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Electric elections

The accidental President Goodluck Jonathan takes on the northern establishment, with unpredictable results

All the ingredients in the presidential and parliamentary elections due in April make for a fierce political battle. The dominant national party for over a decade is losing its grip and its internal divisions are deepening; a stridently independent head of the electoral commission says he will refuse to endorse false poll results; powerful economic interests are fighting reforms in the financial and oil sectors; and there is a rising tide of militia violence stretching from the oil rich Niger Delta through the Middle Belt to the far north.

A spate of bomb attacks in the capital, Abuja, has added to the fervour. Security agents now link the first bombing – on Independence day, 1 October – to militants from the Delta but there are fewer clues to the latest bombing of a bar near military barracks in Abuja, which killed at least eleven people on New Year's Eve.

Until now, pacts among the political elite have dominated elections in Nigeria. This time, there is an energetic north-south contest within the governing People's Democratic Party for its presidential nomination. President **Goodluck Jonathan** from Bayelsa State in the Niger Delta faces a strong challenge from former Vice-President **Atiku Abubakar**, the consummate political networker whose collaboration with the late **Shehu Musa Yar'Adua** in the 1990s laid the foundations of the PDP. Jonathan's critics doubt that he is politically savvy enough to deal with the party barons and many northern activists say he has no right to stand for the nomination as, under the party's regional rotation rules, it is the north's turn to produce the candidate.

After he declared he would run for the nomination in September, Jonathan faced a challenge from four northern party barons. A northern caucus then named Atiku as the north's candidate to fight Jonathan for nomination at the mid-January primaries. To complicate matters, another northern contender, former military leader General **Ibrahim Babangida**, has launched a legal case against what he claims is Jonathan's unconstitutional bid for the presidency in breach of party rules.

With generous disbursements of federal funds, Jonathan has kept many state governors on side: their support will be critical at this month's primaries. The 36 state governors have enormous influence over how delegates from their states vote at

the party convention in Abuja. Previously, party leaders have sewn up the convention well in advance, with state largesse distributed accordingly. Such negotiations are much more tortuous now, mainly due to Jonathan's lack of authority within the party. Unwisely, he has also picked fights with some governors from his own political base in the Delta. His rival, Atiku, complains that he has not been allowed to meet the delegates for the primaries. We hear Atiku has booked all the main hotels in Abuja for such meetings.

If Jonathan wins his party's ticket, it could prompt a realignment of politics. It would be the first time that a candidate from the Delta had won the presidential nomination of the biggest political party – the prospect of which has won Jonathan friends and foes in equal measure.

PDP LOSING SUPPORT

Formerly a political juggernaut, the PDP is losing support. In the south-west, it has lost control of Osun, Ondo and Ekiti states, following court rulings that their governors had used electoral fraud to win power. The courts ruled there was enough fraud in the 2007 election of the PDP Delta State Governor, **Emmanuel Uduaghan**, to compel a rerun (AC Vol 48 No 9). He is also an ally of ex-Governor **James Ibori**, who faces extradition to Britain on money laundering charges (AC Vol 49 No 11).

With a loss of support in the south-west and ructions in the Delta, PDP activists will have to work all the harder in south-east and Middle Belt. In the north, they will face a powerful opponent in the form of the stern former military leader, Major Gen. **Muhammadu Buhari**, candidate of the Congress for Progressive Change (CPC), which has been holding rousing political rallies across the region.

The PDP's enormous cash reserves, its powers of incumbency at federal level and control of the most state governorships still make it the party to beat. The bulk of eligible electors are under 30, so the youth vote will be far more important this time. Opposition parties have mounted an American-style electoral registration drive in towns and on the internet aimed at young people. Proponents of establishment politics are working hard to woo ethnic and religious support. Shadowy groups are posting billboards across the north, calling on voters to remember their identity: 'Your land, your

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culture and your religion'. However, it is far-fetched to see any national conspiracy behind the bombings in Abuja, attacks on pipelines in the Niger Delta, communal violence, and burning of churches and police stations in the north. In each case, there are local factors behind the mayhem but that does not stop powerful interests from sponsoring trouble to step up pressure on the centre.

The avowedly Islamist *Boko Haram*, which claimed responsibility for a string of attacks in the north-east, gives state governors there an excuse for a general crackdown, further raising tension. Others suggest that establishment figures see *Boko Haram* and affiliates as a useful way to show disaffection with Jonathan's attempted take-over of the PDP. That would be dangerous, given widespread unemployment and environmental degradation in the north. It is also a warning to all political leaders to pay attention to the north, where conditions are even more desperate than in the Delta. After the latest atrocities in Maiduguri, one veteran politician insisted that, 'Nigeria is more India than Pakistan'.

Without a coherent alliance, opposition parties will struggle against the PDP in the presidential poll. Talk of a coalition between the fast-growing Action Congress of Nigeria, which now controls four states in the south-west and Delta, and Buhari's CPC has gone quiet. One plan was for Buhari and former anti-corruption czar **Nuhu Ribadu** to launch a joint bid by the two parties for the presidency. The talented **Pat Utomi**, Chairman of the Social Democratic Mega Party, also says he will stand (AC Vol 50 No 24).

Attahiru Jega, Chairman of the Independent National Electoral Commission (AC Vol 51 No 18), has improved management at the centre, but the big problems are in the states, where electoral commissioners come under huge pressure from governors. Also critical are the security forces, which explains Jonathan's appointment of **Hafiz Abubakar Ringim** as Inspector General of Police last year. Ringim, the police Commander in Bayelsa when Jonathan was Governor, will now play a key role in the elections. ●

Freedom – North and South

As Southerners vote to secede from the North, some Northern politicians see a chance to undermine the NCP regime in Khartoum

As Southern Sudanese prepare to celebrate independence after the 9-15 January referendum, Northern oppositionists talk of overthrowing the ruling National Congress Party. They have not spoken out so strongly since the opposition, armed and unarmed, collapsed in the late 1990s. The NCP, as the National Islamic Front (NIF) rebranded itself in the same period, is now angrily threatening an 'Islamic state' and to 'deal with' the opposition in Darfur. Despite President **Omer Hassan Ahmed el Beshir's** public shows of conciliation towards the South – some internationals are impressed, we hear – the Khartoum regime has been cracking down on its many opponents in the North. Meanwhile, **Egyptian** Islamist Sheikh **Yusuf al Qaradawi** issued a *fatwa* that Southern Muslims should not divide 'an Arab country' by voting for secession.

On New Year's Eve, security agents attacked **Mariam el Sadig el Mahdi**, the political heir to her father, **El Sadig Sideeg el Mahdi**, the elected Prime Minister the NIF overthrew in 1989. Mariam's left arm was broken in 14 places, says an Umma National Party official, describing the attack 'with sticks, hands and feet' as an attempt to kill her. The attack, which has angered Sudanese beyond the Umma, was a reminder of the security service abuses, such as rape and torture, that many thought were now confined to the Southern and Darfur war zones.

A dozen Darfur journalists and rights activists have been held without trial in Khartoum since November, while prominent Darfur campaigner **Mudawi Ibrahim Adam** was sentenced to a year's gaol on 14 December. The film of the whipping in Khartoum of a young woman accused of wearing trousers went around the world on YouTube last month (see Pointer at www.africa-confidential.com) and over 60 women were arrested for protesting at her treatment.

The outspoken **Mariam el Mahdi** went to **Jordan** for treatment and an Umma member from the White Nile Mahdist heartland of **Aba Island**, **Mohamed Ghazali** (74), was hospitalised after being severely beaten on the head. Security officials and mainly plainclothes police hit Umma members, both inside and outside party headquarters in Omdurman, after a meeting of officials from across the country who were setting off for the mosque for Friday prayers.

Such events resonate far beyond the victims' immediate circle. People talk of the 1964 and 1985 uprisings when civilians overthrew military regimes. Some remember that the hanging for apostasy of **Mahmoud Mohamed Taha**, 76, leader of the small, Islamic reformist Republican Brothers, helped to catalyse the 1985 *Intifadah* against President **Ja'afar Mohamed Nimeiri**.

The NCP has tried to neutralise the **United States** with 'intelligence cooperation' and the Northern opposition with divide to rule tactics. 'It spent a great deal of money' on splitting the parties, observed **Mohamed el Ansari Ali**, Umma Party Chairman for **Britain and Ireland**. Now those parties are trying to turn the latest opposition umbrella, the Juba parties or National Consensus Forces (NCF), into a meaningful political force (AC Vol 51 No 21) and Umma splinter group leader **Mubarek Abdullahi el Fadl el Mahdi** has returned to the fold. NCP leaders count on the opposition's inertia and the power of its security services, which have penetrated every civil and state institution. Yet opposition momentum is building.

Khartoum has responded by threatening Northern dissidents while promising a free referendum for Southerners; by pledging to recognise the results while claiming the vote is part of a Western/Zionist plot to split the Arab world and steal the Nile Waters; courting African governments as 'brothers' while telling Arab ones Sudan is an Arab country; and still blocking the referendum on Abyei (AC Vol 51 No 25).

Omer el Beshir's stance looks full of contradictions but this is nothing new. His position as leader is itself ambiguous: the NIF made the then Brigadier General (now Field Marshal) the leader of a regime he did not control. This allows the Islamist party to hide behind the vociferous Omer and present its regime as 'just another African dictatorship' – acceptable to African, Western, Arab and Asian governments.

When in 1999 the NIF nudged **Hassan Abdullah el Turabi** into the shadows and changed its name to NCP, it could project itself as no longer Islamist, without ever actually saying so. Sources ranging from Sudanese Communists to Western intelligence officials assured *Africa Confidential* the NCP had 'changed'. Amid foreign fears that Sudan will disintegrate when the South secedes, NCP

security baron **Nafi'e Ali Nafi'e** last month claimed the NCP had saved Sudan from disintegration. In fact, many Northerners blame the party for the loss of the South. The NCP certainly waged a wider and even more brutal war than its predecessors but the Southern desire for equality is older and deeper: the NCP simply ended lingering Southern hopes of a 'New Sudan' based on justice and political secularism.

Omer promised the opposite on 19 December. After Southern secession, there would be 'no question of cultural or ethnic diversity. *Sharia* will be the only source of the constitution and Arabic the only official language.' This will not bring peace in Darfur or elsewhere. **Turabi**, officially part of the opposition, denied on Dubai's *Al Arabiya* channel that he or Omer had been involved in the 1995 assassination attempt in **Ethiopia** on **Egyptian** President **Mohamed Hosni Mubarak**. At the time, Mubarak had said that 'this is Hassan' [**Turabi**] and the United Nations imposed sanctions on Khartoum. Cairo also pressed for the sacking of security chief **Nafi'e Ali** from the regime; he was sidelined. Sources close to **Turabi** say he is blaming Vice-President **Ali Osman Mohamed Taha** for the attack.

According to **Turabi** on *Al Arabiya*, **Usama bin Laden** had 'no factional or ideological beliefs' when he came to live in Sudan. The NIF (then still led by **Turabi**) promoted the image of **Bin Laden** as a businessman after he left for **Afghanistan** in 1995. In fact, his five years in Sudan coincided with the NIF encouraging and training foreign and local terrorists and 'charities' and **Bin Laden** was important in the NIF's international Islamist strategy.

Veteran Sudanese journalist **Osman el Mirghani**, a senior editor at **Saudi Arabian-owned Asharq al Awsat**, pointed to the contradictions last week: it would have made no sense for Khartoum to have expelled **Usama** or to cooperate with US intelligence if it becomes, as Omer has again promised, an 'Islamic state'. He argues that 'the practice of *Taqiyaa* [concealing one's faith during dangerous circumstances] remains one that those in the regime have been committed to since they first came to power through a coup against the [previous] democratic regime, which they themselves were members of.' A Sudanese analyst likened *Taqiyaa* to a snail withdrawing into its shell for protection. It is a standard Islamist tactic.

El Sadig and others have called for a unity government after the referendum. Yet he has also said the alternative is to remove the regime and that, if he feels he cannot participate, he will resign his Umma leadership. He set a deadline of 26 January but the opposition has called for a protest march on 16 January. Many younger politicians, though, want real change in Khartoum. ●

He's back on top again

President Museveni seems set for another win but with a stronger, more fractious parliament and the usual oil problems

The opposition parties have neither the will nor the capacity seriously to challenge President **Yoweri Museveni's** government in the elections due in mid-February. Yet the opposition is likely to trim the majority of the governing National Resistance Movement, forming a much stronger force for scrutiny in Parliament as the government prepares for a national oil industry. Some power-brokers, including the Baganda monarch, **Kabaka Ronnie Muwenda Mutebi II**, distance themselves from the NRM but seek concessions, not confrontation.

Museveni's biggest problem, during the elections and beyond, will be how to contain his truculent party and an emboldened Parliament. Progress in the Lake Albert oil fields – token production is due by midyear – should foster new interest groups and strengthen the incumbent. Big oil deals for western Uganda will be signed this year. This is no time to be outside Museveni's capacious tent.

In the presidential election on 18 February, he is increasingly likely to take more than 50% in the first round, avoiding a run-off against Colonel **Kizza Besigye** of the Forum for Democratic Change (FDC). The President's canny patronage operation seems to be managing tensions. The sources of patronage are an expanded district-level bureaucracy; direct payments to local NRM candidates who in turn sustain support networks; paid 'volunteer' activists; the selective use of public disbursement in services and microfinance; and 'emergency spending' through grants to market vendors and the unemployed. An effective and expensive electoral recruitment drive by the NRM last year brought its membership to 9 million. With 14 mn. electors on the latest register, the mathematics look promising.

December also saw the approval of vast supplementary budgets worth a total of 380 billion Ugandan shillings (US\$162 mn.) for departments including State House, the President's Office, the Ministry of Defence and the Uganda Police Force. The \$39 mn. for State House on top of its 'official' \$27 mn. is the highest-ever additional request. Such funds ensure that wages are paid and favours dispensed. Budgetary expansion in 2010 was already worrying donors and the current spend is not sustainable, even with growth of 7% predicted for 2011. Debts, financial and political, will have to be paid later.

The relative calm of the current presidential, parliamentary and local polls has confused many who assume that issues, rather than patronage, are central. Besigye, standard-bearer for the 'united opposition' under the Inter-Party Cooperation agreement, has lost much of his novelty after defeats in 2001 and 2006. He is running on a less confrontational platform and, despite the rhetoric, is less obviously a victim of state harassment this time. Donor support through the Deepening Democracy Programme has 'built capacity' but encouraged caution. Direct action against the Electoral Commission has failed to materialise.

Olara Otunnu of the Uganda People's Congress (UPC) and **Norbert Mao's** Democratic Party (DP) run national campaigns of their own, which draw attention away from Besigye without looking like winning more than 5% of the vote. Mao, much more than Otunnu, looks set to become a future player, potentially within a reconfigured NRM.

There is some risk of post-election violence in Buganda, after the September 2009 riots in Kampala. That grassroots reaction relied upon a network of relationships right down to street level and a sense of communal identity that other political parties cannot claim. Local clashes are likely, between rivals and in reaction to overzealous security services.

For security at polling stations, the government is recruiting 18,000 extra 'election constables'. The opposition calls them militias to counter demonstrations, which is partly true. The mass training of young men in military science and political education over the last two years is a throwback to old NRM mobilisations and indicates an effort to build a local presence. Police constables and other auxiliaries will put some 40,000 formal forces on the ground, not counting standby units in the military or what the government calls 'self-help' groups.

Much will depend on whether Besigye forces a second-round run-off. The registration of 3.5 mn. new voters since 2006 injects huge uncertainty. The NRM is anxious about which way the first-timers will turn; the opposition consistently claims (without presenting evidence) that the rolls are packed with ghost voters. A second round would take Uganda into risky territory, as the NRM struggles to avoid defeat. The signs are that Museveni

believes he can win but is preparing a contingency plan. Lessons are being learnt from **Kenya** and **Côte d'Ivoire**. Since the NRM and the FDC share an ideology and intermingle, some form of power-sharing should be fairly easy to achieve.

There were unexpected ructions during the NRM primaries last November, as candidates fanned the country to address rallies and coordinate the local paid 'activists'. In December, a donor-funded Afrobarometer poll gave Museveni 66% of the vote to Besigye's 12% and the opposition accused the NRM of manipulating the sample. That shows the lack of reliable indicators. There are private hunches that support for the NRM is draining away in central Buganda, western Bunyoro and the north. Museveni's national vote dropped to 59% in 2006 and this time he must work even harder to hold his ground. He has room for manoeuvre but not much.

The parliamentary contest, with 1,700 candidates running for 375 seats, shows opposition to the government across the country, with NRM candidates defeated in the primaries standing defiantly as independents. Museveni has an edge because of opposition weakness – not all seats will be contested – but voters may punish him at the local level and the NRM malcontents will need to be expensively welcomed back into the fold. With the voting over, the FDC will probably seek redress through the courts. As in 2001 and 2006, the party will have difficulty convincing the judges to annul the whole election, rather than recognise isolated fraud and intimidation. The Supreme Court has since seen three appointments at the direction of Museveni.

The **United States** and other donors have little faith in the FDC's capacity to govern (a leaked diplomatic cable confirmed that in December) and are deepening military cooperation. On 22 December, the United Nations Security Council approved an expansion of the African Union Mission in **Somalia** to 12,000 troops, most of them Ugandan. Since the *Shabaab* bombings in Kampala last July, Museveni has sought to cement his role as an indispensable regional ally. Southern **Sudan** after its referendum could pose a fresh security challenge.

The focus now is domestic. The stalled negotiations with Tullow Oil over a US\$400 million tax bill rumbled on throughout 2010. They have shifted attention from the delay in starting production, dangerous flaws in contracts and lack of transparency over revenue flows. Tullow will probably cut a deal soon. Museveni told a rally in Bujumbura on 28 December: 'I can't leave the seat when we have just discovered those resources like oil. And if I am to leave, I will look for someone in NRM to take care of them.' ●

Mubarak and son limited

This year's presidential election is unlikely to bring much change but the real challenge to the ruling party will come from the streets

The likeliest choice of official candidate for the ruling National Democratic Party (NDP) in September's presidential election is between the 82-year-old and ailing incumbent, **Mohamed Hosni Mubarak**, and his uncharismatic younger son, **Gamal Mubarak**, 46. The constitution all but rules out any independent candidates from standing.

Lacking oratorical skills, passion and the common touch, Gamal has failed to impress Egyptians. The prospect of his succession sparked riots in September but he has support from senior government ministers and above all from his mother, **Suzanne Mubarak**. He represents continuity in economic policy and is the choice of a political and administrative class which wants a modicum of reform without losing power. The most serious threat to Gamal's candidacy is the possibility that his father may stand yet again – to allow time for Gamal to build a bigger following or for the NDP to come up with an alternative candidate.

The campaign is under way although registration of candidates is not required until July. Uncertainty over Gamal's position was evident at the NDP annual conference, held on 25-27 December. Gamal addressed the NDP faithful on the imminent 'second wave' of economic reforms, under which the economy is meant to grow further while help is given to the poor.

As befits the General Secretary of the Policy Committee of the NDP, unofficially the number three position in the government, Gamal is promoted as the author of Egypt's neoliberal economic reforms, such as the revaluation of the currency and increasing the flow of inward investment, which have brought growth but with little benefit to the poorest people.

Gamal refuses to talk about his ambition to succeed his father; the failure of the party to resolve the issue is seen as weakness. The NDP conference would have been the occasion to confirm him as official presidential candidate. Instead, a special conference will select the party's candidate later this year.

Hosni Mubarak's silence on the succession fuels unease. He stays above the factions in the NDP, failing to declare his own position, allowing the factions greater freedom of action. Partisans of

Lieutenant General **Omar Suleiman**, head of Egypt's General Intelligence Service, the *Mukhabarat*, and long in charge of the **Sudan** dossier, want him as candidate. He has a strong military background, the absence of which is said to be a drawback to Gamal's candidacy, but he is 74 and would be seen as a stopgap after the octogenarian Hosni bows out. Some suggest that Gamal could move into an understudy role as deputy to Suleiman, in preparation for a takeover at a later date.

Another possible presidential contender is the former fighter pilot, then Air Force chief and now Civil Aviation Minister, **Ahmed Shafiq**, 69. He is one of the Air Force alumni who knew Hosni Mubarak when he was Air Force Commander in the 1970s and have since moved into important positions in government. Mubarak gave Shafiq the Civil Aviation portfolio in 2002. Allowing an air marshal to join the government is unusual and helps a military man to take up a political career.

While the NDP deliberates over its candidates, it has prevented independents from standing. Opposition candidates cannot stand in the presidential election unless articles 76, 77 and 88 of the constitution are amended or repealed, an unlikely prospect. Under article 76, any presidential candidate needs the support of 250 representatives from the upper and lower houses of Parliament and local councils in order to qualify. Since the NDP swept the board in November's blatantly rigged parliamentary elections, no independent candidate could get the required 250 backers (AC Vol 51 No 24).

NAC'S SEVEN DEMANDS

Reforming this clause is one of the seven demands put forward by the National Association for Change (NAC) coalition, fronted by **Mohamed el Baradei**, the former head of the International Atomic Energy Agency (IAEA) and Nobel peace prize winner (AC Vol 51 No 21). The other demands include lifting the state of emergency and permitting judicial oversight of the election process.

November's elections, in which the NDP shed any pretence of electoral fairness, are a preparation for the presidential election. The many conspiratorially inclined observers suggest that the rigged polls might have been a test of

public tolerance – first of electoral fraud and now of a dynastic succession for the Mubarak family. It looks as if Egyptians' tolerance of electoral fraud is nearing breaking point, though. The NDP gets support from the West through its *modus vivendi* with **Israel** and by claiming that it alone blocks an expansionist Islamist opposition from gaining power.

It may suit the Muslim Brotherhood for the NDP to exaggerate its threat. As it is prevented from standing as the MB in elections, the Brothers don't have to pass any test of popular support. The liberal, nationalist and secularist opposition is also excluded from politics, which suits both the NDP and the Islamists.

