which starts with a referendum at the end of October and culminates in the election of a civilian president on 6 April.

This all comes after the kidnapping last month of seven foreigners from the uranium-mining town of Arlit. The hostages are now in the hands of *Al Qaida* in the Islamic Maghreb, which has succeeded in harassing local armies and earned millions of dollars from ransoms in previous kidnappings.

Senegal

SUPER-MINISTER WADE

■ President **Abdoulaye Wade**'s son, **Karim Wade**, already holds the Senegalese government's most senior position, as what the Dakar press calls 'Super-minister' in charge of International Cooperation, Air Transport and Infrastructure. But on 4 October, he added yet another string to his bow by taking over the most strategically vital – and potentially most lucrative – portfolio to become Energy Minister.

Fears abound that accountability in the energy sector will become still more remote and that such a vast array of responsibilities may not be manageable for one man. All this takes place against the background of a chronic and severe energy shortfall, which the World Bank described as 'catastrophic'.

Speculation about whether Karim, 42, will succeed his 84-year-old father has subsided in recent months after Wade *Père* announced that he would run for

re-election in 2012 (AC Vol 51 No 15). No mention was made of the political future of his offspring. However, if Karim must put presidential ambitions to one side, he may console himself with his critical position in charge of a department said to spend 1,000 billion CFA francs (US\$2.1 bn.) a year on importing fuel.

Karim's appointment follows his father's attempt to assuage public anger by sacking the previous minister, **Samuel Sarr**. This followed persistent power cuts during the summer and riots by young people in September, when butane gas, used for cooking, ran short. Wade sacked Sarr for failing to deal with the power cuts, although his future is not thought to be in much doubt. He is now Special Financial Advisor to the President and he has a reputation for bouncing back. His appointment as Energy Minister in the first place had not been hindered by his forced resignation in 2006 as Chief Executive of the *Société Nationale d'Electricité du Sénégal* after the utility failed to meet a government deadline to end power cuts.

Kenya

A ROPE FOR RUTO

■ The suspension of Higher Education Minister **William Ruto**, 43, from cabinet on 19 October marks the second phase of the Kalenjin leader's political isolation. Although State House said Ruto had been 'stood aside' (the awkward parlance for such suspensions under President **Mwai Kibaki**), it seems to have been Ruto's rival, Prime Minister **Raila Odinga**, who orchestrated the move (AC Vol 51 No 16).

The official reason for Ruto's suspension is the corruption charge for which he has to stand trial. With **Joshua Kulei** (personal assistant to ex-President **Daniel arap Moi**) and Moi's former Lands Commissioner, **Sammy Mwaita** (who replaced Moi's son **Gideon** as MP for Baringo Central), Ruto faces charges of selling forest land to the Kenya Pipeline Company.

The 2004 case, involving 272 million Kenya shillings (US\$3.37 mn.), was one of the first Kibaki's government brought against Moi's lieutenants. Ruto and his co-defendants, however, obtained an injunction blocking the High Court from proceeding with the case. The injunction has expired and Ruto lacks the political backing to get it reinstated. After August's referendum victory, Kibaki and Odinga jointly promised there would be no victimisation of ministers who had opposed the constitution. That meant Ruto and his allies who had led the 'No' campaign.

Yet insiders said Odinga wanted to purge his Orange Democratic Movement, which had recently lost several by-elections. After complaints that Ruto and his mainly Kalenjin followers were undermining the ODM, some called for his suspension; others said he would lead his

troops out of the party.

When Justice **Phillip Waki**'s report on post-election violence was released in 2008, loud opposition from an increasingly isolated Ruto suggested nervousness; ODM endorsed the report. His defiance of Odinga (who has shored up relations with Kibaki) and his determination not to make peace with Moi's faction in the Rift Valley have left Ruto politically exposed and at odds with the gerontocrats.

Some have linked Ruto to the International Criminal Court's list of post-election violence perpetrators. True or not, a conviction for corruption would wreck this youthful and articulate politician's presidential ambitions in 2012.

Ghana

OIL JOY, DEBT WORRY

■ Former Finance Minister and chief statistician **Joe Abbey** has added his voice to those warning the Accra government to take action over spiralling debt liabilities ahead of the country's first oil exports due by the end of this year. The government's plan to reduce the budget and trade deficits was taking longer than forecast because of the 'sluggish pace in economic activity' this year, said Abbey, who heads the respected Centre for Policy Analysis in Accra.

Sounding an alarm about the planned US\$10 billion housing deal with **South Korea**'s STX Engineering and a financing package of some \$15 bn. promised from Beijing during President **John Atta Mills**'s visit to **China** last month, Abbey said such levels of debt looked 'unsustainable', regardless of projected oil revenues. He also warned that an oil bonanza would drive up the value of the cedi and discourage export diversification.

The government had not given enough consideration to economic growth and job creation as it tried to bring down the deficits, Abbey added. The small- and medium-size companies that generate most jobs in the economy are struggling to secure loans from Ghana's cautious banks, which charge premium interest rates. Some 500,000 Ghanaians leave school or college each year in search of work.

Abbey's conclusions follow the International Monetary Fund's downward revision of its estimates of the value of oil revenues next year and elliptical warnings about debt and public spending. Oil production is set to average 120,000 barrels per day, rising to 250,000 bpd in 2014.

Government officials are much more upbeat about the utility of the Asian loans and the impact of oil and gas on the economy. They argue that the planned domestic gas network will address the critical electric power shortages and are optimistic about more substantial oil strikes in the near future. The latest offshore finds have added another 1 bn. barrels to Ghana's estimated reserves of 2 bn.

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AT STAKE: OIL, MIGRANTS AND GEMSTONES

Behind the obligatory shows of unity between the governments of Angola and Congo-Kinshasa lurk serious disagreements over the borders dividing the oil fields straddling the two countries, diamond concessions and treatment of cross-border migrants. However, the formal communiqué at the end of President **Joseph Kabila's** visit to his Angolan opposite number, **José Eduardo dos Santos**, on 20 September made the routine declarations of friendship and solidarity.

Since 2007, the two countries have tried to resolve their differences over the demarcation of the border with an agreement on the 50-50 exploitation of immensely valuable offshore oil blocks. One estimate of the production potential of the joint areas is 1.2 million barrels per day and one field was already producing 150,000 b/d in 2009. However, Angola alone has been exploiting the resource up to now, even though the offshore maritime borders of the two countries remain in dispute. Under siege from all sides, President Kabila's regime has been downplaying the problems with Angola despite the high commercial stakes involved. Short-term security worries take precedent over contractual battles with Luanda.

So Kinshasa has abandoned its arguments over the oil border before the United Nations Commission on the Limits of the Continental Shelf. Kinshasa's Justice Minister, **Emmanuel-Janvier Luzolo Bambi**, has given up the idea of hiring a **Belgian** law firm to fight his government's corner. Yet this is likely to be a temporary expedient, given the huge potential revenues at stake. The mining of diamonds has produced more immediate tensions. The disputed frontier between Angola's diamond-rich Lunda Norte and Malanje provinces, and Bandundu and Kasai-Occidental on the Congolese side, has been closed. Kinshasa wants to open up western Kasai to mining but cannot reach agreement with Angola. In August, the Governor of Lunda Norte, **Ernesto Muangala**, complained of a fresh influx of wildcat diamond miners (*garimpeiros*) from Congo-Kinshasa. Angola is investing in electronic surveillance equipment to help secure the border.

The *garimpeiros* keep trying. Since 2004, the Angolan security forces, sometimes with militiamen from the ruling *Movimento Popular de Libertação de Angola* (MPLA), have expelled 400,000 illegal immigrants, most of them Congolese (although illegal migrants from West Africa also use Congo-K as a transit route). It cuts both ways; in 2009, Angola expelled more than 110,000 Congolese and Congo expelled 30,000 Angolans, many of them registered with the UN High Commissioner for Refugees (UNHCR). A year ago, the two governments agreed to stop the expulsions and in December, they resolved to set deadlines for sorting out their frontier arguments. Officially, bilateral relations remain cordial. Last May and June, Congolese and Angolan troops carried out joint manoeuvres under the multilateral force of soldiers from the Economic Community of Central African States. They aim to set up a regional peacekeeping brigade.

Now the expulsions have started again, albeit on a smaller scale. The joint humanitarian committee for Kasai-Occidental Province thinks 20,000 people were sent out of Angola in January-September 2010. The UN Office for the Coordination of Humanitarian Affairs (OCHA) reckons more than 350 people were sent from Angola to Bandundu between May and October. Local non-governmental organisations say this involved two killings and 30 rapes, and one campaigning group in Bandundu claims that 240 women were subjected to unhygienic vaginal searches for diamonds by Angolan security people. The **United States** government wants an inquiry.

Humanitarian groups fear that retaliation could follow, as in 2009. UNHCR estimates there are still about 100,000 Angolan refugees in Congo and 70,000 Congolese refugees in Angola. The authorities in Luanda are angry and the Angolan airline TAAG suspended its flights to Kinshasa on 9 October. Luanda is also irritated by Kinshasa's decision to wind up the Western Corridor Company. Previously, Kinshasa had agreed with the electricity companies of Angola, **Botswana**, **Namibia** and **South Africa** on a massive scheme to develop the Inga hydroelectric dams on the Congo River, with a 2,000-kilometre power line to South Africa passing through other member states. Some Congolese politicians reckon that Angola exploits the expulsions to keep up pressure on Kinshasa.

That could also explain the continuing occupation by Angolan forces of a dozen villages in southern Bandundu. One aim would be to show which country is stronger, especially when it comes to sharing out the offshore oil along their disputed maritime border. Yet Angola needs Kinshasa's goodwill for two big schemes. One is the Cabinda link, which would mean building a 260 km. motorway between Cabinda and Soyo, including a 13 km. bridge across the River Congo. It would cost US\$2-3 billion and be built in four years by the **China** Road and Bridge Corporation. Another project is a power line between Boma port in Congo and Cabinda. Bringing power from Inga to Boma would save Angola the huge cost of diesel generation by the **British** company Aggreko, and the national power companies, Congo's *Société Nationale d'Electricité* and Angola's *Empresa Nacional de Electricidade*, will set up an expert group on the subject. ●

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73 Farringdon Rd, London EC1M 3JQ, UK

Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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Investimentos, has replaced Gourgel as BNA Governor. Bankers in Luanda hope that Massano can win back for the BNA some of the powers lost to the Finance Ministry. Also in that reorganisation, long-serving Interior Minister, **Roberto Leal Monteiro 'Ngongo'** was sacked amid a scandal over the illegal extradition to **São Tomé** of a **Portuguese** businessman, **Jorge Oliveira**. Another official in transition may be **Aguinaldo Jaime**, who was accused by the **United States** Senate of attempting to transfer \$50 million of BNA funds to private accounts in 2002, when he was Governor of the BNA (AC Vol 51 No 4). Those charges do not appear to have damaged Jaime within the regime.

Now he is tipped for – or is at least said to be working on – a comeback into central government from his current outpost at *Agência Nacional para o Investimento Privado*, a glorified tax advice centre for potential overseas investors. There are also reports in the Finance Ministry that former Finance Minister **José Pedro de Moraes**, who fell out with Dos Santos, could also re-emerge in government.

In a further centralisation of power, the Office of the Presidency under **Carlos Feijo** will manage relations with the IMF, a proposed bond sale and commercial debt repayment plan. As the President draws the reins of power ever closer, centralising decisions within the inner circle, some suggest that if oil revenues pick up strongly a break from the IMF with its demands for transparency and accountability cannot be ruled out.

Dos Santos' new political sensitivities, which drove him to introduce the new constitution with its centralisation of powers and the abolition of direct presidential elections, has sent shockwaves down the chain of command. Government ministers and senior officials are increasingly afraid to take independent decisions.

The end result is more bureaucracy, delayed reform, more corruption and ultimately a more powerful president, who was technically never elected. The only poll he faced, in 1992, ended unresolved when UNITA returned to war after challenging the first round of results. Under the new rules Dos Santos could remain in power until 2022. ●

And then, there were two

Incumbent President Gbagbo and challenger Ouattara will vie for the top job in a second round of voting at the end of this month

Ivorians will have to wait nearly another month, until 28 November, to know the outcome of the presidential election. The first round of voting on 31 October was close and none of the top three candidates won the necessary majority. This comes after five years of postponed presidential elections. The announcement of the second round in the early hours of 4 November dissipated mounting tensions in towns across the country. Yet the contest is set to be heated.

Incumbent President **Laurent Gbagbo** (who won 38.3% of the vote, according to provisional results) will face **Alassane Dramane Ouattara** (who won 32.08%), former Prime Minister and Deputy Managing Director of the International Monetary Fund. Much will depend on what the supporters of the third running candidate, former President **Henri Konan Bédié**, choose to do: he won 25.2%.

Under the terms of a pre-election pact with Alassane Ouattara, Konan Bédié is now meant to instruct his supporters to back him against Gbagbo. Even if Bédié keeps to that plan, it is questionable whether his supporters will follow. Historically, Bédié and Gbagbo have shared the same position on *Ivoirité*, the vexed question of Ivorian national identity, and their supporters have jointly claimed that many second- or third-generation migrants from neighbouring countries (including Ouattara) are not Ivorian and have no right to vote, still less to run as candidates. This background of prejudice, which sparked mass killings at the beginning of the last decade, will make the second round of voting fraught.

Despite pressure from United Nations and European observers, the *Commission Electorale Indépendante* (CEI) decided to keep results back until they were all known, rather than release them piecemeal. So far, Ivorians seem confident in the fairness of the polling and the safeguards look robust and difficult to defraud. Unofficially, sources close to the *Organisation des Nations Unies en Côte d'Ivoire* (ONUCI) put the turnout at around 85% of the 5.7 million eligible voters and the conduct of the vote has been praised.

The UN Secretary General's Special Representative, **Choi Young-jin**, visited the three main candidates and then told reporters, 'Our assessment of the conduct of the campaign and vote is globally positive. I have no doubt that no

candidate will use undemocratic means to express his or her position with regard to the result of the election.' As well as a warning to the candidates not to take such a course, Choi was also issuing a reminder that the results would not be open to legal challenge on any grounds. The CEI was overwhelmed by its logistical tasks before polling. The training of 66,000 polling officers began only four days before the big day and the CEI was short of some 3.5 billion CFA francs (US\$7.61 million) to pay them. One CEI source said that they were still recruiting officers to staff the polling booths in Abidjan on the eve of the poll.

COUNTING DISPUTES

Prior to the polls, there were disputes about how to count the votes. The CEI deferred to Prime Minister **Guillaume Soro**'s call for electronic counting, despite ruling this out a day earlier and pushing for a manual count. The opposition-dominated CEI had been suspicious of the close relationship between Gbagbo and **Don Mello**, a close political associate. A private company belonging to Mello, SILS Technology, won the contract to collate the results. The contract was signed in 2007, with the opposition not paying much attention because elections then seemed so remote.

The opposition's failure to identify this as a problem until the last minute showed its disorganisation. Following last-minute talks with ONUCI and mediators, the CEI conceded that a manual count of votes from 20,073 polling booths would take too long, so both methods were used. The Swiss data company Crypto has been

drafted in to help reduce possible fraud.

The Constitutional Court is dominated by supporters of Gbagbo, balancing the opposition's domination of the CEI. In August 2009, Gbagbo appointed **Paul Yao N'Dré** as Court President. Other members of the Court include a former lawyer of Gbagbo's, a founding member of his previous political party and appointees of the Gbagbo-aligned Interior Ministry. After expressing confidence in the electoral process, one electoral observer remarked, 'I don't see a risk of massive fraud; it's more at the political level, particularly a non-acceptance of results. The fragility in the process is that each candidate can see himself as a clear winner.'

Security has been handled by 8,000 troops but few of them were deployed on time. There are another 8,000 UN troops, plus an additional 500 that the UN Security Council agreed to send for elections. Many are nervous about Guiglo, the lawless western region governed by pro-Gbagbo militias. Ouattara was prevented from campaigning there. **Simone Gbagbo** was held up there by unarmed militiamen complaining they hadn't received their demobilisation cash. The *Forces Nouvelles* rebels in the north still have the means to fight: only 4,000 have been disarmed.

Much is at stake for **France**, which wants anyone but Gbagbo. The chill with Paris that started under **Jacques Chirac**'s presidency has continued under **Nicolas Sarkozy** but skilful French diplomacy has averted another flare up. Paris seeks a willing partner to shore up bilateral relations and Gbagbo does not fit the bill.

The other key player is President **Blaise Compaoré** of **Burkina Faso**, who was widely accused of training and helping to finance the northern rebels. These days, he styles himself as a mediator in the region and it was partly his initiative that laid the groundwork for the elections. Compaoré may not have much to gain from a return to war in Côte d'Ivoire – and so may be a useful force in stopping it. ●

BEHIND THE ELECTION MACHINERY

Security arrangements for the 31 October elections were largely directed by **Kadet Bertin**, President **Laurent Gbagbo**'s niece and his Special Advisor on Military Affairs, eclipsing the Army Chief of Staff, General **Philippe Mangou**. Some 4,000 of the northern-based *Forces Nouvelles* (FN) soldiers in mixed brigades answer to their Chief of Staff, **Soumaila Bakayoko**. In theory, they should co-ordinate with **Ange Nokou**, the police chief in Abidjan, home to more than 45% of the electorate. Interior Minister **Desiré Tagro** will be important in the Gbagbo camp after the polls; he has been keeping a low profile after accusations of graft by his parliamentary Speaker **Mamadou Coulibaly**.

The *Commission Electorale Indépendante* runs the polls: 17 of its 21 members, led by **Yousouf Bakayoko**, belong to the opposition. The results must be validated by Constitutional Court President **Paul Yao N'Dré**, a key Gbagbo-ally. **Choi Young-jin** of **South Korea** will be the first United Nations envoy to oversee polls since 2000. Under the 2007 Ouagadougou Peace deal, the *Organisation des Nations Unies en Côte d'Ivoire* must also certify the results. Ex-FN leader and Prime Minister **Guillaume Soro** may mediate between Gbagbo and his rival, **Alassane Dramane Ouattara**, in the second round. ●

Party unity trumps national reforms

To placate the one-time friends who have fallen out with him, the President reshuffles his hand of party cards

A second term in office is President **Jacob Zuma's** main aim. To see that he gets it, his cabinet reshuffle on 31 October seemed designed to win allies within the governing African National Congress's Tripartite Alliance, rather than to make his government more effective. Zuma sacked seven ministers, appointed 14 new deputy ministers and moved several others around. He intended to 'work at a faster pace to change the lives of the poor', he said, and his team had studied 'what works and what needs to be changed or strengthened'.

With his eye on next year's local elections and the national elections in 2012, the President needed to prove he is in charge. Throughout his 17 months in office, he has been accused of lacking decisiveness. Little has been seen of the better public services, clean government and new job opportunities that he offered. His strategists say privately that he now wants to be praised not only as the boss of the Alliance but also as the first post-apartheid leader to fire ministers for incompetence, and that his next act will be to reshuffle many provincial cabinets and sack ANC councillors in the worst governed municipalities.

The dominant policy issue is the promised 'new growth plan' that would face up to the nation's overriding preoccupation with youth unemployment and with the unsatisfactory delivery of public services. What to do is notoriously disputed; left-leaning ministers, led by Economic Development Minister **Ebrahim Patel** and Trade and Industry Minister **Rob Davies**, want to abandon economic orthodoxy and take action fast. Their centrist opponents, led by Finance Minister **Pravin Gordhan** and National Planning Minister **Trevor Manuel**, insist that many popular short-term measures would only make the long-term outlook worse; they insist, as they persuaded ex-President **Thabo Mbeki** to insist, on keeping South Africa's policies compatible with those of the countries that buy its goods and invest in its industries. That means continuing orthodox policies, with inflation low and government spending limited to a sustainable level.

Patel has just produced an outline of his new plan; Gordhan has set out his medium-term budget statement. Parts of these contradict each other. Zuma has not come down on either side. Even the facts

are disputed. Gordhan's mid-term budget statement said that the government was investigating public sector fraud amounting to 25 billion rand (US\$3.64 bn.). The next day, the Public Service Commission said that fewer than 10% of cases reported to the official National Anti-Corruption Hotline had been investigated. The government's *Statistics South Africa* then reported that the unemployment rate had risen to 25.3% in the third quarter of 2010, the highest figure in five years, with more than a million jobs lost in 2009.

At the ANC's National General Council in Durban in September, Zuma faced unprecedented opposition from the left-wingers. His election as President of the ANC, then of the country, was effectively backed by the Congress of SA Trade Unions (Cosatu) and the SA Communist Party. Now (despite significant differences between them on some points) they are leading the call for radical change.

COOPTING THE DISSIDENTS

The ANC Youth League and Women's League line up with the critics. The President has decided to bring the dissidents into line by coopting them into his government. The Women's League did well from the reshuffle. **Lulu Xingwana** replaces **Noluthando Mayende-Sibiya** as Minister for Women, Children and People with Disabilities. As Social Development Minister, **Bathabile Dlamini** replaced the struggling **Edna Molewa**, moved sideways to Water and Environmental Affairs. **Ayanda Dlodlo** is the new Deputy Minister for Public Service and Administration; **Gwen Mahlangu-Nkabinde** takes Public Works. **Mildred Oliphant**, head of the ANC's Parliamentary Caucus, is the new Labour Minister, replacing the ineffective **Membathisi Mdladlana**.

There is widespread discontent within the ANC-led provincial and local governments. In Gauteng Province, the economic powerhouse that includes Johannesburg and its spreading townships, a faction in the provincial party had been plotting to replace Zuma with his deputy, **Kgalema Motlanthe**, at the 2012 party conference. Hoping to break up the plot, Zuma appointed the provincial leader, **Paul Mashatile**, as Arts and Culture Minister, and former Provincial Secretary **Obed Bapela**, another Motlanthe-supporter, as Deputy Minister of Communications. Zuma's ally,

Gauteng Premier **Nomvula Mokonyane**, quickly reshuffled her own cabinet to bring in more Zuma-friendly leaders and axed two pro-Motlanthe members of the provincial Executive Committee. We hear that some provincial premiers and city mayors may also be axed. Ekurhuleni's Mayor, **Ntombi Mekgwe**, has made way for the pro-Zuma **Mondli Gungubele**, while the pro-Zuma **Kgosientso 'Sputla' Ramokgopa** becomes Mayor of Pretoria.

Two leaders with presidential ambitions remain in the national cabinet: Housing Minister **Tokyo Sexwale** and Defence Minister **Lindiwe Sisulu**. They have been feuding regularly in case an opportunity opens up to replace Zuma and the President appears to think their shared ambitions may neutralise each other. Zuma also fired his incompetent former ally, the Communications Minister, **General Siphiwe Nyanda**, replacing him with **Roy Padayachie**, an ally from KwaZulu-Natal. Nyanda was suspected of moving uncomfortably closer to Sexwale and we understand that he had wanted more support from Zuma in his various controversies, including allegations that his companies have done well from state tenders.

Zuma brought in his old ally, **Ngoako Ramatlhodi**, formerly Premier of North West Province as Deputy Minister for Correctional Services. Ramatlhodi dumped Mbeki in favour of Zuma before the ANC's 2007 conference and thought he should have been rewarded from the start by appointment as a full minister or as head of the National Prosecuting Authority. The President, saying he intended to improve services and efficiency, sacked two of the most efficient ministers. At Public Enterprises, **Barbara Hogan** offended Zuma last year by criticising him for buckling under Chinese government pressure to prevent the Dalai Lama from visiting South Africa. Moreover, she had been trying to clean up the ineffective state-owned enterprises (SOEs), in which task she was opposed by black economic empowerment (BEE) business tycoons and others who had financed Zuma's presidential bid. The Black Management Forum opposed the cleanup of a sector which some of its members identify as a source of patronage for the ANC, while some BEE tycoons see them as lucrative opportunities for privatisation. Hogan's replacement is **Malusi Gigaba**, a former Youth League leader who is likely to keep the SOEs safe for ANC patrons.

Zuma also sacked the capable Public Works Minister, **Geoff Doidge**, in favour of the Women's League stalwart, **Gwen Mahlangu-Nkabinde**. We hear that Doidge had annoyed Zuma by investigating a contract for a new police headquarters, signed by Police Commissioner **Bheki Cele**, a close ally of the President. Poor

performers who hold on to their jobs include Basic Education Minister **Angie Motshekga**, who is married to the ANC Chief Whip, **Mathole Motshekga**, and his ally from KwaZulu-Natal, **Siyabonga Cwele**, the State Security Minister who has backed a secrecy bill which, if passed, could send journalists to jail for reporting on state 'secrets'. His wife, **Sheryl Cwele**, faces charges of running a ring of international drug mules.

New deputy ministries have been created across the board, in Foreign Affairs; Rural Development and Land Reform; Higher Education; Mines; Home Affairs; Health; Economic Development; Performance Monitoring and Evaluation; Correctional Services; Public Service and Administration; and Trade and Industry. Obviously some sackings have given offence. Labour Minister Mdladlana felt his dismissal was undignified, given his seniority in the ANC and the trades unions. Hogan, we hear, was told by Zuma she'd been sacked only after it had been announced; Nyanda first got the news on state television. For these

lapses, Zuma blames 'logistic' problems. Even Cosatu and the SACP, whose leaders won promotion, grumble that they were not consulted. Uncertainty may follow, as new ministers, while learning their new briefs, get rid of their predecessors' senior officials and advisors.

LOCAL RESHUFFLE RUMOURS

The rumours of reshuffles in provincial and local government create more uncertainty and it is at the local level that most complaints about services arise. Patel's outline of a new growth plan was unveiled only after ANC factions had been assured it was 'open for negotiation', 'not final', 'a framework'. To soften up its attackers, the President asked his ally **Collins Chabane**, Minister of Performance Monitoring, Evaluation and Administration, to present the plan. Officials said the objective was to reduce unemployment from 25% to 15%; Chabane said employment potential had been identified in infrastructure, agriculture, mining, the 'green economy', manufacturing and tourism. Finance Minister Gordhan was not present.

Gordhan's medium-term budget plan, delivered a few days later, predictably outraged Cosatu. The National Union of Metalworkers of South Africa called the Minister a 'reactionary' who was merely continuing Mbeki's neo-liberal policies. NUMSA was furious that Gordhan's plan said, among other things, that unions would have to sign an agreement with government and business to limit wage increases; that the public service might have to be trimmed to save money; and that the controversial plan for wage subsidies would go ahead.

Cosatu promptly organised a civil society summit to press for 'pro-poor' policies, inviting the newly fired ex-ministers Nyanda and **Makhenkesi Arnold Stofile** but no other ANC leaders, some of whom Cosatu's General Secretary **Zwelinzima Vavi** accused of being 'hyenas' and a 'predatory elite'. ANC Secretary General **Gwede Mantashe** said Cosatu was moving into opposition with its 'dangerous, populist approach'. Vavi called this 'paranoid'. Zuma, in pursuit of party unity, has his work cut out. ●

RWANDA/CONGO-KINSHASA

Kagame's troops return to Congo

Chaos in the Kivus has given Kigali a pretext to send its soldiers back across the border in pursuit of political and economic objectives

The Rwandan Defence Force is back in Congo-Kinshasa but trying to keep a low profile. Presidents **Joseph Kabila** and **Paul Kagame** agreed on the move at a 6 September meeting during Kagame's inauguration in Kigali. The discretion is intended to avoid reviving anti-Rwandan sentiments, which are still alive 18 months after Operation *Umoja Wetu* ('Our Victory', AC Vol 51 No 2). The operation was jointly conducted by the Congolese army and the RDF against the Hutu rebels of the *Forces démocratiques pour la libération du Rwanda* (FDLR). Evidence of RDF movements includes numerous empty ration packs, discarded as the troops entered Congo on foot. Witnesses spotted the boxes several weeks ago close to Rugari, the place where Congo-K, Rwanda and Uganda converge.

By mid-October, there were rumours about Tutsi soldiers speaking English in Walikale, east of Goma. A month earlier, the military intelligence section of the United Nations' *Mission de l'Organisation des nations unies pour la stabilisation du Congo* (Monusco) reported 'unconfirmed allegations' by former officers of the renegade Tutsi General **Laurent Nkunda**, currently under house arrest in Rwanda, that two RDF battalions were deployed

around Walikale. The RDF's quiet return has come about because of the dire situation in North Kivu and coincides with a considerable weakening of Monusco's offensive power after the departure of an **Indian** contingent and eight Mi-25 and Mi-35 attack helicopters. More UN troops and helicopters are due to leave Congo in the coming months because of budget cuts.

MAIMAI AND MUTINIES

Kabila is finding it ever harder to fight the FDLR and the MaiMai, to impose the unpopular ban on the mining of minerals that finance the militias, and to mount an assault on Walikale. Local people fear that the demobilised militias who have been mining gold and colombo-tantalite (coltan, used in microchips, AC Vol 43 No 21) will take up arms again. There is also serious disquiet in the ranks of the elite troops of the regular army, the *Forces armées de la République démocratique du Congo* (FARDC). They comprise former *Congrès National pour la Défense du Peuple* soldiers who were subject to 'accelerated integration' after the 23 March 2009 peace accord, the arrest of Nkunda by Rwanda and the return of the CNDP to the control of General **Jean-Bosco Ntaganda**.

A 23 September memorandum to Kabila from two ex-CNDP officers integrated into the FARDC, Lieutenant Colonels **Séraphin Mirindi** and **Jacques Kavumbi Malu**, condemned violations of the accord. Seeing themselves as the protectors of the Tutsi in North Kivu, they asked Kabila not to post them outside the region and complained of 'large-scale diversions' of pay intended for their men. They also denounce tribalism and ethnic discrimination in the FARDC.

Unrest is stronger among former CNDP troops who remain loyal to Nkunda. Those close to him complain about purges of members who would not follow Ntaganda, as well as the kidnapping of some who are refugees in Rwanda, which they blame on the RDF's Directorate of Military Intelligence. In Congo, Nkunda-loyalists have grouped around his old comrade General **Ngabo Gadi**, who, in an interview with *Voice of America* in January, declared he had founded the *Front patriotique pour la libération du Congo*. Ngabo was arrested in Kampala in June.

What bothers Kabila is that the FPLC, despite being majority Tutsi, has made an unholy alliance with the FDLR, which is based on the *genocidaires*. The RDF's return is also due to worries in Kigali. Kagame accuses the dissident Gen. **Faustin Kayumba Nyamwasa** and ex-DMI chief Colonel **Patrick Karegeya**, both in exile in **South Africa**, of recruiting Nkunda-loyalists in North Kivu and of forging links with the FDLR. The government suspects former CNDP members of carrying out grenade attacks in Kigali during the election campaign. ●

The boom in Juba and its consequences

Talk of war might be in the air but Juba is booming. Building sites are around every corner of South Sudan's capital and so are foreign delegations and contract-wielding business people. Expecting independence next year, the South is marketing itself as a virgin land rich in oil, minerals and fertile soil. As one of the last remaining markets to open up to a world economy battling for natural resources, commercial and diplomatic interest is growing fast in the new state.

EXCITEMENT REIGNS IN THE JUBA BUBBLE

The National Congress Party regime in Khartoum wants to delay January's referenda on the status of the South and Abyei. Discussions about oil revenue and borders are unresolved and postponement threatens. As *Africa Confidential* went to press, the idea that the referenda could be postponed 'for technical reasons' was gradually – and with ample NCP encouragement – sliding into respectability. The danger of Southern towns and cities exploding if the Southern referendum were postponed is considerable.

Yet none of that is stopping Juba's preparations for a new state. The South has a subsistence economy long ravaged by war and the modern economic sector depends on imports from neighbours, especially **Uganda**. Many people survive on food aid: the United Nations World Food Programme says it is feeding about 40% of the population this year. The Government of South Sudan (GOSS) is pushing hard for direct foreign investment in agriculture, as well as in forestry, fisheries, livestock and hydropower along the White Nile and its tributaries. How damming the river would fit in with telling Egypt it will adhere to the 1959 Nile Waters Agreement is unclear (AC Vol 51 No 17).

Still, energy and mining are receiving the most interest. Oil exploration remains incomplete due to decades of war. TotalFinaElf's massive 118,000 square kilometre Block B is the most watched. The **French** major has hung on since 1980, winning a 2008 legal battle for ownership after Vice-President **Riek Machar Teny Dhurgon** awarded the concession to **Britain's** White Nile, owned by **Philippe Edmonds** (AC Vol 48 No 12). Total SA did seismic studies in 1983 but had to pull out a year later, leaving behind much speculation as to what its short surveys had found. New concessions are being considered in Eastern Equatoria State, said an official with oil ties.

Rumours of minerals also abound. The GOSS is promoting Eastern Equatoria as possessing gold deposits – locals used to pan for gold in a river near Kapoeta, which helped to fund the Sudan People's Liberation Movement/Army – and some diamonds have been found in Western Equatoria and Western Bahr el Ghazal, near the **Central African Republic** border.

The aggressive courting of Southern Sudan is shifting its position in the world's power plays. **China** relies on Sudan for 7% of its crude oil, most of it from the South, and is pushing hard at the last-minute and pragmatically hedging its bets as it awakens to secession realities. Beijing set up a consulate in 2008, after Southern President **Salva Kiir Mayardit** visited in 2007. Recent activity started with an August trip by Agriculture Minister and SPLM Deputy Secretary General **Anne Itto**. She then declared Chinese officials were 'frightened' of South Sudan but her diplomatic talking points have since improved.

During the first official visit by the Communist Party of China, Itto promised a delegation led by the Director General of the CPC Central Committee's International Department, **Du Yanling**, that the South would protect Chinese investment. She lauded future 'party-to-party' relations, saying the SPLM had a lot to learn from its Chinese counterparts on running a developing country. Clearly, democracy will not be among the topics of discussion.

The Chinese courtship has been both effective and mutual. Southern officials receive Chinese visitors with open arms, a notable shift by the SPLM, which until just months ago was hostile, thanks to the diplomatic cover and arms support China gives to Khartoum. Over a dozen senior officials – ministers, governors and even county commissioners – have recently flown to Beijing. The Chinese focus is on four states: Unity, home to key oil fields within the China National Petroleum Corporation's Block 1; Jonglei and Lakes, where Total is still seeking an operating partner; and Eastern Equatoria.