In 2004, the *Kefaya* (Enough) movement tried to unify different opposition parties to demand a fair and democratic political system. It failed to mobilise an 'orange' revolt against the government but there were hopes for the NAC boycott of last year's elections. This also foundered amid criticism of El Baradei's personal style, aloofness and failure to present a coherent political programme, as well as the breaking of boycott ranks by the Muslim Brothers after a decision by their *Shura* council. Yet although the secular opposition failed to mount a credible grassroots revolt, it reflects a powerful and established tradition in Egyptian politics and is substantial enough to challenge the idea of a zero-sum choice between the NDP and the Muslim Brothers.

The growing economy will influence the course of politics. In 2010, the economy recovered from the international crisis but most Egyptians saw little benefit from this growth. Low salaries and inflation are pushing more people into poverty. According to the International Monetary Fund, the average inflation in 2006-11 has been around 12%, while the projection for 2011 is 9%. Inflation is therefore still undermining the population's purchasing power and raising doubts about the country's economic stability. The domestic debt represents more than 70% of gross domestic product, compared to an average of 50% in the Middle East and North Africa as a whole.

The most politically explosive economic problem is unemployment. Egypt has a strong annual demand for new jobs: about 50% of males and 90% of females remain jobless two years after leaving school and the number of jobs created decreased by 10% in 2009. The economy has prompted mass demonstrations and may yet influence politicians in and outside the NDP more strongly. Recently, unrest over bad economic conditions, corruption and cronyism has been growing, boosting more overt political protest. ●

Getting ready to vote

But when? President Mugabe wants a delay, his opponents want a road map and SADC does very little about it

Zimbabweans will have a chance to vote at least once this year. First will come a constitutional referendum, then – if President **Robert Mugabe** and his allies have their way – general elections soon afterwards. Recent discussions among rival parties and regional officials have thrown doubt on those plans, because there may not be time to prepare credible polls. Politicians are closely watching developments in Côte d'Ivoire where **Laurent Gbagbo**, insisting he is still President, is up against regional groups and the United Nations, who say he lost the recent election and must step down.

Both wings of the Movement for

Democratic Change (MDC) complain of growing violence by militia groups linked to Mugabe's Zimbabwe African National Union-Patriotic Front. In November, Mugabe announced unilaterally that the referendum would be held in February and elections in June, but at ZANU-PF's December conference he gave no date for the referendum. The Constitutional Parliamentary Select Committee (Copac) consultative process, which is preparing a new constitution, will not have its draft ready before September, which would make a referendum just possible in 2011 but the elections may slip into 2012.

The Southern Africa Development

Community opposes Mugabe's delay, as do business interests and some senior people in his own party. All want to prolong the economic reprieve provided by two years of unity government. The enthusiasts for delay are the junta who, with Mugabe turning 87 in February, fear his reign could end before they are sure of preserving their accumulated and potential wealth. Since 2008, Mugabe has manipulated SADC, by reneging on what he had agreed or simply by ignoring it. SADC has paid a heavy price. Zimbabwe has exported the unemployment generated by its loopier economic policies and political violence, dumping its displaced people on **South Africa** and to a lesser extent **Botswana** and **Zambia**, the last two being Zimbabwe's most persistent critics.

MANDELA'S LEGACY

As he struggles to make his mediation mark in **Sudan**, last month's failure of **Thabo Mbeki** in Côte d'Ivoire is a fresh blow to his and South Africa's prestige. As President and then as facilitator, Mbeki shielded Mugabe, in particular by suppressing the judicial report on the 2002 polls. President **Jacob Zuma** still keeps it hushed up. Publication might reveal that Mugabe has for at least a decade ruled on a false mandate. For all its economic power, South Africa is isolated on the southern tip of the continent. To back its pretensions to African leadership, South Africa needed all the moral authority inherited from **Nelson Mandela**. Instead, it has propped up Mugabe for very little in return.

SADC wants to map the road towards the elections. A constitution comes first, then electoral reform, including re-registration to minimise ballot-rigging, fresh constituency boundaries to restore the urban/rural reality, a powerful and independent Electoral Supervisory Commission, non-partisan policing, depoliticisation of the security forces and decontrol of the media. None of this attracts Mugabe and the junta, who may hope to press on regardless along their route of glittering stones towards a pile-up as big as that of 2008. Without legitimacy, the spluttering economic recovery will end and political uncertainty will endure.

For all its flaws, the first round of voting in 2008 was reasonably free and fair, and the MDC's **Morgan Tsvangirai** clearly beat Mugabe. Taken by surprise, ZANU-PF delayed announcing the results for six weeks while it concocted a strategy for clinging to power (possibly with South African connivance). The bullyboys were unleashed for the second-round run-off and Mugabe claimed a dubious victory. Next time, with forward planning, the junta could unleash its cohorts before rather than after the first round.

The army is already deploying and harassment of MDC activists is warming

EVEN ZANU CAN CHANGE

As the junta got ready to step up its harassment and violence against the opponents of the Zimbabwe African National Union-Patriotic Front, ZANU-PF's rivals for the succession were flaunting their softer sides. Following the strategy advocated by Professor **Jonathan Moyo**, **Emmerson Mnangagwa** ('Ngwenya the Croc') has been courting church groups, saying he was trained to kill but has seen the light and is now as gentle as a lamb. This is widely perceived as yet another of the crocodile's wiles.

Even more preposterous were remarks to business leaders by Vice-President **Joice Mujuru**, aka Comrade **Teurai Ropa** ('Spill Blood'). She indicated that the ZANU leadership, and President **Robert Mugabe** in particular, were completely unaware of the killings and violence perpetrated in ZANU-PF's name: 'We don't want to be a country known for murder and harassment.' Some of Mugabe's entourage, she said, were feeding him with bad advice from which she often had to shield him. Jonathan Moyo, asked to comment, was at a loss for words until, returning to form, he snarled that he sensed a sinister plot in being asked to comment on **Mai** (Mother) Mujuru's self-explanatory words.

A few days later, Mujuru joined forces with **Tendai Biti**, the MDC Finance Minister, to railroad his budget through Parliament with a minimum of debate. They separately warned their parliamentary caucuses that opposition to or amendment of the budget would lead to expulsion from the parties and from Parliament. Some busybody in the President's office then decided this was a cunning plot to take away presidential powers. Amendments restored the original text.

Backbenchers were coming to grips with the power that the newly established portfolio committees give them. All 19 committees had considered the budget and forwarded comments and recommendations, not all of them negative. The committee covering the budget, finance and investment promotion, chaired by ZANU-PF's **Paddy Zhandu**, was perceived as a brilliant exposition of the issues and the way forward. Zhandu advocates policies that are both pro-poor and investment-friendly.

Earlier, the Mines and Energy Committee, chaired by **Edward Chindori-Chininga** also of ZANU-PF, had embarrassed ministers and officials by probing the Marange diamond operation (which the Committee is still barred from visiting). The former Mines Minister is seen as one Mugabe-appointee who understands how a modern economy works.

These developments are healthy both for democracy and for showing that ZANU has a thoughtful component as well as a thuggish one. Yet Mujuru and Biti seem to feel that the backbenchers need to be cut down to size. Their cooperation on this has set back the parliamentary cause, however positive it may be in terms of power-sharing.

Around and within the ZANU-PF conference, security officers seized leaflets and posters calling for 'Leadership Renewal', the big taboo topic. The distributors were whisked off for interrogation, some apparently across the nearby **Mozambican** border, and admitted being from the Mujuru camp. ●

up. Keeping the enthusiasts on a leash for at least a year would be hard, not least on ZANU-PF's strained financial resources, dented by the loss of almost half of the rural councils and all the urban ones. Targeting humanitarian aid and agricultural inputs directly to the beneficiaries has eliminated the local party chiefs' patronage and their ability to skim and profiteer. By getting the economy going and education and health back on their feet, the MDC has made the peasantry less beholden to ZANU-PF.

ZANU-PF's conference was attended by only 4,600 of the predicted 10,000 delegates – something of a relief, as funds were available only for one meal a day for the reduced number; ZANU-PF conferences used to be jolly freebies with plenty to eat and drink. The bellicose War Veterans and raucous Youth Leaguers were present but less biddable than of yore. The maverick **Jabulani Sibanda** managed to sideline established leaders such as **Joseph 'Chinos' Chinotimba**, the self-styled farm-invader commander,

and Colonel **Sebastian Beta**. The youths were rowdy and at times the new National Chairman, **Simon Khaya Moyo**, struggled to keep control. The upper reaches of ZANU are split over the succession (a taboo subject) and the elections. To prevent their concerns contaminating the conference, the preceding Central Committee and Politburo meetings were held 250 kilometres away in Harare.

Resolutions, the basis for the party manifesto, were essentially negative: discouraging beneficiaries of land reform from cooperating with white former farmers; advocating sanctions would be made treasonable; humanitarian aid would be controlled by approved non-governmental organisations; diplomats urging regime change would be expelled; foreign investors whose governments approved of sanctions would be taken over. The resulting uncertainty will reduce economic confidence.

Mugabe sets the agenda. Whether the elections come before or after the road

map is ready, the opposition must avoid the splits which handed parliamentary seats to ZANU-PF, giving it time to organise shock troops for the run-off. Electoral pacts and understandings will be essential.

The breakaway MDC-M will hold its congress early in 2011. Deputy Prime Minister **Arthur Mutambara** has left the leadership contest open for Professor **Welshman Ncube**, a deeply divisive figure but with the confidence to stand for president. MDC-M will struggle to hold its six remaining seats in Matebeleland, where voters will probably float towards **Dumiso Dabengwa's** revived Zimbabwe African People's Union. Elsewhere, Dabengwa has little support and he may not even contest the presidency. With Mutambara gone, the MDC-M's chances are negligible.

At this stage, Tsvangirai is unchallenged as candidate for the MDC, which will fight on its record in government over the past two years in arresting the economic decline and rescuing the ministries that provide services. ●

CAMEROON

To Biya or not to Biya

The President could easily rig his way back to power but may prefer to spring a surprise and quit

In power for the last 28 years, President **Paul Biya**, 77, will face his old rival in the presidential election scheduled for October. This is **John Fru Ndi**, 59, of the Social Democratic Front (SDF). We hear there is an outside chance that Biya may step down a few months before the poll, to frustrate the already divided opposition. In December, Biya met his rival for the first time in 20 years, at celebrations to mark Cameroon's 50th birthday. The encounter took place at Bamenda, on Fru Ndi's home turf. Another meeting before the elections was agreed on but looks unlikely to happen.

In his end-of-year address to the nation, Biya described the elections as 'a crucial moment in our democracy', adding that only a massive turnout would make the results 'indisputable'. Electors do not seem convinced and very few people are registering, despite a drive to get nine million of the 20 million inhabitants on to the electoral register.

People have little faith in the system, since the government has resolutely refused to create an independent electoral commission. The opposition has disputed all previous results and international observers from, among others, the Commonwealth and the **United States'** National Democratic Institute have

consistently criticised the way elections are run. *Election Cameroun* (Elecam), a supposedly independent body, will organise the elections; eleven of its twelve members, including its Chairman, **Samuel Fonkam Azu'u**, are on the Central Committee of the ruling *Rassemblement démocratique du peuple camerounais* (RDPC). The SDF has told its activists to register this time and has also said it will never again boycott elections.

THE USUAL SUSPECTS

Alongside Biya and Fru Ndi will stand the usual suspects who have contested every presidential election since multiparty politics came to the country in 1990 (AC Vol 49 No 6). **Bello Bouba Maïgari**, 54, leader of the opposition *Union nationale pour la démocratie et le progrès* (UNDP), joined the government in 1997 and is Transport Minister. He hopes to keep his job by supporting Biya and his electoral chances are next to nil. **Adamu Ndam Njoya**, 54, heads the *Union démocratique du Cameroun* and is Mayor of Foumban; his support is limited to his constituency in Noun in Western Cameroon.

Pierre Mila Assoute, 53, now a political exile in **France**, was a member of the RDPC Central Committee until he was expelled after being rejected as a presidential

candidate in 2004. He is now president of the *Rassemblement démocratique pour la modernité du Cameroun* (RDMC). He says Biya has been President for too long and has institutionalised corruption. He had a higher profile while attempting to reform the ruling party from within.

Nicknamed the 'Hillary Clinton of Cameroon', **Kah Walla**, 45, is the youngest and only female candidate. She heads a civil society group called *Cameroon Ô'Bosso* (Go, Cameroon!), whose eleven demands include the massive registration of electors and electoral reform. She fights for women's rights and has massive grassroots support across the country. She recently resigned from the SDF, so it is not clear what party she will stand for.

Nfor Nwayuke Susungi, 52, an economist, has spent most of his life working for financial institutions abroad. He used to be in the SDF with Fru Ndi and says that Biya has outlived his usefulness and should not stand. His socio-economic and political platform is named the Newcam Prosperity Pact.

Many more candidates are expected to declare themselves, some serious, some frivolous. None has a chance of beating Biya, not because he is the best and most charismatic but because he is not ready to step down. Since 1985, the RDPC has held power with its Chairman, Biya, as its presidential candidate. Since the SDF was set up in 1990, Fru Ndi, from Cameroon's English-speaking region, has been its Chairman, sidelining or excluding rivals. Njoya's UDC, Maïgari's UNDP and **Augustin Frédéric Kodock's** *Union des Populations du Cameroun* (UPC), follow the pattern. Biya's abolition of term limits in 2008 is seen as expressing his desire

to eternalise himself in power. His much younger wife, **Chantal**, 40, wants him to retire and spend time with her and their children; his health is not great.

Some in Biya's inner circle believe he will not seek another term and will pull out very late in the day. That might seem like bad planning but serves a political purpose. We hear that the RDPC's leaders have a scheme for Biya to pull out at the last minute, allowing the party to announce a fresh candidate. This would remove the opposition's prime target, after years in which criticising Biya was its main message.

Senior regime figures (and many others) think the presidency should go next to someone not from Biya's native south (in fact, the centre-south). Biya's one grown-up son, **Frank Biya**, has made his career in business rather than politics. The previous President, **Ahmadou Ahidjo**, was from the northern coastal province of Littoral, which includes the second city, Douala. **René Sadi**, born in the far northern city of Maroua, is Christian and as most northerners are Muslim, his 'mixed' background could broaden his appeal. He is at present a minister-without-portfolio attached to the presidency, with real clout as Secretary General of the RDPC's Central Committee, and is seen as the most likely potential successor.

If not Sadi, the likeliest successor, from Littoral, would be **Laurent Easo**, a magistrate and Secretary General of the Presidency, as he was under Ahidjo. He has held the ministries of Defence, Justice, Foreign Affairs and Health.

THE 'NO' CANDIDATE

The RDPC member of parliament for Akwaya, in the underdeveloped Anglophone region, **Ayah Paul Abine**, is also a magistrate. He has already said he will stand. He does not say which party he is planning to stand for but he is the only candidate to declare his personal assets as the constitution requires. He also opposed the 2008 constitutional changes that allowed Biya to stand again and in 2007, when chosen as Chairman of the Foreign Affairs Committee of the National Assembly, he withdrew, saying he would not be allowed to function with the freedom he wanted.

Abine's campaign slogan is 'No to election-rigging, No to corruption, No to sectarianism, No to bigotry'. Sources at the RDPC Secretariat say he might be kicked out of Parliament and the party when the time comes.

Much could depend on Eilecam, charged with organising elections under the Ministry of Territorial Administration. The SDF and other opposition parties are calling on people not to register as electors with Eilecam. A poor turnout will make it easier to rig the result. ●

LIBERIA

Johnson Sirleaf stands on her record

Voters are likely to favour the President but ex-football star George Weah could push the election to a second round

Strategy for the presidential and parliamentary elections on 11 October will dominate political life, with incumbent President **Ellen Johnson Sirleaf** tipped to win. Yet a strong push by opposition candidates may mean that she will have to fight a second round against the popular former football star **George Weah**, which again she is likely to win. Johnson Sirleaf has resisted pressure to dilute her campaign against corruption, which was reflected in the changes she made to her cabinet last month. Liberians want her to do more against corrupt individuals but she says that it takes more than 'naming and shaming' to fight corruption which is 'systemic and societal. That means we have found it very pervasive all over the place – at high levels, external and internal.'

Successes in the anti-corruption fight may also boost Johnson Sirleaf's electoral prospects. She also benefits from experience and gravitas that Weah lacks. Pulling against this are officials in both state and private companies who want business as usual and those who have benefitted hugely from the civil war. Also a big – and problematic – election issue for the President will be the final report of the Truth and Reconciliation Commission, released in 2009, whose recommendations have not been implemented. In its tough examination of the civil war, few of Liberia's political class emerge with credit. Although Johnson Sirleaf was criticised for her early encouragement of **Charles Taylor**'s military campaign to oust **Samuel Doe**'s regime, she quickly disassociated herself from that camp when she saw its brutal excesses. Almost every other politician in Liberia at the time allied with one warlord or another.

Johnson Sirleaf has been haunted by the associations of some of her political allies: after she sacked or 'sent on administrative leave' her entire cabinet on 3 November, it was over a month before she announced the new line-up. In fact, she changed only a fifth of the cabinet and top civil service positions. She conspicuously avoided censuring those who were removed, even when they had criticised her. **Tiawon Gongloe**, a human rights lawyer who had been Labour Minister, reacted badly to his suspension and refused a transfer to Posts and Telecommunications (AC Vol 51 No 23). However, the President praised the 'diligence and commitment' of the former

cabinet ministers. Many blamed former Foreign Minister **Olubanke King-Akerele** for problems over issuing passports but she took umbrage at the suspension and resigned. She went overseas for medical attention but we hear she may return to take one of Liberia's nominated posts at the Economic Commission of West African States, possibly as Vice-President.

An exiled Liberian lawyer, **Seward Cooper**, took **Morris Saytumah**'s post at the Ministry for Economic and Legal Affairs. Saytumah had fallen out with the President after he changed clauses in logging concession agreements between their ratification by Parliament and signature by the President. The President would not comment on the removal of Lands, Mines, and Energy Minister **Eugene Shannon** (now replaced by **Roosevelt Jayjay**) and **Richard V. Tolbert**, National Investment Commission Chairman, replaced by **O. Natty B. Davis**. Other newcomers to the cabinet are **Toga Gayewea McIntosh**, another former World Bank colleague of the President's, at Foreign Affairs, and **Frederick B. Norkeh** at Posts and Telecommunications. The new team looks strengthened and united under Johnson Sirleaf's command, allowing her to focus on the election.

Three politicians who helped launch Weah's Congress for Democratic Change (CDC) and his grassroots mobilisation in 2005, **Joshua Sackie**, **Jacqueline Capehart** and **J. Cole Bangalu**, have joined Johnson Sirleaf's New Unity Party. The small Liberia People's Party and the United People's Party, which polled 4% of the votes on the Alliance for Peace and Democracy slate, have endorsed Johnson Sirleaf for 2011. We hear more opposition parties will come over to the New Unity Party as the election approaches.

This year's elections will be less crowded than those of 2005, when there were 22 presidential candidates. Smaller parties are merging as they see the dominance of the two main contenders. Professor **Dew Mayson**'s Democratic Alliance has allied with the Liberia Destiny Party of **Milton Nathaniel Barnes**, the Johnson Sirleaf government's first Ambassador to the United States. Other small parties have formed the National Democratic Coalition after failing to win anything from the CDC or **Charles Brumskine**'s Liberty Party. The NDC – sometimes known as the 'Billionaires' Club' – includes figures from

the Taylor era, including its head, **Lewis Brown**, **Cyril Allen**, Taylor's Foreign Minister and National Security Advisor, and **Jewel Howard-Taylor**, Taylor's wife until he divorced her in 2004 after he was forced into exile. The NDC is electorally hampered by its association with the war.

Weah could derive advantage from his electoral pact with the Liberty Party but it could deter his mainly young supporters, who are unimpressed by Brumskine. Weah was the strongest candidate against Johnson Sirleaf in the last elections. If he cannot forge an alliance with Brumskine

and benefit from his votes in the second-round poll, Johnson Sirleaf's 2005 victory is likely to be replayed.

A less benign influence comes in the shape of Prince **Yormie Johnson**, the former warlord leader of the Independent National Patriotic Front of Liberia. His constituency consists largely of ex-combatants and security officers, who thrived during the civil war, and support in Nimba County. He was elected Senator there in 2005 with 81,820 votes. Many of his supporters would be likely to vote for Johnson Sirleaf after his probable

elimination in the first round of voting.

Most decisively, Johnson Sirleaf's delivery of more than US\$2 billion of foreign investment in iron ore and timber, as well as securing almost \$6 bn. of debt relief from the World Bank and the Paris Club, has impressed Liberians who hope it will translate into better living standards. The International Monetary Fund forecasts the economy will grow by 9.5% in 2011, compared to 6.3% in 2010. Schools and clinics may still struggle but many people have more money in their pockets and accordingly, will back Johnson Sirleaf. ●

MADAGASCAR

A permanent putsch

Foreigners disapprove but Andry TGV Rajoelina wants to be president and the voters may agree

He has not announced that he is standing but transitional leader **Andry Rajoelina** is on the campaign trail for the presidential and legislative polls that are due by midyear. He keeps quiet about his intentions for fear of further antagonising the African Union and the United Nations, which dislike the way he took power with army support in March 2009 (AC Vol 50 No 6). For months, he has been touring the country, launching local projects and schemes that emphasise historical nationalism. The question is who else will get the chance to challenge and will the world recognise the result?

Foreign aid is declining, as donors withhold the release of funds in an effort to nudge Rajoelina towards a compromise with his deposed predecessor, President **Marc Ravalomanana**, and the latter's nominal allies, the veteran ex-Presidents **Albert Zafy** and **Didier Ratsiraka**. Even more painful is the **United States'** suspension of privileged access to its market for textile exporters. Thousands of workers have lost their jobs, as factories cut their output or shut down altogether.

These pressures have led Rajoelina to soften his stance. His proposals for a return to constitutional rule are now little different from those of non-partisan non-governmental organisations. He refuses to compromise, though, on his political authority during the lead-up to the polls, determined that his *Haute Autorité de la Transition* (High Transitional Authority) will run the government and set the framework for restoring democracy. The judicial process has been modified to prevent a Ravalomanana comeback. At trials *in absentia*, the deposed President was last year convicted both of corruption and of some responsibility for the deaths

of demonstrators shot by his Presidential Guard outside the Palace in 2009. That would disqualify him from the presidential race, even if he dared to fly home and defy the HAT to put him in gaol.

When in power, Ravalomanana similarly manipulated the judicial system to keep potential opponents out of politics, while maintaining the forms of a democratic constitution. Rajoelina might do much the same, granting his well-financed rival a pardon or reduction in sentence once the parliamentary and presidential polls are out of the way. They will be held under the 'Fourth Republic' constitutional rules, approved in a 17 November referendum, whose formal promulgation on 11 December was marked by an annual holiday, to the exasperation of hard-pressed employers. With a 74% Yes vote on a 52% turnout, it confirmed that Rajoelina retains domestic support for pressing ahead with elections on his own terms, even at the cost of international economic support.

The regime has so far just about managed to keep the state finances on track, through belt-tightening and a halt on most capital spending on development. One hope is that the loss of aid will be offset by increasing revenue from minerals, including the Ambatovy nickel mine soon to be opened by the Sherritt International Corporation.

The highest No vote was in the central regions around Antananarivo, worst hit by the textile crisis. Yet the overall figures suggest that the absence of credible alternative challengers – and memories of intolerance and cronyism in Ravalomanana's final years – worked in Rajoelina's favour. One key constitutional change was to reduce the minimum age

for presidents from 40 to 35 and thus entitle the 36-year old Rajoelina to stand. Moreover, he has smartly co-opted many potential opponents by appointing them to seats in his nominated transitional legislature. The ageing Vice-Admiral Ratsiraka's *Alliance pour la Renaissance de Madagascar* (Arema) has moved away from its nominal allies in the hardline Ravalomanana camp.

SADC STANDS FIRM

None of this has persuaded the firmly unsympathetic leaders of the Southern African Development Community to regard Rajoelina's constitutional agenda as legitimate. The more determined members would be satisfied only by a return to the elaborate multiparty transitional governance structures promised by the 2009 Maputo and Addis Ababa agreements, which Rajoelina signed but later repudiated. **Joaquim Chissano**, the **Mozambican** former President now acting as a mediator for the crisis, with SADC and AU support, is more pragmatic. He has been looking for ways to nudge Rajoelina towards the sort of neutral consensus that lenders might endorse. The crisis in **Côte d'Ivoire** complicates matters. The AU and UN firmly oppose **Laurent Gbagbo's** refusal to accept election defeat and Ravalomanana's supporters in SADC may demand a similarly uncompromising rejection of Rajoelina's election plans.

At home, Rajoelina enjoys strong popular support and significant sections of civil society and the churches appear to go along with his plan for restoring constitutional structures. A key breakthrough would come if the veteran Ratsiraka returned home, even without allying himself with the HAT. That would look like an endorsement of the new leader's approach. His key aide, **Tantely Andrianarivo**, a Prime Minister during the reign of the 'Red Admiral', has returned from exile and may be testing the waters for the possible return of his patron early in 2011. This was delayed partly because Ratsiraka's son **Xavier** was ill; he is said to be recovering. Ratsiraka had hoped that he might even be picked as

some sort of relatively neutral transitional 'father of the nation' head of state but he might not choose to run for the presidency in a contested race.

Andrianarivo and fellow acolyte **Pierrot Rajaonarivelo** are potential heirs to the *Ratsirakiste* electoral legacy. The ex-President's nephew, **Roland Ratsiraka**, must be reckoned with. He remains popular in the key coastal city of Toamasina, where he was Mayor until he was deposed by a politically motivated prosecution under Ravalomanana. He has kept his distance from Rajoelina without openly opposing him and his support among east coast voters gives him real

bargaining power. Another middleweight figure to watch is **Monja Roindefo**, who served as Rajoelina's first Prime Minister after the March 2009 putsch, then followed his own political path. Once a marginal figure, he has converted himself into a player of some influence and could well stand for the presidency, although with little hope of victory.

If Rajoelina stands, he would be the strong favourite while if, under international pressure, the HAT allowed Ravalomanana to stand, he could call on some residual support but without nationwide backing. The vested interests of his Tiko business empire still arouse wide

resentment and its recent problems have cost many Malagasy their jobs.

Rajoelina still has strong support in Antananarivo, despite the capital's economic problems, and he has been carefully cultivating key provincial electorates, notably in the southern home region of his Prime Minister, **Camille Vital**. He is also supported by the armed forces (although a clutch of disillusioned officers mounted a failed putsch on 17 November, AC Vol 51 No 24). The army's support may fade if he cannot produce a political solution that donors will support and finance, thus ensuring the continued reliability of the soldiers' pay. ●

CONGO-KINSHASA

Kabila again

If, despite some legal hurdles, the elections are held, President Joseph Kabila is likely to win another five years in power

Congo's approaching elections are already entangled by lawyers. The main opposition party, **Jean-Pierre Bemba's Mouvement de libération du Congo (MLC)**, supported by several local non-governmental organisations, claims that the serving President (and candidate) **Joseph Kabila** will unlawfully prolong his time in office, which is due to end on 6 December 2011. The *Commission électorale indépendante* (CEI), whose Chairman is Father **Apollinaire Malu Malu**, points out that, even if elected in the first round of voting on 27 November, the incoming president would not take office until 10 January 2012; a second round would postpone that until 4 April 2012. So Kabila and the present members of the National Assembly would hold office after they should have left.

With the appointment of a new *Commission électorale nationale indépendante*, time should be up for Malu Malu and his CEI. He insists that the mandates could be lawfully prolonged if the CENI asked leave of the Supreme Court. Yet the constitution says nothing about such an extension. Some NGO people even argue that the CEI itself had no such powers, as its time ran out in February 2007. Malu Malu replies that Kabila's legislation of July 2010, setting up the CENI, specifies that the old CEI retains its powers until its successor has been appointed.

That has not happened. By late December, the government and opposition had failed to agree on who would join the CENI. There are to be seven members, four from Kabila's side, three from the opposition, and each accuses the other of

proposing party representatives instead of the neutral worthies the law specifies. Some even fear that the courts could throw out the entire election process.

If the polls do take place, it is generally assumed that the winners will be Kabila and his coalition, the *Alliance de la majorité présidentielle* (AMP). There are three other serious runners: the veteran **Etienne Tshisekedi wa Mulumba**; **Oscar Kashala Lukumuenda**, a businessman who took just 3.46% of the presidential vote in 2006; and former Assembly President **Vital Kamerhe**. Tshisekedi and Kashala are both from Kasai-Oriental and might split the important Luba vote. Kashala, expelled from his own *Union pour la reconstruction du Congo* (UREC) on 18 December, has not done much since 2006 and arouses little enthusiasm.

TSHISEKEDI'S TRIUMPHAL RETURN

Etienne Tshisekedi returned to Kinshasa in triumph on 8 December, greeted (it is claimed) by a million supporters on his route home from the airport. Yet a week later, the congress of his *Union pour la démocratie et le progrès social* (UDPS) spent four days just on checking candidacies. The delegates went home without agreeing a social programme or on the election of its middle-ranking officials.

Kamerhe resigned in mid-December from Kabila's *Parti du peuple pour la reconstruction et le développement* (PPRD), promptly set up his own *Union pour la nation congolaise* and was warmly greeted in his home base in Bukavu, South Kivu. Although demonstrations were banned, people turned out in strength. Kamerhe may pick up votes in regions where Kabila

did well in 2006. In December, he won approval from the supporters of the Ituri warlord **Thomas Lubanga Dyilo**, who is on trial at the International Criminal Court (ICC) in the Hague.

Kabila's opponents need to forge electoral pacts. In September, Kamerhe tried to make a deal with the MLC whose leader, Bemba, went on trial at the ICC in November. Bemba came second to Kabila in 2006 but may be unavoidably detained. His supporters do not seem keen to follow Kamerhe and Tshisekedi's autocratic ways would be hard for any partner to accept.

By early January, neither the PPRD, the MLC nor the *Parti lumumbiste unifié* (Palu, led by Prime Minister **Adolphe Muzito**) had announced a candidate. Kabila, though, has been campaigning full-time for several months, touring the provinces and boasting of his five big reconstruction projects (all running late). He has the state's resources behind him, using US\$1 million in August to relaunch the diamond giant, the *Société Minière de Bakwanga* (Miba), and ensuring that his opponents are intimidated.

The contestants hope to win support among the independent members of parliament who had lined up with the presidential majority, the AMP, and are now free to offer their services elsewhere. Of 500 MPs, 100 are in this group, against 64 for the MLC and 111 for the PPRD. Many independents will choose not to stand by Kabila but to exploit his government's unpopularity. Child deaths have gone down to 98 per thousand, having been 126 per thousand in 2001. Yet there is widespread hunger in provinces where the soil is fertile and human rights are often violated, as in the murder by police in June of **Floribert Chebeya Bahizire**, founder of *Voix des sans-voix* (AC Vol 51 No 12). Police and soldiers do not obey the law and people do not feel safe.

In late December, the UN Mission, the *Mission des Nations Unies pour la Stabilisation du Congo* (Monusco), described Kivu as tense. The north-

east, on the borders of **Central African Republic** and **Sudan**, is still ravaged by the Lord's Resistance Army from **Uganda** and by about 4,000 Fulani pastoralists, usually armed, from CAR. In Equateur Province, the Salonga National Park, a UN Educational, Scientific and Cultural Organisation World Heritage Centre, is occupied by the Enyele clan's *Mouvement de libération indépendante et alliés*, whose leader and chief witch-doctor, **Ondjani Mangbama**, was captured in May.

Police and soldiers, underpaid or not paid at all, cause endless trouble. Security sector reform attempted by the European Union, **South Africa**, the **United States** and the UN, have failed. The trouble is exacerbated by the lack of funds. The national budget should grow from \$5.9 billion in 2010 to \$7 bn. in 2011 but 45% of it is supposed to come from foreign donors, who have so far released only 20% of what they pledged.

The elections, costed by the CEI at \$715 mn., were meant to provide a firm base for stability and for faster economic growth, four years after the start of Kabila's 'five construction projects' for infrastructure, water and power, health and education, housing and employment. The International Monetary Fund reckons that growth in 2009 was 2.5% of gross national product, rising to 6.5% in 2010 and 8.8% for 2011. The copper price is up by \$2,000 per tonne; copper and cobalt form more than half of export earnings, and the Ministry of Mines puts present production at around 450,000 tn. of copper and 60,000 tn. of cobalt in 2010.

The aim for 2012 is 851,608 tn. of copper and 91,355 tn. of cobalt, doubling their export value.

By 2015, Congo-Kinshasa should be the world's second largest copper exporter, after the Kamoa Mine west of Kolwezi, operated by Ivanhoe of **Canada**, comes on stream. The huge *Sino-congolaise des Mines* (Sicomines) joint venture is 68% owned by **China's** Sinohydro, China Railway Group and China Metallurgical Group Corporation, 32% by the state companies *Société générale des carrières et des mines* (*Gécamines*) and *Société immobilière du Congo* (Simco), a property company.

GOLD FEVER

Gold is expected from Orientale Province, in the Kibati joint venture between Randgold, AngloGold Ashanti and the state-owned *Office des mines d'or de Kilo-Moto* (Okimo). The reserves are thought to contain 27 mn. ounces, worth about \$30 bn. Diamond exports declined to \$244 mn. in 2009, after the collapse of Miba. In the east, cassiterite and columbo-tantalite (coltan) production have been hit by the US Conflict Minerals Act, banning Americans from trade out of areas of conflict between the army and rebel militias.

Oil production is set to rise. In June, the state signed production-sharing agreements in five blocks of the Albertine Graben. Two of these went to Caprikat and Foxwhelp, controlled by a nephew of South Africa's President **Jacob Zuma**, **Khulubuse Zuma**. One went to South Africa Congo Oil Company and another to the London-quoted Dominion Petroleum

and Soco Exploration. In March, High Resolution Technology Petroleum of **Brazil** said it had discovered two bn. barrels of oil and almost 600 bn. cubic metres of gas in the Central Basin. In September, ENI Oil Holding bought 55% of the onshore Ndunda block. Yet all this is obscured by disputes, with First Quantum of Canada and the state under two separate arbitration processes. Tullow, of **Ireland**, is in litigation with Caprikat and Foxwhelp over blocks in the Albertine for which Tullow had already paid a bonus (AC Vol 51 No 22). (According to a Wikileaks cable, Chief Executive **Tim O'Hanlon** told the US Ambassador that 'Tullow had refused to pay off key Congolese officials'.)

Congo's environmental protection policies, or the lack of them, have caused the World Bank, EU, **Germany** and **Sweden** to threaten to cancel their aid in this area unless the government prohibits oil exploration in the Virunga National Park (another UNESCO World Heritage Centre) on the Ugandan border, where Kabila signed a production-sharing agreement in June. Such decisions help to explain sour notes in World Bank suggestions that the government might improve its behaviour. Moreover, in 2011, Congo will no longer enjoy privileges under the US Africa Growth and Opportunity Act, because of its failure to improve human rights. Strengthening the rule of law will become even more important this year, as the state enterprises for electricity, water, railways, river transport, insurance and airports are transformed into commercial companies, ready for eventual privatisation. ●

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The TFG's August deadline

Outsiders prop up a regime which moves slowly, if at all, towards a constitution and legitimate rule

Next August, Somalia's Transitional Federal Government is due to wind up, to be replaced by a new government under a new constitution. Last July, the TFG received a draft from a 29-person Federal Constitutional Commission, under United Nations Development Programme auspices. Public consultations followed and a final draft is expected at any time. Yet several highly controversial items were left over for the consultative process. They include decisions on whether the system should be presidential or parliamentary, the role of *Sharia* (Islamic law) and the status of Mogadishu as capital.

Also outstanding is the issue of a federal system, which could mean dividing Somalia into multiple statelets. Many Somali intellectuals and politicians feel that federalism must be the way forward, without ruling out reunification later. The United States has already decided to work more closely with both Somaliland and Puntland, and to strengthen them as bulwarks against extremism and terrorism. If Southern Sudan votes for and wins independence as expected, that will strengthen Somaliland's claim for international recognition.

Beside the self-proclaimed independent Somaliland in the north are several regional governments, all clan-based, whose relations with the TFG in Mogadishu are fragile: Puntland (ostensibly Harti/Darod, in fact largely Majerteen), Galmudug (Saad/Hawiye), and since July, a Hiiraan region administration formed by the Hawadle diaspora in Nairobi. Between Somaliland and Puntland, in Sool, Sanaag and C'ayn, there have been efforts to set up a separate Dhulbahante/Harti government but so far only on paper. There is talk of a Benadir administration around Mogadishu, where the Habr Gidir/Hawiye and the Abgal/Hawiye would air their disputes; of a trans-Juba state centred on Kismayo, with control disputed between the Ogaden and Marehan Darod clans; and of an administration in Bay and Bakool run by Rahenweyne clans.

By August, the TFG is supposed to conduct a census as the basis for general elections, create parties, establish peace and security, show it can provide services, recreate the state's institutional machinery and expand reconciliation. Since the TFG controls only part of the capital, little of this is likely to happen and

the transitional regime may seek a way to prolong its existence, perhaps through yet another internationally supported reconciliation conference. In December, the Djibouti government launched a new peace initiative for Somalia, backed by the Arab League. President Ismail Omar Guelleh summoned a committee of Somali intellectuals with a view to a national reconciliation conference in April but this may be delayed until June or July.

Growing numbers of TFG troops are being trained in other countries but the regime still relies heavily on the African Union Mission to Somalia, Amisom. The UN Security Council has just authorised an increase in its numbers from 8,000 to 12,000 and extended its mandate until September. Uganda has offered to supply the extra troops but the AU wants to include other countries and still expects a Djibouti battalion and another from Ghana (AC Vol 51 No 25). Further decisions depend on the TFG's progress in completing its transitional tasks.

The UN, although concerned about piracy offshore, keeps clear and will not send a peacekeeping force to Somalia (AC Vol 51 No 22). The Security Council encourages international assistance for Amisom but limits its own involvement to a 'light footprint'. The Political Office in Mogadishu mainly oversees humanitarian assistance. Secretary General Ban Ki-moon has talked vaguely of turning Amisom into a UN operation with 20,000 troops but no one thinks that will happen until Somalia's own security forces are properly developed (when a UN force would not be needed anyway).

New TFG Prime Minister Mohamed Abdullah Mohamed is praised for his smaller technocratic cabinet and his claim that with Mogadishu pacified within three months, the Transitional Federal Institutions would be fully functioning in a hundred days. The new cabinet approved next year's budget with a ceiling of US\$98.5 million – nearly \$30 mn. raised locally with the rest from international partners. The cabinet is also expected to implement the full and still controversial reform programme and to ensure (a big change) that the security forces get paid.

With the TFG's security forces inadequate, Amisom remains essential. If it can see off the latest offensive by *Al Harakat al Shabaab al Mujahideen*, it should be able to increase government

control of Mogadishu. It now claims to control half of the 16 districts and has been advancing into four others since it beat back *Al Shabaab*'s Ramadan offensive last August. The rebels lost at least 800 fighters, most from Bay and Bakool, and the defeat caused rows within the leadership. The main *Shabaab* commander from Bay and Bakool, Sheikh Mukhtar Robow Ali 'Abu Mansur', blamed *Shabaab*'s Emir, Ahmed Abdi Godane (aka Sheikh Mukhtar 'Abu Zubeir') for the casualties, claiming this was a deliberate attempt to weaken *Shabaab*'s Digil and Merifle (Rahenweyne) components. The two had quarrelled before over clan rivalry.

Al Shabaab's leadership has been reorganised, after the collapse of the other main Islamist group, *Hizbul Islam* (Party of Islam), whose Chairman, Sheikh Hassan Dahir Aweys, was coerced into a merger. The new overall Emir will be Ibrahim al Afghani, replacing Emir Ahmed Godane. A decentralised system has been formalised with leaders taking control of their own home areas: Ahmed Godane Abu Zubeir in Somaliland; Fuad Mohamed Khalaf Shongole in Puntland; Mukhtar Robow in Bay and Bakool; Hassan Abdullah Hamid Turki in Lower Juba, including Kismayo; Sheikh Ali Dhere and Abdullah Fazul staying put in Mogadishu; while Aweys, who is currently undergoing 'rehabilitation' in Kismayo, has been promised Galgaduud, including his home region. Some *Hizbul Islam* commanders have been promised senior positions in *Shabaab*, others have found refuge in the more moderate anti-*Shabaab* Sufi organisation *Ahlu Sunna wal Jama'a*, which continues to fight *Shabaab* in Mogadishu and other central areas.

Hizbul Islam, a fragile four-clan militia coalition, disagreed with *Shabaab* less over ideology than over control of government and resources. In 2010, Godane encouraged outsiders at the expense of Somalis; at one point, six of its ten-man Executive Council were foreigners, all said to have links to *Al Qaida*. This has changed. *Shabaab* now intends to concentrate on fighting in Mogadishu and the largely peaceful areas of Somaliland and Puntland.

Shabaab is determined to take power and establish a Somali caliphate. Within Somalia, *Hizbul Islam* will carry on its struggle. Its Salafist extremism has not eroded the importance of the clan in Somali politics nor will it do so. The latest reorganisation shows that it operates on clan lines, as do the TFG, *Ahlu Sunna* and others. Any attempt to resolve Somalia's problems must acknowledge this. Strong international support for the TFG and for halting piracy may be needed before a federal structure can be established. The TFG is unlikely to form a functional government before August. No successor looks likely to do much better. ●

BLUE LINES

Switzerland's 19 January decision to freeze the assets of ousted Tunisian President Zine el Abidine Ben Ali and Côte d'Ivoire's Laurent Gbagbo (still involved in a continuing post-election stand-off with Alassane Dramane Ouattara) raises more questions about the West's selective indignation about political corruption. Other European governments announced that they might also freeze Tunisian assets after Switzerland said that it had identified suspect assets worth at least US\$650 million and would give Premier Mohamed el Ghannouchi's new government the chance to claim them back. Europe's financial authorities have yet to explain why they failed to act previously, despite the fact that they had monitored the Ben Ali clan's transfer of hundreds of millions of dollars to their jurisdictions for some 23 years.

In their defence, those authorities might cite the World Bank's 2010 report which described the Tunis regime as far ahead of its neighbours in government effectiveness, the rule of law and the 'control of corruption and regulatory quality'. Similarly, when asked why they raised no questions about the overseas financial assets of Gbagbo and his entourage, the authorities might cite World Bank and IMF recommendations that his regime's high governance standards qualified it for billions of dollars in debt relief. In the light of growing regional discontent, Europe will presumably start to look more closely at transfers from Algeria, Angola, Egypt, Libya, Morocco and Nigeria – to name just a few.

SUDAN

Birth of a nation

After the jubilation of the referendum vote, six months of tough negotiation and rough politics will lead up to the birth of independent Southern Sudan

Joy reigned from Australia to North America and all over Sudan, especially in the 2,600 polling stations where over 3.9 million people voted in the South, as the independence referendum ended on 15 January and counting began. 'Today we can be happy for the first time!' one joyful voter shouted to *Africa Confidential* at the London polling station.

Just before midnight, Britain was first with a preliminary result, which went overwhelmingly for secession. After five hours of silent waiting, the grimly gum-chewing Sudan Embassy observer found himself seriously outnumbered as the Southern Sudan Referendum Commission representative, **Santino Loro**, read the results: 626 to 13. Singing and dancing erupted in the stately Methodist Central Hall. 'Now the challenges begin,' said a tearful Sudan People's Liberation Movement (SPLM) official. This is the hall where the United Nations held its first Assembly in 1946: the historical parallels were widely noted and deeply felt.