Increasingly focused on Africa, **Iran** is also making a play. Last month, Tehran's Ambassador in Khartoum, **Javad Torkabadi**, announced in Juba plans to open a consulate there. In August, Star Petroleum signed an exploration deal for Block E, a thin 50,000 sq.km. concession carved on the western edge of the Muglad Basin blocks in the South. Star, registered in **Luxembourg**, is headed by Iranian-born **Spaniard Farshad Zandi**, has offices in Iran and Spain and has triggered the interest of Western officials.

The deal was signed with national Oil Minister **Lual Achuek Deng**, an SPLM Southerner. Lual, a respected economist who was close to the late SPLM Chairman **John Garang de Mabior**, has come under fire for his publicly unionist views and his lack of criticism of the NCP. It is inconceivable that the deal was signed without SPLM blessing.

THE USA GETS LEFT BEHIND

Long heavily-involved in pro-South diplomacy but finding itself Loutflanked in the business scramble, the **United States** may be starting to wonder if it will lose out once the South sheds its shackles. If so, it has itself partly to blame. US business is shy of Africa's emerging markets, preferring less risky and more mature ones. Moreover, US sanctions, renewed last week and designed to weaken the Khartoum government, have put a damper on private investment in the South. Even though it has been exempt from most US sanctions since 2006, oil has not, so US companies are locked out – and 98% of the South's state revenue comes from oil.

Chevron invested over US\$1 billion in oil exploration in the 1970s and 1980s but war forced it out in 1990, with its exploration data intact. Washington is now realising the problem. US Senator **John Kerry**, who chairs the Senate Foreign Relations Committee, is pushing a bill that would open up the Southern energy industry if the South seceded. US interests can invest in agriculture but the one major American player there, Jarch Capital, is not one the State Department is keen to embrace (see Box).

The contracting and mercenary business is booming, though. AECOM Technology Corp., which has 50,000 employees in 100 countries, and PAE, wholly owned by Washington-based Lockheed Martin, implement many projects for the US

government, including support for the GOSS armed forces, the Sudan People's Liberation Army. PAE's work includes building SPLA bases and advising the fledgling South Sudan Police Service. The Louis Berger Group oversees the US Agency for International Development's infrastructure projects, including a \$200 million contract for the 190 km. road between Juba and Nimule, on the Ugandan border. US consulting firm On the Frontier (OTF) Group, which advises developing economies, is drawing up a private-sector growth strategy with the Commerce Ministry. UK consulting firm Deloitte Touche is planted everywhere, from the presidential communications team to the Bank of Southern Sudan and Finance Ministry, working on preparing budgets, creating pension funds and developing a post-secession monetary policy.

South Sudan is already a boon to others, especially Uganda, which ships in some \$1 bn. of informal goods a year, according to the Uganda Bureau of Statistics. **Kenyans** and Ugandans flood into Juba, taking advantage of the mostly unskilled labour force. Giant drinks company SABMiller started up last year and is expanding its Juba brewery to 350,000 hectolitres (35 mn. litres) annually. SAB says it controls about 60% of the beer market. Most of the rest goes to East African Breweries Limited, 43%-owned by Diageo, which exports beer to South Sudan through Kenya and Uganda.

Juba also teems with small individual or family outfits, often Chinese, **Indian**, **Lebanese** or **Turkish**, specialising in Africa's high-risk, high-reward landscape and often palm-greasing markets. Many thrive on importing but interest in mining and land (for agriculture or timber) is high. A **Polish** information technology firm, Tricomp, is building a government telecommunications centre outside Juba and has new government contracts. The Southern diaspora, spread across the world after virtually five decades of war, wants to get involved but generally lacks capital.

Some Northern Sudanese companies are also arriving, the most conspicuous being Eyat, a Khartoum-based firm with multiple interests which has several construction contracts in the South, including on the Nimule road, and is a joint implementer of Warrap State's planned oil refinery.

East Asian companies are also interested. A delegation from **Japan's** Toyota has visited Juba to discuss its \$1.5 bn. proposal to build an oil pipeline to a new port at Lamu, Kenya. The Nairobi government is collecting bids and has confirmed that Chinese interests are competing for the contract. **South Korea's** Make Group, which invests heavily in West African mining and building, met Riek Machar in July. Even Latin America is testing the waters: a **Brazilian** delegation promised a consul general and showed interest in mechanised agriculture and a partnership between Petrobras and the South's state-owned NilePet.

DON'T FORGET FARMING

The SPLM views agriculture as a cornerstone of the long-term economy. An internal private sector survey which OTF prepared for the Commerce Ministry in September also points towards fisheries

along the White Nile Sudd swamplands, estimating that only 40,000 tonnes of a sustainable harvest of 300,000 tn. is being consumed. Livestock also needs attention, OTF said, as even after decades of war, the South has Africa's second highest per capita count of cattle, one per person. The report also estimates 1.5 mn. hectares of harvestable forest. Yet even in an unlikely best-case scenario of peaceful divorce and a smooth transition to stable independence, the economy will remain oil-reliant for some time. The total absence of paved roads outside the three provincial capitals means internal trade, let alone exports, will be difficult for years, especially during the six-month rainy season. The Investment Ministry, in its presentation for potential investors, lists about 50% of the region as 'flood plains – high reliance on cattle.'

Other challenges concern the government: composed largely of former bush rebels, it lacks basic administrative know-how, is porous with funds and lacks strong central oversight or direction. The GOSS has admitted the pervasive problem of state payrolls filled with 'ghost' employees. It fell into nearly \$3 bn. of debt when the then Finance Minister, **Kuol Athian Mawien**, ordered and botched a strategic grain reserve. South Sudan's expected budget this year was only \$1.9 bn. Over \$1 bn. from the scheme remains in arrears.

The problem of one-man plans continues. Earlier this year, there were international guffaws for the scheme dreamed up by

JARCH CAPITAL HAS FRIENDS IN THE SOUTH

Last year, in Africa's biggest land deal, Jarch Capital leased 400,000 hectares in Mayom County, Unity State, from one-time warlord **Paulino Matiep Nhial's** family (AC Vol 50 No 2). Jarch is chaired by one-time Wall Street Banker **Philippe M. Heilberg**, is based in New York and is registered in the **British** Virgin Islands. Jarch apparently intends to farm the land, though Paulino had already said in 2006 that he had granted Jarch full oil rights in all the land which his forces controlled. Paulino (2007) and his son **Gabriel** (2009) later joined Jarch's 'advisory board'.

Last week, Jarch acquired another infamous militia leader, **Gabriel Tanginya**, in the apparent hope of expanding into his home state, Jonglei. Yet the Government of South Sudan (GOSS) has shown no sign of recognising such deals, which are now illegal under the subsequent land law.

The GOSS has worked hard to coopt renegade, usually Khartoum-backed, commanders. Tanginya is a major general in the Sudanese Armed Forces and he declared allegiance to Khartoum after the 2005 Comprehensive Peace Agreement between the National Congress Party and the Sudan People's Liberation Movement. He has remained in Northern Sudan ever since, save for two explosive visits to Malakal, Upper Nile, in 2006 and 2009 (AC Vol 50 No 21). However, on 14 October this year, he flew to Juba, to a welcome from senior officials. He then travelled to the Southern oil-capital of Bentiu, in Unity State, which is not an area where his forces fought during the war. This visit was officially intended to promote reconciliation among Nuer groups, though some Bentiu residents were sceptical.

Tanginya is illiterate but he knows his worth to the GOSS. Enter Governor **Taban Deng Gai**, into whose state coffers flow millions of petrodollars, some of them directed towards strategic projects. Tanginya's reinstatement has not yet been agreed, which may be a sign that talks in Bentiu or Juba have not gone as smoothly as had been hoped. After Tanginya's trip to Bentiu, Jarch announced that it had appointed him to its 'advisory board' and denied that he had received any funds. A senior GOSS official said Tanginya was unaware of his new appointment. Some companies were using their knowledge of internal issues to gain ground after independence, he observed.

Jarch, which says on its website that it 'believes in the empowerment of the populations who actually own the resources', has already courted other Nuer warlords, including **Peter Gadet Yaka** and **Galwak Gai Deng**.

Some of its own leaders are also interested in security. They include Vice-Chairman **Larry C. Johnson** (appointed in January 2008; counter-terrorism expert and businessman; ex-Pentagon, ex-United States Department of State, ex-Central Intelligence Agency), Ambassador **Joseph Wilson** (Africanist; ex-Pentagon, ex-US National Security Council, of **Nigerien** uranium fame, AC Vol 46 No 22) and **Peter Pham** (a former African Advisor to the Republican Party, Foreign Policy specialist, ex-US government). Their names do not appear on the Jarch website. ●

KHARTOUM'S NEW EXPORT TRADE

The prospect of losing most of its oil income if the South becomes independent next year has galvanised the National Congress Party. As the Sudanese pound hurtles downwards against the US dollar and as, unusually, a wave of strikes hits the capital, top NCP people have been travelling to faraway places and on 21 October, the cabinet agreed to privatise state-owned companies. Most Sudanese thought the National Islamic Front (now NCP) had already years ago privatised most of the country's numerous state-owned assets into party hands. Big business in the North depends almost entirely on NCP say-so and often on government shareholders.

One traveller is Industry Minister **Awad Ahmed al Jaz**, who made a substantial trip to **China** last month. He has, among other things, been trying to get a computer factory going in Sudan. The NCP likes computers. When it was still called the National Islamic Front and was making final preparations for power in the early 1980s and when most people had never seen a computer, it already had the country's first data bank, with a host of computer experts glued to rows of monitors in an NIF house. Information technology has played a big role in keeping the party in power.

Awad al Jaz holds many of the party pursestrings. Reports spread of his being stopped in the Gulf last month carrying millions of dollars to deposit in **Malaysia**, a favourite NCP resort. Other reports said senior Oil Ministry officials were also in China, trying to secure advance payment of the next two years' oil revenue.

Also travelling was Presidential Advisor **Mustafa Osman Ismail**, to **Italy**. An eastern Sudan investment conference in **Kuwait** on 2 December seeks to reassure Western and Arab interests which fear instability in the east. It may also generate money. Mustafa Osman met the association of Italian companies working in Africa, the Mediterranean and the Middle East, *Assafrika e Mediterraneo*. They discussed about '150 projects', said an Italian source, and Mustafa told Rome that Khartoum would accept any referendum result – if the vote were 'credible'.

Meanwhile, Foreign Minister **Ali Ahmed Kurti**, just back from **Germany**, was trying to raise interest in **Spain** and **Portugal**. Attempts at reassurance are clearly afoot. A favourite NCP destination is of course London. 'It's full of them now!' moaned one senior oppositionist. Some are busy setting up front organisations to undermine opposition groups, added another. Money is sloshing around as the NCP tries to persuade hard-pressed refugees that it represents the future.

The task of the NCP's favourite envoy to London, **Ghazi Salah el Din el Atabani**, is rather to persuade officials and journalists. He specialises in hinting that he is unhappy with the regime. He also has a daughter, Sara, in London. Her husband is **Abdel Ghani Mohamed Idris**, a journalist who founded the Sudan Media Centre, sold it to the government, then this year founded Sinnar magazine in London. He also works as a freelance journalist. His name was on the Sinnar pilot issue masthead, with that of Salah Bander (AC Vol 51 No 15) but both then vanished. Ghazi leads Darfur strategy (AC Vol 51 No 19). Speculation that he was talking to the Justice and Equality Movement was slapped down by JEM Spokesman **Ahmed Hussein Adam**: 'Never! Never!'

One awkward issue is October's report by a United Nations Panel of Experts detailing Chinese-made weaponry found in Darfur (plus fighter jets from **Belarus**). The entire 15-member UN Security Council accepted the report, save one. No one feels politically or economically strong enough to offend Beijing, so the Panel must provide even more details, even though the report confirms earlier findings. This is the 'latest in a series of reports that have made it very, very clear that military materiel, ammunition and dual-use equipment sold into the region can be diverted into Darfur', **Rico Carisch**, head of the previous UN Panel (who is not on this one) told *Africa Confidential*. The diverter is Khartoum but the UNSC has not acted on previous infringements, either. 'We have to be very concerned that this Panel – and the overall sanction monitoring mechanism – is being compromised', said Carisch.

On 25 October, Ghazi gave an on-the-record but far from revelatory talk at London's Chatham House. Asked about divisions in the Islamic movement, which left Islamists fighting each other in Darfur (NCP versus Popular Congress Party-JEM), he replied, 'I don't think it [the Islamic movement] any longer exists', ambiguously adding that the PCP was 'not a component' of the Islamic movement and that he didn't see any reconciliation 'between factions' of that movement.

Ghazi had made a different kind of intervention at London's Global Peace and Unity festival the weekend before. The GPU's main sponsor is the Islam Channel, which Muslim think-tank *Quilliam* has accused of promoting Islamist radicalism. Non-controversial Muslim organisations and even the Metropolitan Police also back this mass gathering. The NCP injected some controversy, though. After a Sudanese diplomat had delivered a tirade against the International Criminal Court, Ghazi followed up with a long complaint about the West putting pressure Sudan. ●

the then Housing and Physical Planning Under-Secretary, **Daniel Wani**, to spend \$10 bn. rebuilding cities in the shape of animals or fruits. Wani, who holds a doctorate in civil engineering, pictured (blueprints and all) a Southern Sudan featuring cities resembling (at least from the air) the animals emblazoned on state flags. Juba would therefore be shaped like a rhinoceros. Wau, capital of Bahr el Ghazal, would be in the inconvenient form of a giraffe. Officials said the plan would bring order to the capital. Juba is made up of slums', observed the Minister of Housing and Physical Planning, **Jemma Kumba**.

Salva Kiir's government is trying to move forward but progress is slow. An Investment Bill was finally passed last year, as were a Lands Bill and an Anti-Corruption Bill. Yet the Ministry of Investment was established only in June and is so understaffed that its Under-Secretary acts as the front-door receptionist. No one is yet tracking which investors are here or where. There is still no regulatory policy for mining. Forestry also lacks regulation, despite Western Equatoria State's teak industry. Some, like the Equatoria Teak Company, 49%-owned by private equity firm Actis, are environmentally responsible. Others are not and illicit deforestation is also rampant.

UNDIPLOMATIC DEALS

With a government so institutionally under-qualified and facing one of the most challenging tasks of any government anywhere – building and developing a functional state in the landlocked bush and swampland of South Sudan – diplomats in Juba are concerned by some of the deals being struck. The government has leased a 16,800 sq.km. section of its biggest wildlife reserve, Boma National Park in Jonglei State, to a **United Arab Emirates'** company, Al Ain National Wildlife. Details are largely secret and local journalists consider the resort a no-go zone. Al Ain has built its own airstrip and runs a safari camp with little oversight, raising fears of big game hunting. Meanwhile, the exploration plant of **Anatol Stati's Moldovan** oil firm Ascom waits hopefully outside Bor (AC Vol 47 No 25), while Ascom spends millions building hospitals.

With neither political stability nor legal structures looking likely in the near future, conventional private investment may not embrace Southern Sudan soon. The race for resources is on but unless the GOSS can quickly increase its own competence, this could result in more plunder rather than the long-awaited blessing that the war-torn region expects after independence. ●

UN rejects AU blockade plea

More troops for Amisom, perhaps, but no air or naval blockade for Somalia as the African Union tries to link Al Shabaab and piracy

The African Union has made a bold attempt to yoke the issue of Somali piracy to the *Shabaab* problem in the hope of getting United Nations Security Council support for an air and naval blockade. Despite intensive diplomatic efforts, the UNSC would not agree. The AU nevertheless has high hopes of what the African Mission to Somalia (Amisom) military force can achieve if it can get more financial support from the UN.

The AU Peace and Security Commissioner, Ambassador **Ramtane Lamamra**, has been very active on the diplomatic circuit, delivering his biannual briefing on Somalia to the AU's Peace and Security Commission (PSC) in mid-October before going to the Security Council for two days of back-to-back meetings on Somalia and on UN support for Amisom. Following the recent deployment of another **Ugandan** battalion and a support unit, bringing Kampala's contribution to five battalions, Amisom currently stands at 7,200 troops; **Burundi** has deployed three battalions and another is expected shortly.

July's AU summit in Kampala endorsed a call by the chiefs of staff of the regional Inter-Governmental Authority for Development (IGAD) to raise Amisom to 20,000 in two stages. The first would provide for 4,000 more troops for Mogadishu so as to consolidate the Transitional Federal Government (TFG) and to capture more ground.

Amisom and TFG troops control eight districts in the city's central and western areas, with five contested and four held by *Haraka al Shabaab al Mujahideen*. Amisom's calculation is that another 4,000 troops will enable TFG control virtually throughout the capital, including cutting off *Al Shabaab* and *Hizbul Islam* from Bakara market. The second stage would call for another 8,000 troops to expand TFG and Amisom control into southern and central Somalia. The appeal for a blockade was intended, among other things, to target Kismayo, whose port and airport are the main entry points for *Al Shabaab*'s arms supplies and from where the charcoal and livestock that are its financial mainstays are exported to Dubai, **Qatar** and beyond.

Any increase in Amisom numbers above the currently authorised 8,000 will depend on more money from the UN. The Prodi Panel report of 2008 suggested

ways for the UN to fund AU peacekeeping and peace-support operations but they have not been accepted. At present, the UNSC funds only Amisom and the hybrid UN African Union Mission in Darfur force, on an exceptional basis.

While there is support for more collaboration between the UN and AU, plus backing for an increase in Amisom's strength, the proposed naval and air blockade looks a non-starter. Under international law, aeroplanes cannot be shot down (the only sure method of stopping them) unless hostile intent can be proved. Nor can aircraft be tracked in and out of Somalia without 24-hour coverage by extremely costly airborne radar platforms. As the naval operations against Somali pirates have demonstrated, a naval blockade would be equally challenging.

KAMPALA KEEPS UP THE PRESSURE

Uganda has offered to provide all 20,000 troops the AU suggested as the Amisom requirement but the PSC wants to see more states send troops. A **Guinean** battalion is now expected in February or March but no other country has heeded appeals by the AU or **United States**.

The Security Council is due to meet on Somalia in mid-November and it is thought most unlikely to authorise a 12,000-troop increase for Amisom, although 4,000, bringing the total to 12,000 troops, is thought achievable. The numbers are only part of the story, however, and to deploy the troops, logistical support will probably be needed from US or European Union military resources. This could take time to organise.

At the end of October, the EU finished training 1,000 troops in Uganda and they were available to return to Mogadishu to join the 3,000 or so TFG troops which have had considerable success recently. *Al Shabaab* attempted a show of strength in its Ramadan offensive against the TFG but signally failed. It experienced important losses over several weeks and Amisom and TFG men occupied areas of Mogadishu previously closed to them. Latest reports say the advance, albeit slow, continues.

Also, there are persistent reports that some 2,000 Ogadeni fighters, recruited in **Kenyan** refugee camps from people who fled *Shabaab* and trained and armed in Kenya, may be deployed in an attack on

Kismayo. If this occurred and led to the creation of an Ogaden clan administration in Lower and Middle Juba, the Marehan clan, which has a claim to Kismayo, would not be pleased. Nor would Addis Ababa, which would be concerned for the security of the Ogaden areas of **Ethiopia's** Somali Regional State.

TFG bickering does not help the anti-Islamist operations. President **Sharif Sheikh Ahmed** and Speaker **Sharif Hassan Sheikh Adan** have been at loggerheads over Parliament's confirmation of Sheikh Sharif's choice of Prime Minister, **Mohamed Abdullah Mohamed**, and whether this should be by open or secret vote.

The argument even reached a point where the President wanted to arrest the Speaker. The issue, in fact, had little to do with the choice of Premier and everything to do with both the President (from the Abgal/Hawiye) and the Speaker (Rahenweyn) trying to lay a basis for continuing in office after next August, when the transitional process is due to end and a new constitution be implemented. It was this issue which led to September's resignation of Prime Minister **Omar Abdirashid Ali Sharmarke**, when he and the Speaker contacted international backers to discuss possible options for ending the transition without consulting President Sharif.

On 27 October, a joint delegation from the UN Political Office, the AU Commission and IGAD, headed by the UN Secretary General's Special Representative for Somalia, Ambassador **Augustine Philip Mahiga**, went to Mogadishu to hammer home to the TFG the need for real progress in setting up a new cabinet, outlining a roadmap for the remainder of the transition period and demonstrating the political cooperation demanded by the 2008 **Djibouti** Peace process. The AU, UN and IGAD are guarantors of the Djibouti process, which they all see as the only viable way forward. The delegation made little progress. Even though Parliament finally endorsed the Prime Minister last Sunday, the TFG's repeated failure to resolve its internal disputes and its apparent determination to continue to flout the international community is unlikely to appeal to the Security Council.

A mixed response can also be expected to the suggestion that all foreigners should pull out of Somalia, which **Sudan** is spreading among some diplomats, *Africa Confidential* understands. The National Congress Party regime is whispering that *Shabaab* represents the future and will do a deal, we hear. The NCP quietly announced months ago that it was 'mediating' in Somalia where it has close friends, including President Sharif, whom it hosted as a student. ●

Trade talk troubles

The EU's obstinacy over trade concessions to Africa is encouraging frustrated governments to turn increasingly to Asia

The partners are not equal in the negotiations for Economic Partnership Agreements (EPAs) on 'free trade' between the European Union and the 79 African, Caribbean and Pacific (ACP) states, which have been going on for eight years with little result. There are a host of participants (see Box) and the EU itself rarely speaks with one voice. Africa's trade with Asia and South America is now as important as that with the traditional European partners. At stake are not only the big political and economic issues but a host of complicated technical questions.

Of the six ACP regions, only the

Caribbean grouping, Cariforum, has signed (on 30 October 2008) an EPA deal compatible with the overriding rules of the World Trade Organisation (WTO). This promises, over 25 years, to reduce barriers to trade; Europe will cut its tariffs and quotas faster than its partners with protection for foreign investment and aid for poverty reduction. With the four African regional groups, progress is far slower. On 22 October in Brussels at the latest meeting of the EU-ACP Ministerial Committee, the ACP Chairman, **Paul Bunduku-Latha of Gabon**, spoke of a 'blockage in discussions at the technical level', requiring decisions

by heads of government, probably at the EU-Africa summit in Tripoli, **Libya**, on 29-30 November.

The EU had wanted the African regions to sign up to an agreement by the end of 2007, to meet a deadline set by the WTO. There were awkward issues about, among other things, bananas and sugar. Then things went slack, with the African partners holding back. Since 2007, the EU's three successive trade commissioners, **Peter Mandelson**, **Catherine Ashton** and now **Karel de Gucht**, have made deals with as many non-African partners as they could. The ACP group's former Assistant Secretary General, **Andrew Bradley**, says this has 'contributed to the fragmentation and deconstruction of the ACP group'. The EU complicated matters by continuing its discussions with the Economic Community of West African States while moving towards Interim Economic Partnership Agreements (IEPAs) with ECOWAS members **Côte d'Ivoire** and **Ghana**; no change has yet been implemented but this separate treatment could undermine regional integration in West Africa.

The EU insists on 'most favoured nation' status under the WTO, which does not allow countries to discriminate among their trading partners. In March, the EU therefore said that any preferences granted under the agreement with Côte d'Ivoire should match those granted to 22 countries, including **Brazil**, **China**, **Indonesia** and **Thailand**. Faced with objections from West Africa, the EU said it would not in future insist on broadening the preferences. Yet Côte d'Ivoire is still bound by the agreement it signed. In September, the West African group told the EU of its final offer, to liberalise trade by 69.69% by volume and 69.75% by value. De Gucht still insists on 80%.

Negotiations continue with the Central Africa group, although **Cameroon** signed an interim EPA in January 2009. Within the 19-member Eastern and Southern group, the EU negotiates with individual member countries and signed an interim EPA in August 2009 with **Madagascar**, **Mauritius**, **Seychelles** and **Zimbabwe**. With the East African Community, negotiations for an IEPA are under way with a subgroup consisting of **Burundi**, **Kenya**, **Rwanda**, **Tanzania** and **Uganda**. The big outstanding issues are the most-favoured-nation treatment, economic development and export taxes.

For the Southern African Development Community (SADC: **Botswana**, **Lesotho**, **Mozambique**, **Namibia**, **South Africa** and **Swaziland**), the EU is negotiating an EPA, and the President of its Council of Ministers, **José Manuel Durão Barroso**, recently told SA President **Jacob Zuma** that he hoped for completion by the end of 2010. South Africa's Trade and Industry Minister, **Robert Davies**, called this

PUSHING EUROPE TOWARDS AFRICAN FARMS

Strong criticism has been levelled at European Union and Western companies for failing to match the pace of Asian investment in African agriculture. A new report published in London says agricultural subsidies paid to European farmers still tilt the market against many African agro-exports. Governments in Africa are boosting agricultural spending to increase productivity and food security but lack serious support from Europe, according to the *Montpellier Panel Report, Africa and Europe: Partnerships for Agricultural Development**, launched in London on 26 October.

The report suggests that the EU and its investors should make long-term investments in African agriculture, citing the **Rwandan** government increasing agriculture's share of public spending from 3% in 2005 to 7% in 2010. It also notes the Central Bank of Nigeria's August agreement with the Alliance for a Green Revolution in Africa – which is also backed by **United States** tycoons **Bill** and **Melinda Gates** – to improve the availability and affordability of credit and finance for farmers so that they can invest more. In sub-Saharan Africa, agriculture accounts for 80% of employment and contributes 50% to gross domestic product, while 80% of household income is spent on food.

At the 2009 G-8 summit in L'Aquila, **Italy**, European governments and the USA agreed to donate US\$22.5 billion to aid global food and nutritional security. However, there is concern that Europe may not meet its commitment. Washington has set up the Feed the Future programme and promised to invest \$3.5 bn. over three years but after that, plans are less definite. **Brazilian**, **Chinese** and **Indian** donors are investing strongly, though. In May, Brazil hosted a 'Brazil-Africa Dialogue on Food Security, Combating Hunger and Rural Development', attended by ministers and officials from 35 African countries. July saw the launch of the Africa-Brazil Agricultural Marketplace. The New Delhi government is reported to be about to join the USA in investing in African agriculture.

As Africa's largest agricultural development donor, the EU should use its resources to sustain the momentum of projects such as the Comprehensive Africa Agriculture Development Programme, the Montpellier report said. CAADP was set up by the African Union's New Partnership for Africa's Development (Nepad) to boost food security, nutrition and increase the incomes of farming-dependent countries. Combating chronic hunger was also on the list of recommendations. Nepad figures on nutrition security show that 200 million Africans are chronically malnourished and that as a result, there are twelve deaths per minute from hunger and malnutrition.

European leaders should do their utmost to help Africa to develop its agriculture and achieve food security, said **Steven Wiggins** of Britain's Overseas Development Institute. Moreover, appropriate technology to mitigate the effects of climate change must be developed if Africa is to benefit. Climate change, food security and the application of new technology to agriculture in the Global South are hot topics now which will get a further airing at the third Africa-EU summit in **Libya** in November. ●

*Research by Imperial College, London, financed by the Gates Foundation.

unrealistic. In June 2009, the EU signed IEPAs separately with Botswana, Lesotho, Mozambique and Swaziland but South Africa wants more than they were offered, and Namibia didn't sign, either.

An interim EPA brings African signatories access to the European market free of customs duties and quotas (without giving the European partners the same) and relaxes some rules of origin. Countries without EPAs remain within the EU's Generalised System of Preferences, whose terms are less favourable than those of the old Cotonou Preference system.

Bunduku-Latha says the delay is not important as long as the objectives remain development, regional integration, growth, investment and the development of trade. Substance matters more than timing and the EU must not forget that the aim is poverty reduction. De Gucht agrees that there is no immediate way through but the impasse cannot last. He confirms that aid is still necessary and recognises that reducing customs duties will badly affect countries whose government revenues rely heavily on them.

It is wrong to identify the ACP as the petitioner and the EU as the donor, argues Bunduku-Latha. He says Europe needs Africa, not least as part of its worldwide network of alliances, and calls for a bit more 'humanism and flexibility'. Europe's policies, he says, contradict each other, since by dismantling Africa's fiscal arrangements, they would slow the process of regional integration. He resists the abolition of export levies and their replacement by value added taxes, which are already too high at 19-20% and do not

COMPLEX ARCHITECTURE BUT NO DEAL

Africa is larger, politically more varied and much poorer than the island states that constitute its colleagues in the African-Caribbean-Pacific (ACP) group. Like them, its relationship with the European Union is inherited from the colonial period but the present EU feels less strongly about that since its expansion to include some former Eastern Bloc countries, which were themselves quasi-colonies until very recently.

The current, stalled negotiations concern Economic Partnership Agreements, whose objective is gradually to reduce most of the tariffs and quotas that obstruct trade. This negotiating process is subject to the free-trading rules of the World Trade Organisation, whose advantages are clearer for rich countries than for poor ones.

Eurostat, the European Commission's statistical office, reports that EU-ACP trade amounted in 2009 to 111 billion euros, with a 3.6 bn trade surplus for the ACP. The EU is the ACP's leading trade partner, with 25.1% of the total, ahead of the **United States** (14.7%), **China** (12.8%), **India** (4%); **Japan** (3.1%) and **Brazil** (2.7%). The EU is also the biggest donor, with E22.682 bn. of grants committed for 2008-13, including a E2 bn. 'aid for trade' package intended to help the ACP to adjust to the EPAs. These figures do not include bilateral aid from EU member states or loans from EU financial institutions; the European Investment Bank is financing up to E1 bn. per year in ACP states. These sums are far larger than those on offer from the USA, China other big trade partners.

African countries negotiate with the EU in four regional trading groups: West Africa, Central Africa, the Southern African Development Community, and Eastern and Southern Africa. To complicate matters further, the regional groups may change shape after January 2011, when a summit meeting of the southern, central and eastern groups will discuss a 'Grand Free Trade Area' to include them all. It would then have to harmonise its members' trade arrangements with the EU and other foreign partners. ●

bring in enough revenue to finance the necessary development budgets.

A study by **Sanoussi Bilal** and **Vincent Roza** of the European Centre for Development Policy Management in Maastricht, **Netherlands**, found, for example, that implementing the EPA would cost **Ethiopia** 15.4% of its customs revenue – equivalent to 4.9% of public revenue. For SADC, the loss would be 19.4% and 5%; for Mauritius, 72% and 12.4%; for the countries of the

Communauté Economique et Monétaire de l'Afrique Centrale, 42.2% and 10.5%. The authors estimate that the required tax reforms would cost 3 billion euros (US\$4.18 bn.) for all ACP states, one third of that in Ecowas.

Technical obstacles include such details as the regulation of agricultural chemicals and the resulting EU inspection procedures, reported to hamper exports of fish from SADC countries and flowers from East Africa. ●

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Zimbabwe

LYING BIG, LYING OFTEN

■ The Zimbabwe African National Union-Patriotic Front approaches its annual congress in better shape than a year ago and owing much to **Jonathan Moyo's** tactical thinking. He will probably be rewarded with a coveted seat in the Politburo. His readmission to ZANU-PF in late 2009 was seen then as a desperate measure by a demoralised party. But Moyo attached himself to the camp of Defence Minister **Emmerson Mnangagwa**, devising a strategy that first boosted Mnangagwa's position before being adopted to revitalise the whole party.

A year later, ZANU-PF is riding high. Moyo's tactic – dubbed 'Lie often, lie big' – is to claim every Movement for Democratic Change ministerial success as evidence of ZANU-PF's farsightedness, while every ZANU-PF failure is blamed on Western sanctions 'inspired by the MDC'.

Moyo has also targeted young people to broaden ZANU-PF's base, using his talents as a songwriter. He composed the national football team's battle jingle 'Go Warriors, Go!' which was played on television whenever the national team appeared in the build up to the 2004 African Cup. After Moyo's expulsion from ZANU-PF, it faded out. Now though, catchy pro-Mugabe jingles are back on the air.

Another astute manoeuvre concerned the 'Big Brother Africa' contest on **South African** TV and Zimbabwean contestant **Munyaradzi Chidzonga**. The state media hyped up 'Munya', who made the final round before being pipped to the post by a **Nigerian**. There was a howl of protest in Zimbabwe that the vote had been rigged and the unspoken hint that the MDC and its Western paymasters were responsible. When Munya returned from Johannesburg, he was whisked off to a reception at State House, where President **Robert Mugabe** presented him with the US\$300,000 prize money of which he had been 'cheated'.

Munya hailed Mugabe and promised to mobilise support in the coming elections. The independent paper *Newsday*, however, rained on Moyo's parade by republishing an article he wrote in 2007, where he remarked that Mugabe was so old that he only enjoyed talking to himself.

Uganda

THE BOUT BEGINS

■ The shadow-boxing is at an end. Uganda has its eight candidates for the 18 February presidential election after two fraught days of nominations at Namboole Stadium in Kampala on 26 and 27 October. Campaigning is now in full swing. The most

crucial move had come days earlier, when President **Yoweri Museveni** announced the reopening of CBS, a Kingdom of Buganda radio station shut down by the government, which accused it of inciting riots in Kampala in September 2009.

The year-long ban was the main bone of contention between Museveni and King **Ronald Frederick Muwenda Mutebi II**. Museveni is now seeking to rebuild bridges with Buganda. He needs to retain support in Kampala and central region to ensure a first-round win next year. With nine million registered National Resistance Movement (NRM) members on the disputed electoral register, in a total of some 15 mn., that still looks the likely outcome.

Kizza Besigye, competing in his third successive election, remains the greatest threat to Museveni. His Forum for Democratic Change (FDC) dominates the Inter-Party Cooperation alliance and is working to keep the NRM vote below 50%, so as to force a run-off and place renewed international pressure on the government in the event of an obviously rigged vote.

Olara Otunnu of the Uganda People's Congress, who pulled out of the opposition coalition in August claiming the poll would be too tainted to be worth contesting, performed a *volte-face* under UPC pressure and decided to run. The election will be contested by Museveni (NRM), Besigye (FDC), **Norbert Mao** (Democratic Party), **Jaberi Bidandi Ssali** (People's Progressive Party), **Beti Olive Kamywa** (Uganda Federal Alliance), **Abed Bwanika** (People's Development Party), **Olara Otunnu** (UPC) and **Samuel Lubega** (Independent).

Zimbabwe/Britain

SANCTIONS FRAYING FAST

■ As Harare steps up pressure for the European Union to abandon its sanctions on Zimbabwe, it has emerged that a British-based bank has found a legal way to circumvent the ban on loans to President **Robert Mugabe's** allies. According to the Reserve Bank of Zimbabwe (RBZ), Britain's Standard Chartered Bank has been routing loans through local banks in Zimbabwe because of sanctions, which the EU renewed for another year in February.

Britain's Treasury said it was 'monitoring' the situation. **Menzies Campbell**, former leader of the Liberal Democrat Party, accused Standard Chartered of 'breaking the spirit' of sanctions. However, as Zimbabwe's three main parties now oppose sanctions, as do all governments in the region, Standard Chartered's policy may prove diplomatically astute.

In July, RBZ Governor **Gideon Gono** said Standard Chartered, Tian Li, a **Chinese** tobacco trader, Afreximbank and PTA Bank were responsible for at least US\$442.5 million in credit-lines, approved by the RBZ, which had gone to 23 Zimbabwean companies this year. Gono, himself under

EU sanctions, wrote: 'Due to sanctions Standard Chartered Bank London mainly lends through syndicated facilities through Afreximbank (affiliated to the African Development Bank) and the PTA Bank (East and Southern African Trade and Development Bank).' Standard Chartered says all lending conformed to EU sanctions and was done through its wholly-owned subsidiary, Standard Chartered Zimbabwe. It insisted that there was 'no lending whatsoever' between the two.

Afreximbank says Standard Chartered had a \$50mn. revolving credit facility which it lent to the Zimbabwe cotton company AICO, formerly Cotco. **Sylvester Nguni**, Minister of State to Vice-President **Joice Mujuru**, also under EU sanctions, is an AICO shareholder, according to its latest share registry. Gono is also a shareholder through his investment in Sakunda Energy, a petroleum distribution company, as is Mujuru's husband **Solomon**, also under sanctions, through various nominees, says a source close to AICO. Mujuru's partners are hotel and banking tycoon **Farai Rwodzi** and Zimbabwe African National Union-Patriotic Front Mashonaland East Chairman and former Governor **Ray Kaukonde**.

Tanzania

DOWN BUT NOT OUT

■ The general elections were won, as predicted, by the *Chama cha Mapinduzi*, which did however suffer some setbacks. Exitpolls showed President **Jakaya Kikwete** in the lead but with two of his ministers, **Batilda Salha Burian** (Environment) and **Lawrence Masha** (Home Affairs) losing their seats to the opposition *Chama cha Demokrasia na Maendeleo* (Chadema, AC Vol 51 No 21). Other senior CCM losers include **Monica Mbega**, **Getrude Mongela** (former Chair of the African Parliament), **Mohamed Abdulaziz** and former Industry Minister **Anthony Mwandu Diallo**.

Of the 232 constituencies, Chadema appeared to have won at least 60; in the last Parliament, it had five. Its Deputy Secretary General, the youthful **John Mnyika**, won in Dar es Salaam's Ubungu constituency. **John Shibuda**, once a senior CCM cadre, got back into Parliament, this time on a Chadema ticket.

In Tarime, Chadema was defeated by its own splits; **Charles Mwera**, having lost the party primary, moved with his supporters to the Civic United Front and split the opposition vote: CCM reaped the reward. Delays in announcing results gave rise to sporadic clashes in Dar's Temeke and Mwanza's Nyamagana constituencies, where Masha was defeated by newcomer **Ezekiel Wenje**. The Vice-President of Zanzibar, the CCM's **Ali Mohammed Shein**, won its presidency. Second came the CUF's **Seif Sharif Hamad**, who will nonetheless join the government under the Government of National Unity rules.

BLUE LINES

The Nigerian government's seizure of a clandestine shipment of arms from Iran in Lagos port has disrupted Tehran's carefully orchestrated wooing of Africa. On 12 November, Foreign Minister Odein Ajumogobia launched an investigation into the intercepted consignment, which contained rockets and explosives, and demanded that the Iranian Embassy hand over two men it was sheltering. Nigerian security operatives said the two were members of the elite *Al Quds* unit of the Revolutionary Guards, specialising in foreign operations.

Tehran's Foreign Minister Manouchehr Mottaki broke off from a tour of West Africa to discuss Nigeria's concerns with Ajumogobia and the possible reporting of Iran to the UN Security Council for breaking its arms embargo. Mottaki then handed over one of the Iranians but claimed diplomatic immunity for the other. The encounter shed little public light on the intended recipients of the arms.

Some suggested they might have been bound for Gambia, whose volatile President Yahya Jammeh is an enthusiastic supporter of President Mahmoud Ahmadinejad and has a penchant for backing regional insurrections and drug lords. Israel accused Iran of trying to smuggle the arms into Gaza for Hamas but most of the documentation found with the arms suggests that Nigeria was the final destination. Local officials are concerned the shipments were intended for radical Shia groups in northern Nigeria, which Iran was already known to be financing.

GUINEA

Over the new rainbow

Election winner Alpha Condé's promise of national reconciliation is put to the test as his opponents' supporters take their disputes to the street

The first test started within hours of the announcement on 15 November of the victory of **Alpha Condé** in the second round of the presidential election with 52.5%, when supporters of the losing candidate, **Cellou Dalein Diallo**, rejected the result and took to the streets. Despite Condé's offer of a 'brotherly hand' to Diallo 'to build a united and prosperous Guinea', neither leader has been able to restrain their supporters. By 17 November, local human rights groups were reporting that ten people had died in street battles and 200 had been injured.

Although Condé, of the *Rassemblement pour le Peuple Guinéen* (RPG), has tried to play down fears of a worsening confrontation between his Malinké people (35% of the population) and the Peulh/Fulani (40%) who mainly support Diallo, the outgoing military regime under General **Sekouba Konaté** has declared a state of emergency. Few believe this is a device for the military to stay on, given Konaté's apparent determination to hand over power. We hear, though, that Condé is urging him to take a role in government, perhaps to oversee the long talked about, far-reaching military reforms. Some military cooperation will be needed to help stabilise the newly elected government, but already the army is being accused of victimising Diallo's supporters.

Condé's skilful assembling of his winning 'arc-en-ciel' (rainbow) alliance surprised sceptics who argued that his years in exile had left him out of touch with local political sentiment. He has recruited two former Prime Ministers to his team, **François Lonsény Fall** and **Lansana Kouyaté** (former Executive Secretary of the Economic Community of

West African States) and a former Finance Minister, **Ibrahima Kassory Fofana**.

Insiders suggest Condé may offer senior jobs to both Diallo and his ally, another respected former Prime Minister, **Sidya Touré**. One observer remarked that Condé would have to 'find ways to accommodate another 14 presidential candidates in his new administration – having brought into his campaign most of the candidates defeated in the first round of voting. Condé talks about national reconciliation but will want to build as stable a government as possible.' For now, civil activists say his stock runs high as a 'man who has nearly been killed several times for standing up for his political beliefs.'

INDIVIDUALS AND AGENDAS

To succeed, Condé must knit together an alliance of 16 parties along with some awkward individuals, their interests and agendas. Fall and Kouyaté are useful to have around. Both dispose of impressive international diplomatic networks and a reasonably clean image. They are likely to get senior jobs, as will Ibrahima Fofana, who in the 1990s ran the Finance Ministry until a falling out with Conté, after which he went into academia in the **United States**. Also in the running would be **Hadja Saran Daraba**, a former minister in one of Conté's many short-lived cabinets, who won plaudits as a peace activist in the Mano River Union.

Then there are the more awkward allies who, having gained power and influence under military regimes, were able to deliver some key constituencies and districts to Condé's election campaign. Former hardline Interior Minister **Kiridi Bangoura**, who

ZIMBABWE

2

CÔTE D'IVOIRE

4

ZAMBIA/CHINA

5

SUDAN

6-7

NIGERIA

8

A multi-faceted business

Intrigue over the ownership of – and profits from – the rich Marange diamond fields.

Holding their breath

Gbagbo and ADO will have to ensure the results of the coming elections are accepted by all.

Mining for votes

Firebrand politician Michael Sata's anti-Chinese rhetoric is helping the opposition's election campaign.

Abyei waits

Khartoum fights its corner over the Abyei referendum and outflanks the SPLM and the USA.

LIBERIA 8-9

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POINTERS 12

CONDÉ'S HARD WON VICTORY

It has taken **Alpha Condé** three attempts, a long battle with military regimes and incarceration and torture by one of them to win his country's presidency. Condé was born in 1938 in the aluminium town of Boké, in the coastal region. In the 1960s and 70s, he studied law, sociology and political science at the Sorbonne and at Sciences-Pô in Paris, getting swept up in the protests of May 1968.

When it became clear that **Ahmed Sékou Touré** was turning Guinea into a police state and family business, Condé campaigned against him, earning a death sentence *in absentia* in 1970. After Sékou Touré's death, Condé returned to see if the new regime under the then Corporal **Lansana Conté** was serious about its promises to hand over to a democratic government. Professor Condé went into full-time politics in the 1990s and began building his *Rassemblement du Peuple de Guinée* into an efficient political machine which was halted in the 1993 elections only by massive fraud by President Conté, who claimed a narrow victory.

Earlier this year, Condé told the **French** newspaper *Libération* that in 1993 the army had offered to help him seize power, but he had refused. Five years later, Condé and Conté squared off once again in an electoral contest, but this time the incumbent's claimed win bore no relation to actual political support. Conté then had his rival arrested as he was fleeing the country. In Conakry's notorious Central Prison he was tortured and then finally 'pardoned' in May 2001 before going into exile again.

Conté died in late 2008, prompting another coup by a young and chaotic officer, Captain **Moussa Dadis Camara**. After several violent months in power, during which more than 157 unarmed demonstrators were massacred in Conakry's biggest stadium (AC Vol 50 No 20), Camara was chased from power by military rivals who finally announced a credible election timetable. That brought Condé back for his third time lucky bid for the presidency. ●

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

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became Condé's campaign manager, is a case in point. Another is **Alpha Ibrahima Keira**, who was close to the underperforming Texas oil firm Hyperdynamics. A colourful business acquaintance, **Gambian-based Mamadou Sylla**, is also a liability, as is **Mohamed Touré**, grandson and chief apologist of founding President **Ahmed Sékou Touré**.

Papa Koly Kourouma proved electorally helpful in the *Guinée forestière* constituencies, but his close ties to the former military leader, Captain **Moussa Dadis Camara** make any role in government highly problematic. ●

ZIMBABWE/DIAMONDS

A multi-faceted business

Intrigue over the ownership and profits from the rich Marange diamond fields is causing dissension in State House

The growing political crisis over the management of the rich Marange diamond fields shows how important this huge new revenue source is for President **Robert Mugabe**, politically and personally. Mugabe and his Mines Minister **Obert Mpofu** refuse to acknowledge criticism from the Kimberley Process watchdog about the accountability of Zimbabwe's fast-growing diamond industry. The collapse of the Canadile Miners company operating in tandem with the government in Marange will have serious political consequences.

Political insiders in Harare dismiss the reports, widely carried in foreign newspapers, that the Reserve Bank of Zimbabwe Governor, **Gideon Gono**, had a romantic liaison with the First Lady and they were partners in Canadile's operations. We understand, however, that **Grace Mugabe** has indeed been pursuing her own business interests in Marange (AC Vol 51 No 12), some of which involve operations with traders from Hong Kong, where she has property investments.

Senior **Chinese** officials, including President **Hu Jintao**, were concerned enough about this relationship to inform

President Mugabe personally that these Hong Kong traders had links to Triad criminal syndicates, which have already established a strong base in **South Africa**. Mugabe, who is said to be furious at the diplomatic embarrassment caused by these revelations and security breaches, has ordered an investigation of all the entities operating in Marange.

The first victims of the presidential order were the directors of Canadile Miners, one of the two officially sanctioned companies exploiting the Marange field. The directors were arrested in Mutare, in the course of what was billed as a government crackdown on illicit mining and smuggling. Meanwhile, the Kimberley Process Certification Scheme (KPCS), which is meant to prevent conflict or 'blood' diamonds reaching the retail trade, has suffered another blow to its diminishing credibility after failing to deal with the allegations of smuggling, illegal mining and human rights abuses by the Zimbabwean military at Marange.

During its annual meeting in Jerusalem in early November, the KPCS failed to reach agreement on what to do about Marange. Zimbabwe's Mining Minister, **Obert**

Mpofu, whom one of Canadile's arrested directors accused of soliciting bribes, told the KPCS meeting that Zimbabwe would accept no conditions on the mining and marketing of its diamonds. As KPCS is run by consensus, there is nothing other members can do. Previously, there had been negotiations between KPCS and Harare but they have not restarted.

It is the developments within Zimbabwe that are causing greatest interest, though. **Farai Maguwu**, Executive Director of the Marange-based Centre for Research and Development (CRD), who was arrested in June and held for five weeks after holding a meeting with the South African KPCS monitor, **Abbey Chikane**, has been relieved of charges against him of uttering 'falsehoods prejudicial to the state', which carry a maximum term of 20 years. Before the charges were dropped – over the objections of state prosecutors – Maguwu had claimed he was set up by Chikane whom, in a reference to the Mugabe's Zimbabwe African National Union-Patriotic Front (AC Vol 51 No 22), he accused of being part of the 'ZANU-PF gravy train'. Maguwu's arrest followed his handing over documents to Chikane concerning the corruption around the diamond mines and human rights abuses.

The dropping of Maguwu's charges and the arrests of the Canadile directors two weeks later, however, suggest the gravy train has hit a bump. Canadile is a joint venture of the South African firm Core Mining and Minerals and the state-owned Zimbabwe Mining Development

Corporation (ZMDC). No tendering process was gone through and Mpofu simply announced the two joint ventures – the other is Mbada Minerals – as the new operators of the Marange concessions.

The arrested directors are ZMDC Chief Executive **Dominic Mubaiwa**, its Chairwoman **Gloria Mawarire**, board members **Ashton Ndlovu** and **Mark Tsomondo**, Canadile Mining Secretary **Tichaona Muhonde** and company representative **Lovemore Kurotwi**. They were accused of misrepresenting Canadile's financial and technical resources to the government when the joint venture was formed. They had claimed that their foreign partner and main source of development capital was the weighty **Israeli** diamond concern **Beny Steinmetz** Group Resources. They tried to keep the 'involvement' of BSGR secret but in late September, the company found out and issued strong public statements as well as messages to Harare that it had nothing whatever to do with Canadile.

All the directors were released on bail except for Mubaiwa. Kurotwi was personally interviewed by Mugabe, say local reports, about the source of the capital and where the promised US\$2 billion in investment was supposed to come from. The Movement for Democratic Change (MDC) says that some of the directors were diamond smugglers and mercenaries. Most speculation about the real power behind the joint venture centres on the belief that it is a front for the interests of the military in the Marange fields. According to reports by human rights organisations, the armed forces pressgang artisanal miners into syndicates which they control and organise the smuggling over the nearby **Mozambican** border. Kurotwi has been accused of involvement in the 1985 Matebeleland massacres and is a long-serving ZANU-PF member.

With Canadile out, the only officially recognised company exploiting the 2,000 hectare concession at Marange is Mbada. It includes among its directors ZMDC official **Alex Mukwekweze** (although some reports say he resigned) and **Robert Mhlanga**, a retired Air Vice-Marshal who was formerly Mugabe's personal helicopter pilot. Another director is **David Kassel**, head of a controversial South African scrap metal company, New Reclamation Resources. NRR reportedly had to pay a large fine to South Africa's business authorities for allegedly fixing metal prices. There is no evidence of NRR having experience in the mining field.

The exploration rights in Marange belonged to the **British**-registered mining company African Consolidated Resources, which bought them in 2006. However, ACR's concession was seized by the government and all its staff evicted. In 2009, Justice **Charles Hungwe** of

Zimbabwe's Supreme Court ruled that ACR legally owned the mining rights to the site. This year, the ruling was reversed when Hungwe declared that ACR's subsidiaries were not legally registered at the correct time, rendering the licence void. ACR's **Andrew Cranswick**, a Zimbabwean, contests the decision and still has hopes of clawing back at least some involvement in the bonanza. **Solomon Mujuru** is reported to be among his shareholders, which would indicate that Cranswick's hopes may not be entirely misplaced.

'STAGGERING' OUTPUT

Mining sources have described the productivity of the Marange field as 'staggering'. In August 2010, the government sold 900,000 carats of rough diamonds under the auspices of the KPCS, generating \$56 million of revenue, of which the state allegedly received \$30 mn. The opportunities for individuals to be enriched, as well as the state, appear irresistible. Maguwu told *Africa Confidential*, 'Having conducted the first auction publicly, the government recently conducted the second auction secretly, ostensibly to protect the interests of its clients who prefer not to be named. This means the public is neither informed of the volume of diamonds sold nor the revenue collected.'

MDC Prime Minister **Morgan Tsvangirai** has said he has little idea of the financial structure of NRR. NRR

created an offshore company, Grandwell Holdings Limited, in **Mauritius**, whose confidentiality rules mean that the shareholders in the Mbada joint venture remain unknown. When the Parliamentary Portfolio Committee on Mines and Energy questioned Mubaiwa last February, he admitted that, 'it would have been difficult to do due diligence on Grandwell because it is a paper company registered in Mauritius.'

Maguwu says that Marange diamonds could find their way out of the country on to the international markets through one or both of Zimbabwe's other diamond mines: River Ranch, near Beit Bridge, and Rio Tinto's Murowe, close to Hot Springs. In 2009, investigators claimed that River Ranch, which was previously owned by Solomon Mujuru, had used United Nations Development Programme vehicles to smuggle diamonds abroad.

Some in Zimbabwe see Mujuru as one of Mugabe's most dangerous rivals for power and they have been speculating that diamond revenue is being used to consolidate political positions for both men within ZANU-PF. Mujuru is also the husband of Vice-President **Joice Mujuru**. Local sources say he obtained KPCS certification for River Ranch diamonds in 2008, by removing **Priscilla Mupfunira**, the head of the Minerals Marketing Corporation of Zimbabwe, the body responsible for KP-certification, who had been withholding certification. ●

OLD CROCODILE, YOUNGER CROC

Grace Mugabe, widely known as the country's First Shopper, has, like Marie-Antoinette, a penchant for diamonds and playing at milkmaids. Her model farm, Gushongo Dairy, is so named after husband **Robert's** latest nickname '**Gushongo**' – an obscure Shona totem name for the wily old crocodile. An earlier nickname '**Jongwe**' (the rampant cockerel and the Zimbabwe African National Union-Patriotic Front's emblem) seeming increasingly inappropriate for an elderly gent, no matter how spritely.

Papa Croc's own complimentary weakness is a delight in dressing up. In the past year, he has been seen in a judo outfit, doing a passable *qatah* for a **North Korean** award of an honorary black belt, and in the flowing garments of a prophet of the indigenous Apostolic Sect, to rail against gays and lesbians. Most recently, at the chiefs' annual *Indaba*, which called for him to be Life President, he donned the black and white chief's *agbada* and cap, presented by a visiting **Nigerian** chief.

The role of Baby Croc is taken by **Emmerson Dambudzo Mnangagwa** (64), whose nickname is '**Ngwenya**', also meaning crocodile but in Sindebele. Defence Minister Ngwenya likes to visit the army units deployed around the country by helicopter. The only thing which distinguishes the MOD helicopter from the jealously guarded presidential flight is the colouring and the decals (stickers), details which the peasantry would be forgiven for overlooking. Mnangagwa has reassured Parliament that the military deployments are purely routine and have nothing to do with the possibility of elections in 2011. What he did not say was that some 3,000 officers have been granted extended leave and been seconded to ZANU-PF structures around the country. The lynx pin of the 'boys on leave' operation is Air Vice-Marshal **Henry Muchena**.

Muchena, a rising star, will be helped by the likes of Brigadier General **Douglas Nyikayaramba**, who once served as director of elections, having ostensibly retired from the army. Now back in full fig, he told an 'indoctrination workshop' in Mutare that only chiefs and war veterans had the right to hold rallies without approval from local army officers and demanded that the chiefs back ZANU-PF; civil servants who had not publicly declared their allegiance were traitors: 'Mugabe will remain in office for life'. ●

Holding their breath

Both contenders will have to ensure the results of the coming elections are accepted by all, if they are to mark an end to the civil war

The most critical point about the second round of the presidential election on 21 November, said a veteran Ivorian politician, is not who wins but getting everyone to accept the result. The political map remains regionally divided and the election will be decided by the supporters of **Henri Konan Bédié**, who was knocked out in the first round, having come third with 25.2% of votes cast. In the north, clearly **Alassane Dramane Ouattara** (ADO) will win while President **Laurent Gbagbo** will take the Bete vote in the west and many votes in Abidjan, the commercial capital. But how many electors will abstain and what impact that may have is unknown. So far, there have been only isolated incidents of voter intimidation but that could worsen over the coming days.

Incumbency and natural political guile still give Gbagbo an advantage. He is a master of innuendo and of forcing his opponents on to the back foot. He publicly fulminated about an open meeting between Ouattara and **Senegal's** President **Abdoulaye Wade** on 11 November, after the first round of voting. Gbagbo's anger was aimed at stirring suspicions that Wade, a foreigner and a Muslim, was intervening in Ivorian politics by funding Ouattara's campaign. ADO is also Muslim and was previously barred from standing because he was depicted as foreign. Gbagbo has never forgiven Wade for comparing his *Ivoirité* policy (AC Vol 51 No 5) to the policies advocated by **France's** fascist Front National. The incident shows Gbagbo can set traps and Ouattara may walk into them.

Despite Gbagbo's political dexterity, the race is genuinely open. There is no definite winner. The Baoule people who supported Konan Bédié in the first round are not open about their voting intentions. Many analysts were convinced it was going to be a Gbagbo-Bédié final. Many electors say they are ready for a change. Gbagbo's line that the war has 'prevented' him and his *Front populaire ivoirien* (FPI) from moving the country forward is sounding tired. So Ouattara and Bédié may play on their former political roles in the glory days of founding President **Félix Houphouët-Boigny** and allude to past prosperity and national pride. For many more youthful electors, though, that will seem aeons ago.

Despite some apprehension and the

continued closure of businesses and shops, the country remained calm after the first round. The Constitutional Court validated the results on 7 November, giving Gbagbo 38.04%, a lead of some 275,000 votes over the one-time Prime Minister, Ouattara, who took 32.07%. The leader of the *Parti démocratique de Côte d'Ivoire* (PDCI), king-maker Bédié, garnered 25.2%. He challenged the result but the Constitutional Court rejected his plea, declaring that his call to his supporters to rally around Ouattara under an electoral pact that goes under the name *Rassemblement des Houphouëtistes pour la démocratie et la paix* effectively invalidated his protests. Privately, sources close to Bédié have said, he had long accepted his defeat but wanted to be seen to go down fighting.

CASH FOR VOTES

The results yielded few surprises. Gbagbo's stronghold is in the southern Lagunes region, which includes Abidjan and accounts for over 30% of the electorate. As well as pockets of support in Abidjan, Ouattara had sweeping victories in the northern rebel-held zones, pegging 73.4% at the lowest end and 93.4% at the top. Bédié failed to dominate outside his ethnic base of Baouleland, in the west of the country. In almost all cases, votes garnered outside traditional ethnic or religious bases were accounted for by settlers or by campaigners paying cash for votes.

The United Nations mission, the *Opération des Nations Unies en Côte d'Ivoire*, said some 'discrepancies' – including the actual number of voters exceeding registered electors – were 'inadvertent errors' that had no bearing on the overall results. As required under the 2007 peace accord, ONUCI chief **Choi Young-jin**, validated the results, on 12 November. To win the second round, Gbagbo needs about half of those who voted PDCI to switch to him, while Ouattara needs two-thirds. Those of Bédié's Baoule voters who are mainly settlers in the western areas are thought unlikely to vote for Gbagbo, given a history of enmity with his Bete tribe. However, the Baoule are scattered as far as the north, where the dynamics are far more fluid. Many may also abstain from voting rather than choose a northerner.

'This affair is not clear because the

race is truly open,' one insider noted. Officially, the PDCI has thrown its weight behind Ouattara. Despite historically strong personal differences between the two men, Ouattara has been referring to Bédié as his 'older brother' and the latter is being equally warm. A widely held view among many Baoule is that they must vote for Ouattara if they are to have any chance of influencing events in the future. Nonetheless, the two candidates have strikingly divergent ideologies and the FPI has tried to exploit this, calling the two an 'unnatural alliance.'

The Gbagbo camp turns to nationalist rhetoric in party speeches. Abidjan's streets have been flooded with smudged photocopies of an old newspaper cutting announcing Ouattara's 1984 elevation to be Director of the Africa Department of the International Monetary Fund, when he had *Burkinabè* nationality. The FPI's mantra is that Ouattara is the 'curse' of the nation, a clear allusion to the rebellion.

Behind the scenes, ONUCI and the European Union are working frantically to plug gaps in security that emerged during the first round. One key element to lowering the risk of violence will be to ensure the results are released no later than 24 hours after the polls close, a logistical task that previously overwhelmed the *Commission Electorale Indépendante*. The mediators are also pushing for the tallied results to be made publicly available in each polling centre, a move the CEI has so far resisted. The EU mission also criticised the final ballot collation at the CEI's Abidjan headquarters as 'opaque' and has called for international observers to be present this time around.

The transport of ballot boxes remains a sticky issue. Although the UN can provide secure transport from local electoral centres to the Abidjan headquarters, transport from the polling stations to the local centres will be not be protected. The *Forces Nouvelles* (FN) have called for their former rebel leader and Prime Minister **Guillaume Soro** 'and his government' to be more involved in transporting ballot boxes. This is a riposte to the presidential camp's request for increased ONUCI involvement after allegations that rebel commanders had influenced Ouattara's results in their zones. Soro continues to maintain a neutral stance. One of his confidants said that he plans to seek election when there are legislative polls.

The north, where Gbagbo's FPI is most likely to contest results if they go badly for the party, and the volatile west are potential flashpoints. Clashes between youths in Abidjan are also seen as a danger. 'This is the really big headache,' one security official told *Africa Confidential*. The security forces in Abidjan are largely pro-FPI, an official said, and that could be another problem. ●

Mining for votes

Firebrand politician Michael Sata's anti-Chinese rhetoric is helping the opposition's campaign ahead of next year's elections

Opposition politicians and trades unionists have gone on the offensive since **Chinese** managers at the Collum coal mine shot protesting Zambian workers on 21 October. The charge is led by the veteran opposition leader **Michael Sata**, whose Patriotic Front (PF) will oppose the governing Movement for Multiparty Democracy (MMD) in next year's elections. 'I can't see any investor in the People's Republic of China shooting any Chinese and getting away with it,' said Sata, a former colonial police officer and veteran politician whose main political base is the Copperbelt unions.

President **Rupiah Banda** accuses the opposition of trying to stir up hatred against the estimated 100,000 Chinese now living in Zambia. 'Every day, people are shot by Zambians, are shot by white people, are shot by the Americans, they are shot by everybody. You know this business of "Chinese! Chinese!" It's like you want to create a phobia against people.' Shortly after the shooting, Vice-President **George Kunda** visited the Shanghai Expo, hoping to woo investors. He sought no apology or explanation from the Chinese authorities and treated his trip as 'business as usual'.

Chinese interests have invested more than US\$1 billion in Zambia and created about 15,000 jobs, according to government figures, and investment is still growing. Last month, the **United States** investment bank JP Morgan reported that the fastest growth in foreign purchases of treasury bills was in Zambia. Yet tensions can arise. The investors not only bring in their own managers and skilled workers but petty traders and unskilled workers too. Locals feel that the lower-skilled Chinese are displacing Zambians, who were hoping for jobs. 'Over 65% of the works being undertaken by the Ministry of Works and Supply at the moment, including major projects, are in the hands of Chinese,' said a senior official.

The Mineworkers' Union of Zambia condemns poor working conditions in the Chinese-run mines. MUZ Secretary General, **Oswell Munyenembe** said that under Western, and then government, ownership, conditions for mineworkers were much envied. Chinese companies, though, will not sign collective agreements with the union and working conditions have deteriorated. Said one MUZ official: 'We have had cases where we have taken these Chinese mining companies to court

and won the case but still they refused to respect the ruling of the court. So, we have to go back to court.' Some union officials say Indian bosses are just as tough. Labour problems have recently rocked the **Indian**-owned Konkola Copper Mines and Munyenembe suspects that KCM may draw back from previous assurances not to outsource key operations.

Sata, who has brought his PF into an alliance with the United Party for National Development, is trying to gain the support of the tens of thousands of jobless and discontented young people in the towns, where more than 80% of voters live, and campaigns to get them on the electoral register. In a recent parliamentary bye-election, the MMD lost the seat previously held by former Finance and National Planning Minister **Ngandu Magande**, who had fallen out with Banda. The MMD won another bye-election in rural Northern Province but has lost six others in the last two years, in strongholds such as Solwezi Central in North-Western Province.

Civil society organisations and the public have been urging the government to collect more revenue from the mining industry, as have the International

Monetary Fund and the World Bank. Mining contributes about 70% of foreign exchange earnings and, officially, 11.1% of economic output but its taxes amount to only about 1% of the total sum collected. Finance Minister **Situmbeko Musokotwane** says that he cannot introduce a windfall tax in case it discourages investors. The mining companies that came in from Asia when copper prices were low were attracted by low taxes; it would be hard to change their contracts now that the price is up again. Yet Lusaka business consultant **Bob Sichinga** wants higher taxes: 'The government is irresponsible, not being patriotic and failing to do what is necessary'.

Relations with Western countries have soured lately and some public health schemes and key infrastructural works have suffered as a result. In August, Banda asked Western aid officials to pack up and leave, accusing them of meddling in Zambia's internal affairs but his tone has since softened. He still needs funds from the West, as well as Chinese deals. The late President **Levy Mwanawasa**, poured huge sums into public works which Banda is struggling to complete. The government is commissioning many new projects, hoping they will help get the MMD re-elected in 2011.

Banda, however, is said to lack charisma. To make up for this, he depends on ex-President **Frederick Chiluba**, who has plenty of charm and political savvy. This is why Banda stands by him. Chiluba also needs Banda. In June, Chiluba was acquitted of corruption at a Lusaka magistrates' court. ●

TAKING ON THE JOURNALISTS

President **Rupiah Banda** and his Movement for Multiparty Democracy (MMD) are struggling to control the mass media before next year's general elections. The private media, especially the popular newspaper *The Post*, are thriving, riding high on the declining fortunes of publicly owned media, whose credibility has suffered severely in recent times. *The Post*, an ardent and fiery critic of Banda, who has never concealed his contempt for the paper, currently sells 55-65,000 copies daily, while the state-owned and government-controlled *Times of Zambia* and *Zambia Daily Mail* have a daily circulation of 8,000 and 7,000 respectively. Radio and television stations are also proliferating and causing headaches for the government.

Banda's government has plenty of legal weapons at its disposal to control the media, though. The electronic media need operating licences to broadcast and the Minister of Information and Broadcasting can easily pull the plug on a TV or radio station which has displeased the government. The main focus of clashes is a debate over whether the media should regulate itself. The Information Minister, Lieutenant General **Ronnie Shikapwasha**, is pushing for statutory regulation on the basis that 'non-statutory self media regulation has never worked anywhere in Africa.'

A consortium of media organisations, the Media Liaison Committee, is resisting. The MLC is pushing for voluntary self-regulation, which it says would help a return to professionalism and hedge the media against government interference. The MLC formed the Zambia Media Council (Zamec) and planned to launch it last May but the government refused to endorse it, saying it reflected only the position of *The Post*. The MLC postponed Zamec. The government had initially imposed a six-month ultimatum on media organisations to agree a regulatory mechanism but lifted it last January, under pressure from donors and public. 'The government can't be allowed to oppress media freedom,' said a diplomat, 'but the media should also be seen to be responsible.' ●

Abyei waits

Khartoum fights its corner over the Abyei referendum and outflanks the SPLM and the United States

The devastated foundations of former buildings and burnt out lorries dot the town of Abyei, a haunting reminder to residents of the May 2008 attack which razed it to the ground (AC Vol 49 No 11). Not that people would forget; everyone lost friends or family. Now they think history is repeating itself.

The people of Abyei are quietly preparing for war, believing no referendum will be held there on 9 January. They are supposed to vote on which side of the North-South divide they want to live. The plebiscite comes under the 2004 Abyei Protocol, incorporated into the 2005 Comprehensive Peace Agreement (CPA, AC Vol 51 No 22). Yet no referendum commission has been formed and even the Sudan People's Liberation Movement and the **United States** concede the Abyei referendum is unlikely to be held on time. The SPLM still formally insists that it will, though. Meanwhile, the central market is emptying of Northern traders, as the town resigns itself to more of the war and suffering it's grown used to.

Deadlock reigns over who is eligible to vote. Leaders of the Northern Missiriya Humr people, many of whom travel down to Abyei and the Bahr el Arab/Kiir River for dry season grazing, have decided that they must block Abyei from joining the South, having been told by the ruling National Congress Party (NCP, the rebranded National Islamic Front) that they will lose these pastures if Abyei secedes along with the South. They say they will not allow the referendum unless they are allowed to vote.