In Sudan, electors had patiently queued all night or for hours in the heat of the day. In Khartoum, exhausted staff worked through the night to count the ballots. The poll was well organised and there were no complaints of intimidation. It was, said **United States President Barack Obama**, 'an inspiration to the world'. Foreign governments rushed to praise the vote and declare it credible, pre-empting any rejection by the Khartoum government, which pretended to be delighted.

The world was taken aback by Southerners' jubilation. After a half-century

of death and destruction, long-suppressed emotion flowed. Many were appalled by the international media's obituaries for a failed state that had not yet been born. 'Just because you are going to die some day does not mean that you should not celebrate a happy moment today,' said one Southerner, noting that the late SPLM Chairman, **John Garang de Mabior**, had said the South does not have priorities because everything there is a priority.

END OF THE CPA

Southerners now face new challenges, too. The Comprehensive Peace Agreement (CPA) ends on 9 July, when the South can claim independence, leaving little time to tackle the Post-Referendum Arrangements with the National Congress Party. The NCP's military threat will continue if the NCP does. The Government of South Sudan has just acquired eight second-hand **Russian** military transport helicopters, reportedly Mi-18s at US\$12 mn. each. Yet to spend more on services and development, the GOSS wants to reduce its payroll, especially in the army, the Sudan People's Liberation Army (SPLA). This would also bump up unemployment figures. **Kenyans** who keep much of Juba going are now complaining about the GOSS indigenisation policy.

By the end of this year, around one million people will have returned from the North and abroad. They will need water, food, housing, jobs, healthcare, education and electricity – which are all already scarce. Prices are rocketing. Fuel, sorghum and bottled water have been running out. Hundreds of destitute returnees camp

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around towns. Fearing government-sponsored attacks, thousands more have fled their shantytowns and wait by the roadside in Northern Sudan. Children are dying. On 22 January, Khartoum's **Khatim Adlan** Centre is launching a campaign to help them.

People returning through Southern Kordofan towards Abyei, Northern Bahr el Ghazal and Warrap are, say UN reports, being shot at, raped and sometimes killed. An emergency security meeting in Kadugli on 17 January awkwardly brought together the GOSS and NCP interior ministers, and the UN Secretary General's Special Representative, **Haile Menkerios**, under the auspices of South Kordofan Governor **Ahmed Mohamed Haroun** – who is wanted for war crimes in Darfur by the International Criminal Court (ICC).

They agreed to disarm the Missiriya and Dinka Ngok in Abyei (which is easier said than done, despite a tribal agreement last week, see Box), to deploy Joint Integrated Units (a CPA construction more observed in the breach than the command) and to ensure that Northern police, troops and security officers escorted returnees until 'near Abyei', when the SPLA would take over. With Ahmed Haroun as leader of the pack, this sounds like the wolves guarding the sheep. Many Missiriya militia have been integrated into the armed and security forces, the same policy as for the *Janjaweed* in Darfur.

REFERENDUM FOR ABYEI

A core issue is the Abyei referendum, which was also due on 9 January under the CPA. The NCP still insists that the Missiriya pastoralists who seasonally transit Abyei district for grazing should vote. The Abyei Protocol, agreed by the NCP and SPLM, does not stipulate that they should not but implies that they are non-resident since it guarantees their right to cross Abyei and because the Abyei Boundaries Commission (ABC) was set up to define the 1905 boundaries of the nine Ngok chiefdoms.

NCP Political Secretary **Ibrahim Ghandour** argued at an on-the-record 17 January meeting at Chatham House that since the Missiriya are supposed to receive, like the Ngok, 2% of Abyei oil

THE TUNIS EFFECT

'*Tunus, Tunus fis Sudan!*' ('Tunis, Tunis in Sudan!') shouted demonstrators outside Sudan's London Embassy on 16 January. They were few but the protest is still a landmark. Several who happily talked to a journalist from the BBC ignored one from the Voice of America in protest at Washington's friendliness to the National Congress Party (NCP) regime. As cameras inside and outside the Embassy rolled, NCP security was suppressing bigger demonstrations in Northern Sudan.

The Tunis protests which saw another security officer, President **Zine el Abidine ben Ali**, driven out of power and country, have sent fear through all Arab and many African regimes, including the Islamist and Arabist NCP. **Tunisians** have inspired a Northern opposition already emerging from hibernation (AC Vol 52 No 1).

Khartoum's new tactic is apparent openness. Just as the NCP now grasps every opportunity to welcome Southern independence (this may also get it terrorist delisting from Washington, as Special Envoy **Scott Gratton** and Senator **John Kerry** have promised), so it is challenging the opposition to join it in government. In recent weeks, President **Omer Hassan Ahmed el Beshir** has several times refused a national unity government – and several times proposed one.

In a London meeting at the Royal Institute of International Affairs, Chatham House, on 17 January, NCP Political Organisations boss **Ibrahim Ghandour** pre-empted awkward questions about democracy by reminding his audience that Sudan had twice seen civilian uprisings oust military regimes – 'Tunis reminds us of [General **Ibrahim Abboud** and 1985] – and, unprecedentedly, added that President Omer el Beshir 'came to power through a coup'. Seven or more government officials sat expressionless, while NCP public relations expert **David Hoile** took notes.

However, back in Khartoum, not only had **Hassan Abdullah el Turabi** been arrested, as he so often is in times of difficulty (most notably in 1989, when the National Islamic Front that he headed seized power), NCP Deputy Chairman and security buff **Nafi'e Ali Nafi'e** was threatening that 'we will deal with' oppositionists 'threatening people's peace' and they would be 'burnt with fire'. A rally at Khartoum University, to be addressed by **Farouk Abu Eissa** and **Yasir Arman**, as well as Turabi's former office manager, **El Mahboub Abdel Salam el Mahboub**, was banned. The opposition may be thinking twice about the NCP invitation to a 'consensus' government. ●

revenue, they are resident and may vote. A counter argument is that Northern pastoralists seasonally cross into the South right along the 2,000 kilometre border yet no one considers them resident. He also complained that on the ABC, 'the majority dictated everything by voting'. This did not explain why the NCP contested the ABC's boundary findings, which the CPA left no scope to contest. There was no voting on the ABC anyway, said a former member.

MR REASONABLE

Ibrahim, a dentist, heads the Sudanese Workers' Trades Union Federation which, he has said, paid for British barrister Sir **Geoffrey Nice** to try to block the ICC's genocide case against President **Omer Hassan Ahmed el Beshir** (AC Vol 51 No 15). When Abyei member of parliament **Arop Madut Arop** asked him at Chatham House why Presidential Security Advisor **Salah Abdullah Mohamed 'Gosh'** had said 'Abyei would be part of the North for ever', Professor Ibrahim replied that Omer el Beshir was above 'Salah Gosh and Ibrahim Ghandour' and the President was committed to the CPA. He did not mention the presidential predilection for contradiction – amply demonstrated in recent weeks – and presented himself throughout as Mr. Reasonable.

With citizens of Abyei in its ranks, the GOSS cannot afford to abandon the area as it has the Nuba Mountains, yet it does not want a return to war. The GOSS faces other challenges and there is no sign of a contingency plan for the chaos if the July deadline is missed. Expect the NCP's usual delaying tactics. Issues include sharing oil revenue, border demarcation, security arrangements, the scheduled Blue Nile and Nuba 'popular consultations', Southerners in the North (Field Marshal Omer threatened to deport all Southerners, whom he didn't define, from government employ) and Sudan's staggering total foreign debt of US\$39 billion.

A spate of NCP press articles claims that the South must pay 'its share' of this debt and, increasingly, that most of the money was spent in the South. This does not go down well since Khartoum's expenditure was for decades mainly military, with economic development derisory. Everything is needed and outsiders offering aid or trade swamp Juba; few venture into the South's all-weather-road-free 597,000 square kilometres. One of the GOSS's greatest challenges is to select and coordinate outside interest to benefit the South. A new elite is forming and the income disparity is visible in Juba. Related issues include land acquisition, tribal displacement and environmental degradation.

Expectations are high and hopes higher. Young returnees from abroad may feel ill at ease in the conservative and largely subsistence economy of Southern Sudan. Building democracy will be hard work. Some, inside and outside the SPLM, may cause trouble if their ambitions are not met. The recent 'South-South' truces need strengthening. Many applaud President **Salva Kiir Mayardit**'s capacity to pardon and accommodate former enemies, which has helped to give Southerners a unity of purpose, but some wonder where the line should be drawn.

The 20-plus opposition parties lack credibility: some had questionable wartime roles, some are backed by Khartoum, some are one-man shows

and none demonstrate an ideology or programme beyond opposing the SPLM or defending an ethnic group or regional interest. Salva Kiir may now try to bring more oppositionists into his government, *Africa Confidential* has heard. The GOSS will then amend the interim constitution and send it to the next Southern Sudan Legislative Assembly.

Elections for national and state assemblies and for state governors will be held next year. The presidency will not be contested, says a source, so **Riek Machar Teny Dhurgon**, a Nuer leader who led a rebellion against Colonel John Garang in 1991 and later collaborated with what was then the National Islamic Front regime, should remain Vice-President until 2017. ●

THE ABYEI CRUCIBLE

As Southern Sudan celebrates, neighbouring Abyei is a war zone. Clashes began on 7 January between a Northern Missiriya militia and well trained Southern commandos wearing police uniforms. Fighting escalated for two days at a police post at Maker Abyior, a small Ngok Dinka village 15 kilometres north of Abyei town. By 9 January, as the world watched the Southern referendum, dozens of people had been killed on both sides. Both had heavy weaponry. Abyei town is locked down and security forces roam the countryside.

Missiriya say this was a revenge assault on the Sudan People's Liberation Army 'police' but the timing and location say otherwise. If the Missiriya had broken through, they might have reached the Joint Integrated Unit base, only a few kilometres to the south. As history shows, the JIU's Northern and Southern forces might have turned on each other. If the fighting had spread to Abyei town, the SPLA would have been forced to step in, undermining the Southern referendum.

Southern officials say they had received intelligence that Missiriya aimed to take Abyei by 12 January, the date when the Ngok planned to declare their unilateral annexation to the South, since the international peace process had ignored them. On 11 January, **Pa'gan Amum Okiech**, the Sudan People's Liberation Movement Secretary General, **Deng Alor Kuol**, Southern Regional Cooperation Minister and a son of Abyei, and **Haile Menkerios**, chief of the United Nations Mission in Sudan, flew to Abyei to convince Ngok leaders to hold off. The message: 'Do you have an army?' This is a bitter pill for many Ngok, some of the earliest backers of the SPLA.

The SPLM also asked the Ngok to separate traditional migration disputes and politics. On 12 January, Paramount Chief **Kuol Deng Kuol** agreed at a conference in Kadugli to let the Missiriya begin their traditional grazing in Abyei before the end of January, as long as they paid partial compensation for 15 people killed last year (see Feature). This reinforces Ngok disagreements. Five of the nine Ngok chiefs boycotted the Kadugli meeting to protest at the attack. Chief Kuol's critics are led by Chief **Nyol Pagout**, head of the Bongo clan, who refuses to recognise Kuol's authority, and by **Rou Manyiel**, a Cuban-trained veterinarian and vocal civil society leader. Ngok residents told *Africa Confidential* that they did not recognise the pact and would not let Missiriya enter their land.

Meanwhile, Ngok anger is rising as years of playing by the rules are seen as wasted. The **United States** and African Union mediation has failed and reopened negotiations on both the Abyei Protocol of the CPA and the Permanent Court of Arbitration ruling with no clear path backwards or forwards. US Envoy **Scott Gration** receives special vitriol for his behind-the-scenes prodding of the Ngok and SPLM to accept a further partition of the territory. **South African** ex-President **Thabo Mbeki** gets poor marks, too. He had offered six different possible resolutions to the dispute. Unsurprisingly, each side picked the most extreme. Apparently, the strategy was the brainchild of **Alex de Waal**, now an advisor to Thabo Mbeki.

Notwithstanding the 17 January security agreement, prospects look dim. With the Southern referendum in the bag, the SPLM might not be so restrained next time. Ngok leaders fear that if there is no resolution by 9 July, when the South's new international borders are likely to be recognised, their position will only worsen. The National Congress Party knows that all too well. ●

The jasmine and khaki revolution

Protests after a desperate unemployed graduate's suicide ousted the Ben Ali regime and may change regional politics

The arrest of 33 members of the former ruling family less than a week after the overthrow of President **Zine el Abidine Ben Ali** on 13 January consolidates the change of regime. It seems to have been underwritten by the army, which had sided with the opposition against the President's security apparatus and national police. Ben Ali's enforced flight into exile, just a month after the opposition went on to the streets, sends a powerful message to authoritarian regimes across Africa and the Middle East facing economic and political pressures.

Ben Ali was ousted just as his kleptocratic family and advisors were refining plans to control the succession (AC Vol 50 No 22). Big political battles lie ahead in negotiations for a new constitution and fresh elections. For now, the army will be the guarantor of the new order but its own political ambitions are far from clear. The outcomes could range from a reforming government based on more honest and efficient administrators promoting a liberal social and economic agenda to a descent into chaos and the establishment of the Mediterranean basin's first radical Islamist regime.

A North African *zaïm* (chief) was undone in an era when protesters in the street could mobilise via the internet. Millions followed the events and shouted their approval on the Facebook social network. Ben Ali was fascinated by the internet, sitting by a computer in his Carthage palace for hours every day. He set up sophisticated monitoring and a 2,000-strong cyber-warfare team to ward off any online challenges.

Among the interim government's few imaginative appointments was that of **Slim Amamou**, a free speech activist and blogger gaoled in January. He was freed on 13 January and appointed Secretary of State for Youth and Sports. A political void remains. Over 23 years, Ben Ali crushed civil society and media institutions, rival parties and even dissident currents within his *Rassemblement constitutionnel démocratique* (RCD), the ruling party which claimed over 2 million members in a country of some 8 million people.

Yet the security state was brittle enough to shatter in the face of protests triggered by **Mohamed Bouzizi**, the 26-year-old jobless graduate who set himself ablaze after he was stopped from selling fruit and vegetables to support his family.

Protesters targeted Ben Ali's family, notably his second wife, **Leila Trabelsi**, and the daughters and sons-in-law of the patriarch's marriages. WikiLeaks' publication of a **United States** diplomatic cable about Ben Ali's son-in-law **Sakher el Materi** confirmed the arrogance and insouciance of the presidential family.

Two men named Ghannouchi but not related are set to play pivotal roles in the unfolding drama. In Tunis, the Prime Minister of eleven years' standing, **Mohamed el Ghannouchi**, heads the interim government alongside centre-left politicians. El Ghannouchi is no power politician. A quiet economist, he had wanted to retire for years but Ben Ali, who didn't want a threatening Premier, stopped him. Ghannouchi will struggle to convince most Tunisians that he can propel the government forwards.

RACHID GHANNOUCHI RETURNS

In exile in London since 1989, when negotiations to bring his Islamist party into the political system failed, *Hizb Ennahda* (Renaissance Party) leader **Rachid Ghannouchi** faces a very different political arena from the 1990s.

The latest confrontations in **Algeria, Tunisia and Libya** have not taken on an Islamist tinge. Yet Tunisian prisons are filled with *Ennahda* supporters and have been the scene of the worst political clashes yet. There is both residual support for political Islam and widespread sympathy for 'social Islam' in this most secular Arab state. Like Islamist parties elsewhere, Rachid Ghannouchi sees that as his support base and, we hear, wants his return to Tunis to be spectacular.

The new coalition is buttressed by the army. Ben Ali had sacked its Chief of Staff, General **Rachid Ammar**, after the army refused to fire on protesters. Ammar pushed for Ben Ali's departure and worked to shut down the pro-Ben Ali death squads. Police snipers accounted for many of the 90 people officially killed and up to 500 injured. Yet the security establishment is divided. Two veteran politicians to watch are Interior Minister **Ahmed Friaa** and Defence Minister **Ridha Grira**, who is seen as a potential president.

By 18 January, several oppositionists who had joined the government, including the *Parti démocratique progressiste* (PDP) leader, **Nejib Chebbi**, and the former Communist *Ettajdid* (Renewal) party

head, **Ahmed Brahim**, had resigned demanding more changes in personnel. 'Débenalisation' is under way. Security chief **Ali Seriati** was arrested at the Libyan border after Ben Ali's flight. *Banque centrale de Tunisie* Governor **Taoufik Baccar** was replaced on 17 January by **Mustapha Kamel Nabli**, an ex-minister and former World Bank Chief Economist for the Middle East and North Africa. The government has promised to recover stolen loot and prosecute Ben Ali's cronies. Constitutionalism is key for the opposition. The first nationalist party was *Ad Destour* (The Constitution); founding President **Habib Bourguiba's** party was the *Néo-Destour*. Ben Ali used the constitution in his 'doctors' coup', which removed Bourguiba on 7 November 1987.

Mohamed el Ghannouchi's interim regime promises a new constitution in six months and then elections. The Islamist current is not represented but its voice may be heard. It says it can live with a constitution guaranteed by the army and civil society that entrenches civil liberties, women's rights and other freedoms. Rachid Ghannouchi says this is what *Ennahda* now stands for. The party is now 'very close' to **Turkey's** ruling *Adalet ve Kalkınma Partisi* (Justice and Development Party), held as a model for incorporating Islamist values into a secular state.

The coalition also has to contend with the plotting of the Ben Ali clan in exile, with its extensive foreign holdings in Dubai and Europe, and its regional allies, such as Libyan leader **Moammar el Gaddafi**, who publicly lamented Ben Ali's overthrow. Western powers, especially **France**, are looking for signs of other regional protests threatening to topple regimes from **Algeria and Morocco** to **Jordan and Yemen**.

Algerian President **Abdelaziz Bouteflika** held crisis meetings after unrest in the Algiers neighbourhood of Bab el Oued. Residents there say demonstrations in early January were prompted by high prices and shortages while wholesalers complained about high taxes. We hear efforts by ex-*Front Islamique du Salut* leader **Ali Belhadj** to use the disturbances to get militants on to the streets – as he did after Algeria's pivotal October 1988 riots – came to nothing.

In **Egypt**, President **Hosni Mubarak's** regime is on high alert and Tunisia's 'Jasmine Revolution' will complicate plans to ease the presidential heir-apparent, **Gamal Mubarak**, into office (AC Vol 51 No 1). In **Algeria and Egypt**, young men have burned themselves to death to protest at rising prices and lack of jobs.

Without real political change in the region's regimes, these desperate acts may have as radical an outcome as Mohamed Bouzizi's tragic death in Sidi Bouzid's marketplace. ●

A family legacy

Ali Ben Bongo, who took over the presidency from his father in August 2009, is struggling on both the political and economic fronts

After more than a year in power, President **Ali Ben Bongo Ondimba** faces rising popular discontent. Spending more time abroad than at home hardly gives the impression of a man bent on solving his country's problems. Since his election victory in 2009, the President has left Gabon at every opportunity – on private visits to **Morocco** or attending ceremonies to inaugurate African heads of state.

The credibility of any claim that the ruling *Parti démocratique gabonais* (PDG) represented all Gabon's ethnic groups died along with President **Omar Bongo Ondimba** in June 2009. The presidential vote was closely split between the south-east, which supported Ali Ben Bongo, the south-west, which supported **Pierre Mamboundou**, and the north, which voted for **André Mba Obame**.

The controversy over Ali Ben's August 2009 election victory – he won only 42% of the vote – will not go away. It was revived by a **French** television documentary this December, which claimed that Obame was the real victor, with 42%, and the result had been switched, literally, to make Ali Bongo the winner. Obame returned to Libreville in early January, claiming that the situation was now like that in **Côte d'Ivoire** with an elected president and an unelected one. Posters supporting the claims that Obame had won quickly appeared around the capital but were nearly as rapidly removed.

As for the documentary itself, which would normally have been broadcast on channels such as *France 24*, nothing was to be seen. Local channels instead ran programmes showing old footage of the current members of the opposition lauding the PDG government – in the days when they were still part of it. Against this background, a **United States** Department of State cable released by WikiLeaks on Gabonese government fraud at the regional bank, the *Banque des Etats de l'Afrique Centrale*, made a considerable impact (AC Vol 52 No 1).

The PDG's worry is that the December 2011 legislative elections will expose it as merely one of many parties representing little more than an ethnic interest. The *Union nationale* (UN), the opposition party founded by defecting PDG members in the wake of the 2009 polls, did not make much of a showing in the June by-elections which those defections prompted. The

UN is headed by **Zacharie Myboto**, an Nzebi, while its members of parliament, Obame and former Prime Minister **Jean Eyeghé Ndong**, are Fang. Obame, whom Omar Bongo treated as one of the family, is Ali Bongo's most dangerous opponent. He possesses oratorical skills, intimate knowledge of where the regime's bodies are buried and support from the country's largest ethnic group.

CONSTITUTIONAL AMENDMENTS

The government showed its fear of the coming polls by using the crushing parliamentary majority that it still wields to push through constitutional amendments. The changes late last month strengthen the powers of the presidency and adjust presidential term limits. One important amendment allows the president to prolong his term in office in the case of an emergency.

Meanwhile, in a move to bolster support for the PDG in bastions of the opposition, the government held two cabinet meetings in the regions most hostile to the PDG, promising hydroelectric plants and other forms of patronage politics. The first took place in Port-Gentil, the oil capital and traditional seat of opposition forces, and the second in Oyem, in Woleu N'Tem Province, home to the Fang ethnic group.

To ensure a better turnout at this year's polls, Ali Bongo has applied the principle that money heals all. Veteran oppositionist Mamboundou, who has strong support amongst the Punu and other ethnic groups of the south-west, was ill in Paris for much of last year. He returned to Libreville in late 2010 and his *Union du peuple gabonais* heartily thanked the President personally for paying his hospital bills. Shortly afterwards, Mamboundou made a rare visit to the presidential palace. There has also been talk of members of the *Alliance pour le changement et la restauration* joining the government after an imminent government reshuffle. In any case, PDG candidates will be out in force before the legislative polls, equipped with party-sponsored chainsaws, outboard motors and cartons of frozen turkey.

For all of the President's talk of transforming Gabon into a developed economy within the next decade, inertia is proving to be his greatest challenge. One of his first acts was to bring in the *journée continue*, the continuous workday, for public sector workers. Instead of working

from 9 to 5 with a relaxed couple of hours for lunch, bureaucrats are supposed to work from 7.30 to 3 with a short lunch at or near the office. There is scant evidence, however, that the change has taken hold. In many offices, attendance is sketchy, making the results difficult to determine.

There is other evidence of stagnation. The government is desperate to avoid the international embarrassment that might ensue if all is not ready in time for January 2012's Africa Cup of Nations football tournament, which it is co-hosting with **Equatorial Guinea**. With less than a year to go, the progress in building projects on the main road and central stadium is not encouraging. Few advances have been made in the last nine months and delays with the stadium in Libreville in particular are giving concern.

As well as fretting over whether there are enough hotel rooms for the visiting fans, the government is anxious about a decision to award joint visas with Equatorial Guinea. Both countries host sizeable populations of West and Central African immigrants and the authorities are worried that once visas are granted for the Cup, some fans may never leave.

The biggest change in the upper echelons of society since Ali Ben came to power is that money just doesn't circulate like it used to. Many said that there was bad blood between Ali and his half-sister **Pascaline Bongo**, who ran her father's cabinet and continues to be the family treasurer. However, Ali's mother denied the rumours in song. In one of her latest hits, *'On vous connaît'* ('We know your kind'), **Patience Dabany** sings: 'We know your kind...everyone wants to make progress, why do you want to hold us back? The sister there likes her brother, why do you want to separate them? We know your kind' (<http://www.youtube.com/watch?v=8XsKk9Aj4MU>).

Pascaline still serves as a special advisor to the President and, as the family's financial supremo, has been in charge of many of the favours that the family bestows. The death of Omar means that some money streams have dried up. Members of the vast presidential clan have been returning from abroad as invoices pile up and the largesse needed to pay them evaporates. Former ministers and those who do not get on as well with the son as they did with the father are finding it difficult to adjust.

Businesses sitting on piles of invoices for cars and houses bought by those in power when the late President was alive are now calling in their debts. Some are even suing the high-rollers for things they thought were covered. The courts are quickly filling up with cases. Times are hard when it becomes apparent that a handout was your last. Buddy, can you spare a diamond? ●

Rumbas in the jungle

Brazil's new President, Dilma Rousseff, does not have the enthusiasm for Africa of her predecessor, Luis Inácio Lula da Silva, but the ties will remain

President **Luis Inácio Lula da Silva**, who worked closely with successive **South African** Presidents **Thabo Mbeki** and **Jacob Zuma** on diplomatic issues, also presided over a sharp boost in Brazil's trade with and investment in Africa. As his second term in office neared

its end, in late November Lula visited Maputo, **Mozambique**, to endow an anti-retroviral drugs factory, the first of its kind in Africa, with US\$21 million. He also launched the Open University of Brazil, a joint Mozambican-Brazilian-staffed institution teaching public administration,

BRAZIL'S NATURAL ALLIES

Brazil's political involvement in **Portuguese**-speaking Africa goes back to the independence struggles of the 1960s and 1970s. In July 1974, the military junta which then ruled Brazil recognised the independence of **Guinea-Bissau**. A year later, it was the first foreign power to recognise the *Frente de Libertação de Moçambique* government in newly independent Mozambique. Then in November 1975, it defied Washington by recognising the *Movimento Popular de la Libertação de Angola* government. Brazilian troops contributed to peacekeeping in Mozambique in 1994; in 1995, their military engineers were in Angola, clearing land-mines and rebuilding infrastructure. Brazil also has sold significant quantities of arms in Africa, as part of cooperation agreements.

Some 30 Brazilian official aid programmes are intended to promote prosperity in Mozambique. One of the largest, the ProSavana project (with **Japanese** input), aims to develop about 50,000 hectares of potential farmland in Nacala Province in a partnership between Embrapa and the *Instituto de Investigação Agrária de Moçambique*.

This year, the iron and steel giant Vale has to resolve doubts over its biggest project in Africa, the US\$6 billion iron ore mine at Simandou, **Guinea**. Vale is bidding for a 50% stake in the mine from **Israeli** entrepreneur **Beny Steinmetz**, himself the beneficiary of a deal signed by the late President **Lansana Conté** in December 2008. The deal, which transferred mining licences for two blocks at Simandou from the Anglo-**Australian** mining group Rio Tinto to Steinmetz on the grounds of non-performance, was masterminded by Guinean former Mines Minister **Mahmoud Thiam**, who has since left the country.

Rio contests the transfer of the licences and may launch a legal action to get them back, calculating that it may have a better chance of success under the new elected government led by President **Alpha Condé**. The deal poses a challenge for Vale: it would not want to lose the opportunity to gain a stake in Guinea's rich iron ore deposits – Simandou is described as the biggest reserve in the world – but it is wary of being linked to an opaque, legally contested deal. Accordingly, Vale is yet to make a substantial down payment to Steinmetz in its bid for equity in Simandou.

Less controversially, in Mozambique Vale is due to start mining the massive coal deposits at Moatize in Tete Province, with an output target of 26 million tonnes per year after investment of over \$1 bn. In Nampula Province, Vale is looking for phosphate and has recently signed an agreement with the Japan Oil, Gas and Metals National Corporation for joint exploration for platinum, copper and nickel.

In Angola, Brazilian companies are even more prominent. The construction company Odebrecht worked with *Furnas Centrais Elétricas* to build Angola's largest dam, with a capacity of 520 megawatts, at Capanda. Odebrecht is also rehabilitating the 128 MW Cazenga gas-fired power station. Odebrecht has attracted questions over its relationship with Angola's leaders, who tend to take personal stakes in joint ventures with foreign partners despite holding public office. According to Angolan journalist, **Rafael Marques de Morais**, Odebrecht's \$272.3 mn. sugar, alcohol and biofuel project, Biocom, is a joint venture with *Damer Indústria SA*, (40% each) and Sonangol Holdings (20%).

Marques says Damer is owned by General **Manuel Hélder Vieira Dias Júnior 'Kopelipa'**, Director of the National Reconstruction Office, and Gen. **Leopoldino Fragoso do Nascimento 'Dino'**, head of Presidential Communications, in partnership with **Manuel Vicente**, the Chief Executive Officer of Sonangol, the national oil company. After President **José Eduardo dos Santos**, these are the three richest men in Angola. Odebrecht is also a partner in the *Sociedade Mineira de Catoca*, which produces about 70% of Angola's diamonds, its second-largest export. ●

education, maths and biology to a potential 7,000 students over the next four years.

Although President **Dilma Rousseff**, 63, does not share Lula's personal enthusiasm for Africa, which saw him visit 25 African countries in twelve tours during his two terms of office, she will continue his 'South-South' policy and fight for the sometimes huge investments, especially in raw materials, by major Brazilian companies. Rousseff, the daughter of a **Bulgarian** immigrant, may take a more rigorous line on governance and corruption in Africa, however. Lula was criticised for fostering ties with the late **Gabonese** President **Omar Bongo Ondimba** although he drew the line at meeting President **Teodoro Obiang Nguema Mbasogo** of Equatorial Guinea, who was reported by the Brazilian press to have recently bought a penthouse at Ipanema, the location of one of Rio de Janeiro's most famous beaches.

Brazil has, nevertheless, given aid to Equatorial Guinea and other countries that don't feature in the accountability top ten – **Chad**, **Congo-Brazzaville**, **Congo-Kinshasa**, **Gabon**, **Sudan** and **Zimbabwe**. In public addresses, Lula would always emphasise the vital importance of non-interference in other countries' affairs.

Commerce has been the driving force but Rousseff was imprisoned and tortured by the military regime in the 1970s and may be expected to be less tolerant of human rights abuses in Africa. Brazil's overseas aid department, the *Agência Brasileira de Cooperação* (ABC), has said it will take greater account of human rights as it increases its presence on the continent but there are no concrete moves to date.

Rousseff's 69-year-old Presidential Advisor for International Affairs, **Marco Aurélio Garcia**, held the same job under Lula and is widely seen as the architect of closer diplomatic and political links with Africa and the developing world. Garcia was a founding member, with Lula and Rousseff, of the *Partido dos Trabalhadores* (PT, Workers' Party) and is immensely influential. The Foreign Ministry portfolio is held by **Antônio de Aguiar Patriota**, a former Ambassador to the **United States**, who has also declared in favour of active 'South-South' diplomacy.

Garcia is responsible for the strategic direction of foreign policy, which uses new centres of diplomatic influence that bypass the old links between former colonies and former colonisers. Lula got South Africa to form the IBAS (the **Portuguese** acronym for **India-Brazil-South Africa**) diplomatic club in June 2003. The group, if not quite a bloc, is lobbying for a permanent United Nations Security Council seat for at least one of its number.

Last month, at **China's** invitation, South Africa also joined the **Brazil-Russia-India-China** (BRIC) grouping, which is

tentatively moving towards increased economic cooperation among its members. Brazil's trade with China was worth \$95 billion, with India \$33 bn. and with Russia \$5.6 bn., according to recent figures. More than half of the 35 embassies that Brazil has opened since 2003 are in Africa. Lula also ordered a series of debt cancellation or other relief measures for poor countries such as Mozambique. Brazil was part of the Paris Club of creditor countries of Congo-Brazzaville that cancelled a combined debt of \$980 mn. under the Highly Indebted Poor Countries programme last March.

However, Lula felt this was at times a one-way street. When Brazil voted with **Turkey** against UN sanctions on **Iran** in June 2010 in a test of 'South-South' muscle, he had expected support from Gabon and **Nigeria**, two countries he had personally wooed and which benefited from Brazilian debt relief. However, they fell in with the wishes of the USA and the European Union, as did **Uganda**. Lula may have been too impatient in his hopes of cutting the North-South umbilical cord.

The meat of Brazil's trade with Africa, which has grown tenfold over the last 30 years, is natural resource extraction and development. Annual trade with Africa grew from \$3.2 bn. in 2002 to \$21.1 bn. in 2008, before falling back to \$17.5 bn. in 2009 because of the global recession. Lula's pro-African stance has also helped mining and large construction companies to sign important contracts. In addition to its massive coal mine in Mozambique (see Box), the world's second largest mining company, Vale, is in **Burkina Faso**, Gabon and **Zambia**, and plans to to exploit iron ore in **Guinea**, to be shipped through **Liberia** (AC Vol 51 No 14).

The Brasília government has strongly encouraged the state-controlled *Banco do Brasil SA* – Latin America's largest financial institution in terms of assets – to

diversify and invest in Africa as part of its internationalisation programme. The *Banco do Brasil* has already signed a joint venture agreement with a large private equity group to invest \$400 mn., mainly in Brazil and Africa. Yet under Lula, Brazilian trade with and investment in Africa has remained less intense than its trade with China (Brazil's biggest trading partner) or India.

Aid to Africa has focused mainly on agriculture and biofuel. The state-owned agronomy institute, the *Empresa Brasileira de Pesquisa Agropecuária* (Embrapa), has opened an office in **Ghana**. It says the similarity between the Cerrado woodland savannah in central Brazil, where agricultural productivity has risen in recent years, and African savannah opens up new opportunities for achieving food security on the continent.

In November, a delegation from the development bank, the *Banco Nacional do Desenvolvimento* (BNDES), led by its Vice-President for International Affairs, **Paulo Roberto de Oliveira Araújo**, travelled to **Tunisia** to explore financing possibilities with the African Development Bank.

Brazil's state-controlled oil giant, *Petróleo Brasileiro* (Petrobras), has received a significant boost from the discovery of huge domestic offshore reserves in ultra-deep waters, in the 'pre-salt fields'. Given the geological similarity of the offshore regions of West Africa and Brazil, Petrobras has been well placed to work with **Angola**, Equatorial Guinea, Ghana and Nigeria. In Angola, Petrobras is taking part in the exploration of six fields and is also active in Nigeria.

Petrobras is expanding its world reach, with plans to invest \$12 bn. abroad in 2007-13. It is exploring for oil in **Cape Verde**, **Libya**, **Senegal** and **Tanzania**, and plans a \$200 mn. bio-ethanol plant in Nigeria's Niger Delta. Its prospecting teams

are hard at work, especially in virgin areas of Congo-Kinshasa. In 2008, Vale opened offices in Kinshasa and Lubumbashi, while another Brazilian company, High Resolution Technology Petroleum, is ready to explore Congo's Central Basin, hoping to repeat the success of Petrobras in the Amazon, where the geology is similar. In March, HRT claimed that it had identified reserves of 2 bn. barrels of oil and 598 bn. cubic metres of gas.

The Brazilian presence extends well beyond Portuguese-speaking Africa. Back in 1962, Brazil, **Côte d'Ivoire** and Ghana were instrumental in creating the International Coffee Organisation. That was when Brazil opened its first African embassy, in Abidjan. In Burkina, Vale plans to work the Tambao manganese deposits with Mitsui of **Japan**. In Liberia, the target is iron ore from Zogoto. Vale is also active in Zambia (copper), in Guinea (iron ore, a \$2.5 bn. investment), South Africa (platinum) and Gabon (iron and manganese). Preparing for deeper involvement in North Africa, Industry Minister **Miguel Jorge** led a delegation to Algiers in September. Vale, with an eye on the Garat Djebilet iron prospect, was there, as were construction companies *Andrade Gutierrez*, *Camargo Corrêa*, *Galvão Engenharia et Queiroz Galvão*, and aircraft manufacturer *Embraer*.

The spiritual dimension of Brazil's presence in Africa is manifested not only by hundreds of Roman Catholic missionaries but also by Pentecostal activists, notably from the *Igreja Universal do Reino de Deus* (Universal Church of the Kingdom of God), with congregations in nearly a dozen African countries. The globally popular television soap operas called *telenovelas* bring some kind of a Brazilian presence into millions of households in Africa's new middle class, especially where Portuguese is the national language. ●

NIGERIA

Jonathan's primary colours

Winning the PDP's presidential nomination looks easier for Goodluck Jonathan than establishing himself as a truly national politician

President **Goodluck Jonathan** clinched the presidential nomination of the People's Democratic Party (PDP) on 14 January with an unexpected 77% of the votes. Jonathan, the insiders quickly learned, had promised all first-term state governors that they would have the PDP nomination for their second terms in return for their support of his presidential nomination. All 26 duly obliged and Jonathan's nomination was secure.

Any candidate for the PDP nomination

has to win over both the party barons and the state governors. Jonathan and his campaign team used all the advantages of presidential incumbency against his rival for the nomination, **Atiku Abubakar**. The screening committee was made up of Jonathan loyalists and Atiku's supporters protested in vain.

While Jonathan was glad-handing delegates from the key states, Atiku was struggling to make contact with the delegates. His campaigners claimed state

security had sabotaged their scheduled meetings. So keen was Jonathan's team to win support from the delegates that Senator **Teslim Folarin** was briefly released from police custody in Ibadan, where he had been detained in connection with a murder, allowing him to fly to Abuja and lead his Oyo state delegation. Folarin has since returned to Ibadan, where his bail application has now been denied.

Many in Abuja blame the recent depreciation of the naira against the US dollar on the demand for dollars from delegates to the PDP convention. Jonathan's support of the governors was reciprocated. State delegates to the conference, even those from non-PDP states, registered at their governors' lodges in Abuja. Many then went into near purdah, making it near impossible for Atiku's campaign team to contact or influence

them. The delegates' mobile phones were taken away, and they were kept in their hotel rooms under surveillance, much to the frustration of Atiku's team.

Before the convention in Abuja, a group of northern academics submitted a report to **Adamu Ciroma**, PDP chieftain and head of the Northern Political Leaders' Forum, urging support for retired General and former head of state **Muhammadu Buhari**. Atiku, they said, was too liberal. Support for Atiku from a group of gay Nigerians did not help nor did his fiery but vacuous speech during the primaries.

Despite their promises, northern PDP heavyweights such as **Ibrahim Babangida**, **Aliyu Mohammed Gusau** and **Abubakar Bukola Saraki** failed to back Atiku. They are unhappy with Jonathan's nomination but did not deem Atiku a credible rival. Their next moves – and the price they demand for support from their northern allies – will be critical in the coming election campaign. Jonathan has kept communications open with that northern trio on the basis that the PDP presidential nomination will go back to the north in 2015 under the party's regional rotation rules.

The state auction for oil exploration licences, originally due late last year, is likely to be held after the elections in April. Many PDP supporters and contractors in the north expect loyalty to Jonathan to be rewarded then. Yet nothing is certain in the febrile politicking in Abuja, especially as Atiku has yet to concede defeat. He may choose to challenge Jonathan's victory through the courts; others expect serious attempts will be made to co-opt Atiku.

A governor's aide confidently told *Africa Confidential* that 'the Atiku grievance and all others will be taken into consideration in the new order. The PDP family knows how to mend its fences.' A fence-mending meeting between Jonathan, Gusau, Atiku and Babangida scheduled for 16 January was postponed. The day before, PDP supporters angry at Jonathan's victory had taken to the streets in the northern cities of Kaduna, Bauchi, Katsina and Hadejia, burning PDP flags and membership cards.

These days, Atiku depends less than most politicians on the state patronage system. His logistics company, Intels, has lucrative oil industry contracts in **Angola**. **South African** President **Jacob Zuma** is on good terms with Atiku; the two men built a friendship while serving as Vice-Presidents to **Thabo Mbeki** and **Olusegun Obasanjo** respectively. We hear that Zuma helped Atiku's presidential bid.

Atiku's financial base gives him more freedom of action. It seems unlikely that he will defect from the PDP for a second time, although **Bisi Akande**, Chairman of the Action Congress of Nigeria, said he would be welcome to join the ACN. Even

more unlikely is a Buhari-Atiku ticket. Buhari is the man to beat in the north. The popular vote for him is surging. Northerners who have previously voted for the PDP are likely to vote for Buhari's Congress of Progressive Change (CPC) in protest at the governing PDP's presidential nomination of a southerner.

Yet Buhari needs to build bridges with the south-west, south-east and south-south. Talks to form a grand anti-PDP alliance are taking place. Having twice failed to win with a south-eastern running mate, Buhari is now looking for candidates in Lagos, the commercial capital.

THE ACN BUILDS SUPPORT

There is a possibility of an alliance between Buhari and **Pat Utomi**, founder of the Lagos Business School, but it is difficult to see how that would work. Another possibility is that Buhari allies himself with the ACN, which now holds four governorships in the south and has just selected former anti-corruption czar **Nuhu Ribadu** as its own presidential candidate. Although Ribadu and Buhari get on, both are northerners so one would have to step aside for a southern running mate if they want their party alliance to have a nationally balanced ticket.

Both sides would have to take into account the views of **Bola Ahmed Tinubu**, an unpredictable operator who remains a key financier and powerbroker in the ACN. Some say the PDP hierarchy is trying to lure him back into its ranks to scupper the ACN's growing southern base.

Winning the presidential nomination was just the start of a long battle for Jonathan. The north is upset with him and his base in the Niger Delta is divided. Bayelsa and Delta State Governors, **Timipre Sylva** and **Emmanuel Uduaghan**, are at best semi-detached from the Jonathan cause. Their own retinues are actively hostile and it may be difficult to paper over the splits during what is likely to be a very violent campaign in the Delta.

The ACN dismisses the PDP as the 'Poverty Development Party'. This resonates in the south-west, which has been benefiting from ACN governors. The ACN's choice of youngish candidates to run for the National and State Assemblies and its voter registration campaign among younger Nigerians is working, as is its pick of credible governorship candidates such as **Kayode Fayemi** in Ekiti State. Fayemi fought for four years in the courts to win the governorship stolen from him by the PDP's **Segun Oni**.

Outside the mainstream, some more unorthodox groups are trying to upend the PDP bandwagon. The Save Nigeria Group and the Enough is Enough Nigeria coalition is gathering momentum and joining the calls for young voters to register. SNG, co-founded by **Tunde Bakare**, a Pentecostal

pastor and trenchant political activist, worked hard for Jonathan's appointment as Acting President.

Bakare is popular among young professionals in the south, particularly in Lagos. Their target is to get 10 million youths to participate in the next elections. Bakare is eyeing a group he terms the 'best of the north and south': Buhari, **Mallam Nasir El-Rufai**, Nuhu Ribadu, **Ngozi Okonjo-Iweala**, **Obiageli 'Oby' Ezekwesili**, Pat Utomi and **Donald Duke**. Somewhat ambitiously, he says he would invite them to form the core of the government if his alliance wins.

Jonathan will now deploy the heavy artillery and exploit his incumbency to the full. He is launching a costly media campaign, the financing of which has already prompted awkward questions. The election campaign will be a boom time for advertising sales in the boisterous press and the commercial radio stations.

In theory, the ACN could overcome the PDP's patronage network but could still be outmanoeuvred by the youth vote. Nigerians under 35 make up the bulk of the electorate but they rarely register to vote. Most are concentrated in cities such as Lagos, Abuja, Port Harcourt and Kano. Most of the people who do vote live in rural areas. The PDP has networks extending into all 774 local government areas. PDP grassroots politicians are used to making frequent trips home to distribute favours.

Opposition parties have formed a loose association – the Patriotic Electoral Alliance of Nigeria (PEAN) – which embraces the All Nigeria People's Party, the ACN, the All Progressive Grand Alliance, the Social Democratic Mega Party and the CPC. PEAN is targeting 18-to-35-year-olds. Many activists see 2011 as just a base for a stronger bid in 2015.