The Ngok Dinka, led by Paramount Chief **Kuol Deng Kuol**, refuse, knowing that this will allow the NCP to rig the vote, a practice in which it proved adept in April's elections. Ngok leaders also rejected an odd proposal by the USA to allow anyone to vote who had spent 200 days a year in Abyei, on the grounds it would be open to manipulation. What international mediators, including the African Union High Implementation Panel under **South African** ex-President **Thabo Mbeki**, never mention publicly is that only the NCP is trying to block the Abyei referendum and has done since it rejected the Abyei Boundaries Commission (ABC) findings and referred Abyei to the Permanent Court of Arbitration (PCA) – whose 2009 findings Presidential Security Advisor **Salah Abdullah Mohamed**

'Gosh' this October also rejected. The other CPA signatory, the SPLM, ardently wants both referenda. On 8 November, an AUHIP press release discouragingly announced that the NCP and SPLM would be 'considering a framework agreement within which the parties will pursue all matters serving on the agenda as well as detailed consideration of the specific matters', with 'the Abyei question' as top priority.

WHO CAN VOTE?

While the CPA does not say who can vote in Abyei, it defines the area as that of the Ngok chiefdoms, in 1905, and it is clear that almost all Missiriya only pass through. Missiriya leaders also reject the PCA ruling, which shrunk Abyei's borders to exclude some Missiriya settlements and the Heglig and Bamboo oil fields. Chief Kuol and the SPLM say renegotiating the PCA boundaries is not acceptable and Abyei has already been cut to nearly half of the size agreed by the ABC (on which the NCP had as many representatives as the SPLM, led by the ubiquitous Ambassador **El Dirdiri Mohamed Ahmed**.)

Although few Ngok Dinka live above Goleh (also known as Langar), which sits two-thirds of the way north within the PCA boundary at 9 degrees 50 minutes latitude, this was all Ngok territory before the discovery of oil in the late 1970s. Khartoum used Missiriya militias to drive the Ngok south and east away from the oil fields. Chief Kuol says he plans to resettle this area after the referendum. Few Missiriya live there year-round, finding the terrain inhospitable in the rains.

The Missiriya have grown increasingly discontented in recent years. The NCP dissolved Western Kordofan, their political base, as a state in 2005. Despite having helped clear the way for oil exploration, they have seen little development from the revenue, indeed, the drilling has disrupted traditional migrations. Mechanised farming schemes and desertification also exert heavy pressure on their way of life. The parallels with Arab tribes in Darfur are clear and the NCP is also well practised in turning pastoralists into *Janjaweed*.

Neither Ngok nor Missiriya are budging. Missiriya militias have been massing in and around Diffra, Abyei's only remaining oil field, producing barely 3,000 barrels a day. The United Nations Mission in Sudan (UNMIS) cannot patrol

there. A Missiriya Arab called **Fakir el Din Abdullah** commands the Diffra camp. He officially describes himself as a 'youth leader' but is believed to be heavily armed directly from Khartoum, which has recently emphasised the role of the NCP 'youth movement'. In March, Fakir el Din gave an ultimatum to UNMIS to increase development in Missiriya areas or leave within 15 days but had to back down. The **Swiss**-based Small Arms Survey says Khartoum has armed the Missiriya since 2005, too: 'One document dated 1 November 2008 records the dispatch of 600 assault weapons, 27 7.62 mm rifles, and six 66 mm and 75 mm mortars to **Mohamed Omar al Ansari**, the leader of the Abyei Liberation Front'.

Missiriya leaders threaten war if they are not allowed to vote. Chief Kuol says the Ngok can cede no more ground and this time, they will defend themselves. What they really mean is that they expect the Southern armed forces, the Sudan People's Liberation Army, to protect them. SPLA troops have deployed south of Abyei, in Southern Sudan. UNMIS has ordered a further 600 SPLA, who have been camped in south-east Abyei District for over a month, to withdraw. Some 300 well armed police have been dispatched from Juba, believed really to be SPLA as well. UNMIS cannot patrol outside the Abyei boundaries.

Since mid-October, Abyei youths returning from Khartoum to vote have been beaten at a Sudan Armed Forces (SAF) checkpoint at Lofha Timsah, between Karasana and Abyei. At least one girl was raped, say Ngok residents. On 13 November, Missiriya militias blocked the road south to Unity State as a large convoy of people returning to vote approached from Khartoum.

The Missiriya claimed compensation from the Unity State government for Humr killed and cattle stolen but Governor **Taban Deng Gai** warned that if they persisted, they would not be allowed to graze their animals in Unity. Some Ngok have similar claims against Humr people. Tension is rising and at least one group will be unhappy whether the referendum goes ahead or not. If there is no resolution by 9 January, Ngok leaders say they will try to organise a vote themselves and invite the international community to assist and observe. This could also trigger conflict and would be unlikely to receive international recognition.

A more likely scenario, towards which negotiations are heading, is a political agreement that in effect renegotiates the Abyei Protocol. This might involve transferring part or all of Abyei to the South in return for concessions, especially on oil for the NCP, and a guarantee of dual citizenship for the Missiriya (whose grazing rights the Protocol already

guarantees). This would not of course enable Missiriya to vote in the plebiscite and could prove problematic if given to tens of thousands of Missiriya. Chief Kuol told *Africa Confidential* he had no objections to dual citizenship.

Another proposal gaining ground is 'soft borders'. This is much favoured by the AU (for North and South Sudan, at least) and especially by Mbeki. He has been pushing for it right along the North-South border which, seven weeks before the referenda, remains undemarcated. Mbeki talks about easy cross-border access for people and goods in terms of reconciliation and peace. Many Sudanese North and South worry that it would be a gift to the NCP's veteran strategies of destabilising and 'Islamising' the South and beyond. It fuels widespread Sudanese criticism of Mbeki's handling of both the Darfur and North-South issues, widely seen as soft on the NCP. One Ngok civil society leader told us Mbeki was basically telling the Ngok that the Abyei Protocol and PCA boundaries must all be renegotiated because the Missiriya wouldn't budge.

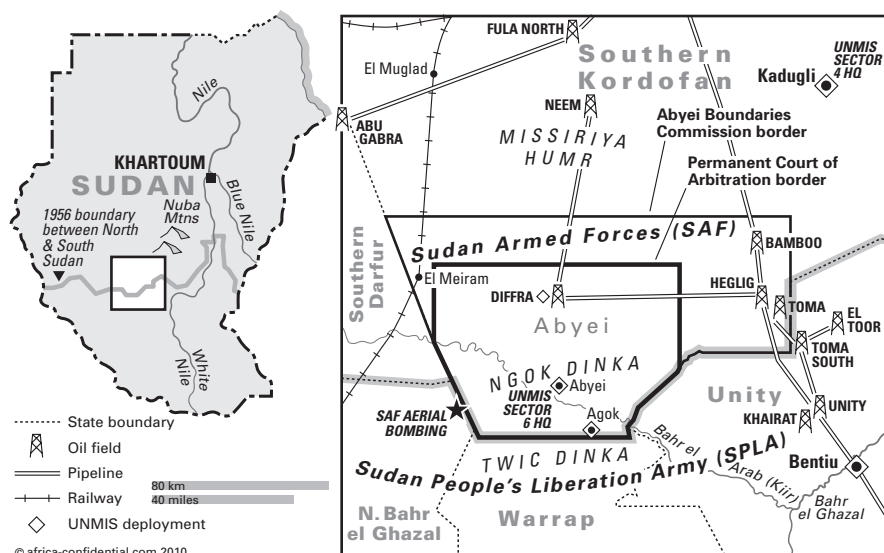
AMERICA STEPS SIDWAYS

Sudanese widely criticise other AU mediators, from **Ibrahim Gambari** to **Djibril Bassolé**. All three received special recognition and thanks from US Secretary of State **Hillary Rodham Clinton** in her speech to the Security Council on 16 November. The USA has quietly stepped sideways, leaving Mbeki to deal with Abyei after the failure of US Special Envoy **Scott Gration's** Addis Ababa talks in October.

Washington, the original drafter of the Protocol, says it accepts changes if both parties do. In effect, this means the NCP would yet again have cornered the SPLM, this time with US backing. The outspoken SPLM Secretary General, **Pagan Amum Okiech**, has accused the NCP of acting like 'Somali pirates' by holding Abyei 'hostage', adding that in a hostage situation you must take care that your actions do not threaten the hostage's life.

Many in the SPLM are quietly ready to drop Abyei, since the South is their absolute priority, but the Ngok are powerful within the Movement's leadership, especially national Cabinet Affairs Minister **Luka Biang Deng**, Government of South Sudan (GOSS) Regional Cooperation Minister **Deng Alor Kuol** and the SPLA Spokesman, Lieutenant General **Kuol Deim Kuol**.

In nine whole days of US-sponsored talks in Addis Ababa last month, positions only hardened. The NCP sought concessions not just from the SPLM but from Gration's team, too. At the top of Khartoum's stated wish list are ending US sanctions, removing the 'state sponsor of terrorism' label and getting Washington's support for deferring the International Criminal Court arrest warrants for genocide,



crimes against humanity and war crimes against President **Omer Hassan Ahmed el Beshir**. President **Barack Hussein Obama** sent **John Kerry**, Chairman of the Senate Foreign Relations Committee, back to Khartoum on 5 November to relay a new offer that includes terrorist delisting, if the Abyei and Southern referenda go ahead as planned.

Losing the terrorist label is a dream for a party which, while hosting **Usama bin Laden** and his troops, was implicated in the 1993 attack on New York's World Trade Center and on Egyptian President **Mohamed Hosni Mubarak** in 1995. Since it in any case signed up to the referenda in the CPA in 2005, if the US offer went through, it would be a major triumph for the NCP. However, the US Congress, where there is strong bipartisan interest in Sudan, might have other ideas.

The future will be decided in Sudan, though. The annual Missiriya migration south began last month and thousands of people arrived in Diffra last week. All things being equal, they should continue south into Ngok territory. The annual peace conference between Missiriya and Ngok elders to negotiate passage has not been held this year, as it was in previous years. With Missiriya leaders refusing to accept the CPA or PCA, the Ngok have no incentive this year to cooperate with the migration, as the CPA requires.

Chief Kuol has hinted that the Ngok might resist the migration, triggering fears that the Missiriya might then use force. Here lies another problem. Though it is officially under the national Presidency, Abyei is also in Southern Kordofan, whose Governor is in charge of mediating the migration. This is none other than **Ahmed Mohamed Haroun**, also indicted for war crimes in Darfur by the ICC. Ahmed Haroun, an experienced security man, is supposed to provide security for the Missiriya herders. Ngok

are understandably concerned about what this says about Khartoum's strategy.

If no political deal is reached by 9 January, Abyei might linger as a Kashmiri-like border dispute long after Southern separation. Assuming that it does not facilitate the NCP's attempts to prevent both referenda, Abyei would be the easiest place to throw the first punch and ripple insecurity across the rest of the border.

TROOP MOVEMENTS

As *Africa Confidential* went to press, there were reports from sources close to the SPLM and to UNMIS that both SAF and the SPLA had pulled back from the Abyei area and that the Missiriya had also halted their southwards movement. This suggests pressure on the NCP and SPLM after the 16 November UNSC meeting on Sudan. It does not resolve the central issue of NCP obstruction, though.

SAF troops went west to join their airborne colleagues in attacking Justice and Equality Movement fighters in the area where South Darfur meets Northern Bahr el Ghazal. The Missiriya still need to move south to feed their livestock. The SPLM expects Khartoum to block not only Abyei's referendum but also its own.

To the Ngok Dinka, history seems to be repeating itself. In the 1972 Addis Ababa agreement, which ended the first North-South war, Abyei was promised the same referendum. It never happened and Abyei remained part of the North. Ngok representatives recently set up an office in Juba and erected a sign on a prominent thoroughfare: 'Abyei is not a shared area. Nothing more to be compromised'. This week, on 15-16 November, Ngok leaders came together in an Abyei Referendum Forum opened by GOSS President **Salva Kiir Mayardit**. The final conference resolution was that, if no vote is held on 9 January, the Ngok will use 'other means' to join the South. ●

Jonathan's Delta blues

Despite the President's political base in the oil-rich Niger Delta, militant groups are on the march again and abandoning the amnesty deal

A new coalition of fighters in the Niger Delta has emerged to oppose President **Goodluck Jonathan's** amnesty and has launched a new round of violence. A younger generation – operating under the banner of the Niger Delta Liberation Force (NDLF) and led by 'General' **John Togo** – has declared a new war, promising to attack oil infrastructure on land and sea (AC Vol 51 No 21). A mix of grievances ranges from the generalised concern that the impoverishment of the oil-rich Delta is not being addressed (despite the national President being from the region) to specific complaints about the iniquities of amnesty payments.

Some of Jonathan's supporters suspect another incentive for the born-again militants to restart the armed struggle: that they are being paid to undermine Jonathan in his home area; sponsorship would come from his political opponents. They are yet to produce evidence to support their case, even if the list of crises facing Jonathan seems to have grown longer and more urgent since he declared he would seek the presidential nomination

of the governing People's Democratic Party in next year's elections.

In mid-November, nine former leaders of the Movement for the Emancipation of the Niger Delta (MEND) rejected the amnesty. They claimed to have recruited more fighters and warned foreigners to stay out of the Delta or risk coming to harm. The NDLF said it was resuming armed operations because of the expiry of the 4 October deadline which the government had set for them to lay down their arms.

Now the amnesty is beginning to come apart and recriminations have begun. Kidnapping and piracy have continued, with MEND claiming responsibility for taking seven oil-workers hostage from ExxonMobil's Akwa Ibom offshore facility. The United States company shut in 45,000 barrels of oil per day after the attack 'as a precautionary measure.'

The government's military Joint Task Force has also resumed operations, raiding one of two large militant camps in the Delta. The JTF's Major General **Charles Omoregie** led forces into the Yenagoa camp in Bayelsa State on 8 November

but after ten minutes' shooting, only two arrests were made and the other rebels fled into the bush.

The dysfunctional state of Bayelsa causes special concern. It is Jonathan's home and key political base: the chaos there reflects badly on his authority and his commitment to shore up the amnesty and address the wider crisis in the Delta. On 13 November, armed men killed a police guard when they attacked the country residence in the Kolokuma-Opokuma Local Government Area of **Timi Alaibe**, Special Advisor to the President on the Niger Delta and coordinator of the amnesty programme for rehabilitating militant fighters. The motives for the raid are unknown but Alaibe, a key ally of Jonathan's, has been criticised for his handling of the amnesty and was the target of previous attacks.

Some militants are angry that some of the rebel old guard have done much better financially under the amnesty, especially **High Chief Government Ekpemupolo** (aka **Tompolo**). Resentment about the terms of the payout exploded only a few days earlier as ex-militants in their hundreds barricaded the Mbiama Bridge end of the East-West road in Rivers State, leaving thousands of commuters stranded. If Jonathan is unable to introduce new incentives for peace, the former Bayelsa Governor will find himself in serious trouble: his ability to solve the festering Delta crisis was the President's main claim to public trust. ●

Musical chairs in Monrovia

Some presidential friends are taken aback to discover they have lost their jobs in a sweeping pre-election reshuffle

President **Ellen Johnson Sirleaf's** decision to send all but one of her cabinet on 'administrative leave' was heavily influenced by her son **Robert A. Sirleaf**, say Monrovia insiders. Robert is Special Advisor to the President and some see him as shadow Prime Minister. After the President announced that she wanted to start with a 'fresh slate', saying that complacency had set in, ministers had to leave their government cars behind, wondering if they'd see them again.

Several ministries are now being run by acting ministers and the expectation was that those of the 24 who wanted to return to cabinet would have to prove their worth before getting their jobs back. This is reflected in the limited list of new and reappointed cabinet members available as *Africa Confidential* went to press.

At least some of those sent on leave are believed to be intending to stand for political office in their own right and the President saw this as a possible conflict of interest with their work for the government. Robert Sirleaf was said to be unhappy with the performances of most of his mother's ministers. The public, as well as seasoned observers, was surprised to see so many go because they were seen, as confidants of the President and allies from her spell in exile, to be untouchable.

They include the Foreign Minister, **Olubanke King-Akerele**, a United Nations' bureaucrat for over two decades; the former African Development Bank official, **Eugene Shannon**, who was Minister of Lands, Mines and Energy; and the one-time Wall Street investment banker, **Richard Tolbert**, who was

Chairman of the National Investment Commission. Sirleaf Junior is reported to have prevailed upon the President to demand the resignation of Shannon and Tolbert a month earlier, so that they could concentrate on their campaigns for the 2011 senate elections.

The two men have been closely identified with each other in cabinet. Shannon was defeated in the governing New Unity Party primaries for Chairmanship of the NUP branch in Grand Cape Mount County, in the west, but is still intent on contesting that county's senatorial seat, which is an NUP stronghold. Tolbert is set to have a tough fight for a senatorial seat in Montserrado County, the main political base of the opposition Congress for Democratic Change (CDC) of former international football star **George Weah**.

The President confirmed that she wanted those in cabinet seeking political office to put as much effort as possible into getting elected while their colleagues worked on her government's programme. Sirleaf is to seek another six-year presidential term, with the current Vice-President, **Joseph Nyumah Boakai**, as running mate. The governing party endorsed him again in October. The CDC,

now allied for the elections to the Liberty Party of **Charles Brumskine**, blamed Sirleaf for the failures which had led to the wholesale removal of the cabinet and demanded that she go on leave, too.

Some ministers were not prepared to endure the presidential slight on their competence. King-Akerele, a long time colleague of Sirleaf's at the UN in New York who became her first Trade Minister in 2006 before switching to the Foreign Ministry in 2007, immediately resigned. She is reported to have said that the President's actions had tainted the reputation of the cabinet.

BIOMETRIC PROBLEMS

King-Akerele has been unpopular with many of the public owing to problems with issuing a new Liberian biometric passport in November 2009, under a contract with a **French** company, Oberthur Technologies. Equipment frequently broke down and many people could not get their documents. This obliged the government to revert to the old passports issued during **Charles Taylor's** rule in 1998 or those provided by the Economic Community of West African States.

The passport saga did not go down well with the President and the government had to issue several public apologies. King-Akerele is also said to have made enemies among her young assistant ministers, most of whom are drawn from the National Youth Congress of the governing party, after denying them the use of official government vehicles.

Tiawon Gongloe, a human rights lawyer who was tortured during the Taylor era for criticising the regime and who was Minister of Labour after serving as Chief Prosecutor, did not accept his suspension either. He was asked if the moves meant Sirleaf was going to group only her own party members around her. 'This would be a strange development for Liberia,' he said, 'because even past Liberian governments that have been categorised as bad governments have brought into government competent people who were not from the ruling party to serve the Liberian people.'

Sirleaf has been coming under pressure from within her party to use more party members in government and depend less on old friends from the diaspora. There were demonstrations during the party's Youth Congress in 2009 at party headquarters in Monrovia, with people chanting that there were party members in Liberia just as competent as technocrats from the USA or Europe. Sirleaf had to calm the protests with promises of jobs.

Younger cabinet ministers such as Finance Minister **Augustine Ngafuan** and **Amara Konneh**, Minister of Planning and Economic Affairs, are all staunch members of the governing party and were

CHALLENGING MADAM PRESIDENT

Opposition parties in Liberia are gearing up to challenge **Ellen Johnson Sirleaf** in the presidential election. The most significant alliance is between the Congress for Democratic Change (CDC) of former international footballer **George Weah** and the Liberty Party (LP) of Councillor **Charles Walker Brumskine**, the former Senate leader in the regime of **Charles Taylor**, 1997-2003. The CDC and the Liberty Party came second and third in the first round of the October 2005 elections, with 28.3% and 13.9% respectively. Sirleaf went into a presidential run-off with Weah and she defeated him by 59.4% to 40.6%. The electoral alliance's biggest problem is which leader to put up as its candidate. Talks are continuing amid signs that supporters of both men are reluctant to settle for second place on the ticket, and this is threatening their alliance.

Reports of mounting disagreements and divisions between the CDC and LP have continued in spite of the recent signing of a merger with the LP in Accra, **Ghana**, last month. Weah had last year signed up to another alliance with the former UN chief in **Somalia**, **Winston Tubman**, but the CDC did not keep to the deal.

There appear to be splits within the Executive Committee of the CDC. On one side stands the Weah faction, led by the CDC Secretary General, **Lenn Eugene Nagbe**, and on the other, a group led by the party's Assistant Secretary General, **Acarous Gray**. The Nagbe faction favours the alliance with the LP and the Gray faction does not, fearing that Weah could be marginalised as vice-presidential running mate. Gray's faction on the Executive, including the Chairman, Senator **Geraldine Doe-Sheriff**, the Vice-Chairman, **Budu Wilson**, Vice-Chairman for Operations **Adama Sambola** and party policy chief **Mulbah Morlu** accused the Nagbe faction of rushing the merger with the LP without having conducted enough consultation within the party.

Another merger of opposition parties can be found in the Democratic Alliance. This pact embraces the less powerful opposition parties and is dominated by wealthy former government officials. It is being financed by **Dew Mayson**, a one-time financier of President Johnson Sirleaf in the 2005 poll. The coalition includes some famous names: **Charles Taylor's** National Patriotic Party (NPP), the Progressive Democratic Movement of former warlord **Sekou Damate Conneh**, the erstwhile rebel Liberians United for Reconciliation and Democracy and the New Deal Movement. The coalition is chaired by Taylor's one-time National Security Advisor and Foreign Minister, **Lewis Brown**.

The Democratic Alliance is widely referred to as the 'million club' in Liberia. It wants other parties such as the CDC and LP to join forces and forge a common front against Sirleaf. Nimba County Senator **Prince Johnson**, who has formed a political party, the National Union for Democratic Progress, draws on his former fighters – key youth activists of Charles Taylor.

Nimba County has Liberia's second-largest population after Monrovia, with over 462,000 inhabitants. Prince Johnson is considered a saviour by many in Nimba County for capturing former Liberian leader **Samuel Kanyon Doe** in 1990. To prove his popularity in Nimba, Johnson contested its senatorial seat as an independent after failing to win the Unity Party nomination. He went on to win, polling the highest score in the 2005 elections, with 81,820 votes. ●

always thought likely to return to office. Both are very popular within the NUP, especially the youth and women's sections. Nguagua was instrumental in handling its campaign among Liberian students in the 2005, while Konneh played a lead role in the organisation Liberians for Ellen (Life), which mobilised substantial funding in the USA for Sirleaf's campaign.

However, Konneh was named by a presidential committee in connection with a fake carbon-credit deal with the **British** firm Carbon Harvesting Corporation. It recommended he be reprimanded. After the report, the President made it clear, during a full cabinet retreat in the port city of Buchanan, that she had full confidence in him.

Whether Konneh's reappointment signals any softening in Sirleaf's attitude to corruption remains to be seen. Ngafuan came under criticism from the General Auditing Commission over US\$1 million

which disappeared from the 2007/2008 national budget. Yet Sirleaf also defended him, saying she depended on him, much to the annoyance of some elements of public opinion and some civil society organisations.

It is likely that the former Transport Minister, **Alphonso Gaye**, and **Jeremiah Solunteh**, who was Minister of Post and Telecommunications – both young ministers and officials of the NUP – will return to their posts. The return to the cabinet of one of the President's older colleagues, Agriculture Minister **Florence Chenoweth**, was not expected.

She and the Minister of Trade, **Miatta Beyslow**, were widely predicted not to be coming back. One appointment that may require assurances to be given was that of **Freddie Taylor** as Deputy Minister of Administration at the Justice Ministry. Taylor was intelligence chief in Charles Taylor's regime, in 1997-2003. ●

Oil to play for

More than a billion barrels of oil under Lake Albert may help transform the country's economy but will not determine outcome of the 2011 elections

The tussle between the government and the oil companies wanting to exploit Lake Albert's oil fields has hit deadlock over US\$404 million which the government says is owed in capital gains tax. It is almost a year since Heritage Oil, owned by ex-military entrepreneur **Tony Buckingham** (AC Vol 45 No 5), sold its licences for \$1.3 billion to its erstwhile partner, Tullow Oil plc (AC Vol 51 No 14). The failure to ensure that Heritage had a contractual obligation to pay the tax exposes serious shortcomings in the government's negotiations with international companies.

President **Yoweri Kaguta Museveni**, on the campaign trail, promises to change all that. Although it was Heritage that made the windfall profits on its sale of the licences to Tullow Oil, he has spared it any criticism. Instead, he says Tullow is now responsible for the \$404 mn. in tax. Tullow, an **Irish** firm, points out it has made no capital gain and therefore is not liable for tax. Despite the government's failure to collect a gigantic tax windfall, Museveni has suffered no political fallout. In fact, he has turned the dispute to his advantage. At a rally this month, he told

the crowd, 'Tullow paid them [Heritage] and they went away. Fine. If am going to punch somebody and you obstruct me, then I hit you because you're the one who obstructed me. So, since Tullow allowed Heritage to get away, then it is them going to pay the tax, so your tax will be paid.' How Tullow is responsible for Heritage not paying tax is not explained.

Heritage says it is not liable because there was no provision to pay the tax in its production-sharing agreement with the government. Nevertheless, during negotiations in August, Heritage paid \$121 mn. to the Ugandan Revenue Authority, pending arbitration. According to industry specialists, provision for capital gains tax on the sale of a licence to the host country is normally included. Yet the failure to include such provisions doesn't necessarily mean a government cannot tax a company that has made windfall profits from a sale.

These specialists blame poor advice and inattention to detail for the oversight when Heritage's licence for Block 3 was renegotiated in 2004. Aided by World Bank and **Norwegian** advisors, the government apparently simply

overlooked the fact that capital gains tax had not been included in the agreement. Neighbouring **Congo-Kinshasa** has such a tax clause in its oil agreement. However, the agreement did include another typical element, a 'stabilisation' clause. Under this, the government undertakes to raise no new taxes after the contract is signed. If it chooses to raise taxes, it will be liable for internationally agreed penalty payments.

Tullow says that this row has nothing to do with it. 'I don't think it's appropriate for us to be paying someone else's taxes,' Chief Operating Officer **Paul McDade** said. Such legal niceties mean little. Museveni is publicly determined to 'recover' the money from Tullow in what looks like a populist manoeuvre. He appears to be telling Tullow that it is going to have to pay more to continue operations and win approval for its development plans and government support for its security. The rhetoric appeals to Ugandans who, until Museveni went on the offensive, seemed ready to blame him for the contract fiasco.

Tullow bought out Heritage's licences with a view to creating a three-way partnership with the **China** National Offshore Oil Corporation and **France's** Total and has spent several months trying to negotiate a compromise agreement. Now it has been cast as a villain in the President's re-election campaign and the ambitious plan for a refinery at Lake Albert and for the remaining oil production to be piped to a new export terminal near Lamu, **Kenya**, is being critically delayed.

A central consideration for Museveni in his oil strategy was whether to push ahead with production, hoping to take the credit for ushering in a new era of economic development, or to follow the riskier path – pursuing delaying tactics and forcing the companies to renegotiate.

A view gaining support at State House, at least since early 2010, was that the proven oil reserves in the Albertine Rift meant that a new licensing round for additional blocks, or fragmenting the existing overlarge blocks (including 3A) would be a good way of maximising revenue in the short term. The focus of the state's limited negotiating expertise therefore shifted. New licensing is expected by the end of 2011, with the expectation of signature bonuses of at least \$5 mn. per block, ten times what Uganda secured when it first issued exploration permits.

This is no long-term strategy: Museveni has been reacting to a mess made by institutional tensions in a government where policy-making lacks much accountability. The government's leading oil negotiator, **Fred Kabagambe-Kaliisa**, the Permanent Secretary at the Energy and Minerals Ministry, is trusted by Museveni since there is no technocrat who could replace him now.

OPPOSITION AT SEA OVER OIL

The political stakes in the oil issue are high, not least because President **Yoweri Museveni** is facing his most serious electoral challenge. However, Colonel **Kizza Besigye**, presidential candidate for the Forum for Democratic Change, who is hoping to force a second-round run-off in February, has so far failed to exploit the issue. Even while campaigning in Hoima, site of a proposed US\$3 billion refinery, or in Buliisa, where the Kasemene oil field was meant to be flowing by now, he has not laid out an alternative strategic vision for how oil should contribute to the economy, preferring to focus on the old sores of corruption and the marginalisation of the Bunyoro Kingdom. Plans for an 'oil manifesto' have been sidelined. 'It is above the heads of the electorate,' a senior member of the FDC's policy team told *Africa Confidential*.

If oil is not a defining issue, that may be partly due to the entrenched political support bases. In the sparsely populated west, Museveni's National Resistance Movement (NRM) is almost unmovable, particularly in the countryside. He won 85% of the votes in Bunyoro in 2001 and 78% in 2006. Dissatisfaction has grown but Museveni is still trusted to act on the central issue of land – namely disputes with 'outsiders' and refugees accused of migrating with their cattle. The Land Amendment Act 2010, which will do little to address the issue of rising prices and title disputes, was viewed by many rural Bunyoro as a step forward, proof once more, one observer said, of the strong influence of government-funded local-language radio.

The Bunyoro Kingdom elite, which does not operate cohesive political and social networks (in the way that King **Ronald Frederick Muwenda Mutebi II** does in Buganda), seems content to wait until after the election to mount renewed pressure for oil royalties. The NRM nevertheless faces a tough fight in the local and parliamentary contests in urban Hoima, where the FDC has made progress and **Patrick Baguma** hopes to be elected as a member of parliament. ●

Yet relations long ago broke down between Kaliisa and his Minister, **Hilary Onek**, whom State House has used to launch attacks against Tullow. Last week it was the turn of State (junior) Energy Minister **Simon D'Ujanga**. He claimed Tullow had accepted it and would have to pay around \$300 mn. in 'tax'. Along with favourable press coverage, this tactic has been the guiding principle of government dealings with the oil company.

According to senior civil servants at the Finance Ministry, the President is still micromanaging oil issues. He forced a former Commissioner at the Petroleum Exploration and Production Department, **Reuben Kashambuzi**, out of retirement earlier this year and sent him to advise the Energy Ministry. Yet we hear that Kashambuzi is being ignored by Kaliisa.

Politics have always taken precedence over technical competence. An important player remains **Salim Saleh**, former head of the army, half-brother to the President and long-time friend of Heritage and its driving force, Buckingham. His wife, **Jovia Akandwanaho**, a wealthy businesswoman, was reported to be present at the talks over the tax dispute in August, again suggesting a web of conflicting interests.

Having made a provisional part-payment of tax liabilities in case an international arbitrator find against it, Heritage has left Uganda. with over \$1 bn. tax-free. The government has clearly failed to protect Uganda's interests in its dealings with Heritage, which had built up strong relations with individual members of the government over the past two decades. ●

TANZANIA

Bye-bye Mr Speaker

The election puts corruption centre-stage

Only 42% of eligible voters went to the polls. Many are taking it as a sign that the ruling *Chama Cha Mapinduzi* government needs to tackle corruption or face defeat in 2015. Voters who thought the CCM would be returned whatever happened chose to abstain rather than back the opposition. Nonetheless, the opposition polled strongly, and if it had not done so, the turnout would have been lower still (AC Vol 51 No 22).

One sign that times are changing was the unseating of former Finance Minister **Basil Mramba**. He once famously declared that the purchase of the presidential jet and the notorious Marconi radar system would go ahead come what may and that 'Tanzanians can just as well eat grass'. But the removal of Parliamentary Speaker **Samwel Sitta** signals that reform may not be imminent. The new Speaker, **Anna Makinda**, who got the job not only because of her experience but because CCM 'wanted to give women a chance', took office on 12 November and was warmly welcomed, by Sitta among others.

Some say, however, that Makinda may be more amenable to those with behind-the-scenes interests. During President

Jakaya Mrisho Kikwete's first tilt at the top job both Makinda and Sitta were on his campaign team. There is a widespread view that Sitta was removed from his post because he was firmly set against corruption and had acted accordingly. Yet if this is the case, there is no guarantee that Makinda will prove to be malleable.

President Kikwete is seeking to broaden his government. It was recently reported that he was in consultation with some opposition parties about including some of them in his new cabinet. Any expectation of major change, however, needs to be tempered by the realisation that the President is said not to have broken off from his alliance with businessman **Rostam Aziz** and former Prime Minister **Edward Lowassa**, who resigned in 2008.

The two would be happy to see **Mizengo Pinda** continue in his current role as Premier 'because he can't do anything to them, unlike Sitta, who has been mentioned as possible candidate for PM, and who would provide another headache for them', a local source said. Sitta's chief sin, for his critics, was to allow the Parliamentary investigation that led to the resignation of Lowassa over the Richmond affair (AC Vol 50 No 25).

Kikwete's task may prove even more daunting if he continues or appears to embrace corruption by not taking decisive action. He has campaigned in favour of people who were implicated by corruption and then rejected at the polls. Corruption was behind the cut by a third of the previous level of budget support by donors to the 2010/2011 budget. ●

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Libya

PATERNAL CENSORSHIP

■ Colonel **Moammar el Gadaffi** has ordered the release of 20 journalists employed by his son **Seif el Islam el Gadaffi's** publishing company, Al Ghad Media Services, who were arrested at the beginning of November on the orders of Prime Minister **El Baghdadi el Mahmoudi**. The Premier had been angered by strong criticism of corruption and a call for the return of the original 1969 military junta in the weekly newspaper *Oea*.

Oea's print edition has been suspended but its website appears to be publishing as normal, as is its Benghazi sister-paper, *Corina*. Al Ghad's fourth Chairman since 2005, **Suleiman Doghah**, has resigned. Seif el Islam (AC Vol 50 No 19) brought Doghah back into the fold from London, where he had been editing an opposition website, *Libya al Youm*. This isn't the first time Gadaffi Senior has lost patience with his son's experiments in freedom of expression. Last year, he closed down Al Ghad's Libya-based TV channel *Al Libeeya* and its satellite channel *Al Mutawassit* has decamped to London.

The article that led to the arrests described a ruling elite guilty of 'burglary of public money, tampering with the decisions of the masses and the exercise of administrative corruption which threatens to collapse state structures and institutions'. Moreover, 'a beastly triad of bribery, intermediation and patronage' had become 'a dreadful disease consuming the body of the Libyan state.'

Oea went on in this vein, appealing for the return of the three surviving members of the Revolutionary Command Council who, as young army officers, were at Gadaffi's side when they overthrew King **Idris**. It wanted Major **Abdelsalam Jalloud**, out of power for 17 years but still seen on the Tripoli social circuit, as Prime Minister, with Brigadier **Mustafa Kharoubi** as Secretary of the General People's Congress and Brig. **Khweldi el Humeidi** as intelligence chief. Those two still have some influence behind the scenes, we hear.