Veteran political bruiser and former President **Olusegun Obasanjo** is getting credit for Jonathan's victory: he was critical in helping the campaign to divide Atiku's supporters. Obasanjo's enthusiasm for the task owed more to animus against Atiku than die-hard support for Jonathan. For Obasanjo it was just his latest duel with Atiku, all of which he has won so far with a humiliating margin of victory. Obasanjo has never forgiven Atiku's attempted electoral coup against his presidency in 2003 (AC Vol 44 No 3)

The betting is that Jonathan as the PDP candidate is on course to win the presidency in April. Unlike **Ghana**, incumbents in Nigeria do not lose elections. After Buhari's convincing campaign in the North, the parties will now focus on developing much stronger alliances there ahead of the presidential vote. Goodluck Jonathan has yet to persuade Nigeria that he is a national rather than a Niger Delta leader. Doing that will be harder than winning the primaries. ●

Subsidising politics

Maize subsidies win votes but the impact on the economy – and on agriculture – is not so healthy

Having bucked conventional wisdom on government subsidies to small farmers, President **Bingu wa Mutharika** staked his election chances on his Farm Input Subsidy Programme in the 2005 and 2009 elections and won decisively (AC Vol 50 No 23). For this he received copious international praise, including from donors who had criticised the FISP initially. However, as an ambitious, costlier, new five-year subsidy plan is published, doubts are growing about its sustainability.

In 2005, Malawi was starving. In his presidential campaign that year, President Mutharika promised to bring back subsidies. Once elected, he defied donors by implementing the most generous subsidy programme Malawian farmers had ever seen. The FISP, as it came to be known, was first launched without any international support. Giving maize farmers bags of fertiliser and hybrid seeds at one quarter of the market price cost the government US\$51.4 million in 2005. Every year, the budgeted subsidy increased but in most years expenditure has been far greater than planned.

The figures have fluctuated wildly (see Table), with actual government expenditure exceeding budgeted spending by over 50% in one year. In 2009/10, the government subsidy fell by more than 50%, with the total subsidy, including donor funds, falling from \$265.4 mn. in 2008/9 to \$121.3 mn. in 2009/10. Worries about the FISP's sustainability centre on the increasing amount of gross domestic product that it is taking up and the volatility of both maize and fertiliser prices, not to mention intermittent drought. From a relatively modest 2.1% of GDP in the programme's first year, FISP represented 6.6% of GDP in 2008/09 and in that year took 16.2% of the national budget, before crashing in the following year.

The programme overall has been judged a regional success story and has won laurels for Mutharika, with a string of awards and medals in the last three years. To many eyes, however, Mutharika blotted his copybook last February by splashing out about \$14 mn. on a long-range private jet, which caused the **British** government, Malawi's largest donor, to cut £3 mn. (\$4.77 mn.) that year from its £22 mn. budget-support grant in response.

Yet Mutharika fears little local backlash. The agricultural policy has been

unashamedly populist, favouring small farmers, pulling many of them out of chronic food insecurity and lowering the overall imports bill. In four years, maize production doubled and national food self-sufficiency increased substantially.

In its plan for FISP for 2011/16, the Ministry of Agriculture and Food Security states that 480,000 tonnes of maize were exported in 2005 and 2006, which 'represents a 53% return over the investment capital of FISP'. A forthcoming article in the *International Journal of Agricultural Sustainability*, written by experts quoted in the government plan, suggests that the real figure for those two years is 146,481 tn. The discrepancy is accounted for by the fact that the figure in the academic paper is net. The government figure did not subtract imports of maize from the export figure.

HOSTAGES TO FORTUNE

The past success of the policy is likely to ensure its continuation, despite expected diminishing returns. In addition to gaining food security, albeit at a high price, it has helped to secure Mutharika's political base, which he intends to bequeath to his brother, Professor **Arthur Peter Mutharika**, for the elections of 2014. However, fertiliser prices are rising in line with the price of oil, the major raw material for the type of fertiliser most commonly used in Malawi, and the proportion of GDP and the national budget that FISP is using is set to go on rising. The cost of FISP is projected to grow steadily over the next five years, reaching \$248 mn. by 2016. Most observers think these figures will be hostage to many fortunes.

FISP alleviates shortages and increases exports but not in a uniform fashion throughout Malawi, where pockets of high food insecurity persist. A report by the Famine Early Warning System Network (FEWS Net) in June 2010 identified 718,000 people in southern Malawi who were food-insecure and in need of emergency food aid. Mutharika acknowledged that some people might face food shortages and promised the government would procure additional maize to alleviate their needs but in August, when the Malawian press reported that there were over one million people in need of food aid, Mutharika called it a lie and threatened to close down 'lying newspapers'. The papers stood by their

FERTILISER AND PROGRAMME COSTS US\$ mn.

	Malawi government		Donors		Total	
	Planned	Actual	Planned	Actual	Planned	Actual
2005/2006	36.4	51.4	–	–	36.4	51.4
2006/2007	51.4	81.4	12.5	9.5	63.9	90.9
2007/2008	73.6	109.6	5.7	7.1	79.3	116.7
2008/2009	127.0	227.8	12.1	37.8	139.1	265.6
2009/2010	–	101.1	–	20.2	–	166.6

Source: The Malawi Agricultural Input Subsidy Programme, A. Dorward & E. Chirwa

MALAWI PLAN FOR SUBSIDY EXPENDITURE

	Expected subsidy	% above 2009/10
2010/11	US\$ 194.8 mn.	17%
2011/12	US\$ 208.5 mn.	25%
2012/13	US\$ 221.0 mn.	33%
2013/14	US\$ 232.8 mn.	40%
2014/15	US\$ 244.9 mn.	47%
2015/16	US\$ 248.0 mn.	49%

Source: Malawi government

reports and so far have escaped sanction.

A United Nations Food and Agriculture Organisation paper on Malawi's agricultural input subsidy programme deemed the maize crop a poverty trap. The growth potential of maize, it argued, is inherently limited and subsidies for it can prevent the diversification of crops and promote the impoverishment of soils where maize is continually grown. Yields then fall. However, the extreme poverty of many Malawians and their dependence on maize means any large-scale diversification, with or without subsidy, will take a considerable time. As far as the government is concerned, the FISP is the way to cope.

Many donors who at first opposed the FISP have been cooperating with the programme. They may still disapprove of the overall policy but they contribute nonetheless since it is popular and they do not want to be seen to be compromising Malawian sovereignty. The World Bank has recommended several adjustments to the FISP, including a programme exit strategy and a larger involvement of private industry in selling fertiliser.

Other donors, such as **Norway**, are concerned about transparency. There have been several reports of corruption at various levels of government, down to traditional leaders being arrested for selling subsidy coupons. The government agreed to give an annual report of the programme to Oslo. Earlier this year, Norwegian officials said they were missing reports from 2007 and 2008, and they would not be able to disburse more money unless these were handed over. Questions also hang over the overall export statistics, which have done so much to boost GDP figures, since the national production of maize is self-reported by the Agriculture and Food Security Ministry. ●

Banda on the backfoot

Despite a faster-growing economy, opposition parties are winning support by pushing nationalism

Facing growing dissatisfaction, President **Rupiah Bwezani Banda** and the governing Movement for Multiparty Democracy have a fight on their hands to win this year's national elections. The MMD lost five of the seven parliamentary by-elections last year. The date for elections has not been announced but is expected to be in April or May. Banda says that MMD primaries will have to take place first. Zambia has continued to show strong economic growth, beating the anticipated inflation target of 8% in 2010; gross domestic product growth was 7.1% and is expected to rise to 8% this year. Pledges of foreign direct investment have risen to over US\$4.3 billion, most of it from **China**, compared to \$3 bn. last year and \$1 bn. in 2009.

If the MMD can manage its internal tensions and the opposition fails to put up a unity candidate, a strong campaign on the party's economic record could swing it for Banda (AC Vol 52 No 1). The growth is driven chiefly by investment in mining, high world metals prices and a major increase in maize output. Despite these achievements, praised by the International Monetary Fund and the World Bank, Banda's popularity has sagged lately.

The opposition Patriotic Front and United Party for National Development formed an alliance in 2009 to try to break the MMD's hold. In the 2008 presidential election, Banda had won 40.09%, **Michael Chilufya Sata** of the PF 38.13% and the UPND's **Hakainde Hichilema** 19.70%, making an opposition alliance highly logical. Logic also dictates that Sata – leader of the bigger party and with a stronger national profile – lead the alliance, but there have been disagreements. Since the last quarter of 2010, internal bickering has rocked the PF-UPND alliance and no attempt to select a single presidential candidate has succeeded.

Banda has been exploiting the advantages of incumbency by supervising and commissioning infrastructural projects across the country. He hopes this will increase his visibility and votes among the rural electors who have been the bedrock of the MMD in the last three national elections. When the IMF supervised the cancellation of much of Zambia's foreign debt under the Highly Indebted Poor Countries Initiative in 2005, foreign debt fell from \$7.2 bn. to \$500 million and Banda's predecessor, the

late **Levy Patrick Mwanawasa**, used the windfall to invest in infrastructure such as schools, hospitals, roads and bridges, a programme Banda has continued.

Working in Sata's favour, however, are the current trends in electoral registration. Preliminary indications are that over 4.7 million people have registered, most of them in the Copperbelt and Lusaka – both PF strongholds. A majority, we hear, of the new electors are unemployed young people, who are always a regular feature at Sata's rallies. This constituency is highly receptive to Sata's fiery anti-Chinese rhetoric. Chinese small business is flooding the country, with newcomers engaging in activities such as rearing chickens in backyards, and growing and selling produce. This is seen as depriving Zambians who lost their jobs at the height of the privatisation process led by then President **Frederick Chiluba**.

HEARSES FROM CHINA

Some government moves have played into the opposition's hands, especially the controversy over what are known locally as 'the procurement hearses' and mobile health clinics which were obtained from China. Last year, the government spent \$53 mn. on a fleet of mobile health clinics. Zambia is relatively well-served with clinics and hospitals, and the chief problem with a mobile clinic is the poor road network. It is much easier, and people say they are more accustomed, to go to the nearest clinic, while mobile clinics would always be constrained by poor roads. Another controversial contract, involving the procurement of 100 hearses in 2008, has Zambian representatives of Chinese interests before the courts.

These kinds of messages resonate with poor Zambians. Less publicised has been Sata's reversal of a populist policy he once fervently espoused: increasing taxes on mining companies. Sata's popularity had surged when he announced that he would use the increased taxes to improve the lot of ordinary Zambians. Yet last September, Sata suddenly declared that he favoured low taxes for foreign mining investors, a move his MMD critics said was aimed at winning him points from foreign investors. Many think he is fortunate that his local support has not been seriously affected.

The frequently questioned rulings by the courts in favour of some prominent people have not helped President Banda.

Complaints focus on members of Chiluba's inner circle who have walked free after being acquitted of corruption in various forms. The popular impression of the Chiluba regime is one of a disgraced government, guilty of serious corruption and economic mismanagement. Banda's association with this clique in the public mind can still hurt him.

One aspect of this is the revival of the career of **Xavier Chungu**, for ten years the domestic intelligence service chief, who fled the country during his corruption trial (AC Vol 43 No 14). He returned in December 2008 but suffered no serious sanction, despite being convicted of forgery and other offences. He has lately been reported as saying that he was 'busy' in his 'own style' campaigning for Banda's re-election. That Banda should be working with Chungu has caused many to doubt the seriousness of his government's fight against corruption. His cryptic remarks were widely interpreted as referring to his ways of influencing the electoral process.

After the 2008 polls, MMD ex-ministers **Ng'andu Peter Magande** and **George Mpombo** attacked Banda for incompetence and for becoming increasingly dictatorial. They attempted to remove him from the party leadership but the result was that the two men, both close allies of President Mwanawasa, were themselves obliged to leave. Magande has since formed the National Movement for Progress (NMP), under whose banner he plans to run in the presidential election. Magande enjoys wide respect among Zambians and key donors from his time as Finance Minister. He is unlikely to have much impact on the elections, which has led some to believe his sights are on the 2016 polls. Nevertheless, he did attract a big crowd at his party launch in Solwezi, North West Zambia, and if he does poll well, it will be at the MMD's expense.

Two other political parties emerged last year to contest this year's polls. A respected parliamentarian and former head of the Parliamentary Public Accounts Committee, **Charles Milupi** resigned his position to form the Alliance for Democracy and Development. Late last year, he resigned his seat of Central Mongu in Western Province, which he held as an independent candidate, and fought and won overwhelmingly under the ADD banner.

Although his impact may not reach far beyond his native Western Zambia, Milupi could, like Magande, constitute a serious headache for the MMD as Western Zambia is one of its strongholds. The party is also dogged in the west by a secession movement and by champions of a return to traditional rule in the Barotsse Kingdom. A perception that the area suffers discrimination boosts both local movements. ●

Battle of the bankers

Two financial experts are duelling for the presidential election in April in a campaign that will focus on development issues

The two main contenders in April's presidential election – both regional bankers – are evenly matched but for now the balance of support favours the incumbent, President **Thomas Yayi Boni**. His adversary, **Abdoulaye Bio Tchané**, the Governor of the *Banque ouest-africaine de développement*, is an ambitious, determined official in international financial institutions. His presidential campaign will show similar qualities.

Bio Tchané, aka 'ABT', began his 'ABT 2011' campaign ten months ago, backed by an alliance led by **Raymond Sossa**. ABT promises renewed competence in the management of the economy and tougher action against corruption. He was Finance Minister under President **Mathieu Kérékou** before joining the International Monetary Fund as Director of its Africa Department in 2002. ABT now claims that Benin is 'on the edge of bankruptcy'. He may struggle to build a grassroots campaign to challenge Yayi Boni.

The third contender is **Adrien Houngbédji**, a former Prime Minister and twice Speaker of the National Assembly, who has lost every presidential race since pluralist democracy was established in 1991. In 2006, he finally made it to the

run-off, only to be crushed by the then political neophyte Yayi Boni, who won almost 75% of the vote. Houngbédji, though, cannot be entirely written off. He can count on a strong share of the southern vote, particularly around Porto Novo and Cotonou, and his traditionalist, non-technocratic style – focussing on the cost of living or providing computers for students – may appeal to urban voters.

ABT, who is from the savannah town of Djougou, could undermine Yayi Boni's hold on the northern vote. ABT is helped by his association with former President Kérékou, who is from nearby Natitingou. Kérékou, now 77, rebuilt his reputation as an enthusiast for multiparty democracy and helped to promote a political culture in which incumbents can lose elections without demur. At his 4 January official campaign launch, ABT repeated his support for pluralism and promised to liberalise the media and relax libel laws.

Houngbédji is helped by the fact that the other two contenders are competing for the same ethnic vote in the north and by the similarities of their campaigns: both promote their technical competence. That may not appeal to the grassroots, who may favour more concrete pledges

and policies. Houngbédji is descended through his mother from two royal family lines from Abomey, the centre of the historic Dan-Homey kingdom and still a significant influence on Beninese culture: Benin was called Dahomey until 1975.

For now, Boni is the candidate to beat. If polling goes to a second round, he is likely to pick up the votes of the eliminated candidates. Born in the north-central town of Tchaurou, he was a Muslim but converted to evangelical Christianity. His wife, **Chantal**, from the port of Ouidah, is a daughter of **Paul-Emile de Souza**, one of Benin's military rulers. In 2006, Boni was little known but developed a campaign and political movement from scratch.

His *Forces cauris pour un Bénin émergent* now holds 35 of the 83 Assembly seats, Houngbédji's *Parti du renouveau démocratique* has 10 and the *Alliance pour une dynamique démocratique* – led by **Rosine Vieyra Soglo**, wife of Kérékou's predecessor, President **Nicéphore Soglo** – holds 20. This family dynasty continues with their son **Léhady Vinagnon Soglo**, who is also a member of Parliament.

After almost five years in office, Boni talks up his achievements – roads, housing, 3,000 school classrooms and improvements to prisons. Yet he may also be blamed for the economic slowdown, which has seen revenue slump and forced cuts in public expenditure. Boni's popularity may also have been hurt by the collapse of several savings organisations that were technically illegal but had not been shut down. This local crisis has hit many families and led the IMF to press for tough action against fraud. ●

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Zimbabwe

THE JUNTA GETS READY

■ **Didymus Mutasa**, Administration Secretary of the ruling Zimbabwe African National Union-Patriotic Front, may have a reputation as a bumbler but he does voice thoughts others would prefer left unsaid. At a recent tree-planting function in Masvingo, he declared that there was nothing wrong with the security forces campaigning for ZANU-PF, saying 'the soldiers and the war veterans are now holding the party together'. At ZANU-PF's December congress in Mutare, President **Robert Mugabe** gave those elements in the party what they wanted to hear, in a speech that owed more to smutty school-boy humour than to his own usually impeccable language. For them and for **Emmerson Mnangagwa's** faction, the elevation of **Jonathan Moyo** to the Politburo seemed a crowning success.

Once back in Harare, however, Mugabe's assurances began to look less firm. On advice from **South Africa's** President **Jacob Zuma**, the referendum on a new constitution has slipped back to late 2011 and the elections probably into next year. The empowerment programme is to be shelved for now, too. Mnangagwa's people saw this as a concession to Vice-President **Joice Mujuru's** camp.

The junta is tightening its grip. Air Vice-Marshal **Henry Muchena**, attached to ZANU-PF as its Commissariat Director, is trying to revitalise the party and is purging underperforming cadres. Activity seems concentrated in the rural areas where the Movement for Democratic Change did well in 1998. In Manicaland, the Commander of the Third Brigade, **Douglas Nyikaramba**, has vowed to retake all the seats the MDC won last time, while insisting that all ZANU-PF candidates should be war veterans. He learnt his skills as a protégé of **Perence Shiri** (now Air Marshal) in Matebeleland in the mid-1980s. The Second and Fourth Brigades, operating in Masvingo and Midlands provinces, have spoiled their own image with random beatings and claims that their officers demand cash from boys and sexual favours from girls.

Congo-Kinshasa

KABILA MOVES THE GOALPOSTS

■ President **Joseph Kabila** has virtually ensured his re-election on 27 November by getting Parliament to eliminate the inconvenience of a second electoral round (AC Vol 52 No 1). Government Spokesman **Lambert Mendé** said this was on the grounds of cost, claiming that the two rounds cost US\$350 million each and that the country couldn't afford it. Few people

accept this, since the majority of the costs are in setting up the first-round poll. On 12 January, Kabila's *Parti du peuple pour la reconstruction et le développement* initiated eight constitutional amendments in total, passing them all by the required majorities in both houses and a joint session. Calling the moves a 'fraud', 100 opposition members of parliament boycotted the vote.

Kabila will now have only to poll more votes than any other candidate in the first round to be elected. Opposition parties had previously been able to test their support in the first round and, potentially, rally round a single candidate in the second. Now, they would have to decide on a single candidate from the off. Most observers think it would be very hard to achieve such unity among the disparate social and ethnic forces at work, not to mention the personalities.

The constitutional amendments also increase presidential power. Kabila may now dissolve provincial assemblies by decree, sack provincial governors and call referenda. The previously independent Office of the Prosecutor will now answer to the Minister of Justice.

Cameroon

ABINE QUILTS THE RDPC

■ **Ayah Paul Abine**, the *Rassemblement démocratique du peuple camerounais* member of parliament for Akaya, Manyu Division of South West Region, has quit the ruling RDPC, claiming he fears for his life and for his family's safety (AC Vol 52 No 1). He will, however, stay on as an MP until the next parliamentary election in 2012.

Abine, a stern critic of corruption, electoral fraud and ethnic politics in Cameroon, has said that he will stand in the presidential election but not indicated which party he will represent. 'Many political parties have approached me to join them but I am still watching.'

CORRECTION: In AC Vol 52 No 1 'To Biya or not to Biya', we said Cameroon's President **Ahmadou Ahidjo** was from the south. He was in fact from Garoua, in the north.

Côte d'Ivoire

PROPAGANDA WAR

■ Many in the Francophone African exile community have been unusually supportive of **Laurent Gbagbo**, in spite of his sanguinary reputation and with few doubts about the fairness of the Ivorian poll. Some of the diaspora electronic media have been in uproar over **France's** 'neo-colonialist' influence in Africa, labelling moves against Gbagbo as a 'coup' by France, the **United States**, United Nations and International Monetary Fund. Forums and e-mail lists have been saturated with sophisticated propaganda items typical of 'psychological warfare operations' pioneered by the Central Intelligence Agency during the early days of the Cold

War. Where Gbagbo has been getting his 'psyops' specialists from is anyone's guess but the credibility on the streets of some of these ploys, however absurd, should not be underestimated, say local observers.

Recent examples of inflammatory rumours seen by *Africa Confidential* include doctored photos purporting to show unarmed civilians shot dead by UN troops and tracts portraying Gbagbo as the inheritor of the legacies of **Patrice Lumumba**, **Thomas Sankara** and **Kwame Nkrumah**. One rumour says Freemasons are among those organising the 'plot' against Gbagbo; another claims France has commissioned a team of snipers to assassinate Gbagbo. There are also claims that helicopters are flying prostitutes to the Golf Hotel for **Alassane Dramane Ouattara** and his entourage, that ADO is mentally defective, in intensive care or even dead.

One imaginative ploy copied an advert that the UN had placed in a local newspaper in September 2010, inviting applications from providers of mortuary services. The propagandists say this was 'proof' the UN had been planning massacres that would help Ouattara long before the polls. If Ivorians believe any of that, they might believe what **Simone Gbagbo** told a rally of the faithful in Abidjan on 15 January: 'The movement to liberate the whole of Africa is being born today in Côte d'Ivoire.'

Ethiopia/Egypt/Nile

TELLING THE STORY

■ As the 13 May deadline for the Nile Basin Initiative Cooperative Framework looms, Egyptian efforts to stop the deal have become more apparent. The stances taken by **Burundi** and **Congo-Kinshasa** will be crucial, as the deal needs six signatures to be legally binding. Burundian and Ethiopian media have accused Egypt of bribing Burundian officials to influence events. President **Pierre Nkurunziza's** Special Advisor told the press that Burundi would not stand against Egypt on the issue of the Nile waters, during a visit to Cairo (AC Vol 51 No 17).

Egypt has transferred responsibility for the Nile issue from the Irrigation Ministry to National Security and attitudes have hardened. Ethiopian Premier **Meles Zenawi** still maintains that 'civil dialogue' is the 'only sane option' but he has accused Cairo of backing Ethiopian rebel groups (**Berhanu Nega's** *Ginbot 7*) to destabilise his government and derail plans for the Framework agreement, behind which Addis Ababa is the driving force.

Egypt wants Kampala to reverse its position and is financing projects in **Uganda**, including a 1,000-megawatt electricity plant. Meles has warned Egypt not to presume on its military superiority: 'I am not worried that the Egyptians will suddenly invade Ethiopia...Nobody who has tried that has lived to tell the story.'

BLUE LINES

Twice in the past month, African armies have announced that they will defend the right of civilian activists to take to the streets with their calls for democracy and for an end to corruption and nepotism. And twice it seems the soldiers – in Tunisia and in Egypt – are positioning themselves as catalysts in the downfall of tyrannies.

It would be wrong to put much faith in the military's powers of social transformation: a succession of self-proclaimed corrective juntas have failed woefully to make the promised political or economic reforms.

The combination of military-backed reform, new constitutions and political parties, new electoral commissions and then monitored elections can produce stability and coherence if the political activists stand firm enough. If they fail, a new generation of political soldiers takes over and entrenches a type of militarised rule with decorative elections.

That danger now confronts Tunisia's and Egypt's democracy movements. Will the brave oppositionists who have confronted the old militarised dictatorship be able to work with the soldiers to establish a new political order or in the end will the military find the prospect of real change unpalatable? Both Tunisia and Egypt are on the brink of change in which the military can play a positive constitutional role, but both societies still run the risk of a rapid reversion to autocracy if that fragile trust between activist and soldier breaks down.

AFRICAN UNION

Rewards and realpolitik

Kenyan and Sudanese officials are claiming victory in their battle against the Prosecutor of the International Criminal Court

France and the United States are seriously considering the African Union (AU)'s requests to defer the International Criminal Court's prosecution of six Kenyan officials and Sudan's President Omer Hassan Ahmed el Beshir, senior African and Western officials have told *Africa Confidential*. Support from those two Western states would almost certainly guarantee a vote in favour of deferrals at the United Nations Security Council; France and the USA have permanent seats and vetoes on the UNSC. Portugal, currently a non-permanent member, has diplomats now scrutinising the ICC dossier on Sudan.

Two of the other five permanent Council members – China, with its vast oil interests in Sudan, and Russia, Khartoum's biggest arms supplier – clearly support a deferral if not a total withdrawal of the case against Omer. Curiously, Britain, the fifth veto-holding permanent member, appears to have remained outside much of the bargaining over Khartoum's diplomatic opening, although it played a key role in mediating the 2005 Comprehensive Peace Agreement (CPA) between North and South Sudan.

A senior Sudanese diplomat told *Africa Confidential* that to avoid accusations of 'double standards', Western states would also have to back the deferral of the ICC case against the six Kenyan officials. They are charged with complicity in the political killings after the 2007 elections (AC Vol 51 No 25). The rationale behind granting Khartoum a deferral under strict and monitored conditions would be to change the dynamics of Sudan's relations with Western powers, an official claimed in Addis Ababa.

Like previous attempts to break the mould, it would be dependent on a change of political will in Khartoum. Yet the ruling National Congress Party (NCP) may prove even more intractable, in the face of growing pressure over food and fuel prices, and popular discontent over the partition of the country.

HEAVY OPPOSITION

Any efforts by Western diplomats to push such a deal would meet heavy opposition from lobby groups such as Human Rights Watch and Save Darfur, in the USA and Europe as well as many civic groups in Sudan and elsewhere in Africa. The protests may be still louder now as a deferral would strengthen Omer's position within the NCP (aka National Islamic Front) and across the country just when the turbulence from Tunisia and Egypt is heading southwards. Opinion surveys formal and informal suggest substantial popular support for the prosecution of Kenyan and Sudanese leaders for war crimes, while the pressure for deferrals comes from the political elite.

Suleiman Baldo, Sudanese lawyer and Africa Director at the International Center for Transitional Justice in New York, argues that a deferral would reward Khartoum for undermining the ICC and for persuading other African governments to defy the Court's rules, which make it mandatory to arrest indicted suspects in any country that has ratified its membership of the ICC.

He adds that those pushing for a deferral for not sabotaging the Southern referendum have misread the law: deferrals can only be granted to avert a future threat to peace and security. 'A deferral of the Sudanese

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Summitry in a time of revolution		Mubarak stumbles to the exit		Playing dominoes		Through the looking glass		ETHIOPIA	8
Few North African leaders braved the trip but ADO won some backing.		As protestors and Mubarak supporters clash, the political parties position themselves for negotiations.		Autocratic regimes make concessions, hoping to resist the democracy movement that began in Tunisia.		Concern grows for the Southerners living in the North after last month's vote on separation.		RWANDA	9
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President's case,' says Baldo, 'would be a serious blow to accountability and send the wrong message to regimes that abuse

human rights, such as Côte d'Ivoire's Laurent Gbagbo and Zimbabwe's Robert Mugabe.' However, a deferral would be a huge victory for AU Chairman and former Gabonese Foreign Minister Jean Ping, who has led a campaign against the ICC Prosecutor, Luis Moreno Ocampo, at times more vitriolic than the Khartoum regime's tactics. Ping has claimed at successive UN summits that Ocampo's indictment of Omer sabotages the AU's initiatives to negotiate peace in Darfur.

Moreno Ocampo rejects such criticism and has told *Africa Confidential* that the charges of genocide, war crimes and crimes against humanity against President

Omer were based on strict legal grounds and that it was up to the Security Council alone to judge the threat to any future peace talks. This week, the Office of the Prosecutor said there was no sign that the Council would approve any deferrals.

A prominent opponent of any bargaining over President Omer's indictment, France's Bernard Kouchner, was sacked from the Foreign Ministry by President Nicolas Sarkozy in December. We hear that the other strong opponent of such concessions, the US Ambassador to the United Nations Susan Rice, has maintained her view that strong diplomatic and legal pressure on the Khartoum regime is essential for progress.

However, other US diplomats, such as President Barack Obama's Special Envoy for Sudan, General Scott Gratton, who was in Ethiopia last for the Summit, argue for a generous range of incentives for Khartoum to ensure it does not try to derail the next five months of tough negotiations over terms for the North-South separation. We hear that the option of a deferral has been raised at several meetings on Sudan at deputy secretary level in Washington over the past three months.

SUMMITRY IN A TIME OF REVOLUTION

Journalists at the African Union conference centre in Addis Ababa determinedly intruded on private grief as they quizzed the Egyptian Foreign Minister's press officer about just how many more days President Hosni Mubarak would survive in office. The timeframe got shorter as the conference wore on. It was a summit against a background of insistent democratic change, so it was with a bizarre sense of timing that the AU delegates decided to elect as their Chairman Equatorial Guinea's President Teodoro Obiang Nguema Mbasogo, a leader who shot his way to power in 1979 and has held power ever since through a combination of force of arms, rigged elections and cooption.

With live television coverage of pitched battles in the streets of Cairo, Alexandria and Suez beamed around the conference centre, it was hard for North Africans to keep either grief or joy private as besuited delegates ducked into briefing rooms for earnest talks on political reform. Some observers stifled a smile when they heard that Egypt had planned to announce a new post-conflict reconstruction centre for Cairo at the AU Summit.

All the North Africans got the message just as the 24-31 January AU Summit was getting under way. The big absentee was Mubarak, who had been expected to attend and persuade his fellow African leaders to take a less combative approach to sharing the Nile waters. The last time he had attended an AU summit in Addis in 1995, a group of Islamist assassins working for the Sudan government had attacked his convoy less than a mile from the airport. Algeria's President Abdelaziz Bouteflika and Libyan leader Colonel Moammar el Gaddafi, both targeted by Islamist insurrectionists in the past, also stayed away. Gaddafi's absence, according to veteran summitters, allowed the delegates to cover twice as much ground without the usual philosophical discourses on links between the People's *Jamahiriya* and the fast-track United States of Africa.

Tunisia sent its Foreign Minister while Morocco's King Mohammed VI continued his boycott because of the AU's recognition of the Sahrawi Arab Democratic Republic, which celebrates its 35th anniversary this month. Mauritania's President – and ex-pustchist – Mohamed Ould Abdel Aziz was the sole North African leader to brave the trip. For his pains, he was appointed Chairman of the AU's High-Level Panel on Côte d'Ivoire, established after a heated session at the Peace and Security Council on 29 January. That meeting pitted Nigerian President Goodluck Jonathan (who backs Alassane Dramane Ouattara (ADO) as the Ivorian election winner) against South African President Jacob Zuma (who sees a strong French hand behind the campaign against Laurent Gbagbo).

The contest ended in a near draw, with Nigeria's insistence that the AU maintain its recognition that Ouattara had won the United Nations-certified presidential election with 54% of the vote in the second round and also that military force should remain an option to oust Gbagbo (whom the UN says got 46% of the vote).

Although setting up the Panel looks like a victory for Gbagbo, because he had requested it, it has no remit to recount the votes or rerun the election. So its main purpose is to set up a power-sharing government and provide Gbagbo with a soft landing. Its membership tilts towards Ouattara: Mauritania (Chair; ADO); Chad (publicly declared for ADO); Burkina Faso (ADO); South Africa (Gbagbo); Tanzania (undeclared); AU Chairman Jean Ping (undeclared, will try to unite Panel); Economic Community of West African States President Victor Gbeho (ADO but his country, Ghana, opposes military action).

On paper, the Panel has just a month to report back and then the AU will take executive decisions on Côte d'Ivoire. Few believe that will be the end of the matter or that Gbagbo will be ready to stand down. For all the painstaking negotiation over the Panel's composition and mandate, many delegates fear the impasse may have escalated into open confrontation on the streets before the Panel has time to submit its report. ●

ATTACKS IN DARFUR

Khartoum's forces are again in the ascendancy in Darfur, following an upsurge in fighting in December and the temporary move of much of Darfur's armed opposition to Southern Sudan. Now there are AU-backed plans for a new track of peace talks on Darfur involving civil society and local chiefs, which would proceed in parallel to the tortuous and unproductive negotiations between the NCP and some armed factions in Qatar.

Reports of a softening of the Western position follow two years of intensive lobbying by the Khartoum government, culminating in an official visit to Paris and Washington by Foreign Minister Ali Ahmed Kurti in late January to discuss normalisation of relations. He met US Secretary of State Hillary Clinton, who told him that with Khartoum's formal acceptance of the referendum vote in favour of secession, Washington may start the process of removing Sudan from the State Sponsors of Terrorism list.

Ali Kurti's trip to Paris also yielded results. Before Sarkozy left to address the AU summit on 30 January, his office in the Elysée Palace said that following the referendum, there were grounds to revisit the terms of Western relations with Khartoum, including the handling of the ICC's prosecution of President Omer.

Diplomatic and commercial interests overlap for many of the foreign powers involved in Sudan, not just China and Russia. Britain's Rolls Royce and Weir Pumps have faced protest campaigns against their business ties with the

Khartoum regime. Britain's new Conservative-led coalition government has repeatedly said it is enthusiastic about developing trade.

Following the Southern referendum, France's biggest oil company Total plans a new joint venture with Qatar Petroleum in the South's giant Block B in Jonglei State; drilling will start in April. Currently, the North produces about 135,000 barrels a day or about 30% of Sudan's total production. Many major oil fields straddle the North-South border and companies try to promote long-term cooperation agreements between North and South.

After the AU Summit ended on 31 January, Graton and Clinton's principal deputy, US Deputy Secretary of State, **James B. Steinberg**, flew to Khartoum for follow-up meetings with Foreign Minister Kurti. An NCP core member and founder of the People's Defence Force militia which have wrought such devastation in the Nuba Mountains, South and Darfur, Kurti told journalists that he hoped US-Sudan relations would be normalised soon after the results of the Southern referendum.

Normalisation would take several months at least, given the complexity of the issues. There are plans for Western demands to be measured against a checklist for Khartoum of outstanding CPA issues: the peaceful resolution of the dispute with South Sudan over the status of Abyei, demarcation of the North-South border, an equitable formula to share the costs of and revenue from oil production (most wells are in the South but the export pipeline terminal is in the North) and mutual agreement over citizenship rights (AC Vol 52 No 2).

Some Western officials said that negotiations for a deferral of the ICC prosecution would be possible but others strongly resist that. At the Summit, Western diplomats went into some detail, we hear, in discussions with AU Chairman Ping, about how the terms and conditions of Kenyan and Sudanese deferrals could be structured. At a meeting on the implications of Sudan's partition, African heads of state issued a 'solemn declaration'. Noting the 'personal and unwavering commitment of President Al Bashir to sustaining peace between northern and southern Sudan and do all he can for the early resolution of the crisis in Darfur, we, once again, call on the United Nations Security Council immediately to invoke Article 16 of the Rome Statute and suspend any actions against President Al Bashir by the International Criminal Court.'

Unlike previous AU requests regarding the arrest warrants for Omer, this one will at least prompt debate at the UNSC, rather than automatic refusal. The same, we hear, is likely of the AU's second resolution on the Court, which 'supports and endorses Kenya's request for an endorsement of the

ICC investigations and prosecutions in relation to the 2008 post-election violence under Article 16 of the Rome Statute.'

The Kenyan government's argument differs from Sudan's claim that the ICC indictment undermines peace efforts and instead asserts that deferral should allow for a 'national mechanism to prosecute the cases under a reformed judiciary'. This option conforms with the ICC's principle of complementarity, under which national or local courts are encouraged, where able, to take on cases that may otherwise be tried at greater cost at the Hague.

After representations by Kenyan Vice-President **Stephen Kalonzo Musyoka**, the AU Peace and Security Council and the East African regional Intergovernmental Authority on Development called the Summit to send the deferral request to the UNSC. Yet Kenyans and outsiders ask why it was only after the ICC had charged six Kenyan politicians and officials that President **Mwai Kibaki's** government announced it would set up a credible judicial process and said that the ICC process was an affront to national sovereignty (AC Vol 52 No 1).

Well before Ocampo laid the evidence before the Court's Pre-Trial Chamber in mid-December, the government had been struggling to put off the trial. It says it has cleaned up its judiciary and should be allowed to handle the cases itself but few take that argument seriously. It is intertwined with the pivotal Kikuyu, Kalenjin, Kamba (KKK) political alliance, and the prospects for the presidential election in 2012.

INCONVENIENT INDICTMENTS

Two accused KKK leaders want to be candidates – the PNU's Kikuyu Finance Minister **Uhuru Kenyatta** and the Orange Democratic Movement (ODM)'s point-man in the Rift Valley, **William Ruto**. Postponement would enable them to stand. The ICC should decide by March if the cases warrant prosecution or not, hence the urgency. Vice-President Musyoka, a KKK man (he says the ethnic term is 'hate speech' and should be banned), has lobbied hard for deferral and claimed to have **Burundi**, **Djibouti**, **Ethiopia**, **Malawi**, **Rwanda**, **South Africa**, **Sudan**, **Tanzania**, **Uganda**, **Zambia** and **Zimbabwe** on board. Ethiopia and **Libya** supported it. **Nigeria** said there should be 'African solutions to African problems'. Only **Botswana** said it was against deferral. Musyoka was backed by the PNU's chief strategist, **Peter Kagwanja**, whose wife is Kenya's Ambassador to Ethiopia and attended the critical meetings in Addis Ababa where the AU decided to back deferral for Kenya.

Prime Minister **Raila Odinga** backed the case for cooperating with the ICC, along with fellow ODM party members

Miguna Miguna and **Mutakha Kangu**. Odinga has changed his mind several times but has now lined up behind the ICC since his falling-out with President Kibaki and the ODM's Kalenjin leaders (led by Ruto). Musyoka says he argued for postponement as Kibaki's emissary; Odinga claims the cabinet agreed on referral to the ICC.

The AU had already decided in December to stop cooperating with the ICC, having previously opposed its indictment of Omer. It wants UN bodies other than the Security Council to be empowered to call for cases to be deferred. The AU's first request to the Council to sideline the ICC's action against the Sudanese President has received no reply.

To defer the cases against its ministers, Kenya would have to show that the ICC prosecution was a threat to peace and security, and to win the agreement of the UNSC's five permanent members (P-5). Of the P-5, only China supports Kenya, saying it 'is opposed to interference of her internal affairs by external forces'. Kenya has no chance at the UN. Alternatively, Kenya or any of the suspects could argue that the case should not go to the ICC as the country's own judiciary is capable of handling the cases itself. Steinberg met Kibaki on 3 September to discuss the ICC issue and made clear that Washington would support the use of Kenyan courts to try the cases only if they met the highest standards of international justice.

Kenyan politicians argue that they should get the cases back from the ICC into their own judicial system since their courts are being cleaned up: Kibaki had nominated a new Chief Justice, **Alnashir Visram**; new Attorney General, **Githu Muigai**; and new Director of Public Prosecutions, **Kioko Kilukumi**. However, the nominations worried lawyers and civil rights groups – especially since Kibaki had recently had a meeting with Kenyatta and Ruto in the Rift Valley town of Eldoret – and on 3 February, the nominations were revoked by the High Court.

Part of the opposition to ICC trials of Kenyan politicians comes from the suspects and their supporters, who will lose their standing. Part of it is the dent to national pride. Obama's planned homecoming visit to Kenya in July highlights this loss of national face. That has spurred some Kenyans to step up pressure on judicial reform, given Obama's fairly unsparing criticism of the political culture of his father's homeland. Internationally, Kenya's manoeuvres look like an attempt to protect the guilty and may still prompt further indictments by the ICC. Court officials recently revisited Kenya, to look at the question of seizing suspects' assets should they be indicted. Musyoka and his team will have to speed up their efforts if they are to divert the ICC juggernaut. ●

Mubarak stumbles to the exit

As protestors and Mubarak supporters clash in Al Tahrir Square, the organised political parties are positioning themselves for negotiations

The fast-growing power of Egypt's democracy movement seems set to force President **Mohamed Hosni Mubarak** from power sooner rather than later, following the military's promise not to suppress the street protests against his regime. As predicted, the greatest threat to the ageing President comes from the streets (AC Vol 52 No 1). His offer on 1 February to stand down before September's presidential election showed how weak his position had become. Mubarak has steadily retreated, conceding more with each passing day while failing to appreciate the momentousness of events. On 31 January, he spoke of young protestors' 'noble' actions in pursuing

freedom of speech being 'quickly exploited by those who sought to spread chaos'.

After a week of people's power, the first chaos appeared only on 2 February when pro-regime crowds violently attacked the peaceful demonstrators. This looked like a belated rallying of the security services and the National Democratic Party faithful. His attempt to pose as a bulwark against disorder has failed.

No one takes seriously Mubarak's promises of administrative reform or believes he could take even a caretaker role in a genuine transition. Meanwhile, the closure of the banks is choking off tens of millions of dollars' worth of remittances from Egyptian expatriates,

adding economic pressure to the political. Mubarak's recent nominees, including the new Vice-President but old General Intelligence Service chief, Lieutenant General **Omar Suleiman**, are unlikely to survive in government once the President is forced out. The regime's main Americophile, Suleiman, 74, was mooted as a presidential candidate for 2011 when posters promoting him appeared briefly (AC Vol 51 25).

Suleiman is also a conduit to **Saudi Arabia** and has long presided over Cairo's **Sudan** policy, which helps to explain the oddities of the **United States'** Sudan policy. He has been central to Cairo's cooperation with the USA's counter-terrorism policy and he takes the lead role on Egypt's policy towards **Israel**, such as their joint blockade of the *Harakat al Muqawama al Islamiya* (Hamas) regime in Gaza.

The blockade is regarded by many Egyptians as a shameful betrayal of the Palestinian cause and has been condemned by some secular nationalists, such as the opposition leader and Nobel laureate **Mohamed el Baradei**. Suleiman has also managed the US Central Intelligence Agency-organised international network of intelligence services involved in the 'rendition', interrogation and torture of terrorist suspects. This, and the security forces' role in torturing and killing Egyptians, make him unacceptable to most opposition parties likely to participate in a post-Mubarak order (see Box). The new Prime Minister, **Ahmed Shafiq**, 69, is an Air Force crony of Mubarak's who has been Civil Aviation Minister since 2002.

The crowds that have converged on Tahrir Square are a broad spectrum from all classes, educational levels and faiths. Anecdotes about Christians and Muslims protecting each other from brutality by the internal security forces are common and reflect the broad, democratic nature of the movement. It is using civil disobedience to undermine the regime, without a particular ideological agenda; nor is it just a response to joblessness and poverty. The role played by the 6 April Youth Movement, whose Facebook-initiated general strike shook Mubarak in 2008, seems to be the most important of the groups sparking the protests which began on 25 January.

None of the political parties have been able to control the movement, although El Baradei, who was planning to run as candidate for the National Association for Change (NAC) in last year's presidential election before deciding to boycott the polls, has emerged as the choice of some protestors to lead the transition.

The *Ikhwan al Muslimoon* (Muslim Brothers) have backed him and the prospect of the MB having a role in the transition worries local political secularists and Western and Arab governments. El Baradei, a secular democrat, insists

THE MAJOR OPPOSITION

LIBERAL

● **New Wafd Party**: nationalist and liberal with free-market values; founded in 1983, reviving the aristocratic and traditional Wafd, abolished after **Gamal Abdel Nasser's** 1952 'revolution'. It is considered a major opposition party in President **Hosni Mubarak's** controlled parliamentary system, though it won only five seats in 2005 and boycotted the run-off polls in 2010. The party has been accused of secret deals with the regime. Many of its key businessmen have depended on government largesse to stay in business.