European Union/Africa

APPROACHING THE SUMMIT

■ The first big question for the European Union-Africa summit in Tripoli on 29-30 November is who will be there. By convention, the Libyan hosts choose their guests. The EU had hoped that **Sudan's** detested President **Omer el Beshir** wouldn't be among them but he had been invited back in July by **Mohamed Sayyala**, Special Envoy of the Libyan Guide, **Moammar el Gadaffi**. Without him, how could the

guests discuss Sudan's own prospects, including that of the nation splitting into two? Equally, it would be hard to help **Zimbabwe** sort out its problems without a delegation led by President **Robert Mugabe**, thus compelling **British** Prime Minister **David Cameron** to stay away.

Another unwelcome presence will be a report on trade. In October, ministers from the EU and the African, Caribbean and Pacific group agreed that negotiations on the proposed Economic Partnership Agreements had run into the ground (AC Vol 51 No 22). On 10 November, they passed the buck up to the summit. The broad plan is for freer trade between the EU and the Pacific and African groups (there are four of them and they disagree among themselves). The EU wants more and faster action. The African governments complain that Europe is meanwhile opening its markets to all sorts of competitors. The problems are highly technical and it is hard to see how the political leaders could solve them, even if they wanted to.

A previous summit concocted an EU-Africa 'partnership' and now there are calls for a 'plan of action'. Some progress has been made under EU Development Commissioner **Andris Piebalgs** on planning infrastructure investment, notably roads and a network of hydropower dams. In military matters, the EU supported the African Peace Facility with 300 million euros (US\$404.71 mn.) in 2009, for operations in **Central African Republic**, **Somalia** and **Sudan**. The aim is to develop an African peacekeeping force to deal with some of the continent's problems and in that help from the EU has been valuable.

Malawi

THANK YOU FOR SMOKING

■ African producers could be penalised in talks this week on the Framework Convention of Tobacco Control (FCTC) in Punta del Este, **Uruguay**, on proposals to ban additives in tobacco (see AC Vol 51 No 20). By removing certain additives from cigarettes, the need for burley tobacco may disappear since without them, burley tobacco is thought less palatable. As the world's largest producer of burley, Malawi stands to lose its main source of foreign exchange, as well as the livelihoods of about 12% of its population.

Minister of Agriculture **Peter Mwanza** is the first to admit that tobacco is a declining industry. He says the ministry is already advocating a campaign for diversification into products like paprika and pigeon peas. The farmers, however, are getting contradictory messages: **Bruce Munthali**, Chief Executive of the Tobacco Control Commission, has urged farmers to continue growing burley and promised that the market for this crop will 'be there'. The International Tobacco Growers Association took up the fight for Malawi

and 24 other tobacco-growing countries, including **Zambia**, **Mozambique**, **Uganda**, **Zimbabwe** and **Tanzania**. ITGA was stopped, though, by the World Health Organisation (WHO), which blocked its demand for a seat at the table in Uruguay.

Since Malawi is not signatory to the FCTC, it is relying on organisations such as the African Union and the Common Market for Eastern and Southern Africa to pull their weight at this week's meeting. Both bodies have already expressed opposition to the ban on additives, saying the WHO has not presented sufficient research supporting the theory that these additives would in fact reduce consumption. In the vast fields of Malawi, where farmers have worked for decades to improve their burley crops, such a ban would turn the world upside down. As of now, gravity seems volatile.

Namibia

CULPABLE CONTRACTS

■ Oil-trader Glencore International fears Namibia may wish to review its lengthy 2007 contract to provide half of refined petroleum imports until 2014. Namibia's dollar is tied to the rand and the state-owned National Oil Corporation of Namibia used to buy these imports from **South Africa**. The Glencore contract exposes Namcor to potential foreign exchange losses.

The government soon began to worry about the contract's effects on public finances and, a year later, Mines and Energy Ministry Permanent Secretary **Joseph Iita** wrote to Namcor boss **Sam Beukes** of its 'deepest concern' that it had not been involved in the decision to source refined petroleum products internationally. The deal's terms were not favourable to the domestic price of fuel (regulated by government), complained Iita, who is also Deputy Chairman of the government-De Beers-owned Namdeb Properties.

Beukes defended the contract on the grounds that South Africa was no longer interested in selling petroleum products to Namibia at competitive rates. The losses grew fast and last month the government agreed a N\$268 million (US\$34.4 mn.) bailout to allow Namcor to pay off most of the debt, but also removed its mandate to import fuel. It is unclear whether this breached Glencore's contract.

Glencore declared it would 'strongly resist' any attempt to cancel the contract. Meanwhile, oil-trader **Trafigura** recently sealed a US\$296 mn. deal to buy, through its Puma Energy subsidiary, BP's Southern African retail fuel business, including its Namibia assets. Partners include **Angola's** state-owned oil company Sonangol, which is to take a 10% stake, and in Namibia, ex-President **Sam Nujoma's** brother-in-law, **Aaron Mushimba**: Erumbi Energy, his latest Black Economic Empowerment (BEE) venture, has already proposed taking over the Glencore contract.

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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that Gusau's man voted for Babangida. As part of the deal, all the defeated candidates had to congratulate Atiku (albeit through clenched teeth) and pledge to support him against Jonathan. In London this week, addressing business people and students at University College, Atiku exuded confidence that he will get the PDP's presidential ticket. Exuberant and a consummate dealmaker, he is the professional politician who established a formidable national political network with the Yar'Adua family two decades ago.

Jonathan has been called the 'accidental president' even by his own allies. More than personal merit, the PDP's primary contest is about the contenders' ability to mobilise support among the state governors and the party officials. Yet the PDP is losing its political dominance,

especially in the south: **Kayode Fayemi** of the ACN overturned the 2007 election of the PDP's **Segun Oni** as Governor of Ekiti State in an epic legal battle and was sworn in on 16 October; on 26 November, the ACN's **Rauf Aregbesola** was declared Governor of Osun State after the courts overturned the election of the PDP's **Olagunsoye Oyinlola**; and **Great Ovedje Ogboru** of the Democratic People's Party has persuaded the courts to annul the governorship election of the PDP's **Emmanuel Uduaghan** in Delta State.

With the backing of Babangida and others, Atiku is well placed to garner votes among the 19 states in the north and with the backing of veterans such as former Vice-President **Alex Ekwueme**, he should make some headway in the south-east.

In his home base in the Niger Delta, Jonathan expects to sweep the board despite the latest wave of militant attacks and he is confident of strong support in the south-west, too. Help from former President **Olusegun Obasanjo**, a determined foe of Atiku's, will give Team Jonathan more muscle, as will the emergence of the PDP Governor of Ogun State, a Jonathanally, **Gbenga Daniel**, as Chairman of the Nigerian Governors' Forum. In 2007, President Obasanjo's control of the Forum was critical in winning support for Umaru Yar'Adua's nomination. Obasanjo remains at best a controversial figure, though, and

is reviled in many parts of the north.

Incumbency will doubtless help Jonathan if his organisation can distribute the patronage fast enough and reinforce his grip on the party organisation and state officials: most of the delegates voting in the presidential primaries will be elected officeholders and party functionaries. Competition for the spoils is intensifying: Jonathan's close ally, Oil Minister **Diezani Allison-Madueke**, will struggle to organise a fresh bidding round for oil production and exploration licences before the primaries.

On 1 December, Finance Minister **Olusegun Oyotoyin Aganga** and Central Bank Governor **Lamido Sanusi** were summoned to the National Assembly to explain their concern that representatives and senators were overpaid: the Assembly consumes about 25% of the federal government's overheads and its elected officials are among the best paid (and least productive) in the world. Beyond that, the well regarded Segun Aganga and Lamido Sanusi are struggling to bring public finances under control: in its last year, the Yar'Adua government spent about US\$15 billion from a special off-budget account for oil revenue and ran down foreign reserves by more than 10%. Aganga and Sanusi have slowed the outflow but will face their toughest test in the months prior to the April election. ●

NIGERIA

All the President's militias

Jonathan must win the Delta vote and is mustering the violent gangs to ensure his victory

The fierce race for the presidency and National Assembly in next year's elections is worsening the violence in the Niger Delta and undermining last year's amnesty deal. Within the governing People's Democratic Party, President **Goodluck Jonathan** has to show his competitors for the presidential nomination that he can control his Delta base, the source of 95% of Nigeria's export revenue. Some in Jonathan's camp insist that his rivals, within and outside the PDP, are stirring trouble in the Delta to show Jonathan up as weak and incompetent.

The President is also threatened by the opposition parties, especially the Action Congress of Nigeria (ACN) which has recently increased its support sharply. First, though, he must secure the PDP nomination, especially against his opponents from the north. To win, he must be certain that every state in the Delta (and much of the south) will back him in

the primary elections likely to be held in January. So he must get the firm backing of state governors and key politicians in the southern states.

Some say Jonathan is damaged by his past association with militant groups in the Delta, which are furious at his attempt to distance himself from them. Others, perhaps most, think he needs to weaken his rivals by force of arms. Local human rights groups say there was state collusion in recent political violence, along with harassment of opponents and journalists by police and security agents.

The deadline for an amnesty allowing rebels to lay down their arms passed on 4 October. Fighting between the military Joint Task Force (JTF) and militants has resumed, as have attacks on pipelines. This has dampened the oil exporters' hopes that production would start to recover. Shell, for whom the Delta is the second largest profit centre, is losing

100,000 barrels per day to disruption and theft from its pipelines.

Most young men are unemployed and hungry for money, and the Delta is awash with small arms. There is a strong relationship between the militant organisations, criminal gangs and 'cults'. In Jonathan's home state of Bayelsa, the Governor's office has been accused of sponsoring and arming militias and youth gangs. The emerging pattern of violence and instability could prove explosive, particularly if the PDP names anyone other than incumbents as its candidates.

Jonathan continued the amnesty policy initiated by his predecessor, the late **Umaru Musa Yar'Adua**, and has been widely criticised for not consolidating it but exploiting the state patronage of former commanders in the Movement for the Emancipation of the Niger Delta (MEND). These include **High Chief Government Ekpemupolo** (aka **Tompolo**), **Ateke Tom**, **Prince Farah Ipalibo** (**Dagogo Farah**) and **Victor Ben Ebikabowei** (**Boyloaf**) (AC Vol 51 No 21). The contest is hottest in the following Delta states:

BAYELSA STATE

A struggle within the PDP between the Governor who took over from Jonathan, Chief **Timipre Sylva**, and an Abuja group

led by Chief **Fred Agbedi** was resolved in September. Agbedi is back in his home state, aiming for the Senate after 2011 and regularly sings Sylva's praises on the state-run media. Sylva is unpopular and ruthless. During anti-Sylva demonstrations in Bayelsa State recently, protesters were attacked by ex-militants said to be on the government payroll. In Yenagoa, during a visit by Jonathan, a pro-Sylva rally was interrupted and bags of water thrown at the Governor. Sylva accused his political opponents of being responsible. As a result, **Ukalizebe Bernard**, **Beneyi Blackie Best** and **Toremeye Fibi** will on 16 December face charges of 'treasonable felony' and assault on Sylva.

Three months ago, the state government formed a special police unit under Chief **Richard Kpodo**, Sylva's senior Special Advisor on Security. It is called *Famou Tambei* ('kill and throw it away' or 'hit it and remove it', in Ijaw) and its members get extra pay. They have been implicated in several cases of intimidation and unlawful arrest, and the unlawful detention of four men including **Ovie Omeleh**, paramount ruler of a community near Yenagoa. A local journalist was arrested for visiting the four, who are said to be supporters of **Patterson Ogon**, Director of the defunct Ijaw Council for Human Rights.

The JTF has failed to take out a militant base near Yenagoa and warlord 'generals' such as **Eris Paul** and **Africanus Ukparasia Tuwonwei** are ready to provide muscle if Sylva requires it. In May, they helped Delta's ex-Governor **James Ibori** to get away in Sylva's personal yacht, the Silver Spirit (AC Vol 51 No 21).

A menacing force is the Bayelsa Volunteers, formed under Chief **Diepreye Solomon Peter Alamieyeseigha**. Its members were MEND's original backbone, drawn from violent elements of the PDP and often overlapping with the Ijaw Youth Congress. Since the amnesty, they have been paid monthly salaries of N20,000-25,000.00 (US\$132-165) by the Ministry of Youth, Employment Generation and Conflicts Resolution. Sylva slashed that to N7,000 per month and on 9 November, the Volunteers held a rally near Government House where they loudly declared support for Sylva and the Jonathan ticket – and for higher pay for themselves. Their current head is **Israel Sunny Goli**, Sylva's Senior Assistant on Youth Matters.

On 13 November, the home of **Ndutimi Alaibe**, Special Advisor to the President on Niger Delta Affairs and head of the amnesty programme, was attacked, probably by hired thugs. Eight would-be PDP candidates for the state governorship have taken refuge in Port Harcourt, for fear of being killed. They are Chief **Francis Doukpola**, who stood against Sylva in 2009; Chief **Christopher Enai**, a former

member of the House of Representatives; **George Ombeh**, **Dimaro Denyanbofa**, **Peremobowei Ebebi** (sacked as Sylva's Deputy Governor), **Fred Agbedi**, **Imoro Goodrich Kubor** and **Beinmo Rufus Spiff**. Chief **Ayakeme Whisky** wants to be the Labour Party candidate, as does **Famous Daunimughan** for the Congress of Progressive Change (CPC).

AKWA IBOM STATE

The State's potential for violence is indicated by the violent deaths this year of several leaders of a PDP faction that follows **Obong Victor Attah**, former Governor and godfather to the incumbent Chief **Godswill Obot Akpabio**. The two had fallen out but now seem to be reconciled. Further political schisms might focus on Senator **John Akpan Udoedeghe**, a minister of state in President **Olusegun Obasanjo's** government. He had been favoured by Attah as his successor, so he is angry about the Attah-Akpabio reconciliation and has left the PDP for the opposition ACN.

Akpabio and his ally, retired Air Commodore **Otuiekong Idongesit Nkanga**, insist that there is no opposition in Akwa Ibom and the governorship will be uncontested. In fact, there are at least six other would-be governors, all of whom fear assassination. Despite official claims, security is far from stable. On 11 November, gunmen on motorbikes shot several policemen, killing one, at a road block in Uyo. Yet another would-be governor, **Ini Ekong Udonwa**, escaped assassination; his mother was killed instead and since then he has maintained a low profile. Opposition politicians accuse Governor Akpabio of using state resources for his second-term bid. He has splashed N1,000 million (about \$6.64 mn.) on friendly churches.

CROSS RIVER STATE

Governor **Liyel Imoke** of the PDP faces no rival but pre-election rigging by police and party officials is widely reported. There are, however, many would-be PDP candidates for the Senate and the House of Assembly, so intra-PDP violence is likely. A leading contender for the Senate seat, **Edem Duke**, a former Public Affairs Manager at the Nigerian National Petroleum Corporation (NNPC), has been threatened with assassination and with the loss of his job unless he drops his political ambitions.

DELTA STATE

The results of the 2007 elections are still before a court of appeal in Benin and the PDP's internal disputes remain the same, between Chief **Edwin Kiagbodo Clark** and **Emmanuel Uduaghan**, the Governor whose tenure the Appeal Court annulled. There is a profusion of gangs, small arms,

loyalties and rivalries, which could lead to violence.

EDO STATE

The governorship vote has also been successfully challenged in the Appeal Court and the case will continue until July 2012 at least. Elections for the Senate and the House of Representatives will generate their own heat. The ACN is the dominant party in the state; unlike the PDP, it is not factionalised but the Labour Party is engrossed in a leadership crisis between **Sam Omede** and **John Ogbiede**, while the Edo State Police Command has taken over its Secretariat. This matters because, in 2007, Labour and the ACN ran a strategic partnership against the PDP.

On 24 July, the PDP and ACN flooded an area with armed thugs and a photographer from the *Nation* newspaper was beaten up; the Governor later apologised. There is a history of violence in the home areas of several leading PDP and ACN politicians. A commercial driver, **John Omoreghe**, was shot dead in Ovia South-West, while helping to update the ACN membership register; the police and party officials accuse each other of the killing and some say it occurred in crossfire between the police and ACN thugs.

RIVERS STATE

The State Governor commands vast resources, so state politics can be fierce. The main rivalry is within the PDP, between the incumbent **Rotimi Chibuike Amaechi** and the Aiya group, led by former Governor **Peter Odili**. Another ex-Governor, Amaechi's cousin **Celestine Omehia**, was removed by the Supreme Court and now wants the job again. Amaechi has asserted his control over the PDP but the Odili faction is backed by his vast personal wealth.

Abiye Precious Sekibo, a former Minister of Transport who was Secretary to the Rivers State government under Odili, has left the PDP for the ACN, claiming that President Jonathan backs his bid for the governorship (AC Vol 47 No 23). His supporters include ex-militant chieftains, notably the firebrand **Alhaji Mujahid Dokubo Asari**, whose fight with his underworld rival Ateke Tom in 2004 brought the entire Niger Delta to the brink of all-out war. **Itekena Michael Abel-Tariah**, an Ijaw from the Kalabari clan, is another leading contender.

Amaechi of the PDP has claimed that his ACN rivals are importing weapons to prepare for the 2011 elections. 'We are prepared for battle – bullet for bullet', Amaechi said at a rally to celebrate his three years in office. A popular Okrika youth leader responded: 'We are ready to fight to pour the last blood, if that will be the solution. I mean total war, tell him he better not try'. ●

Ruto takes on the courts

Sacked from the cabinet and accused of involvement in the 2007 election violence, William Ruto comes out fighting

The point of **William Ruto's** voluntary mission to the Hague to meet investigators at the International Criminal Court on 4-6 November became clear when he returned to Nairobi. Throngs of supporters bussed in from his Eldoret North constituency greeted him, to demonstrate his strong support in the Rift Valley region. They welcomed him back as if he were an Olympic gold medallist, rather than a possible suspect in investigations of the violence that killed some 1,500 Kenyans in the wake of the 2007 elections. The ICC says that before the end of December, it will name some six politicians and business people whom it intends to prosecute.

Hundreds of Ruto's supporters had waited all night for his flight, then later appeared again at another rally in his home area. One held up a sign about circumcision ceremonies and many believe that is where bands of Kalenjin youths were trained in 2007 before the elections. Both rallies were televised, including Ruto drinking sour milk from a gourd to mark his Rift Valley roots. He was recently dismissed as the Orange Democratic Movement's (ODM's) Minister of Higher Education; before that, he was Minister of Agriculture.

Ruto was sending a message to the effect that: 'I have been a good citizen and told the ICC what I know about the post-election violence. I control the North Rift and have zealous supporters and if anyone tries to touch me, there will be trouble'. This is no idle threat. Many potential witnesses and victims have been hunted down, intimidated or bought off since the ICC was authorised to take up the Kenya case by its Pre-Trial Chamber of three judges last March. If Ruto succeeds in fending off the prosecutors, other potential suspects will see the value of strong-arm tactics.

Reports of Ruto's trip to the **Netherlands** were circulating in Nairobi well before he took off on 3 November, but it still took many Kenyans by surprise. Some admired his bravado, including **Paul Muite**, who thought Ruto might be trying to set the stage for a summons rather than a warrant for arrest, or even a bargain for bail if he were indicted, like two leaders of the armed opposition in Darfur. When the ICC summonsed them, **Abdullah Banda Abaker Nouredin** and **Salih Mohamed Jerbo Jamus** went voluntarily to the

Court; a confirmation of charges hearing is due on 8 December. Muite noted that Ruto went to the Court only after it sent him an 'adverse notice'.

Many lawyers said they would have advised clients in a similar situation to lie low and keep quiet, disagreeing with Ruto's two legal advisors, **Katwa Kigen** and Professor **Kithure Kindiki** who – along with the member of parliament for Belgut, **Charles Keter** – accompanied him to the Hague. Clients of Kigen, a highly political lawyer, have included former President **Daniel arap Moi**, his bag man **Joshua Kulei** (AC Vol 49 No 15), **Yagnesh Devani** of the Triton oil scandal (AC Vol 50 No 4), Eldoret politician **Jackson Kibor** (implicated in the 2007 violence) and two other politicians charged with hate speech. The Kenya National Commission on Human Rights (KNCHR) listed Kitgen as an organiser of the Rift Valley violence.

RUTO WANTS TO TALK

Many believe that Ruto would have gone to the ICC whatever his lawyers said. He told reporters that his trip was no big deal, he was just going to 'set the record straight', do his 'bit as a citizen' and 'clear his name'. He appears to have responded to letters sent in April by ICC Prosecutor **Luis Moreno Ocampo** to several Kenyan politicians who had been adversely mentioned, inviting them to give their side of the story. Earlier, Moreno Ocampo had indicated that a politician had said he wanted to speak to the ICC: Ruto admits it was him. No other politician is known to have taken up the Prosecutor's invitation. In the Hague, Ruto and his entourage ignored the fact that they were on an international stage and that any misstatements would be noticed, commented on and possibly backfire.

Initially, Ruto had said that he would speak to Ocampo but it seems that the Prosecutor was due to meet a **British** television reporter in London on the day he had mentioned. Ruto's lawyers claimed that the meeting had taken place. Back home, when Ruto was asked if he had met Ocampo, he replied: 'As to whether I travelled to the Hague to meet a taxi operator is upon you to decide.' Kenya's *Sunday Nation* quoted Kitgen, the lawyer, on his client's motives for meeting the ICC: to disparage potential witnesses and to implicate Prime Minister **Raila Odinga** and President **Mwai Kibaki** in the violence.

Kitgen swiftly denied that he had ever said anything of the sort; the Nation Group's Editorial Director, **Joseph Odindo**, stood by the story, saying Kitgen had agreed to its publication. It quoted him as claiming that some of the 'so-called' witnesses had done time in gaol or been investigated by security agents and that 'the investigators should start with the President and the Prime Minister...before moving down to those who played various roles'. Later, Ruto said that his trip to the ICC had not been intended to accuse any person or political party.

It was foreseeable that Kenya's big players might inform on each other once they began to feel cornered. Ruto and his followers had fallen out with the ODM and Odinga, from whom they had expected a return for delivering the Rift Valley vote. In fact, Ruto was dumped from his ministerial post after a Kibaki/Odinga rapprochement and hauled into court by the Kenya Anti-Corruption Commission investigating irregularly acquired property in Eldoret. It may have been in retribution that, well before Ruto's trip to the ICC, documents (widely regarded as fakes) were circulated on the internet, claimed to be records of an ODM meeting during the violence and implicated Odinga in praising the burning of the church in Kiambaa.

After Ruto's return, the ODM, meeting in Naivasha, appeared somewhat nervous but dismissed the trip to the Hague as 'private' and inconsequential. It may have remembered that Odinga, during the 2007 presidential campaign, used the term '*madoadoo*' (spots) and supported the return of Rift Valley land to Kalenjin people. Little is known about what happened during Ruto's time at the ICC but he was reported to have undergone 30 hours of questions and discussions. On his return to Nairobi, he swiftly went on the attack and appealed to his Kalenjin base, accusing both the KNCHR and the Waki Commission of shoddy work based on 'falsehoods', recruiting and bribing witnesses with piles of money and promising them a new life abroad.

Two of those witnesses, **Ken Braziz Wekesa** and **Kepkemboi Rono**, treated reporters to a press conference and tours of their safe houses in the Lavington and Kilimani areas of Nairobi. They claimed that the KNCHR Deputy Director, **Hassan Omar Hassan**, had paid them to lie about Ruto and promised them an opulent life outside Kenya if they recanted the signed affidavits they had delivered to the Waki Commission and the KNHCR. Ruto, later joined by his Rift Valley MP sidekick **Franklin Bett**, the Roads Minister, called for the KNCHR to be disbanded. Both were named in the KNHCR report for further investigation. Ruto also claimed that he had never appeared before the Waki Commission, which quoted him in

its report, and had been given no chance to respond to the allegations against him.

A few days later, Hassan held a press conference refuting all Ruto's allegations. He noted that the two witnesses who made statements against him were being protected by the KNCHR in spite of their statements being full of contradictions. They had endangered other protected witnesses with their allegations and if they now disowned their original statements, they should be charged with perjury.

It is unclear what Ruto has accomplished internationally, apart from raising questions about his credibility. He revved up his local supporters, though. Ocampo and two of his analysts have openly contradicted him, in a video recording played to journalists who are being trained to cover the ICC. Ocampo said that both the ODM and the Party of National Unity (PNU) had committed crimes against humanity and that he would present evidence against six

individuals on both sides of the coalition government before the end of the year.

Ocampo and his colleagues also state that the ICC has witnesses whom neither the Waki Commission nor the KNCHR has heard and that the ICC will not use the two individuals who made allegations against Hassan and the KNCHR.

When asked to comment on Ruto's trip, the ICC's press officers said that nothing about the case had changed as a result of that visit. ●

GAMBIA/IRAN

Iranian guns and a king in Banjul

As he plans to install himself as monarch, President Jammeh has cut ties with Tehran over a mysterious arms shipment

None of the official explanations – from either Tehran or Banjul – of why Iran was sending arms to Gambia via **Nigeria** make any sense. Gambia's President **Yahya Jammeh**, who has run a corrupt and brutal regime for the past 16 years, had been a useful, if minor, ally for Tehran in West Africa. Yet on 23 November, piqued by the embarrassment over the arms shipments, Jammeh broke ties with Tehran and expelled its officials.

Banjul is abuzz with rumours as to where the arms were bound, including the possibility that they were meant for Jammeh himself, either to make money or to face down more military rivals. Nigeria's State Security Services discovered the arms on 26 October: 13 containers labelled as building materials in fact held arms, including mortars and rockets (AC Vol 51 No 23). Then, in late November, they seized a stash of heroin packed into car parts, also coming from Iran.

The SSS acted on a tip-off and has been on heightened alert, looking out for arms imports linked to next year's presidential election. Nigeria's Foreign Minister **Henry Odein Ajumogobia** denied that Western intelligence agencies had tipped off Abuja. The arms appear to be too heavy for the usual political thuggery. Three Nigerians, **Ali Usman Abass Jega**, **Aliu Oroji Wamakko** and **Mohammed Tukur**, and an Iranian diplomat, **Azim Aghajani**, appeared in an Abuja magistrates' court in connection with the seizure.

The **French** container company which transported the cargo, CMA CGM Group, said that the shipper, a private Iranian trader who was not on any sanctions list and who had customs clearance for Banjul, had requested the containers be reloaded and shipped to Gambia. They had arrived in July. Jammeh's response

was to announce on 23 November that he was severing diplomatic ties with Iran, ordering all its government representatives to leave within 48 hours. All Iranian projects in Gambia, some of which involved substantial aid, were cancelled. Iran has claimed that both Nigeria and Gambia acted under pressure from the West. Foreign Minister Ajumogobia has denied this and reported the seizure to the United Nations Security Council as a violation of recent sanctions resolutions.

Gambia's reaction took Iran by surprise and embarrassed President **Mahmoud Ahmadinejad**. He had attended the African Union summit in Banjul in 2006 and visited again in 2009. He also visited Nigeria last July and, amid a determined Iranian thrust into Africa, his Foreign Ministry wants to limit the damage. Sources suggest the shipment was made on the initiative of the elite *Al Quds* section of Iran's Revolutionary Guards, an important centre of power in Iran.

Banjul has been a transit point for both drugs and arms, and when Gambia has been caught out by international security or police agencies, Jammeh has allowed seizures to go ahead. His stand-off with Iran may be a case of protesting too much. After Banjul was identified as an entrepôt for drugs, he allowed 2.1 tonnes of cocaine to be seized in early 2010 (AC Vol 51 No 15). Those in Banjul who believe the arms were meant for Jammeh himself, perhaps for on-shipment, think the motive may be simple profit. **Israeli** sources claimed that the arms were meant for Hamas in Gaza. This would be a circuitous, risky route but not impossible.

Some believe that the arms were intended for one of Jammeh's militias. There was another failed coup attempt in early 2009. Jammeh also faces a

presidential election in 2011. However, on 9 November, he suddenly announced that he would not stand, even though many of his declared plans focus on the year 2015.

This comes amid a growing belief that Jammeh plans a referendum on turning Gambia into a monarchy, with little doubt as to who would be king. There have been several petitions to that effect from upcountry chiefs who have been reported as receiving multiple cash gifts recently. Other Gambian sources say that he has tired of the business of elections and is looking at other ways of staying in power.

After 16 years of Jammeh's eccentric rule, Gambians may be unsurprised by the monarchy project but they cannot be expected to endorse it. What remains of the fragmented and demoralised political class has been in deep depression and division since the 2006 elections but if they see the Iranian arms business as a sign of weakness on Jammeh's part they may stir themselves to action.

Some of Jammeh's foibles are more harmful than others. He says he can cure HIV-AIDS by laying on hands; he has led a campaign against witchcraft in which a number of people have gone missing. He threatened to kill foreign human rights activists in 2009 and openly attacks journalists. Two prominent cases are unsolved: the assassination of leading editor **Deyda Hydara** in 2004 and the disappearance of *Daily Observer* journalist **Ebrima Manneh** in 2007 (AC Vol 50 No 15). The Commonwealth Journalists' Association has called for Gambia to be put back on the Commonwealth Ministerial Action Group's list of countries where 'serious or persistent' violations of human rights take place. It was on CMAG's list in the 1990s but was dropped after some moves towards democracy in 2002.

Since then, CMAG conditions have been tightened. In October, the Commonwealth Eminent Persons Group said that it would call for the Commonwealth to 'act with greater authority' on serious or persistent violations of 'Commonwealth values, including democracy, the rule of law and human rights'. This will finally be on the agenda at the next Commonwealth Heads of Government Meeting in Perth, **Australia**, in a year's time. ●

Money, oil and infighting

As Tripoli hosted a summit for Africa and Europe, the Libyan leader berated his European counterparts for lack of attention to Africa, although his own commitment to his country's development is coming under scrutiny. The latest problem is the failure of a US\$70 billion social and infrastructure investment programme financed by oil revenue. Many blame massive state corruption for the economic stagnation but the personal rivalries – especially between reformers and their opponents – are weighing down the state machinery.

ENDEMIC CORRUPTION AT THE TOP

Inquisitive African and European diplomats attending this week's summit may be surprised by the lack of progress in Colonel Moammar el Gadaffi's latest housing and infrastructure initiatives in Tripoli, despite the billions of dollars of oil revenues allocated. The failure of the project raises critical questions about the endemic corruption in the Libyan state and in the ruling family. It says much for the iron grip of the security services that the visible evidence of the failure of the initiative has not prompted any substantive political reaction, beyond ructions at the top.

The vast Tripoli Gate residential project planned for the outskirts of the capital is still a huge empty lot, with only a few completed blocks lining the highway out to the airport. In some areas, newly built blocks are already suffering from subsidence because of inadequate foundations. Some housing has been built without water, sanitation or roads. The International Monetary Fund reported in late October that the government was set to spend 84 bn. dinars (\$70 bn.) in 2010-12, an enormous increase. Yet items put in the budget have not been funded by the Treasury and building, which was supposed to be booming in the city, has ground to a halt.

There have been rumours that an increase in corrupt practices has been encouraged by speculation about the advent of a liberalising and reforming regime, as promoted by the Great Leader's son Seif el Islam el Gadaffi, with a consequent need among those who can demand payoffs to maximise returns while they can. The amounts of money are said to be staggering, with even fairly low-ranking officials said to be skimming off millions, indicating that more highly placed figures could be taking much more.

Delays have also resulted from bottlenecks due to Libya's sheer lack of capacity to process large flows of funds. More importantly, however, the General People's Committee for People's Inspection and Control – also known as the *Raqaba Shabiya*, a kind of auditing agency – has been suspending projects while it inspects books for irregularities. One of the most high-profile projects to have suffered is the new terminal at Tripoli Airport, where the contractor, an international consortium led by Brazil's Odebrecht, has sent its workforce home after a *Raqaba* investigation began.

Raqaba has its work cut out. Moammar el Gadaffi famously took his government to task on corruption in 2008, when he proposed the abolition of all the ministries and the direct allocation of oil revenue to the people but he was thwarted by the government administration. It demonstrated that even his power has limits. One of the organisations facing the most pressure for reform and which is in *Raqaba*'s sights is the Organisation for the Development of Administrative Centres.

ODAC has published plans for hundreds of billions of dollars in investment but it is doubtful whether enough skilled staff are untainted by corruption to institute reforms.

Gadaffi's relatives are not helping. They are effectively untouchable and some are believed to be taking large percentages out of contracts that cannot go ahead without their approval. In one case we heard of, a Gadaffi family member took such a large commission on securing land and planning permission for a project that there was not enough money left to implement it. While he does not always get his own way, the Colonel has succeeded in remaining above the fray and attracts little censure from the public for the current situation. There is a gulf between his poorly understood decision-making structures and the executive level of government, which takes the blame when things go wrong.

There is only one figure potentially capable of bridging the gap between the unaccountable and enigmatic leader and the executive: Seif el Islam, Moammar's most influential son and his eldest child by his second wife. He has no official position and appears intent on not taking one. Last year, he turned down his father's offer to make him head of the Social Peoples' Leadership, which would have made him a sort of deputy leader – prestigious but relatively powerless.

SEIF'S VISION FOR LIBYA

By staying behind the scenes, he has been able to exert more influence – and with some independence from his father. However, he has suffered important setbacks in the past two years. His media outlets – including web-sites as well as the previously daily, now weekly, newspaper *Oea* – have been under persistent attack in a manner that suggests that other forces in the elite may resent and fear his ideas about liberalisation (AC Vol 51 No 23). He has made no progress on his long cherished plan to introduce a written constitution that would give the Socialist People's Libyan Arab Jamahiriya (SPLAJ) a head of state and a functioning democracy.

The constitutional idea has been floated under the title of 'Libya 2025'. Professor Youssef Sawani, Executive Director of Seif el Islam's main vehicle for public intervention, the Gadaffi International Charity and Development Foundation, says Libya 2025 has been 'sitting on a shelf in the National Planning Council for the past two years'. Sawani spoke about the plan at a meeting at the London School of Economics and Political Science – Seif's *alma mater*, to which the GICDF made a grant of £1.5 million (\$2.33 mn.) in 2008. Sawani said it was founded on a 'basic undertaking to have an open and plural society and a strong democratic state.' He added that Seif's efforts 'had not yet led to the vision being accepted officially', meaning that it can go no further unless the Brother Colonel approves it, which he shows no signs of doing.

If Seif is taken to represent a liberalising or reforming tendency, Gadaffi's fourth son, Mutassim Billah el Gadaffi, represents defenders of the status quo. The state of their rivalry is usually seen as an indicator of the relative strength of the conservative and reformist camps. However, Lieutenant Colonel Mutassim also suffered a major setback in 2010 when his public behaviour showed him in a far from statesmanlike light (see Box).

The ebb and flow of Gadaffi family politics provides superficial interest but few clues as to what direction the country

is headed in. Similarly, the seemingly interminable squabbles between senior officials and ministers also appear to reflect personal rivalry as much as ideas about its future direction. Several such conflicts have centred on the much derided figure of Prime Minister **El Baghdadi Ali el Mahmoudi**. He has previously been written off as weak and ineffectual, only later to prove a dangerous opponent.

Prime Minister El Mahmoudi is believed to have engineered the dismissal at the end of 2009 of a key Gadaffi aide, **Bashir Saleh Bashir**, from the chair of the Libyan African Investment Portfolio. The LAIP is a private-equity subsidiary of the Libyan Investment Authority, the country's sovereign wealth fund. Saleh previously earned the enmity of the Prime Minister while serving as '*Qalam el Kaid*' (The Pen of the Leader) and running Gadaffi's private office. As late as September 2009, Saleh was described as Gadaffi's 'chief of staff' in a cable to Washington from the **United States** Ambassador to Libya, **Gene Cretz**, which was recently published by Wikileaks.

In August this year, the Portfolio's Vice-Chairman and Chief Executive, **Khalid Kagigi**, was also dismissed by El Mahmoudi, a Libyan opposition source told *Africa Confidential*. Kagigi is believed to be close to Seif el Islam. The source added that there was currently a big power struggle within the regime for control of the LAIP.

One of the oldest vendettas is between the Prime Minister and National Oil Corporation (NOC) Chairman **Shukri Ghanem**. El Mahmoudi served as Ghanem's deputy when the latter was Prime Minister, from 2004 to 2006. Although Ghanem has earned criticism over the past year for attempting to force international oil exploration companies to accept unfavourable terms in renegotiations, he is nevertheless the most highly placed pro-reform politician and one of the leading proponents of liberalisation. Oil sector sources in Tripoli say Ghanem has threatened to resign in the face of interference up to a dozen times.

BATTLES OVER OIL

There were 'huge hidden battles raging' in the NOC, focused on its Chairman, said 'Libya's Energy Future', a report published by Cross-Border Information in July. 'Ghanem has made enemies by destroying many of the old lobbies that used to dominate the organisation. He purged a large number of senior executives who continue to resent him and who are biding their time to return as soon as he has fallen.' When El Mahmoudi succeeded in securing Ghanem's resignation in August 2009, it represented a setback for the reformist camp. Seif's intervention got him reinstated two months later.

The energy sector oversight committee, the Supreme Council for Energy Affairs, was set up by the General People's Congress (GPC) while Ghanem was absent and chaired by Prime Minister El Mahmoudi. It remains a potent potential challenge to Ghanem's authority. The two men are at odds over the future of the energy sector and it is impossible to predict how their conflict will play out. The source of their enmity is not public. However, Ghanem is credited with having cleared out centres of delay and corruption that ailed the energy sector in the run-up to the 2007 deal with the oil company BP. This is said to be one of the reasons Libya's project with BP is one of

the few not to be affected by the current problems.

It is in the financial sector, however, that the influence of Seif and his allies is most felt. In April, the SPLAJ's generally conservative legislative body, the GPC, passed a number of business-friendly laws, including legislation for a 20% corporation tax, a reduction in the rate of income tax to 10% and a new investment law. Also, a capital markets act established an independent regulator for the Libya Stock Exchange, whose prices are now flashed up on a large screen outside its headquarters on one of Tripoli's main commercial streets.

Here, too, El Mahmoudi appears to be leading a rearguard action against reform. He recently suggested that the impressive programme of banking sector reform, which has been led by the young and dynamic Central Bank of Libya Governor **Farhat Omer Bengdara**, had gone too far. Under CBL guidance, six international banking joint ventures have been set up in the past three years. A licence awarded to **Italy's** Unicredit in July will be the seventh (AC Vol 51 No 18).

At the beginning of November, the Prime Minister made his disquiet with all this public. 'The experience of partnership with foreigners in some economic and financial sectors has not achieved what was expected from it and so it is for Libyans to share ownership together of banks as with all corporations and businesses', he said at a meeting of the administrative committee of the Libyan Chambers of Commerce and Industry.

Libyan media commentators interpreted these comments as proposing the cancellation of foreign bank ownership. El Mahmoudi made his speech the day after a report appeared in the Benghazi newspaper *Quryana*, which is backed by Seif. It said that Bengdara had been obliged to set up a committee to investigate loans issued without adequate guarantees by Sahara Bank, which is managed and 19%-owned by **France's** BNP Paribas. Abandoning the bank privatisation and reform programme would be a further blow to hopes of wider economic development and could be a litmus test for the fortunes of reform. ●

GADAFI'S JACOB AND ESAU

With its control of state revenue – amounting to over US\$400 billion – for the past four decades, the Gadaffi family has become a sprawling, opaque and sometimes quarrelsome business empire. Its founding father, **Moammar el Gadaffi**, may be losing his hold over some of the imperial outposts but he remains the dominant political force blocking substantive reform. Yet he has two powerful sons, one a would-be reformer, the other a conservative.

The reformer is **Seif el Islam el Gadaffi**, the only one of Colonel Gadaffi's children to have a publicly thought out political idea of what Libya could become. Questions still remain about his ability to convert this into reality. Although he has successfully overseen a reorganisation of the Libyan Investment Authority sovereign wealth fund and its subsidiaries, he has been less effective domestically. His 'Libya 2025' vision has almost no chance of being implemented while his father is in power.

Seif el Islam's chief family rival is Lieutenant Colonel **Mutassim Billah el Gadaffi**, who has in the past been considered a favourite of conservatives, the security establishment and the Revolutionary Committees. In the September 2009 cable to Washington leaked by Wikileaks (see Feature), **United States** Ambassador **Gene Cretz** described Mutassim as 'National Security Advisor' and as the chief orchestrator of public events to promote the leader's image. Reports of his arrogant behaviour towards senior regime stalwarts combined with the internet publication of embarrassing photographs of his private \$2 million **Beyoncé Knowles** concert and footage of Champagne-spraying escapades have threatened to relegate him to the hooligan category.

The National Security Committee, of which he was President, was closed down in June after he allegedly had a violent altercation with Foreign Minister **Musa Kusa**, one of Gadaffi's close comrades who was a long-time boss of the External Security Organisation (AC Vol 50 No 1). Yet Mutassim is not out of the picture. According to a mid-November report on the website of *Oea* newspaper, the NSC has just been re-established, although Mutassim's continued role as its chief is not yet confirmed. ●

The case against Kabila's army

A new report by United Nations experts implicates Congo's soldiers in murderous criminality, leaving Kinshasa some tough choices

The findings by a United Nations' investigation that extensive criminal networks inside Congo's army are raping and killing people and stealing minerals challenge President **Joseph Kabila's** position following his call for UN peacekeepers to leave by the end of next year. If Kabila claims to be in charge of the *Forces Armées de la République Démocratique du Congo*, he will have to take responsibility for their depredations and purge the FARDC accordingly. Another complicating factor is that presidential and parliamentary elections are due in late 2011, amid a sharp decline in Kabila's national popularity. This leaves the rump of his support base in the vast, mineral-rich south-western province of Katanga.

With the release of the report on 29 November, the UN Security Council renewed its arms embargo and other sanctions on Congo-Kinshasa, along with

the Group of Experts' mandate, all for a year. The UNSC has called on Kinshasa to crack down on the criminal networks in its armed forces. Kabila said he had imposed a ban on mining in September to deal with 'mafia' networks. The Group's report gives Kabila and the presidency plenty of ammunition to use against ex-commanders from the *Conseil National pour la Défense du Peuple* (CNDP) and the FARDC who have been abusing their positions to get rich on mining. The question is, will he use it?

The latest report adopted a more diplomatic tone than some previous UN reports but clearly stated that the army was engaged in criminally plundering minerals and accused some commanders of creating a local militia, Mai-Mai Sheka, which then raped more than 300 people in Walikale in Kivu Nord Province in July and August. The soldiers who should have

protected the villages were instead at the Bisie cassiterite mine and the Omate gold mine. 'Officers at different levels of FARDC hierarchy jostle for control over mineral-rich areas at the expense of civilian protection': this conclusion by the Experts gets to the heart of the issue. Soldiers join in the plunder of minerals and have failed utterly in their duty to protect civilians.

The report said that the FARDC's operations over the past year had ejected armed groups, such as the *Forces Démocratiques de Libération du Rwanda* (FDLR), from mines across eastern Congo. It added, though, that the FARDC rarely pursued the armed groups much beyond the mining sites. They prefer to have them nearby to justify the continued military operations that ensure funding from Kinshasa and allow the criminal networks within the military to entrench their own economic control over the mines.

MILITARY CRIMINAL NETWORKS

The UN Group found that these army criminal networks were widespread in the eastern provinces, often led by senior commanders, such as the head of the FARDC's Land Forces, General **Gabriel Amisi** (aka 'Tango-Four'), and Gen. **Jean-Bosco Ntaganda** ('Terminator'), commander of the CNDP before it was integrated into the national army. Now a serving officer in the FARDC, Ntaganda is wanted by the International Criminal Court to face charges of crimes against humanity. Other FARDC commanders whom the UN Experts accuse of heading criminal networks include Gen. **Vainquer Mayala Vichana**, Commander of the 8th military region (comprising North Kivu); his deputy, Colonel **Etienne Bindu**; Gen. **Patrick Masunzu**, Commander of the 10th military region (South Kivu) and his deputy, Col. **Nakabakare**.

These commanders largely determine troop deployments in the region and have ensured that FARDC soldiers protect their economic interests, especially those headed by ex-CNDP officers. The report says these are 'the real decision makers' within most FARDC brigades. The FDLR hires itself out to other militias and still controls a few mining deposits – mostly gold but some cassiterite and coltan. Showing the dangers to the region of the chaos in eastern Congo, **Burundi's** rebel *Forces Nationales de Libération* leader, **Agathon Rwasa**, is in the area recruiting local fighters, according to the report. It added that Rwasa has joined forces with the FDLR and they might work with **Kayumba Nyamwasa**, the former head of Rwandan military intelligence, now exiled in **South Africa**.

The UN Experts argue for companies to take much stronger due diligence measures to track minerals leaving mines in war-torn areas (which covers much

WILL THE UN BAIL OUT OF CONGO?

Another month, another United Nations' report on Congo-Kinshasa. Yet do these reports, or indeed the UN in general, help improve conditions in Congo? At around 19,000 strong, the *Mission des Nations Unies pour la Stabilisation du Congo* is the largest purely UN operation in the world. Monusco runs an aviation network across the country that is better than anything commercial airlines have to offer and it would be sorely missed. However, UN salaries inflate rents in Kinshasa, which may well be why the government is so keen for it to go.

President **Joseph Kabila** has set a deadline for the end of 2011. This is not going to happen. The UN secured the government's agreement that troop reductions would be linked to joint assessments of the security situation, particularly in the east, and these are unlikely to conclude that it is safe for the Blue Helmets to pull out. Kabila needs their help with elections, too, as the logistics are beyond the government's capacity. Although it has thousands of troops and gathers masses of information, Monusco has little influence on the ins and outs of politics in the Kivus, where the key actors are local and regional, and are expert at taking as little heed as possible of the UN.

Monusco is, however, engaged in a key economic intervention in the mining sector, working with the government to establish secure minerals trading centres. The project is proceeding slowly but steadily. The danger is that once operational, the trading centres could become unwitting launderers for 'conflict' minerals, and Monusco, which has invested much of its reputation in the project, will need to be vigilant.

The 2009 Group of Experts infuriated the government, as it did some other governments it had much to do with, but this year's panel has managed a warmer relationship, despite losing staff because of objections by the government, which (echoing **Sudan**-UN relations) **China** championed at the UN Security Council.

The *Forces Armées de la République Démocratique du Congo* will surely dislike the UN Experts' 2010 report for its frank exposure of their officers' wrongdoing. Yet others in government will be delighted, particularly the Ministry of Mines, which wants to be back in control of mines in eastern Congo. Kabila's reaction will be interesting to watch. The report echoes his language in decrying 'criminal networks', so it will be hard for him or his team to denounce it. Yet support for the report implies taking on vested interests at the top of the armed forces, which is not high on Kabila's agenda when his popular support is in question and national elections loom next year. ●

of eastern Congo). But Security Council members diluted the proposed new rules. **Britain** objected to governments being penalised for not sanctioning errant companies: the Global Witness group unsuccessfully tried to sue the British government for failing to act against Amalgamated Metals Corporation, whose purchases helped finance the FDLR. **Uganda**, on the Council until the end of the year, wanted to protect its gold traders who operate on the border with Congo.

Finally, **China** may have wanted weaker rules, making it easier for its companies to increase their access to minerals in eastern Congo. Before September's presidential ban on mining in the east, Chinese-owned *comptoirs* were the biggest cassiterite buyers in North Kivu and China's Jiujian Jinxin Non-ferrous Metals was a big buyer of Congolese coltan. So far, Chinese tin smelters have processed little Congolese cassiterite but if the **Malaysia** Smelting Corporation, the main buyer, ever pulls out for reputational reasons, that is likely to change fast.

Kabila may respond to the UN report on 15 December, when he attends a summit of regional heads of state on the illegal exploitation of natural resources, organised by the International Conference on the Great Lakes Region in Lusaka. The meeting is to approve due diligence guidelines (similar to those of the UN Experts) produced by a research group working with the Paris-based Organisation for Economic Cooperation and Development. Kabila, who has his own mining assets, may genuinely want the generals out of the mining business and the UN Experts called for international help for the army's 'military justice' unit. Yet if these generals think Kabila wants to remove them, they might leave the army and form more rebel militias. We have heard of many desertions from the FARDC in North Kivu in October and November, particularly by ex-members of the CNDP.

The prospect of an alliance between ex-CNDP combatants (infuriated by Kigali's treatment of their hero, Gen. **Laurent Nkunda**), the FDLR and Nyamwasa worries Kabila and also **Rwandan** President **Paul Kagame**. This is why Kagame has sent Rwandan troops into eastern Congo, apparently with Kabila's full consent.

The issue is particularly tricky in a pre-election context. Kabila needs votes in the east, where many people believe he has betrayed them by collaborating with the Rwandans. His solution will probably be to co-opt or threaten aspiring presidential candidates who might do well in the east. This applies to the Bukavu-born former Speaker of the National Assembly, **Vital Kamerhe**, who was sacked for opposing Kabila's invitation to the Rwandan Defence Force in January 2009. ●

BURKINA FASO Modesty Blaise

Apathy and a chronically low turn out meant that President Compaoré could have won comfortably without bothering to steal votes

Of all West Africa's electoral battles, President **Blaise Compaoré's** fight for re-election after 23 years in power was the least in doubt. The 21 November poll saw him secure 80.21% of the vote, on a low turnout and amid much disillusion about the possibility of change. There were accusations of poll-rigging but there was never any prospect of a genuine contest. Only 1.62 million Burkinabès bothered to vote, just over 50% of the registered electorate of 3.2 million. The population is 16.2 million and in comparable countries in the region, the electorate is about 40% of the population, so Burkina Faso's should be at least 6.5 million people.

The opposition has made little headway against Compaoré since 2005, when he polled almost exactly the same percentage but on a bigger turnout. **Hama Arba Diallo**, the Mayor and member of Parliament for the northern town of Dori, took 8.18% of the vote after negotiating an alliance with three minor contenders.

The runner-up in 2005, **Bénéwendé Stanislas Sankara**, increased his score from 4.88% to a mere 6.34%. Two of the more substantial members of the opposition opted to sit out this contest: **Zéphirin Diabré**, the former Africa and Middle East Director of the **French** nuclear power group Areva, who belongs to the recently launched *Union pour le progrès et le changement* (UPC), and **Hermann Yaméogo** who is from the *Union nationale pour la démocratie et le développement* – which therefore had no candidate.

FORWARD PLANNING FOR 2015

The opposition's greatest hope of displacing 'Beau Blaise' probably lies in exploiting resentment of the prospect of a further five years in office once his term expires in 2015. In August, the ruling *Congrès pour la démocratie et le progrès* proposed abandoning the constitutional two-term limit and is wondering how to sell the idea to the public. But Compaoré's accession to power predated any elections: he has been in charge since the 15 October 1987 murder of his close friend and ally Captain **Thomas Sankara**, the charismatic instigator of social change in the former Upper Volta (AC Vol 50 No 5).

Compaoré has already made constitutional and regulatory changes to enable him to stay in office, shortening the presidential term from seven to five years. When the regime brought in the change,

however, it started the clock anew, as if he had not already held office (AC Vol 50 No 22). Come 2015, though, this ploy will have run its course. Earlier this year, opposition parties formed an alliance to oppose the removal of the two-term limit but did not get enough traction on the issue to help them in this election.

With an astonishing 156 parties and an enfeebled civil society, Burkina Faso is sometimes seen as a country without a serious opposition. However, in the 2002 legislative polls, the CDP won only 57 of the 111 seats in Parliament. The regime has managed to prevent domestic discontent from gaining critical mass by its effective running of the economy and development.

Corruption is a growing problem and there is a widening disparity between the standard of living of a privileged elite and that of most Burkinabès, yet materially, life for most people has steadily improved over the last 10-15 years. Disciplined macro-economic management to keep inflation in check has been allied to sustained agricultural growth. This year's gross domestic product growth is projected at 5.2%, with 5.5% forecast for 2011.

These figures partly reflect booming prices for gold exports, a highly localised activity, but the government has astutely spread the benefits of growth. Last year, it allocated a quarter of total spending to health, education, rural roads, women's welfare and other programmes to reduce poverty. Another political reward of such policies is the sustained confidence of international contributors.

Compaoré has played a shrewd game internationally, converting his international image from mistrusted strongman – openly suspected of questionable interference in the **Sierra Leonean**, **Liberian** and **Ivorian** civil wars – into a grudgingly respected regional peace-broker. Allowing more open debate at home has soothed the scruples about governance of Western governments and institutions. Winning friends in Paris and the World Bank has also helped to immunise Compaoré against internal criticism. If his domestic opponents are to challenge him more successfully, they will have to overcome their own differences in time for the legislative and municipal elections due in May 2012. That will require the political discipline and unified campaigning that is lacking so far. ●

Mubarak's last stand

After fixing the legislative elections, the NDP prepares for a much tougher fight in next year's presidential polls

After its claimed landslide victory in the 28 November parliamentary elections, the National Democratic Party's local and international credibility has hit an all time low. The NDP must now engineer a similar landslide in next year's presidential election. Yet, as popular opposition to the NDP regime mounts, the party itself is split over whom it should field as its candidate in 2011.

No one can match the personal standing of Egypt's ailing President **Hosni Mubarak**, 82, but few in the NDP are keen to back his renomination. Some want a military man who would keep up the pressure on the NDP's Islamist opponents then preside over a transition to a younger generation of civilians. Another group, which many believe includes President Mubarak, want a civilian successor immediately, namely his son, **Gamal**. Yet Egypt's political scene is growing more treacherous, and the NDP's Islamist opponents expect a bungled transition.

The NDP's claim to have won 95% of the votes may mean little, but it sets the scene for the presidential battle. The party wants the electorate to see the NDP and the Islamist Muslim Brotherhood (MB) as the only options. The NDP will then position itself as the constitutionalist, traditional party in contrast to the risks

and uncertainties an Islamist regime might bring. The MB could work with this formulation, which implies the electoral exclusion of a liberal secularist opposition. It shifts the goalposts of 'normal' politics: the NDP and MB share an enthusiasm for a security-dominated organisation and authoritarian methods.

The government was determined to crush the MB in Parliament. The results of the second round of polling on 5 December – boycotted by the MB – in constituencies where no candidate won 51% should confirm the NDP's supremacy. On polling day, the police were busy securing the vote for the NDP, eyewitnesses told *Africa Confidential*. Fraud was worse than expected, increasing from the early afternoon along with violence. At least two people died during clashes with security forces. AC witnessed a woman requesting payment from an NDP official. She said she had been waiting and did not want to chase after the official any longer.

Voters were paid 200-300 Egyptian pounds (US\$34-54) per ballot, candidates were often prevented from checking ballot boxes and polls were forcibly closed early. At one ministry, AC hears, a special bonus payment for all employees was contingent on the minister's re-election to his NDP seat: buses were laid on for them to vote.

The New Wafd Party won two seats but then withdrew from the second round after receiving 'thousands' of messages from its supporters protesting against the violence, bullying and fraud. New Wafd had been accused of doing deals with the NDP to secure its status as the official opposition, but the groundswell of its members' anger precludes any such deal. Leaders described the first round of voting as a 'farce' but it was unclear if they would withdraw their elected candidates. In the last Parliament, Wafd had 12 seats and the MB 88, giving a semblance of democratic diversity. But in the new Parliament, the overwhelming NDP majority will be an embarrassment. US officials have already spoken of their 'dismay' at the reports of electoral manipulation.

The NDP uses the MB to bolster its image as a last bulwark against Islamism, while the MB wants to be seen as the only credible alternative to a monolithic, corrupt regime. Having been banned for decades, the Brothers may recognise that the 'Islamising' of Egypt is not achievable in the short-term but are confident that the future is theirs. On the scene for more than 80 years, they are the largest opposition group. This faith in the future lay behind the decision to fight the elections. Members had been arrested during the security crackdown and the polls afforded some relief from repression. The MB had been divided over its tactics. Our sources say that barely half of the MB voted to participate. **Khaled Dawood**, who backed the boycott, may now lead a breakaway faction.

The NDP was also pleased to see cracks appearing in **Mohamed el Baradei's** boycott (AC Vol 51 No 21). The NDP has problems enforcing party discipline, especially among those activists not standing. This year, the party fielded 780 candidates for the 508 parliamentary seats, so it ran more than one candidate in 60% of constituencies, the Director of the Cairo Human Rights Studies Institute, **Bahey el Din Hassan**, told AC.

Any NDP candidate for next year's presidential polls will have to win over the party leadership and the armed forces. Gamal Mubarak is close to party figures such as iron and steel tycoon **Ahmed Ezz**, but has a low profile within the regime and no military record. Another option is the security chief, Lieutenant General **Omar Suleiman**, 74. In September, posters calling him 'the real alternative' to Gamal appeared in Cairo; after NDP officials made a fuss, they vanished. Although Suleiman is a military man (and has long handled Sudan policy), he has not been an NDP member for a year (the requirement to stand) and is not in the Politburo. The coming power struggle within the NDP could trigger the political changes that so many of its loyalists oppose. ●

THE THWARTED CONTENDERS

● **Muslim Brotherhood (MB, *El Akhwan el Muslimoon*):** The MB remains the main opposition party despite continual crackdowns and waves of arrests by the intelligence services. It also suffers from internal dissension since the election as leader of **Mohamed Badie**, who has favoured a non-violent, conciliatory approach to political reform. A dissident group broke off after the decision to contest the elections (AC Vol 51 No 21).

● **Mohamed el Baradei:** the 2005 Nobel Peace Prize winner and former head of the International Atomic Energy Agency returned early in 2010 aiming to revive politics with the fractious National Association for Change, a coalition of politicians, intellectuals and activists. He called for an election boycott, which failed when the MB broke ranks.

● **Ayman Nour:** the leader and founder of the *El Ghad* ('future') party. In 2004, he ran in the presidential election, obtaining 7.6% of the vote. In 2005, he was stripped of his parliamentary immunity and sentenced to five years in prison for fraud allegedly committed while obtaining the licence for his party. The conviction means Nour still faces restrictions on running for office. In 2005, *El Ghad* split between a Nour faction, which boycotted the latest elections, and one led by the party's Deputy Chairman, **Moussa Mustafa Moussa**, which fielded candidates.

● The New Wafd Party has resisted El Baradei's electoral boycott call. **El Sayyid el Badawi**, President of the party since May, owns the *Hayat* satellite channel and, last August, bought the popular daily newspaper *El Dostour*. Despite promising editorial independence, he fired the Editor, **Ibrahim Eissa**, over an article written by El Baradei.

● Led by 78-year-old **Rifaat el Saeed**, the *Tagammu* (Alliance) fielded 78 candidates in 21 governorates, making it the party with the fourth highest number of candidates. ●

Abyei's protocol problems

Abyei is still waiting, while Southerners register for their own referendum

The National Congress Party (NCP) carried its brinkmanship beyond the 30 November deadline set by Abyei's Dinka Ngok leaders – and the requisite Referendum Commission had still not been set up. Ngok leaders had threatened to block the migration route of Baggara Missiriya Humr and implement their own self-determination process. After weeks of meetings where the NCP (aka National Islamic Front) persisted in trying to rewrite the 2004 Abyei Protocol, the Sudan People's Liberation Movement (SPLM) agreed that the Presidency should decide (AC Vol 51 No 23). Comprising President **Omer Hassan Ahmed el Beshir**, Vice-President **Ali Osman Mohamed Taha** and First Vice-President **Salva Kiir Mayardit**, the Presidency has a built-in NCP majority. The NCP Leadership Council met on 1 December to polish its position.

No matter what the outcome, it looks near impossible for Abyei to hold its vote on time on 9 January, as the 2005 Comprehensive Peace Agreement (CPA) stipulates. The SPLM may have surprised the NCP by its insistence that the Abyei and Southern referenda were indivisible. The Government of South Sudan (GOSS) President, Gen. Salva, told the

18 November Abyei conference in Juba: 'Don't think that the National Congress Party is powerful that they can take the land by force. If they attack us, we have the right to self defence'.

STRAIGHT-TALKING FROM SALVA

Both the **United States** (at least in the form of General **Scott Gration**) and the African Union, and many journalists, have treated the two CPA signatories 'even-handedly', when only the NCP is trying to rewrite the agreement. At an Inter-Governmental Authority on Development meeting which a worried **Kenyan** President **Mwai Kibaki** convened in **Ethiopia** the next week, Salva told IGAD bluntly who was blocking the referenda.

Yet the NCP has again cornered the SPLM which, in the absence of tough action by its friends in Washington or the AU, has little choice but to bargain over an internationally guaranteed peace accord to which the NCP had long ago agreed. Expectations were, said an SPLM source, that bargains would be struck over oil, with the NCP keeping a much larger share of a newly independent South's output than expected. Forced effectively to devalue its currency and fearing that

Southern independence may awaken the somnolent Northern opposition, the NCP needs its money now, if only to squirrel it away (AC Vol 51 No 22).

Registration for the Southern referendum proceeds apace, with an extension from 1 to 8 December. One reason is a delay in getting electoral materials to far away places, including **Egypt** (due to NCP obstruction and lack of infrastructure and staff). The GOSS also underestimated how hard it was for many aspiring and usually poor voters to make expensive journeys twice: once to register, once to vote. The GOSS had discouraged Southerners from registering if unsure of voting. Registration was slow last week in London, the only centre for all Europe.

Many could not afford to cross **Britain**, let alone the Continent, said one official. A voter from **Switzerland** complained that she had to fly twice to London and that the GOSS had not provided enough information. Some, especially in Northern Sudan, feared registration would be manipulated by Khartoum and would expose them to danger. Thousands were still trying to go South to register there. Such fears existed in London, too, said an SPLM source.

Registration there seemed to be picking up, especially when the GOSS organised transport from other cities. 'It's very satisfactory now', the head of the polling station, **Federico Vuni**, told *Africa Confidential*. 'People are getting feedback from those who have registered and morale is high,' said Vuni, a Sudanese civic activist and local government officer in Leeds. ●

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Angola/United States CLOSING THE LAUNDRIES

■ Angola is considering retaliating against United States' companies and the US Embassy in Luanda over the Bank of America's closure of its Washington Embassy accounts, we hear. It is insisting that the US Department of State solve the problem. More details are emerging about why American banks closed down the accounts of 16 African and other diplomatic missions in Washington and New York.

They include **Burkina Faso, Burundi, Cape Verde, Central African Republic, Congo-Kinshasa, Equatorial Guinea, Gambia, Lesotho, Madagascar, Malawi, Namibia, Sierra Leone and Swaziland** (plus **Guatemala**). **Mozambique** said it had not been affected. The BoA closed the accounts of the Angolan Embassy only three months after taking them over from **Britain's HSBC**. Citibank and JP Morgan Chase also closed other missions' accounts. State Department sources said another bank had offered to take the Angolans' business.

Just before BoA closed Angola's account, the USA's Federal Reserve had sent HSBC a swingeing 'cease and desist' order to strengthen its anti-money-laundering measures. February's US Senate report lambasting Angola, among others, for corrupt activities, complained of lax anti-money laundering controls at the *Banco Africano de Investimentos* and its dealings with HSBC (AC Vol 51 No 4). Some top politicians in Luanda use BAI. The Senate report was a warning to HSBC of more trouble to come.

We hear the banks acted after warnings from the US Treasury that their liability over questionable monies passing through their accounts could be stricter than they might have thought. 'Those banks decided to freeze accounts of diplomatic missions that they thought were high risk. This happens, for example, when a client uses personal accounts for official business or withdraws large sums of cash,' said a US diplomat in Maputo. After the US crackdown, the pressure on the much-criticised British bank is set to increase.

Madagascar THE NEXT REVOLT

■ The curious rebellion on 17 November by a score of soldiers was defused when the rebels, who had been surrounded, surrendered peacefully. No military units had joined them; eleven officers have been detained and a leading judge, **Raymond Ranjeva**, stands accused of incitement to rebellion. Some serving soldiers want the mutineers released, though, and

underlying discontent among the military and some politicians lives on.

Shortly after the appointment of the transitional Parliament, nearly half the members of the lower house called for the Speaker, **Raharinaivo Andrianantoandro**, to be removed: he had been authorised to use a private aircraft despite government calls for austerity. Although President **Andry Rajoelina** aims for economic nationalism and expansion, he has opted for penny-pinching financial orthodoxy, hoping to keep state finances on track.

Foreign aid has dried up and the main Western and multilateral donors will not restore it unless Rajoelina negotiates a compromise with his political opponents, in particular exiled former President **Marc Ravalomanana**. That is most unlikely, since Ravalomanana (in exile in **South Africa**) has been convicted for the killing of demonstrators by his Presidential Guard.

The man who ousted him remains defiant. On 17 November, the day of the failed putsch, a referendum endorsed Rajoelina's plan for a new constitution and elections next year, with a 74% 'Yes' vote on a 52% turnout. He hopes this will give him an acceptable level of international legitimacy. The plebiscite also lowered the age requirement for presidents from 40 to 35, so he can lawfully keep his job.

Yet the army has warned that financial and economic pressures threaten stability. The government can just pay essential salaries but development spending has crumbled and the **United States** has suspended market access privileges for textile exporters, who employ over 100,000 people, mostly around Antananarivo. The lowest 'Yes' vote in the referendum came around the capital.

South Africa

WHY NYANDA HAD TO GO

■ When President **Jacob Zuma** reshuffled his cabinet last month, he fired the powerful Communications Minister, General **Siphiwe Nyanda**. We can reveal that Nyanda fell out of favour for refusing to support Zuma's allies and financiers, the Gupta brothers, in their application to the Independent Communications Authority to start a new television station. **Atul, Ajay, Rajesh and Tony Gupta** will on 6 December launch a daily newspaper, *The New Age*, which they say will be 'broadly supportive' of the African National Congress government.

The Gupta Group owns Sahara Computers, which has interests in mining, aviation and property. Several of Zuma's children have joined the boards of Gupta companies since their father became President. On Zuma's state visit to **India** this year, his son **Duduzane Zuma** represented the Gupta-owned Mvengela mining company and in October, a company partly owned by Rajesh Gupta bought Duduzane

a 4 million rand (US\$567,800) mansion. Duduzane is involved with the Guptas in a lucrative black empowerment deal that seems to have been made possible partly by information from the Department of Mineral Resources; the deal, involving ArcelorMittal and Imperial Crown Trading (ICT), has made the Guptas millions.

Nyanda, a former head of the SA National Defence Force, has extensive interests in media, communications and technology, and was instrumental in winning the presidency for Zuma from **Thabo Mbeki**. Zuma's strategists were already worried that Nyanda had moved close to **Tokyo Sexwale**, the Human Settlements Minister, who intends to challenge for the presidency one day, if not in 2012. Nyanda had also failed to support Zuma's choice of chairman for the SA Broadcasting Commission, **Ben Ngubane**, once an Inkatha Freedom Party leader but now in the ANC (AC Vol 51 No 18). With networks in the army, security and intelligence, Nyanda could be a formidable obstacle to Zuma's second term ambitions and a booster for potential rivals such as Sexwale. To avoid that, Zuma has offered him a job as his Parliamentary advisor.

Zimbabwe

CRANSWICK AND MARANGE

■ A key player in the Marange diamond fields dispute, businessman **Andrew Cranswick**, has been declared bankrupt in **Australia** after failing to pay a tax demand of Aus\$1.1 million (US\$1.07 mn.). Cranswick is the Chief Executive of African Consolidated Resources (ACR), which held some of the original licences to exploit Marange diamonds from 2006, before the government seized them. In 2009, the High Court in Harare ruled in Cranswick's favour but then, against him (AC Vol 51 No 23).

During an interview with Australian tax officials in April 2009, Cranswick made comments about trading in African metals and contravening African exchange controls, according to the Australian press. Zimbabwe's newspapers have seized on these and reproduced them in detail.

Cranswick replied to the charges in the Zimbabwean press, telling *Africa Confidential*, 'Those comments were from a long time ago and were in reference to perfectly legitimate trading prior to the existence of ACR, and pertain only to my personal tax matters. They were nothing to do with ACR company matters. My comments were distorted to denigrate the company.' As for the bankruptcy order in Australia, Cranswick denied that he had ever been tax resident in Australia or that he owed that amount in tax. He told AC that he would appeal the order. His Australian problems appear not to affect the status of ACR's listing on the Alternative Investment Market in London and the share price has not changed in the wake of the news.

KENYA	SOMALIA	NIGERIA	SIERRA LEONE	ZIMBABWE
Don't be vague, let's go to the Hague Kenyan MPs try to defend their accused colleagues.	New guns on the block A military company run by Salim Saleh and South African mercenaries is intervening in Somalia.	The war against the amnesty The presidential election, the oil trade and community peace deals are at risk in the latest Delta conflicts.	Iron constitutions required A proposed new iron ore mine at Tonkolili angers villagers and anti-graft activists.	CÔTE D'IVOIRE SUDAN CAR AFRICA/USA

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73 Farringdon Rd, London EC1M 3JQ, UK
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Managing Editor: Clare Tauben

Website: Juliet Amissah

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Kikuyu *Mungiki* militia, which attacked opposition protests.

In the public statements of the two cases, which have been redacted to help

prevent any tampering with evidence or witnesses, Ocampo goes into much detail. As early as December 2006, he states, Ruto and Kosgey began preparing a 'criminal plan to attack supporters of the PNU in the Rift Valley', establishing a network of perpetrators and an 'organisational policy to commit crimes'.

The three are accused of setting up a chain of command, coordinating transport, logistics, meetings, fund-raising, paying off perpetrators, rewarding them for every PNU supporter killed, identifying target areas, providing guns and ammunition, as well as convincing them the elections would be rigged. They, along with Sang, were what Ocampo calls 'principal planners and organisers of crimes against

PNU supporters'. Sang, Ocampo says, was a 'crucial' planner of these operations, using his show to pass on coded messages to perpetrators about when and where to attack. According to the Prosecutor's submissions, all three instigated violence after the announcement of the election results, attacking PNU supporters in Eldoret and Nandi Hills.

In the second case, Ocampo outlines how the government launched retaliatory violence. He accuses Muthaura of using his position as Chairman of the National Security Council to authorise the use of excessive force against civilian supporters of Odinga's ODM in Kisumu and Kibera; secondly, of making an agreement with Mungiki, facilitated by Kenyatta, to attack civilians in Naivasha and Nakuru. Ali, also a member of the NSC, is accused of unleashing Kenya's police to use excessive force against ODM supporters, with Muthaura instructing Ali by telephone not to interfere with 'pro-PNU youth, including the *Mungiki*'.

Ocampo's attention to the organisation and planning of the attacks and the issue of 'common purpose' is designed to answer the earlier objections of Judge **Hans-Peter Kaul** in the Pre-Trial Chamber. Kaul, the only one of the three PTC judges who opposed the ICC taking up the Kenya case, had argued the post-election violence, while repugnant, did not have sufficient command and control or state sponsorship to qualify as 'crimes against humanity' within the meaning of the Rome Statute.

Ocampo outlined a two-and-a-half-year timeline for the cases to come to trial. Summonses would be issued in preference to warrants, allowing the suspects to remain free. If they did not submit themselves voluntarily to the ICC, he would issue arrest warrants. If the PTC judges determine there is a case to answer, then in the second part of 2011 and the beginning of 2012, a public hearing would confirm the charges. If trials go ahead, they would take place in late 2012-2013, coinciding with the next elections. Until then, the suspects are under strict orders, similar to bail conditions.

Under Kenya's new constitution, anyone charged with a crime must lose his or her parliamentary and cabinet seat. But Kibaki has declared the suspects should stay in place until the charges against them are proved, calling anything else a violation of 'natural justice'. Part of the frantic recent efforts to head off the ICC included provincial police officers and provincial commissioners sending their lawyers to the Hague to try to quash the ICC case. Ruto tried this, too. Both failed. Previous investigations have petered out in reports and commissions. Many hope that the trials in the Hague will be successful: a recent opinion poll reported that 85% of Kenyans backed the ICC. ●

DON'T BE VAGUE, LET'S GO TO THE HAGUE

A day after Prosecutor **Luis Moreno Ocampo**'s 15 December naming of the six people wanted by the International Criminal Court, Kenya's Parliament was debating a private member's bill. It was brought by **William Ruto**'s ally, **Isaac Ruto** (no relation), and proposed the withdrawal of Kenya from the Rome Statute which founded the ICC. The bill follows a last-minute bid by the cabinet to stop Ocampo from publicly naming the six. Isaac Ruto's bill seeks to stop the Court's investigations and try any suspects at a special local tribunal (AC Vol 50 No 15).

Meanwhile, other opponents of the ICC have tried to compromise or intimidate witnesses. Moreno Ocampo claims that some people have spent millions of dollars tracking down ICC witnesses, calling on them to retract their statements. Two former witnesses, **Ken Braziz Wekesa** and **William Kepkemboi Rono**, who were under a Kenya National Commission of Human Rights witness protection programme, went public in November with claims that the KNCHR had coached them to deliver witness statements against William Ruto. Their allegations were directed against KNCHR former Vice-Chairman **Hassan Omar Hassan**.

On his return from the Hague where he had gone to meet ICC investigators last month (AC Vol 51 No 24), Ruto immediately accused Hassan and the KNCHR of a vendetta against him. A day later, the two witnesses came forward and backed his claims. It is unlikely that Parliament will pass Isaac Ruto's bill. Justice Minister **Mutula Kilonzo**, backed by former Justice Minister **Martha Karua**, said the bill was itself unconstitutional. Karua said they might as well propose to scrap the judiciary.

Ocampo said that if Kenya withdrew from the Rome Statute – a process that would take at least a year – that would not prevent the Kenya cases from being heard. However, the accused and their allies pressed on regardless. On 14 December, 85 members of parliament – Party of National Unity (PNU) members as well as allies of suspended Higher Education Minister William Ruto – gathered at the Panafric Hotel in Nairobi to plot setting up a local tribunal but the meeting ended in disarray.

Initially, the popular calls of 'Don't be vague, let's go to the Hague' suggested the political elite would support the ICC but now it appears their backing is more selective. Some assumed the ICC's investigations would be so lengthy as to become irrelevant. William Ruto certainly believed it and made the point repeatedly at public rallies.

The police feared that Rift Valley politicians and their supporters would react badly to the ICC announcement, so they dispatched a contingent of the General Service Unit into the North Rift. In Nairobi, the defendants hastily organised press conferences to express their apparent surprise and declare their innocence. Youths from poorer neighbourhoods said they were disappointed that the list did not include both President **Mwai Kibaki** and Prime Minister **Raila Odinga**.

In the short term, the political tensions will initially bolster the Kikuyu-Kalenjin-Kamba alliance, whose principal actors include both **Uhuru Kenyatta** and William Ruto, both accused. They want to isolate Odinga, whom they see as benefiting from the ICC announcement. Although Ocampo requested six conditions to be placed on the suspects – including the difficult demand that they should not fraternise with each other – there are many months to come before indictments are issued.

Ocampo's case against the six men will be tested first by the judges of the Pre-Trial Chamber, who will determine whether summonses should be issued. In the meantime, Kenyan politics will continue to boil. ●

New guns on the block

A military company run by President Museveni's brother and some South African mercenaries is being financed by a mystery donor in the Gulf

Saracen International, a Ugandan-based private security firm, is the latest armed party to intervene in Somalia's civil war. Speculation abounds about its true role. Just as intriguing are its covert financiers, said to be a 'Muslim nation'. Heading the list of suspects is the **United Arab Emirates**, followed by **Kuwait** and **Saudi Arabia**. All three states are perturbed by the bloody chaos and prospects of a militant Islamist takeover. They are even more perturbed by the Somali pirates' ability to attack oil tankers and other vessels owned by Gulf states. Bankrolling Saracen's operations in Somalia meets both those concerns. Yet there is no guarantee that this will work, militarily or politically.

Despite talk of Saracen being part of an undercover operation by the **United States'** Central Intelligence Agency, Washington is highly critical of the outfit. We hear that Saracen may be being investigated for breaches of the US International Traffic in Arms Regulations and the United Nations' arms embargo on Somalia. Meanwhile, as confidence in the Transitional Federal Government (TFG) in Mogadishu drains away, the US is giving stronger support to regional governments such as Puntland.

Efforts to protect the TFG in Mogadishu by 8,000 Ugandan and **Burundian** troops of the African Union Mission in Somalia (Amisom) are undermined by the TFG's unwillingness to tackle corruption and incompetence in its own armed forces. Still archenemies, **Eritrea** and **Ethiopia** continue to support opposite sides in Somalia, with Addis Ababa funnelling support to the *Ahlu Sunna wal Jama'a* militia and Eritrea helping to fund the Islamist insurgency by *Harakat al Shabaab al Mujahideen* and its allies.

Hopes that new Prime Minister **Mohamed Abdullah Mohamed** may be able to tackle the venality and incompetence of the TFG, whose mandate expires in August, are fading as the security situation remains treacherous. Saracen began training an anti-piracy force of over 1,000 in Somalia's semi-autonomous northern region of Puntland in September. The first class of 150 men has already graduated and the second has begun. Whoever it is has plenty of cash. Saracen has brought in 120 new pickup trucks, four armoured Ford pickups and excavation equipment to the port of Bosasso and is using the *MV Eaton*, an

ex-US National Oceanic and Atmospheric Administration ship once operated by American company Xe (formerly known as Blackwater) which can carry two small helicopters (see Feature on leaked cables). Somaliland briefly detained an aeroplane carrying uniforms and mine-clearing equipment last week. The roads into an anti-government militia stronghold in the Galgala Hills are littered with bombs and booby-traps.

The same financier is also paying for the services of two Americans, former CIA Mogadishu Deputy Head of Station **Michael Shanklin** and **Pierre Prosper**, a US Ambassador-at-Large for War Crimes Issues under President **George W. Bush**. Prosper has brought on board several lawyers from his prestigious law firm, Arent Fox. The Americans are supposed to be advising the Somali government but the Saracen project opens up yet another unaccountable parallel flow of money and arms into the country.

Saracen started life as a subsidiary of the notorious mercenary outfit Executive Outcomes, which was co-founded by **Tony Buckingham**, who also set up **Britain's** Heritage Oil (AC Vol 42 No 6 *et passim*). Heritage recently sold its blocks in Uganda for US\$1.35 billion and Chief Financial Officer **Paul Atherton** said last month that it wanted to reinvest in exploration (AC Vol 51 No 23).

The Heritage blocks in Uganda were guarded by Saracen Uganda, a subsidiary of Saracen International which is 25% owned by **Jovia Akandwanaho**, the wife of **Caleb Akandwanaho**, also known as General **Salim Saleh** and President **Yoweri Kaguta Museveni's** younger brother. His position in the Ugandan People's Defence Force (UPDF) allows him to recruit retired Ugandan officers for Saracen Uganda's protection operations. The couple also own part of Captiva, a Ugandan company which has a contract brokered by the UN, outside normal procurement procedures, to train Somali intelligence officers.

The other 75% of Saracen is split between **South Africans** **Lafras Luitingh**, **Bill Pelser** and **Nick van der Bergh**, all of whom are involved in the Somalia deal. Pelser is the CEO of both Saracen International and Saracen Uganda. **Mohamed Abdirahman Farole**, the son of Puntland President **Abdirahman Mohamud Farole**, said their force might go to the Galgala Hills, the hideout of a

notorious militia leader and arms dealer, **Sheikh Mohamed Said 'Atom'**. He recently declared his allegiance to *Al Shabaab* on local radio, but hastily recanted. His supporters say he is fighting because his Warsengeli subgroup of the Harti/Darood, has been cut out of oil exploration deals signed by President Farole's government with the Africa Oil consortium. Farole has recently visited Kuwait, Saudi Arabia and the UAE. In Kuwait, he met representatives of Kuwait Energy, which failed in a bid for exploration licences in Puntland in 2007. These factors strengthen the suspicions of observers that Atom is the real target of the new force Saracen is training and that counter-piracy is a cover story.

Two other Saracen deals are being considered in Somalia. One is an offer to train 300 members of a presidential bodyguard; the other is expanding the Puntland counter-piracy programme to train another 1,000 men in Mogadishu. There's no real piracy problem around the city but there are plenty of insurgents and Somali officials have repeatedly emphasised that the aim of both forces is to take on 'pirates on land'. The government is expected to decide on those two deals within the next month. An advance team, led by South African **Frans Fourie**, is already in the Somali capital and has begun building inside Villa Somalia, the heavily fortified TFG compound.

Western governments, which have sunk over US\$100 million into Amisom this year, are worried. Poorly coordinated training programmes for Somali government soldiers have taken place in **Djibouti**, Ethiopia, Kenya, Southern Sudan and Uganda, funded by, among others, **France**, **Germany**, **Italy** and the USA. The programmes had widely differing training regimes and were dogged by desertions after the TFG failed to pay returning troops. One military observer described those passing these courses as ranging from 'pretty useless' to 'absolutely useless'. A European Union-led programme in Uganda is set to address the problem by training 2,000 recruits and guaranteeing their salaries for a year but if all of Saracen's deals come off, they will have trained more fighters than the EU.

The Amisom peacekeeping force is also worried. Ugandan officers say they don't want their soldiers to be confused with mercenaries. Lieutenant General **Edward Katumba Wamala**, Uganda's Commander of Land Forces, has already stepped in to prevent Saracen Uganda from sending 300 men to Mogadishu to seize the old seaport from *Al Shabaab*. UN officials say Saracen's activities contravene the UN arms embargo on Somalia and they note that the main fruit of a previous attempt to train an anti-piracy force by British company Hart Security was simply better trained pirates. ●

The war against the amnesty

The presidential election, the oil trade and community peace deals are at risk in the latest Niger Delta conflicts

Leaders of the Ayakoroma community in Delta State saw the violence coming. They warned the military Joint Task Force in mid-November that their town was in the crossfire between the JTF and 'General' **John Togo's** Niger Delta Liberation Force (AC Vol 51 No 23). **Ekanpou Enewaridideke** of the Ijaw People's Congress declared that Ayakoroma was 'diametrically opposed to militancy in any form' and said stray bullets were already flying. Togo's base nearby had been attacked on 17 November by the JTF, leaving nine soldiers and an unknown number of armed rebels dead. Some said Togo had set his camp ablaze and moved with his men to Israel Barracks on the Atlantic coast.

Togo and a swarm of Ijaw militants were dissatisfied with the pay-outs granted under the government's amnesty deal. A hard core of about 95 loyalists, led by the man known as **Boyloaf** (real name **Victor Ben Ebikabowei**), had left their villages in mid-August to form the Niger Delta Liberation Force. The NDLF now claims more than 100 fighters, most of them young, and its Spokesman, the pseudonymous 'Colonel' **Mark Anthony**,

issues media statements after every encounter. Other dissatisfied groups which had accepted the amnesty have led other isolated attacks.

The NDLF has Kalashnikov assault rifles, heavy machine-guns, grenade launchers and explosives but no clear ideological direction; its aim is to attract attention and so to benefit from the amnesty largesse. Since the granting of amnesty in October 2009, many of Togo's former comrades-in-arms now work for the Nigerian government and provide it with intelligence. The JTF has spearheaded military operations against Togo since 1 December and both sides have taken casualties. JTF attacks by air, water and land have killed scores of innocent Ijaws in Ayakoroma and elsewhere in the Burutu area of the western Delta.

Togo's faction declared it was quitting the amnesty deal on 15 November, creating an international news story that displeased President **Goodluck Jonathan**. The President, formerly Governor of Bayelsa State, needs to win support for his bid for a second term by keeping the peace in the Delta. His supporters claim that his northern rivals within the governing

People's Democratic Party (PDP) are plotting to destabilise the region and discredit him.

Ayakoroma's warning went unheeded and the JTF attacked the village on 1 and 2 December. Survivors claim that soldiers tore down waterfront houses and fired on people fleeing the burning buildings. Ijaw expatriates claim that more than 100 civilians were killed and that mass graves are being hidden. The neighbouring villages of Ogodobiri and Obotebe are pleading with the JTF to leave them out of any further reprisals. The area is flooded with uniformed police who obstruct journalists and human rights monitors.

Wild claims and counterclaims have been part of the Delta's political theatre since 2003, the days of the firebrand Alhaji **Mujahid Dokubo Asari**, who accused the army of using chemical weapons. The Chief of Army Staff, Lieutenant General **Onyeabo Azubuike Ihejirika**, has accused Togo of war crimes but admits that army operations may have caused 'collateral damage' to civilians used as human shields. Togo remains at large and active. On 6 December, the NDLF claimed responsibility for an attack on a pipeline belonging to the state oil company, the Nigerian National Petroleum Corporation.

ATTACKING TOMPOLO'S BASE

In May last year, Gbaramatu town, near Warri in neighbouring Bayelsa, suffered an unprecedented military onslaught against the base of **High Chief Government Ekpemupolo** (aka Tompolo). In that operation, 3,000 troops, two warships, 14 boats and at least four helicopter gunships were deployed. Thousands of refugees fled the fighting, which left scores of people dead on all sides (AC Vol 50 No 11).

Tompolo, a commander of the loose network called the Movement for the Emancipation of the Niger Delta (MEND), was also selling arms internationally and helped local politicians and shipping companies to negotiate ransoms with kidnappers. His protection racket involved arrangements for politicians, criminals, oil rebels and company officials to skim their cut from kidnapping and 'bunkering' (tapping oil and gas from pipelines).

Gbaramatu was seen as the heartland of Ijaw nationalism and Tompolo was poised to install his own candidate as its Paramount Chief. JTF officers had been killed in earlier firefights with river pirates. Symbolic issues like these (and individual vanity) tipped an unstable situation into crisis, with the civilian population fair game for all sides. Both there and in Ayakoroma, a significant number of soldiers and officers had been killed before the crackdowns. Further army deaths could ignite local political, inter-communal and gangland disputes across the Delta.

GENERAL JOHN TOGO AND ALL HIS ENEMIES

The self-styled General of the Niger Delta struggle, warlord **John Togo**, emerged from the Itsekiri/Ijaw ethnic war of 2003, when rival tribal groups from Delta State spawned death, destruction and a new set of militias, militants and criminals.

Togo was born 40 years ago, the only child of a poor mother and a deceased polygamous father, both Ijaws from Delta State. He completed his secondary education and during the Itsekiri/Ijaw war he fought under **High Chief Government Ekpemupolo (Tompolo)** for the armed irredentists of the Federated Niger Delta Ijaw Communities. Some FNDIC members now advocate non-violent struggle.

When the Itsekiri-Ijaw war ended, Togo left Tompolo and, with one 'Ati', formed a gang of sea pirates and kidnappers, preying on poor traders and fisherfolk along the western Delta's waterways and creeks. This carnage in his area angered Tompolo, whose fighters tried several times to kill Ati. Having failed, they killed his non-militant younger brother. In revenge, Ati raided Oporozoa, where Tompolo and his boys were camped, killing more than a dozen of them before himself being killed while trying to get away.

Togo increased his piratical activities along the waterways, despite Tompolo's efforts. He joined up with Alhaji **Mujahid Dokubo Asari**, leader of the Niger Delta Volunteer Force in Rivers State, who was supporting his western Ijaw brothers and sisters against their Itsekiri neighbours and their rival **Ateke Tom's** Niger Delta Vigilante Services/Icelander Confraternity. Soon afterwards, the government's new Joint Task Force under Brigadier Gen. **Elias Zamani** arrested Togo and held him for two years in military custody. **Victor Ben Ebikabowei** aka 'Boyloaf' is said to have bribed a senior army officer and Togo was released to become his second-in-command in the Southern Ijaw area of Bayelsa. He joined **Henry Okah's** faction of the Movement for the Emancipation of the Niger Delta until late 2009, when he accepted the presidential amnesty and surrendered most of his weapons. ●

The JTF now holds Gbaramatu, on a stretch of river where lucrative illicit revenues still flow. Tompolo, officially part of the amnesty programme for former fighters, pursues his business interests. Militants who have signed up for the amnesty oppose Togo's resumption of violence. 'He cannot come to this camp to recruit anybody', **Sango Anthony**, formerly of Deadly Underdog Camp, Delta State, but now of Tompolo Camp, told Nigeria's *Daily Trust* on 6 December.

Another former fighter in Tompolo Camp, **Emmanuel Amazen**, backed the amnesty but wants the federal government

to fulfil all its promises to communities that 'are still in tatters'.

Togo, who is one of Tompolo's former lieutenants, complains that the militant top dog is eating all the scraps thrown from the government's table. On 11 November, Tompolo met Togo and other former comrades including **Shoot-at-Sight, Young Shall Grow** and Egbema, with Delta State Governor **Emmanuel Uduaghan** as an observer.

The meeting was encouraged to welcome development projects and not prevent them from disruption by 'fifth columnists'. Kidnapping women and

children for ransom would be forgiven by neither 'man nor God'.

The immediate profits of intensified political violence go to the Delta politicians. In 2010, every leading player's entourage comes with its own weapons procurer. The older generation of MEND fighters, now useful to President Jonathan, will remain relevant for as long as Togo and his tier of thugs toe the line. Their discipline is fraying, though, so there will be a grab for power, cash, oil and anything they can lay their hands on, as younger fighters such as Togo rewrite the script for this highly theatrical war. ●

SIERRA LEONE

Iron constitutions required

A Chinese-British consortium exploiting massive iron ore reserves at Tonkolili prompts opposition from villagers and anti-corruption campaigners

One of the wealthiest and most controversial businessmen in Britain, **Vasile Frank Timis**, has brought over \$300 million of Chinese finance to Sierra Leone's Tonkolili district to exploit what he claims is the biggest iron ore mine in the world (AC Vol 49 No 8). But local villagers are already protesting at what they consider to be the high handed approach of Timis's company, African Minerals, in clearing land for the mine site. One of Timis's Chinese partners also had doubts about the collaboration and hired some European business intelligence companies to investigate his operations. They also approached President **Ernest Bai Koroma's** government directly with offers of substantial finance to develop the asset but were told by officials that Timis's involvement was 'non-negotiable'.

However, Chinese companies see an opportunity to use their mining investments in Sierra Leone, **Guinea** and **Liberia** as a means to challenge the dominance of the three top mining companies: **Brazil's Vale** and the two **Anglo-Australian** conglomerates, **Rio Tinto** and **BHP Billiton**. Those three companies control about 65% of China's ore imports and substantially raise the costs in its steel industry. So China is looking for direct deals with producers such as Sierra Leone.

Timis has managed to make the massive Tonkolili project a triangular trade. His grip on Sierra Leone's mining business dates back to 2004 when he was running the Sierra Leonian Diamond Company (in which he had a 30% stake) and secured for the company the mineral rights in over 50% of Sierra Leone's territory. Timis bought his stake in the Sierra Leone Diamond Corporation (SLDC) in 2003 and

then renamed it African Minerals Limited (AML), which secured a listing on the Alternative Investment Market (AIM) of the London Stock Exchange (AC Vol 50 No 23). Headquartered in Bermuda, African Minerals announced in early December that it had negotiated a US\$370 million loan to start a hematite and magnetite mine at Tonkolili.

In July, the fifth largest steel-maker in China, the Shandong Iron and Steel Group, said it would take a 25% stake valued at around \$1.5 billion in AML, subject to completion of due diligence. Although AML insists the deal is going ahead, Shandong have made no more public statements.

China's largest steel consumer, however, China Railway Materials Commercial Corporation, promises to buy 40% of the mine's output. In mid-2010, it announced it was investing £168 mn. (US\$262.2 mn.) in AML and taking a 12.5% share in its equity. CRMCC contracted to take 8 mn. tonnes of the hematite in 2011 and 10 mn. tonnes of magnetite a year in the second phase of the project. Due diligence investigations have delayed Shandong's decision, we hear. The reputational issues concern Timis and his companies. In 2002, when he brought Regal Petroleum to London's AIM, it was revealed that he had a conviction for possessing heroin with intent to supply in Australia in 1990 and 1994, and for marijuana possession in 1982, in addition to various traffic offences.

The website www.franktimis.com, which appears to have been under his control, is marked as 'currently being updated' but a cached copy (an archive of material that was on the site but then withdrawn) of an article says that in

Australia, 'as a young impressionable man, he fell in with the wrong crowd and got involved in heroin.' The article went on to say, 'Timis has never denied this stage of his life, and maybe in a strange way it did him good because he came to realise that he had more to offer life than the route of self-destruction. Timis openly admits he regrets that part of his life.'

Then his management style came under scrutiny when Britain's Financial Services Authority investigated Regal Petroleum's oil exploration in **Greece** and **Ukraine**. In November 2009, the AIM issued a public censure and fined Regal's directors £600,000 (\$937,000) for using 'language that created a misleading impression as to the potential commercial viability' of an oil well in the Aegean Sea during 2003, the year Timis acquired the SLDC. AIM judged that the company had failed to inform investors that the oil well had been plugged and abandoned. Statements that 30,000 barrels per day could be expected from the well were 'misleading', said the AIM report, which did not name Timis. Shareholders in Regal lost millions.

Political risk in the project revolves around growing pressures on President Koroma and the involvement of his officials in recent drugs and corruption cases. There is also the resentment of villagers towards the Tonkolili project.

On 8 December, villagers of Kemedugu, near the mine site, held a protest and were beaten up and shot at by police using tear gas and firing live rounds over their heads. One villager, **Tamba Turay**, told journalists, 'African Minerals do not consider us as human beings'. Turay was being held at Mena Police Station in Makeni, 80 kilometres from Kemedugu.

Local villagers heard that AML wanted to build a dam in parts of the bush considered sacred to their people and AML employees were held hostage after the road was barricaded. Youths then went by night to an AML drilling rig and burnt it down. Civil society groups and environmentalists have also raised objections to the proposed mine. ●

The wiles of a crocodile, the memory of an elephant

The Zimbabwe African National's Union-Patriotic Front will put on a show of unity and loyalty to President Mugabe at this week's congress in Mutare. Despite the protestations, the party is divided over who should succeed eventually Mugabe as leader. Most activists support Vice-President Mujuru but the securocrats back Defence Minister Mnangagwa. Mugabe, however, knows that he will be the party's presidential candidate yet again in the 2011 elections.

GENERAL MOBILISATION

The Zimbabwe African National Union-Patriotic Front has assembled in Mutare in full battle array for its annual party congress on 15-18 December. General mobilisations, once started, take on a momentum of their own. President **Robert Mugabe** has called for mid-year general elections which, his friends hope, will mask the jockeying over the presidential succession. In this he may please the securocrats but risks alienating his most important diplomatic shield, the Southern African Development Community, which insists on a credible roadmap towards any election. The other partners in government, the two wings of the Movement for Democratic Change (MDC), follow the SADC line. So do most of civil society, business and a surprising number of ZANU-PF parliamentary backbenchers.

The aim is for a constitutional referendum in February, then polling under a new, approved constitution or, if it is rejected, the existing one. The collapse of the constitutional consultation exercise means that electors will be asked their opinion of the 'Kariba draft', which would strengthen presidential powers (although the existing powers have served Mugabe more than adequately for 30 years). The road map would include a new electoral register, new constituency boundaries, funding an independent electoral commission, freeing the airwaves and non-partisan policing. None of this appeals to ZANU-PF and it would all take up most of the coming year.

One thing that Mugabe hates more than the **British** government is looking foolish. He regards himself as the sole living member of the Hall of Pan-African Heroes. Conceding or backing down to a newcomer like **South Africa's** President **Jacob Zuma** might prove too galling. Almost as galling would be accepting **Jonathan Moyo**, Defence Minister **Emmerson Mnangagwa's** strategist, into the Politburo. Mugabe may have the wiles of a crocodile but when it comes to slights and ridicule, he has the memory of an elephant. His vanity was much injured by the disparaging things Moyo wrote about him during his years of expulsion from ZANU-PF. Membership of the Politburo would show that Mnangagwa was on the rise again, after Vice-President **Joice Mujuru** routed him at last year's party congress.

Whether SADC would call Mugabe's bluff over elections is debatable. There are signs of Mugabe-fatigue among Zimbabwe's neighbours and the latest meeting of the SADC troika in **Botswana** was attended only by Zuma and the three Zimbabwean principals, Mugabe and the MDC faction leaders, **Morgan Tsvangirai** and **Arthur Mutambara**. The Presidents of **Mozambique** and **Zambia**, **Armando Guebuza** and **Rupiah Banda**, did not turn up. These meetings have lost much of their point since Mugabe ignores their decisions and deadlines. Apart from the SADC meetings, the only clear manifestation of diversity is that both of the MDC formations have ministerial posts. Their freedom of

action is limited, as the senior civil service is infested with ZANU-PF placemen and the new Deputy Chief Secretary, **Christian Katsande**, is a former colonel. The state media disparage MDC ministers and no longer refer to Tsvangirai as Prime Minister, merely as leader of the MDC. They refer to Mugabe, though, as 'Head of State and Government and Commander in Chief of the Defence Forces'. Some people think he is less and less his own man and increasingly does the securocrats' bidding.

The securocrats are keen on an election as the best way of parachuting Mnangagwa into State House when the inevitable succession takes place. Neither he nor Moyo are popular with the party or the general public but both are astute politicians. Mnangagwa would have a poor chance of winning the popular vote for the presidency and would do better if the succession were decided by a joint sitting of both houses of Parliament. Yet the present legislature is finely balanced between ZANU-PF on the one hand and the combined other parties on the other. By abstention or outright rebellion, a small revolt by ZANU-PF backbenchers might swing the vote in favour of someone other than the securocrats' choice. A ruthless campaign might claw back a convincing overall ZANU-PF majority, rendering such maverick behaviour pointless.

MORIBUND IN MATEBELELAND

The securocrats will probably write off the three Matebeleland provinces. ZANU-PF's national Chairman, **Simon Khaya Moyo**, is trying to burnish his radical credentials but the party structures are largely moribund in Matebeleland. **Obert Mpofu** (Mines Minister) in Matebeleland North and **Kembo Mohadi** (joint Home Affairs) in Matebeleland South are in the Mnangagwa camp but neither has the strength to carry a candidate with his historic baggage. Mnangagwa was the political link man during the *Gukurahundi* massacres of the mid-1980s, in the campaign against **Joshua Nkomo's** overwhelmingly Ndebele Zimbabwe African People's Union. **Dumiso Dabengwa** has resuscitated ZAPU and if it can cobble together a coalition with the MDC, ZANU-PF is likely to lose all but a handful of the Matebeleland seats it won on a split opposition vote in 2008.

The *Gukurahundi* effect spills over into pockets of the Midlands, Mnangagwa's home province. Although the provincial party is probably loyal to him, he has not been generally popular enough to win a parliamentary seat there since 2000. The urban centres went to the MDC in 2008. The collapse of the Shabanie Mashava Mines (SMM), once one of the world's big asbestos complexes and a major employer in the province, has reduced his local popularity, especially as the workers were fired without terminal benefits while the government-appointed administrator walked off with fees worth 6% of annual sales.

The SMM saga spills over into Masvingo, where the leading ZANU-PF chief, **Stan Mudenge**, sits in Parliament for Mashava. He is in Mnangagwa's camp and managed to lose half of the Province's seats to the MDC in 2008, mainly in Zaka and Bikita where the Shangaan/Ndau influence extends from their heartland in southern Manicaland. The leader of the 'war veterans' **Jabulani Sibanda**, and his gang, working their strong-arm magic, suddenly eased off as they became aware that Shangaan traditionalists have for some years imposed circumcision on nonconformists. Sibanda suddenly announced that his new target would be the owners of multiple farms, which will not endear him to the party

hierarchy or the securocrats (see Box).

The Karanga Shona subgroup, predominant in Masvingo and the Midlands, was a favourite recruiting ground even in colonial times. The recruitment centre was Gutu, on the border between the two provinces, where the MDC picked up four of the five seats in 2008. Junior ranks may balk at bludgeoning their friends and relations. There are wildish rumours that atrocity-hardened hit squads are being recruited in the Great Lakes region.

The rural areas of Mugabe's home province, Mashonaland West, vote for ZANU-PF. An attempt by Mnangagwa's supporters to hijack the provincial party machine has led to polarisation between Karanga (Midlands) groups and the majority Zezuru. The other two mainly Zezuru provinces, Mashonaland Central and East, are Mujuru-strongholds and, outside the few urban centres, back ZANU-PF. Mashonaland Central was the scene in 2008 of some of the worst violence – as much ZANU-PF faction-fighting as ZANU-PF versus MDC. Now, Economic Empowerment Minister **Saviour Kasukuwere** is trying to build his own faction, while Roads Minister **Nicholas Goche** enjoys a special relationship with the First Family. Mashonaland East is solid Joice Mujuru territory and the word has gone out that only her supporters should be selected as candidates.

In Harare and the dormitory town of Chitungwiza, the moribund ZANU-PF structures veer towards Mnangagwa but are as much an electoral write-off as Bulawayo. ZANU-PF must aim to keep electoral registration as low as possible to dampen the MDC's strong support. Street fights have erupted between MDC and ZANU-PF youth leagues; a few MDC fatalities are reported but only their members have been booked by police.

Manicaland in 2008 gave the MDC its best result outside Harare and Bulawayo. It picked up 18 of the 24 seats and would have gained a couple more but for the party split. With the exception of **Didymus Mutasa**, ZANU-PF's *pontifex maximus*, the entire regional hierarchy was swept out of Parliament, with Justice Minister **Patrick Chinamasa** and Agriculture Minister **Joseph Made** securing their berths only by presidential appointment.

The military's heavy-handed, grasping behaviour in the Marange diamond fields may have further eroded ZANU's support. Even the normally blinkered Mutasa admits that ZANU-PF has made mistakes, not least the failure to award **Pamela Tungamirai** (widow of Air Marshal **Josiah Tungamirai**) national heroine status. In her own right, she had more impressive credentials than Robert's sister **Sabina Mugabe**, whose contemporaneous award went through on the nod. Another problem for Manicaland is that its most popular politician is the MDC Treasurer, **Roy 'Pachedu' Bennett**, now in South African exile. Another popular white man is **Brian James**, the MDC Mayor of Mutare, whose cleanup drive is admired. Such phenomena leave Mugabe puzzled and angry.

Mutasa is still smarting from the humiliating rebuff to his bid for the national chairmanship at last year's congress. Blaming Mujuru and Mnangagwa equally for his humiliation, he could go either way. The National Women's League leader, **Oppah Muchinguri**, is a staunch

Mnangagwa-supporter. Were Mnangagwa ZANU-PF's candidate in a presidential election, he would struggle in Matebeleland, with Manicaland and Harare solidly against him and the three Mashonaland provinces dependant on the attitude of the Mujurus. Midlands and Masvingo might give him a majority but not one large enough to offset the negatives elsewhere.

First, Mutasa would need ZANU-PF endorsement. The moribund Matebeleland parties might rally to him, depending on Simon Moyo's attitude; so would the Harare party, which is effectively defunct. The three Mashonaland provinces would stick with Mujuru, who could probably rely on the Midlands and Masvingo, leaving Manicaland as the joker in the pack. The securocrats' best hope would be that Mugabe's departure is sudden and unexpected, that Parliament is immediately assembled to make its choice and the country presented with a *fait accompli*.

Even then Joice Mujuru, the Senior Vice-President, would be unlikely to acquiesce. She has already shown herself ready to cut a deal with the MDC on behalf of her nominee for the chair of the Parliamentary Women's Group. An election boycott would play into the securocrats' hands and the MDC would once again be snookered. The securocrats might borrow a line from **Oliver Cromwell**, one of history's momentous political generals: 'Strike while the iron is hot but better still, make it hot by striking'. ●

ONE FARM GOOD, FOUR FARMS BETTER

The 2011 elections are billed as the fourth and final *Chimurenga* (revolutionary struggle) to consolidate the gains of the revolutionary process. Nowhere have the gains been more substantial than among senior military and security officers – and they are determined not to lose them. Land audits have been blocked or suppressed but, according to a recent analysis of the 15 million hectares seized under the fast-track land reform from 4,000-5,000 white commercial farmers, some 40% is now in the hands of around 2,200 senior officers, civil servants, judges, politicians and the like.

This represents a massive transfer of wealth from a white minority to a black minority half its size. The supposed beneficiaries, the land-starved peasantry, have seen around 300,000 families settled on small plots of 10-20 hectares. That roughly corresponds to the number of agricultural workers who lost their jobs and homes along with their white employers. In Zimbabwe, the poor stay poor.

Of the 2,200 new landowners, almost a quarter are from the military, police and other related security forces, with most officers above the rank of major or equivalent getting large farms. The uniformed services had their pick as the previous owners, or land-grabbing 'war veterans', quickly backed away at the sight of caps covered in gold braid. Single farms were not thought sufficient; many generals have several.

Farms became a status symbol for those with well paid careers in other sectors and little interest in farming. Now, they are giving the Zimbabwe African National Union-Patriotic Front a headache. In the lead up to the party congress, a press campaign was mounted against those who agreed on sharecropping with dispossessed white former farmers. This gives some substance to anti-white rhetoric in the party congress and the coming elections and may help to head off the populist call by the 'war veteran' **Jabulani Sibanda** to end multiple farm ownership. Some minnows may be caught but the big fish will swim away. One of the biggest is President **Robert Mugabe** himself, with 14 farms totalling 16,000 hectares and twice that, 32,000 ha., once close relatives are included. The former head of the army, **Solomon Mujuru**, and his wife **Joice Mujuru**, the Vice-President, have 25 farms totalling 106,000 ha. Most were acquired on a willing-seller basis before the land-reform programme began.

The military's enthusiasm for collecting jewels, acquired during service in eastern **Congo-Kinshasa**, is now keenly pursued in the Marange diamond fields (AC Vol 51 No 24). The beneficiaries are senior officers and it is unclear what their juniors think about their commanders accumulating wealth while they have to rely on impromptu traffic fines for their Christmas bonus. The Editor of *The Standard*, **Nevanji Madanhire**, and his Bulawayo reporter **Nqobani Ndlovu**, were detained over their coverage of the cancellation of the annual police promotion examinations.

Another spectre at the feast is the memory of the Fifth Brigade massacres in Matebeleland in the mid-1980s, known in Shona as the *Gukurahundi*, where many of the top brass served as junior officers. They fear that a more democratic Zimbabwe (or an International Criminal Court) might call them to account. ●

Two presidents, one crisis

Violent clashes on the streets of Abidjan for control of state broadcasting escalate the post-election conflict

Whether Côte d'Ivoire erupts into a fresh conflict or joins a new world of parliamentary democracy depends mainly on money, the military and regional solidarity. As *Africa Confidential* went to press, troops had fired on supporters of **Alassane Dramane Ouattara**, killing at least four, as they try to march on the state broadcasting company. The *Commission Electorale Indépendante* may have declared Ouattara ('ADO') winner of the presidential election but President **Laurent Gbagbo** has yet to agree (AC Vol 51 No 23). In the stand-off, both sides can marshal considerable resources.

Ouattara and Gbagbo have set up parallel governments, each with their own prime ministers and cabinets, both claiming to represent the sovereign interests of Côte d'Ivoire. This poses a new dilemma for the African Union and the United Nations, which have abandoned their efforts to stay above the electoral fray and have unambiguously endorsed Ouattara as the legitimate president.

Ouattara, who won 54.1 % of the vote in the 28 November runoff, benefits from the strong rhetorical support of regional and international organisations. Yet Gbagbo is a shrewd political operator and is trying to mobilise his supporters in the south against the threat of intervention by 'neo-colonial' forces in Europe. For now, Gbagbo has kept his grip on the military, the *Gendarmerie* and the *Garde Républicain* but that authority will last only as long as he is able to pay them.

Although the Gbagbo regime has enough cash to pay the December salaries of the security services and the civil servants, it may struggle to manage the payroll in the new year. Its struggle will now be much harder because of sanctions from the regional central bank, the *Banque centrale des états d'Afrique de l'ouest*. On 16 December, Ouattara's officials persuaded the BCEAO to cut off Gbagbo's cash. It did so with the full backing of its member countries and the Economic Community of African States (Ecowas). Now it has handed control of Côte d'Ivoire's finances to Ouattara's parallel government, which should further boost its diplomatic standing and its ability to set up a credible administration.

Meanwhile, December and January are important months in the cocoa-selling season and Gbagbo controls a lot of the

cocoa taxes; he has an even stronger grip on the state oil revenue. Disrupting those flows will be more difficult, especially money from his allies in Moscow (**Russia's** Lukoil is a key operator) and Luanda, from where his friend President **José Eduardo dos Santos** has offered strong support. Gbagbo's other allies – **Israel** and the religious Right in the **United States** – have been conspicuously silent so far.

We hear that **Angola's** Dos Santos raised the Ivorian crisis with President **Jacob Zuma** on his state visit to **South Africa** this week. Interrupting his so far unsuccessful mediation in **Sudan**, Zuma's predecessor, **Thabo Mbeki**, failed to make any progress on attempts to mediate between Gbagbo and Ouattara in Abidjan last week, although there is talk of a comfortable exile in Cape Town on offer for the Gbagboistes.

DEATH SQUADS

Some offer starker choices: either he will prevail because of Ouattara's political errors or Gbagbo and his wife **Simone** will meet a similar fate to that of **Italy's** dictator **Benito Mussolini** and **Clara Petacci** in 1943. The International Criminal Court, of which Côte d'Ivoire is a full member, has warned all sides in the dispute that it is monitoring the situation closely. Its investigators have access to the unpublished United Nations' investigation detailing the involvement of Gbagbo's entourage in organising death squads.

Ouattara, who has majority support in the north and substantial backing in the centre, partly because of his alliance with supporters of the late founding President, **Félix Houphouët-Boigny**, has to turn his diplomatic backing into real pressure. The movement for Gbagbo to step down shows no sign of abating and most international and regional organisations see their credibility on the line. There's no substantial support for some sort of government of national unity that would accommodate both presidents and neither would serve as prime minister to the other (as in **Kenya** or **Zimbabwe**).

Ecowas was first and strongest in its reaction when its President, **James Victor Gbeho**, a veteran diplomat from neighbouring **Ghana**, declared himself 'surprised and disappointed' at Gbagbo's refusal to admit defeat, saying that Ecowas would not recognise him. Ecowas then held an emergency

summit, recognised Ouattara as victor, suspended Côte d'Ivoire's membership and announced sanctions and visa restrictions against Gbagbo and his followers. The AU followed suit, as did the UN Security Council (after some doubts from **Russia**), then the European Union and USA.

The head of the UN Operation in Côte d'Ivoire, **Choi Young-jin**, says the UN and EU have invested too much in the peace deal and subsequent elections – together with the deployment of 10,000 blue-helmeted peace keepers – to abandon it now. Gbagbo's isolation is growing: he refuses, we hear, to take phone calls from either US President **Barack Obama** or French President **Nicolas Sarkozy**.

Liberia's President **Ellen Johnson Sirleaf** has promised heavy punishment for Liberian mercenaries caught defending Gbagbo. Her warnings may have been prompted by claims from Ouattara's Prime Minister, **Guillaume Soro**, that: 'The last resources of state coffers were plundered to buy huge numbers of arms and pay Liberian mercenaries who are operating once the curfew sets in.' The military balance of forces is determined by the combined force of UN soldiers and police officers. Apart from the mercenary and militia forces backing Gbagbo, his core military power is in the 300-strong elite Presidential Guard.

The regular armed forces have kept a lower profile; Chief of Staff, General **Philippe Mangou**, has not spoken publicly since Gbagbo declared he was staying in the presidency. There are unsubstantiated reports that troops have defected and that Mangou himself may feel conflicted loyalties. Street demonstrations by both sides will offer a clearer sign of solidarity among the armed officers.

On 13 December, Gbagbo's forces attempted to storm the *Hôtel du Golf*, where Ouattara is based, protected by *Forces Nouvelles* fighters and by around 200 **Burundian** and **Bangladeshi** Blue Helmets. After failing to get through, they tried to set up a military post outside the hotel but were seen off by the UN troops, who had augmented their defences with a couple of tanks. Any serious attack on the hotel would have been resisted both by the UN forces and by the 1,000-strong French force, under *Opération Licorne*, stationed near the airport.

Pro-Gbagbo militias have been attacking and rogue police have been arresting Ouattara supporters in recent days. In one incident, 28 people were rounded up to be taken to the *La Maca* prison. Fearing more trouble, 3,500 refugees have crossed into Liberia. Without a diplomatic or a military breakthrough, the waning health of Gbagbo's finances could determine the outcome. Meanwhile, his opponents should not underestimate his consummate survival skills. ●

The bombing of Kiir Adem

Khartoum's deadly bombardment of a border village shows growing desperation at the prospects of Southern succession next year

Three weeks before the referendum on Southern Sudan, it is clear that the scheduled simultaneous vote on the Abyei area's future will not go ahead on 9 January. This is a significant victory for the ruling National Congress Party's confrontation with the Government of South Sudan (GOSS). The NCP (aka National Islamic Front) knows the row over Abyei – and the still undemarcated North-South border that stretches to its east and west – provides plenty of political and military scope.

There are increasing reports of troop movements by Khartoum's Sudan Armed Forces (SAF) and the GOSS's Sudan People's Liberation Army (SPLA) as well as continuing harassment of Southerners returning South by Missiriya Arab militias. Recent SAF offensives in a little-known border zone occupied by the SPLA highlight the scope for trouble and link the North-South situation to the conflict in Darfur, a connection that interested governments and the United Nations have been reluctant to make.

On 12-13 November, Khartoum bombed the remote town of Kiir Adem, or Kiir Adhan, having bombed just north of it on 11 November. This is a Malwal Dinka village and is occupied by the SPLA but it is in Northern Sudan, some 25 kilometres north of the 1956 border which the 2005 Comprehensive Peace Agreement accepts. Rizeigat and Missiriya pastoralists graze their livestock seasonally, as do the latter in Abyei. Kiir Adem, where Northern Bahr el Ghazal State and Southern Darfur meet, is one of many areas where Southerners and Northerners have traditionally mingled but both the political interests of Juba and Khartoum (which does not want to lose the South) impose a different reality*.

The SPLA has long been deployed up into Kiir Adem, a fishing village and military base on the lush green banks of the Kiir River/Bahr el Arab. The Northern Bahr el Ghazal Commander, Division Three Commander Major General **Santino Deng Wol**, explained that his forces were north of the 1956 line by noting that the Malwal Dinka of N. Bahr el Ghazal had always occupied the land south of this river. Borders on paper were 'not the problem' as 'the people are here, we know our place.'

Nevertheless, internal UN Mission in Sudan security reports from November note increased SPLA trucks and soldiers

in Kiir Adem, where three lorry-mounted antiaircraft assault weapons and various antitank weaponry were in full view during *Africa Confidential's* recent visit to the SPLA base. The UNMIS security level has been raised and tension in the force has palpably risen.

HITTING THE BRIDGE

Antonov and Chinese-made MiG aircraft attacked Kiir Adem on 11-13 November, with another bombing on 24 November and a MiG flyover on 25 November. SAF claimed it was trying to hit Justice and Equality Movement rebels from Darfur seeking safety in the South. JEM is under pressure since Sudan patched up relations with **Chad** early this year and JEM leaders have been talking to both the GOSS and Uganda. The SPLA said SAF's target was the strategic bridge (one of only three) across the Kiir, which forms the *de facto* North-South border here though privately, various officers said they thought their base was the prime target.

Yet SAF came nowhere near destroying the bridge and the apparent bomb damage consists of only two craters and some damaged or destroyed huts and trees. GOSS political and military officials also claimed the raids were to create insecurity to disrupt the referendum: electoral registration was indeed suspended in Kiir Adem and was low in the town of Aweil. The 24 November bombardment sent another 1,100 people on the 24-hour walk to Gok Machar, said officials in the town. A chief in Kiir Adem told AC that 5,000 civilians had lived there but now there were fewer than 300.

With no deaths, figures for injuries ranged from 16 to 22, half of them civilians. After the first attacks, some 1,500 people fled south towards Gok Machar town and the SPLA deployed additional antitank and antiaircraft weapons. 'We are not going to attack the Sudan government. If they come to attack us in our place, we are going to defend ourselves,' said Santino Deng. Yet hoping that the NCP would stick to the Abyei agreements it had signed (AC Vol 51 No 24), the GOSS was conciliatory about the bombing.

The SPLA Spokesperson, Colonel **Philip Aguer Panyang** (who has replaced Major Gen. **Kuol Deim Kuol**) said the bombs fell in the South 'by mistake'. The SAF and SPLA chiefs of staff may have struck a deal on 13 November to prevent

an escalation, we hear. The SPLA agreed to call SAF's attacks accidental and SAF agreed to allow the SPLA to say the bombs fell in the South. SAF also apologised.

The NCP had again wrongfooted the Sudan People's Liberation Movement (SPLM), which dominates the GOSS – showing the SPLA occupying a disputed border area, while sounding a clear longer-term warning. The National Intelligence and Security Service boss, General **Mohamed Atta el Moula Abbas**, had told a class of graduating NISS officers on 8 November that the GOSS should stop supporting Darfur rebels fighting Khartoum from within the South. He mentioned a JEM group heading south into Northern Bahr el Ghazal. Four days later, Kiir Adem was bombed.

After its second bombing, Khartoum continued to complain that Juba was harbouring Darfur rebels, compelling the GOSS Information Minister, veteran politician **Barnaba Marial Benjamin**, to convene the Juba diplomatic corps again to deny such rumours.

A problem here for the GOSS is that recent SAF offensives in south-eastern Darfur have driven both fighters and civilians southwards. In Jaac, south-west of Kiir Adem, thousands of recently displaced Malwal people, who had lived for years in Darfur after fleeing war in the South, are camped – with no plans to return to Darfur. Some said they had fled towns never before affected by war and several said the SAF had forced the JEM troops 'south towards Kiir Adem.'

Last week, SAF incursions spread to neighbouring Western Bahr el Ghazal State, which also borders Darfur. On 8 December, a UN patrol near Raja saw a white aircraft and heard at least three explosions. (In Darfur, the SAF has used white aeroplanes, sometimes with false UN markings). An internal UN report of 9 December notes the SPLA's claim to UN military observers that SAF was targeting a 'rebel group' fleeing from the Kiir River.

It is unclear, even to senior UN sources, how many Darfur insurgents are in the South. **Minni Arkou Minnawi**, leader of the Sudan Liberation Movement faction that joined the government, seems to have changed his mind and was several weeks in Juba. Rival faction leader **Abdel Wahed Mohamed Ahmed el Nur** was said to visit Juba, which the GOSS denied; a former supporter told AC he had been in Uganda 'since 23 November'. Many are expecting that, if the NCP returns to war in earnest, the GOSS will use an alliance with Darfur insurgents to respond. ●

* Border area issues are expertly described in two new Rift Valley Institute reports: *When Boundaries Become Borders*, by **Douglas Johnson**, and the *Kafia Kingi Enclave*, by **Edward Thomas**.

Amid the chaos, a sort of vote

Rebels, dissidents and their allies from across the region could turn the coming elections into a protracted battle for power

Seven months late, national elections are due on 23 January, amid accusations of cheating and fraud, and with insecurity bringing hunger to more than half the country. The capital, Bangui, is already hung with images of President **François Bozizé Yangouvonda** and his slogan: 'Bozizé accelerates. Central Africa is on the road'. Since his election in 2005, that road has led to little more than a hotel, which a **Chinese** company is building, on the way to the airport. The terrible state of Bangui's roads and the rusting roofs of the villas on the *Avenue des Martyrs* show how badly 'Bangui la coquette' (seductive Bangui) needs a facelift.

At nightfall, roadblocks manned by police and soldiers reflect the tension since the capture of Birao on 24 November by rebels of the *Convention des patriotes pour la justice et la paix*. The CPJP was led by veteran Colonel **Charles Massi**, a pharmacist, but he disappeared after the **Chadian** government handed him over to Bangui in January and is widely believed to be dead. The President of the CPJP's Supreme Council, **Souleymane Nestor Karama**, and the Chief of Staff, Colonel **Hassan Zakaria**, are both from the Kara ethnic group. Birao, a small town, is in the 'triangle of death' in the far north, where CAR meets Chad and **Sudan**. It is even more sensitive an area for the government since a subsidiary of China Poly Group

Corporation won an oil exploration licence about 100 kilometres out of town.

On 1 December, Bangui announced that the *Forces armées centrafricaines* had retaken it. According to the CPJP, the casualties were ten dead and eleven prisoners, including a major in the FACA. The government says it lost four soldiers and the rebels, 65. The CPJP claims that eight bombs were dropped on Birao on 23 November. Officially, Bozizé ordered the air raid; in fact, a diplomat confides, Chad's President **Idriss Déby** came to Bangui to tell Bozizé that he would bomb Birao since he believed that Chadian rebels were fighting alongside the CPJP. Everyone in Bangui knows there are Chadian soldiers in Bozizé's Presidential Guard.

The CPJP says most casualties were civilians. Many of Birao's residents fled into the bush. Soon afterwards, Human Rights Watch noted that an increase in fighting had made farmers desert their fields in Haut-Mbomou, in the south of the country. The United Nations High Commissioner for Refugees reported more than 20,000 internally displaced Central Africans during the past year.

A few weeks before the Birao events, the CPJP was calling for talks; it then blamed the President for refusing to listen, denounced the elections and said it would now aim for the capital, 1,000 km. away. The CPJP has tripled its strength to 3,000

men and has been joined by other rebels from Chad and Sudan.

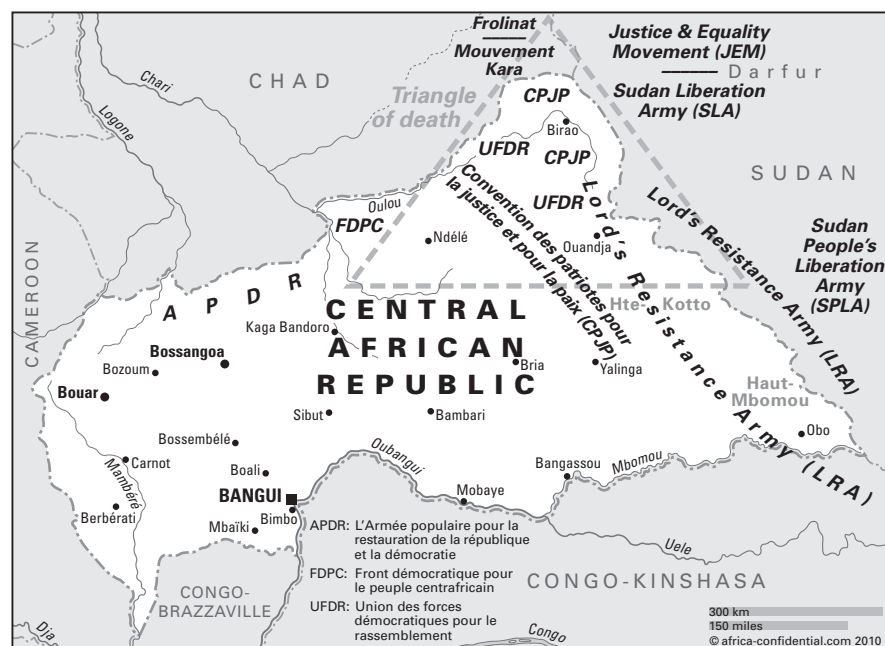
The Sudanese rebels, pushed out of Darfur when Chad and Sudan patched up their quarrels early this year, have linked up with **Abdoulaye Miskine's** *Rassemblement démocratique du peuple centrafricain* (RDPC) and the 500 men of Captain **Abakar Sabone's** *Mouvement des libérateurs centrafricains pour la justice*. The MLCJ's grievance is that its people have not been paid under the official programme for demobilisation, disarmament and reintegration (DDR).

ALIVE AND KILLING

On 1 December, **France's** Cooperation Minister, **Henri de Raincourt**, told those enjoying CAR's 50th anniversary of Independence that it was time for the election campaign to start. Perhaps. There are more than 10,000 rebels in CAR, only two-thirds of whom signed up to the 2008 peace accords. In the east and in **Congo-Kinshasa** and Southern Sudan, the Lord's Resistance Army is alive and killing. Human Rights Watch says that, in recent years, the LRA has killed more than 2,300 people and abducted over 3,000. When its 400-odd fighters, their core from **Uganda** but half of them locally recruited, seemed to be approaching Birao, the Ugandan People's Defence Force decided to keep several hundred men around Obo town on the Ugandan side of the border, ready to meet any threat.

The 'death triangle' also provides bases for the CPJP. Incursions are made by Chadian rebels of the *Front de Libération Nationale du Tchad* (Frolinat) and fighters from the Kara ethnic group – many of whom have taken refuge in Chad – to which ex-President **Ange-Félix Patassé** belongs. So has the Sudanese Liberation Army, say diplomatic sources, though they do not specify which SLA faction: **Minni Arkou Minnawi's** group joined the Khartoum regime but is now having second thoughts and Minni has been seen in Southern Sudan and Uganda. The region is also home to gun-toting poachers from CAR, Chad, **Libya** and Sudan who deal in rare animals and other sought after commodities, and to well armed pastoralists from various Chadian and Sudanese tribes. The area is a haven for those who do not want to be monitored and alliances can be formed.

The government army, about 10,000 strong, is backed by French Foreign Legion troops of the Boali detachment, whose 300 legionnaires are kept busy. They are supposed to train CAR soldiers; to provide security up to 100 km. from Bangui; and to give logistical support to the peace mission known as the *Mission de paix du Conseil de paix et de sécurité de l'Afrique centrale* (Micopax), which comes under the regional body, the *Communauté*



économique des états d'Afrique centrale (CEEAC), and is European Union funded. Even so, security is not assured. In late November, when crowds of young protesters barricaded the airport road, the Presidential Guard opened fire, shooting one man dead and wounding four others. The local press was not surprised; the Guard is notorious for racketeering and brutality. There have also been unexplained crimes, such as the rape by armed men of three women in the remote town of Ouzougrou, in Haute-Kotto.

All across CAR, votes will be swayed by the 40,000 members of Bozizé's self-defence militias, described by a group of security experts from the EU and the United Nations Development Programme as infiltrated by delinquents. An apparently political murder was that of **Augustin Kamba**, whose corpse was found on 6 September in Bangui. He was a nephew of the exiled opposition leader **Olivier Gabirault**, outside whose house the body was found bearing marks of torture.

Even government officials have difficulty in working. Most *préfectures* have electricity only during presidential visits. In Lobaye *préfecture* in early December, 500 officials of the *Commission électorale indépendante* threatened a boycott because they had not been paid, while the local press reported that the salaries of 156 CEI census officers had been embezzled. The EU, which has contributed 9.5 million euros (US\$12.8 mn.) to pay for the elections, is asking questions about the disappearance of 1 billion CFA francs (US\$2.1 mn.) from the

CEI's budget. In late October, the CPJP kidnapped 21 CEI officials.

Most onlookers expect Bozizé to get less than the 50% of the first-round vote that he needs to avoid a second round. The runners-up are expected to be **Martin Ziguélé**, a former Prime Minister, and Patassé. Bozizé has the state's resources and the kudos of having in 2003 overthrown the incompetent Patassé, who sometimes calls himself 'Jesus Christ's little brother'. It was Patassé who called in – against Bozizé – fighters from the *Mouvement de libération du Congo* under **Jean-Pierre Bemba**, who now faces trial at the International Criminal Court for the brutalities they are said to have inflicted.

However, Bozizé's first disadvantage is widespread social unrest. Two years ago, he angered diamond miners when the Ministry of Mines confiscated their stones. The Mines Minister, Bozizé's nephew Lieutenant Colonel **Sylvain Ndoutingaï**, also now directs his uncle's election campaign and will soon take charge of the national electricity company, which fails to supply the capital with its daily power. Anti-presidential demonstrations have included tracts criticising his party, *Kwa na Kwa* (Work, nothing but work).

Ziguélé has taken control of a large opposition party, the *Mouvement de libération du peuple centrafricain* (MLPC), after expelling its founder, Patassé. Ziguélé won his reputation as a technocrat, first at the *Banque pour le développement économique de l'Afrique centrale*, then at Ecobank; he confirmed those credentials as Prime Minister and international

governments and institutions like him; they are not keen on Bozizé. In 2008, the EU delegate, **Jean-Claude Esmieu**, publicly denounced government corruption. Bozizé expelled him. This year, on 18 November, the General reminded ambassadors that they were accredited to the President: 'If you were sent by your country to deal with the opposition, say so clearly and we will know what to do about it'.

The President is helped by the opposition being split between supporters of Patassé and Ziguélé. Presidential advisor **Jacob Gbéli** has also succeeded in splitting the *Rassemblement démocratique centrafricain*, founded by the late President **André Kolingba**. Some senior RDC members refuse to support the party's own candidate, **Emile Gros Raymond Nakombo**. Another candidate, ex-Defence Minister **Jean-Jacques Demafouth** of the *Nouvelle alliance pour le progrès*, is also leader of the 6,000 men of the main guerrilla group, the *Armée populaire pour la restauration de la démocratie*, which, two years ago, signed a ceasefire but retained its weapons. The sixth candidate, **Justin-Innocent Wilité**, leads the *Congrès centrafricain de la renaissance*, founded only a few months ago.

Even if Bozizé could win without fraud, his supporters ensure it continues. Provincial prefects loyal to the *Kwa na Kwa* fix appointments to local CEI committees and condemn the independent media. The movement of opposition candidates is restricted; Ziguélé is not allowed to leave Bangui and in September, he was forbidden to fly out of Mpoko Airport. ●

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AFRICA/UNITED STATES

Diplomacy overheard

Stripped of polite posturing, the leaked cables offer both predictable assessments and occasional insights into US thinking on the continent

Of the 251,287 United States State Department cables leaked to Wikileaks, 1700 or so have been published, most through *The New York Times*, *The Guardian* and *Der Spiegel* but some only on the Wikileaks website itself. In general, the cables report astutely on the affairs in the countries they deal with, stripped of the polite posturing that is a commonplace of diplomacy.

When the US Ambassador remarks that **Maite Nkoana-Mashabane**, South Africa's International Relations and Cooperation Minister, calls President **Robert Gabriel Mugabe** a 'crazy old man' and that South Africa cannot indefinitely continue with 'quiet diplomacy', it is she and not the USA that may be embarrassed. When **Ugandan** diplomats describe President **Yoweri Kaguta Museveni** as having 'autocratic tendencies' who is shocked? To hear that **Kenya's** ruling elite's 'culture of impunity' is unchanged is hardly going to stop any presses.

Many cables add to knowledge of the regimes the USA deals with and there are intriguing details about counter-terrorism strategy. In a 30 September 2009 cable, the US Embassy in Paris reported a meeting between top officials from the USA (**Johnnie Carson**), Britain (**Adam Wood**), France (**Jacques Audibert**) and the European Union on dealing with the threat from *Al Qaida* in the Islamic Maghreb. They agreed that the AQIM had begun operating and recruiting independently in the Sahel, having previously operated only as a unit giving logistical support to AQIM in **Algeria**. It concludes that **Mali**, **Mauritania** and **Niger** lack the capacity to fight the AQIM, however strong the will. French diplomats thought they were losing ground in the battle and all Westerners agreed it was vital to coordinate policy and aid. The officials grouped the countries in terms of effectiveness and will, with Niger coming a shaky first, Mauritania next and Mali showing 'ambiguity' about AQIM, according to French officials.

For those seeking evidence of US duplicity, the search will be disappointing. When they were discussing Nigerien President **Mamadou Tandja's** undemocratic manoeuvrings, 'NSC [National Security Council] Senior Advisor **Michelle Gavin** underscored that our counter-terrorism efforts cannot undercut our governance and democracy priorities

in Africa,' the cable ran. This symposium saw contributions also from Wood, pledging more UK involvement after the murder in 2009 of **British** hostage **Edwin Dyer**, and universal acknowledgement that Algeria's leadership was central to the anti-AQIM campaign.

That this was not idle chatter is evidenced by cables about a meeting between General **William E. 'Kip' Ward** of the US Africa Command and President **Amadou Toumani Touré** of Mali in December 2009, at which they pledged to help each other work in the north to combat AQIM. Five days later, Gen. Ward

is sitting opposite Algerian President **Abdelaziz Bouteflika**, who is asking for a 'strategic relationship' with the USA in the region, as well as partnership in the fight against AQIM. Ward paid tribute to Algeria's leadership on regional security and promised to support it. But Algeria warned that the US 'end-use monitoring' of the weapons it sells was an infringement of its sovereignty.

The US cables also report that China is backing a military venture into **Somalia** by Kenya, that **Djibouti** is ready to host a private warship operated by the Blackwater security company to take on Somali pirates and that much of the leadership of the ruling *Frente de Libertação de Moçambique* is mired in corruption, and also supervises the entrepôt trade in heroin from **Afghanistan** and **Pakistan** towards Europe while growing rich on the proceeds. The rapacity of Kenya's elite and the kleptocracy of **Libya's** **Gadaffi** family are recorded in enough detail to fascinate most African detectives. ●

CARELESS CABLES COST LIVES

Wikileaks, or its helpers in the mainstream press, have failed in at least five instances to protect sensitive sources quoted by **United States'** diplomats in cables that they have published. The names of some were redacted, although other information was left which enabled them to be easily identified, and some names were left in, opening all to reprisal by their governments. The interlocutor of a US diplomat in Maputo who told tales of widespread corruption and profiting from drugs smuggling in the *Frente de Libertação de Moçambique* was identified by the Mozambique state news agency, AIM, because, although Wikileaks had redacted his name, he was identifiable through his ownership of a factory. AIM telephoned the source and then published an article saying he 'categorically denied' all that the US diplomat said he had told him.

A second victim is **Tim O'Hanlon**, Tullow Oil's Vice-President for Africa who, according to one of the leaked State Department cables, met the US Ambassador to **Uganda**, **Jerry Lanier**, in December 2009 to ask for help in ensuring openness and transparency in oil assets sales. The cable says it emerged at the meeting that National Resistance Movement Secretary General **John Patrick Amama Mbabazi** and Energy and Mineral Development Minister **Hillary Onek** had been 'compensated' to allow Heritage Oil to sell its oil assets to **Italy's** ENI. Amama Mbabazi was reported to be ENI's 'patron' in Uganda and Onek was said to have made inaccurate statements about ENI getting 100,000-200,000 barrels per day within two years and other unsolicited statements backing the Italian company. The diplomats believed both claims. In an open letter to President **Yoweri Museveni** signed by O'Hanlon and published in the state-owned Kampala daily *New Vision* the day after the cable was published on the Wikileaks website, O'Hanlon apologises to Museveni, Mbabazi and Onek, declaring that he was merely discussing rumours that were 'sweeping' Kampala at the time. He continues, 'At no time did I give any credence to these rumours and would therefore dispute the record of our conversation as detailed by Wikileaks.'

The third US interlocutor at risk is a source who told a diplomat how the military was taking over the diamond fields in Marange, **Zimbabwe**, detailing hundreds of people killed and the condition of their corpses. Observers in Zimbabwe say the identity of this person, whose name was redacted though other identifying information remained in the cable, would be obvious to the security services in Harare.

The fourth and fifth vulnerable sources were revealed in cables from the US Ambassador to Tunis, **Robert Godec**, as **Tunisian** businessmen described the rampant corruption and nepotism of the extended **Ben Ali** family. The name of a source is followed by the warning '(protect)' immediately after but it is not redacted. A frank confession about the problems caused by corruption is made by another individual whose name has not been redacted. When learning of such exchanges between their citizens and US diplomats, some regimes may merely seek to bankrupt the clandestine critics but others – in places like **Sudan** and **Zimbabwe** – may seek more direct retribution. ●