● **Al Ghad** (Future): constitutionalist and centrist, founded 2004. *Al Ghad* is the party of **Ayman Nour**, who ran for the presidency in 2005. He was gaoled in 2005-2009 on trumped up charges after Mubarak decided not to pursue the dialogue with the opposition he had just launched. *Al Ghad* won one seat in 2005 and boycotted 2010's elections.

LEFT-WING

● **Arab Democratic Nasserist Party**: formed in opposition to the late President **Anwar Sadat's** economic liberalisation, attempting to reclaim Nasser's legacy of progressive social policies. In 2005, the party won no seats and boycotted 2010's polls.

● **Tagammu** (Alliance) or **National Progressive Unionist Party**: social-democratic with Nasserist values. It won two seats in 2005 and boycotted in 2010.

ISLAMIST

● **Al Ikhwan al Muslimoon** (Muslim Brothers): founded in 1928, the party was harshly suppressed by Nasser but tolerated by Mubarak and became, with some official connivance, the *de facto* main opposition after winning 88 seats (20%) in 2005 as 'independents'. The MBs want an Islamic state and plan to achieve this through the electoral system and 'social Islamism'.

● **Al Wasat** (The Centre): Islamist political group formed in 1996 by younger former MBs. It has recently applied for a party licence.

CIVIL SOCIETY

● **Kefaya** (Enough): a broad front founded in 2004 that aims to unite dissidents of different ideologies in a pluralist democracy. Its origins lie in youth-led street protests in solidarity with the second *Intifada* (uprising) in Palestine.

● **April 6**: founded in 2008 and named after a massive general strike that day. It comprises young people and uses the internet and social networks. April 6 is credited with much of this year's online organisation, emulating the success of the protests against **Tunisian** ex-President **Zine el Abidine Ben Ali**. It wants democracy.

● **National Association for Change**: led by **Mohamed el Baradei**, NAC focuses on liberal democratic demands, including abolishing Articles 76, 77 and 88 of the constitution and instituting true parliamentary democracy, for which it is seeking cross-party support. ●

the opposition movement will run the transition on its own terms. He says the movement's popular support shows that politics in Egypt is not a zero-sum game between autocrats and jihadists. The MB, although banned by Mubarak, is the best organised opposition force (AC Vol 42 No 9). Estimates of its support vary wildly; many analysts suggest it could win perhaps a third of the vote but certainly not more than 50% in a free vote. This is why it is playing its cards very carefully.

The military is taking on an undeclared role of honest broker between people and regime. With conscription in force, the army is 450,000 strong; the Presidential Guard number 22,000. Many think, as in Tunis, that military commanders will tell the President to stand down. To date, the military has assumed a neutral stance and the hope is that the commanders will intervene, promising progress towards free elections, probably parliamentary rather than presidential, after constitutional reform. However, many senior officers have benefited hugely from the patronage that has gone along with the corruption and nepotism of the Mubarak era.

The Central Security Forces, numbering more than 350,000, could

challenge the army but the CSF is widely hated and held responsible for the regime's worst brutality. Many Egyptians blame the violence that has claimed about 130 lives mainly on the CSF's early efforts to stop the momentum of the protests. Once that had failed, the CSF, other plainclothes security and the police were withdrawn on 29 January. Some speculated that the regime had hoped the withdrawal would encourage more looting, which might make people welcome a 'restoration of order' by Mubarak. The officers retreated to Interior Ministry headquarters and other key buildings in Cairo, locking themselves in. Much of the gunfire since the CSF left the streets came from snipers inside the Interior Ministry firing at protestors.

Institutionally, the army competes with the internal security forces. In 1986, the CSF mutinied over low pay and the army took four days to bring the situation under control. This may be a significant precedent if there is a backlash. The army has rarely been used to suppress civil disturbances. In 1977, it restored order after riots following the regime's withdrawal of bread subsidies under an International Monetary Fund programme.

Mubarak tries to stay on by making

incremental concessions but fails to convince any but his own loyalists. He told both houses of Parliament to see to the rescinding of Articles 76 and 77 of the constitution, which virtually excludes candidates from outside the NDP from running for the presidency. After the blatant rigging of December's polls for the lower house, the protestors are challenging the credibility of Parliament. For now, the organised political parties are taking a back seat. This follows the pattern of previous society-wide, non-partisan efforts to bring about change, with *Kefaya*, the NAC and April 6 long having prioritised regime change. The NAC call to boycott the parliamentary elections last November was weakened by the MB and New Wafd Party breaking ranks.

The opposition parties, including the MB, have accepted El Baradei as a spokesman in any negotiations with a transition government. They may tolerate Suleiman as caretaker but will have to stay in tune with the street protests, which disagree on this critical point. Whether the broad movement of 25 January takes on a life of its own or reverts, perhaps with renewed vitality, into multiparty politics remains to be seen. ●

NORTH AFRICA

Playing dominoes

The autocratic regimes in Algeria and Libya are making concessions in the hope of resisting the democracy movement that started in Tunisia

For now, Algiers is what locals call 'normal', a condition in which roadblocks and tight security prevail, mixed with spiralling living costs, massive overcrowding and poor public services. Algerians may wish to redefine 'normal' after recent events in neighbouring Tunisia and their old rival, Egypt. Like their North African neighbours, a majority of Algerians are alienated from their government and angry about high prices and unemployment. So far, the *hogra* (contempt) that Algerians feel for their rulers has stopped short of revolution because they are still traumatised by the bloody conflict of the 1990s between the state and Islamists (AC Vol 40 No 24).

Keeping revolution at bay is the objective of the crisis meetings President Abdelaziz Bouteflika has been holding since wide-scale popular unrest in early January, well before the Egyptian protests and even before President Zine el Abidine Ben Ali had to leave Tunisia. The protests about rising prices left at least five people dead, 800 injured and

over 1,000 young people arrested in the working class Algiers district of Bab el Oued and elsewhere.

Chatter has been widespread about a possible reshuffle that could remove the unpopular Prime Minister, **Ahmed Ouyahia**. If he goes, his replacement is likely to be another establishment figure: Bouteflika's old friend, the lacklustre Foreign Affairs Minister, **Mourad Medelci**, or Energy and Mines Minister (and ex-Foreign Minister) **Youcef Yousfi**. There is speculation that some opposition leaders might be included, such as the *Parti du Travail*'s **Louisa Hanoune**, who stood in the last presidential election (AC Vol 50 No 8).

Plans to cut some subsidies are being quietly stalled for fear of unrest. Even the police have been told to behave more politely to drivers and others they stop. The *Direction Générale de la Sûreté Nationale* (DGSN) police chief, former Republican Guard Commander General **Abdelghani Hamel**, is said to be doing a better job than his predecessor, Colonel **Ali Tounsi**, in controlling crime in

the capital, a growing preoccupation. Security sources say he has created a 64-strong plainclothes team to tackle gang violence. Gangs were an element in January's riots, Bab el Oued residents told *Africa Confidential*. They were also rooted in anger over high prices and shortages. A wave of people setting fire to themselves followed the death by self-immolation of **Mohamed Bouazizi** in Tunisia (AC Vol 52 No 2). Bouteflika has ordered the security services to draw up a detailed report.

Since the riots, Algiers has been largely calm. Sporadic protests break out daily around the country, as they have for the last couple of years, but no national momentum has built up. The deployment of massive force snuffed out a secular opposition demonstration on 22 January as police besieged the Algiers headquarters of the *Rassemblement pour la culture et la démocratie*. Roads out of Berber-speaking Kabylia, heartland of the opposition RCD, *Front des forces socialistes* (FFS) and the Arch movement, are tightly controlled. RCD leader **Saïd Sadi** wants to lead a secular protest movement and will try again but Bouteflika will continue to try to deny the opposition any opportunity to gather in any numbers.

After attempts by former *Front Islamique du Salut* leader **Ali Belhadj** to exploit the riots came to nothing, he is widely expected to be imprisoned for incitement to armed rebellion.

Meanwhile, the security forces are primed to ward off a revived challenge from Sadi and potentially more dangerous opponents.

TUNIS: THE AFTERMATH

Protests continue in Tunis, destabilising the interim government of **Mohamed Ghannouchi**. A United Nations human rights mission on 1 February said that 219 people had been killed (72 in prison violence) and 510 injured during the revolt that ousted Ben Ali. Violence around the country persists, with the curfew introduced on 13 January still in place. Many deaths are blamed on pro-Ben Ali militia who could, it is feared, become established if the ousted ruling family can mobilise its wealth to supply them.

Efforts to extradite Ben Ali's wife, **Leila Trabelsi**, who stands accused of spiriting 1.5 tonnes of gold out of Tunisia, and members of her extended family are gathering pace, as are efforts to repatriate their enormous fortune. Trabelsi was in her residence in Dubai, where she and her relations have extensive holdings, before her husband fell and she is believed still to be there.

Tunis has taken action to freeze assets in **France** and **Switzerland** (see Pointer). The Berne government action involves Ben Ali's inner circle and key associates, although there are doubts about some names on the list. The **Ben Yedder**, **Loukil**, **Mzabi** and **Guiga** families are on it but are not normally considered part of the Ben Ali mafia.

LIBYA: THE PRELUDE?

The conventional view is that the **Libyan** population is too small, scattered, well off and under the control of **Moammar el Gadaffi's** security forces to present a revolutionary threat. Yet Gadaffi made a bad call when, on 15 January, he said there was 'none better than Zine to govern Tunisia'. The Libyan security services and Revolutionary Committees quickly mobilised to silence any echo of Tunisia in the Socialist People's Libyan Arab *Jamahiriyah* (State of the Masses). A senior military source told AC they believed opposition had been snuffed out.

Yet recent, unprecedented events have tested even Gadaffi. Large protests, focusing on abuses in the allocation of social housing, were a major shock. In various places across the country, thousands of Libyans have sought to occupy empty housing estates, some linked to the ruling family. Some projects are sponsored by **Seif el Islam el Gadaffi** and his sister **Aisha Gadaffi's El Watassimu** charity. Even if the Revolutionary Leader, aka Colonel Gadaffi, is not in danger of losing his position, it could still raise questions about the succession. ●

SUDAN

Through the looking glass

There are growing concerns about the two million Southerners living in the north after last month's vote for separation

Salva Kiir Mayardit, President of Africa's newest state in July, was in demand at the 24-31 January African Union summit in Addis Ababa. In the AU conference centre, he was courted by contractors, diplomats and, of course, journalists. Now that the provisional results of last month's referendum show that 98.83% of voters have chosen secession for the South, everyone wants to know Salva's line on key issues such as oil money, borders and Abyei.

The position of Southerners in Northern Sudan, where the regime is coming under growing pressure, and of those moving to possible destitution in the South, gets much less attention but will have a political impact, North and South. The independence vote says Southerners cannot fit into a state centred on a hyper-dominant Khartoum. 'Total rejection. These guys are holding a mirror to us and saying, "This is how you look." – Very scary', said a Northern intellectual in Khartoum. Both North and South will change for ever. As usual, Southerners will play a crucial but widely unacknowledged role. The mood in Khartoum is preoccupied, even sad, but events in **Tunisia** and above all **Egypt** have raised hopes of dislodging the National Congress Party (NCP) regime. 'We are ALL waiting!', a leader of the 1985 civilian uprising told *Africa Confidential*.

When the Southern war ended in 2005, the United Nations estimated there were 4,000,000 people in the North displaced from the South and adjoining areas. By the end of 2009, about 2,000,000 had returned south, though some may have gone back later, seeking work. Between 30 October 2010 and 26 January 2011, almost 150,000 Southerners living in Khartoum travelled south on buses funded by the Repatriation Task Force of the South Sudan Relief and Rehabilitation Commission, an organ of the Government of Southern Sudan (GOSS). Others returned without assistance. Many spent much of December living in the open in Khartoum's far-flung peripheries, waiting for the buses.

Mandela is one such neighbourhood, some 30 minutes' drive from Khartoum when traffic is light. Sudanese have a long tradition of (informally) naming settlements politically: other shanty towns include *Jabarona* ('They forced us') and Baghdad. Mandela formed in the early 1990s, when wars and wars-within-wars in the South sent millions of people on an

often humiliating journey to the bottom of the urban labour market.

This traumatic urbanisation along with a highly centralised command economy has escalated under NCP rule. People fleeing from Darfur have replaced Southerners leaving Khartoum over the past six years. Sudan's urbanisation rate is much higher than its neighbours: Khartoum's population more than doubled between 1990 and 2008, from around 3,000,000 residents to about 7,000,000.

RAZING MANDELA

These war-affected workers squat at the edges of Northern towns. Khartoum's shanties are raided by police or razed on orders from state planners. Mandela was again razed last year. Permanent residents live in houses made of sacking; prospective returnees stack their household possessions in public squares ready for departure. Some Southerners have escaped the shanties to houses of mud, brick or concrete. Casual workers, such as domestics earning one or two dollars a day, stay on in the shanties and a free ride south might tempt them.

Subsidised transport is entangled in politics. The GOSS, led by the Sudan People's Liberation Movement (SPLM), ran an unofficial campaign discouraging registration and voting outside the South. The NCP, while publicly supporting national unity, has pushed Southerners to leave. The poor of Mandela get pushed around. Brewers of illegal alcohol and street vendors have to pay off the police. Some of those traumatised by war and urban poverty try to form collectives around linguistic or regional groupings. The authorities like this: they want poorer people in tribal organisations so they can fix elections of tribal leaders ('sultans') and coopt them into Popular Committees.

These are the lowest rung of authority made up of government-loyalists who control the registration of people for residence or work. Each urban 'tribe' in Khartoum South's Mayo area (named after the late **Ja'afar Mohamed Nimeiri's** 'May Revolution' coup) has an NCP-appointed sultan and, since the SPLM began publicly organising in the capital in 2005, they have SPLM sultans, too. Both sets of sultans – both political parties – encouraged Southerners to leave before referendum registration began. SPLM leaders support secession and until late 2010, feared they

might not be able to deliver a vote for it. They sought to limit registration in the North to prevent manipulation. This is why the GOSS funded the bus convoys from its tight budget.

For a month or two, the official media emphasised brotherhood and unity and encouraged Southerners in the North to register. Yet it was the NCP back-channels that counted, such as *El Intibaha*, a newspaper owned by presidential uncle **El Tayeb Mustafa**, which stresses Southerners' racial differences and questions their ability to rule themselves. This is what Mandela residents heard, especially when Information Minister **Kamal Mohamed Obeid** said in September that if Southerners voted to secede, they would be stripped of their rights of residence and work and denied 'even an injection in the hospitals.' Government radio reported this widely.

The 2005 Comprehensive Peace Agreement (CPA) established a theoretical partnership between the SPLM and NCP. Their interests sometimes do coincide and it is worth noting when this happens. Officially, the NCP supports national unity. It may have sought to stress the downside of separation to secure unity. In this analysis, the message was harsh because harshness is an NCP habit. Unofficially, though, the NCP may have calculated that it could not win a Southern vote for unity.

If the South goes, the NCP wants to be free to remake the North without pressure from its large Southern population, who might form a new constituency, particularly with the success of the SPLM-Northern Sector in winning Northern support as well as Southern. The SPLM's leader in the North, **Yasir Saeed Arman Saeed**, is popular and seen as a credible alternative there. This is why the SPLM will be illegal in the North after the South's independence. Tayeb Mustafa has long advocated Northern separatism and a nod to this accommodates one wing of the Islamist movement.

Southern workers may return north in due course. Many Khartoum Southerners may find it hard to integrate into the South's small cash economy and find the larger subsistence economy too unfamiliar. Southerners would return to the capital without a political voice, perhaps even needing a work-permit. This would help the NCP to maintain labour discipline and political monopoly. It has made very clear that it will not accept the kind of flexible citizenship arrangements that exist, for example, between the **United Kingdom** and the **Republic of Ireland**, where people can choose their nationality.

The SPLM has gone along with this. It wants flexible citizenship arrangements and will probably offer them to the far fewer Northerners in the South. It mainly wanted Southerners to move because

MILITIA ATTACKS ON THE BORDER

Brutal attacks last month by armed militias on convoys of Southern Sudanese returning from the North show the security crisis in the borderlands and the danger of war over Abyei (AC Vol 52 No 2). The attacks began in Southern Kordofan State, north of Abyei, on 7 January: polling in the South's week-long referendum began on 9 January. Abyei's supposedly simultaneous referendum has not happened.

Internal United Nations' reports say that between 7 and 17 January, armed men, apparently Missiriya, attacked bus convoys heading South in several places north and south of Kadugli and in northern Abyei, notably the Diffra oil field. Men fired in the air, dragged men and women off buses, and looted luggage and valuables.

At least one woman, mother of a three-month-old, was slashed to death in Siteb village, north of Kadugli. Various eyewitnesses said the attackers bore small arms, knives or both. Southerners who made it home after this ordeal told *Africa Confidential* the Sudan Armed Forces who were supposedly providing security to some convoys showed no interest in defending the buses against attack.

After the attacks forced the convoys to turn back north, several groups of hundreds of people – mostly women and children – were stranded north of Abyei, including in Kadugli and Nyama. The Office of the UN High Commissioner for Refugees and the International Organisation for Migration provided people with shelter and basic services while insecurity reigned in the area.

Zambian peacekeepers from the UN Mission in Sudan base in Abyei came under attack at least twice. Missiriya raiders disarmed one contingent while it was patrolling near Diffra — none of the UNMIS patrols coming up from Abyei were providing security to the convoy but appear to have been caught in the crossfire.

Shortly after the first attacks, the Southern Kordofan government, headed by Governor **Ahmed Mohamed Haroun**, closed two routes through its territory, one passing near the Darfur border, the other directly through Abyei. After an attack on 10 January, the Northern Bahr el Ghazal State Governor, **Paul Malong Awan**, gave a press conference in the Southern town of Aweil and, relating the violence to the Abyei dispute, accused Khartoum of organising Missiriya as a proxy force.

Meanwhile in Kadugli, Ahmed Haroun, who is wanted by the International Criminal Court on 51 counts of war crimes or crimes against humanity, was playing peacemaker, preparing to host a conference with Northern and Southern ministers and military, and the top brass from UNMIS. The UN flew him in one of its helicopters, triggering widespread outrage when the news emerged.

UN agencies reported that returns through the South Kordofan-Abyei corridor ceased altogether, with stranded convoys lacking (Northern) drivers willing to take the risks and Southerners stranded in transit camps outside Khartoum or by the roadside. In the South, it looked like a warning from the National Congress Party. On 17 January, the parties met behind closed doors, with the UN waiting outside. The agreement on closed corridors highlighted the close links between Abyei's unresolved status and broader North-South politics and the danger of conflagration.

As *Africa Confidential* went to press, the 'police' (really Sudan People's Liberation Army commandoes, as we have witnessed) had not left Abyei as the agreement required and the timetable for deploying the Joint Integrated Units of Northern and Southern troops was unclear. The Missiriya refuse to lift their trade blockade unless the SPLA leave. The corridors for returnees remain closed and Abyei town still suffers from food shortages.

Although some convoys that were stranded for up to two weeks in S. Kordofan have moved south into Warrap and Northern Bahr el Ghazal, they are taking the long route through Unity State instead of Abyei. A 27 January UN report said that 'while arrangements for safe passage are being sought, the situation is still tense and blockage of commercial convoys remains.'

Whether or not Missiriya herders will be allowed to migrate through Abyei with their cattle is unclear, given that Ngok Dinka leaders are divided on the agreement that some chiefs reached after the recent clashes. Returnees who have made it to the South (though not usually in time to vote) angrily blame President **Omer Hassan Ahmed el Beshir** and Ahmed Haroun for inciting the Missiriya. Meanwhile, the Missiriya tribe is suffering the consequence of this manipulation.

As the clashes continue, Presidents Omer el Beshir and **Salva Kiir Mayardit** met in Khartoum together with the **South African** ex-President **Thabo Mbeki**, head of the African Union High-Level Implementation Panel on 27 January in the run up to the African Union summit (see Feature). There, Sudan won AU support for a formal request to defer the ICC indictment of Omer on the grounds that his cooperation would be vital to post-referendum negotiations between North and South, as well as to negotiations over Darfur. ●

it feared it might not carry the vote. It gambled with the precarious livelihoods of people in Mandela to protect the vote from interference. One unintended consequence is that this has helped the NCP to strengthen its grip on the North. The NCP does not want a newly confident Southern constituency in the North threatening its political monopoly. It does want leverage in post-referendum negotiations, which the citizenship issue can bring.

For both parties, culture can reinforce and sometimes trump politics. The citizenship issue allows them to present their official versions of culture and identity: Islamic Arabism in the North oriented towards the Arab world and Christianity and African culture oriented towards the West in the South. Each hopes this will prolong their power.

This is costly for the NCP. Commodities made by Southerners – such as bricks – are getting more expensive, like much else in jittery Khartoum. By exporting so much foreign exchange, the NCP has lost some of its economic control. The NCP will rely on its core constituencies – Islamists, security men and control of the banks – during the

coming changes. Moving Southerners out might make the North more malleably Arab and Muslim; Southerners can return later – without rights – if labour is needed.

Such calculations are threatened by events in Egypt. The Egyptian state is an alliance of state and capital against the people, which once seemed invincible but may not out the year. Its collapse would hugely undermine the Sudanese model with its many similarities and linkages. Sudanese are now publicly recalling their two successful civilian uprisings against military dictatorships, in 1964 and 1985.

REVOLUTION IN THE AIR

Events in Egypt and Tunisia have inspired protests in the North against price increases – and also calls for regime change (AC Vol 52 No 2). So far, the protests have been small and stamped on hard: a student died on 30 January in Khartoum, hundreds were injured and 113 arrested, including journalists. This is not the democracy the CPA offered.

The Khartoum regime's repression encourages people to migrate. Many who hastily left for the South lost their chance to participate in a historic vote;

just 116,000 Southerners registered in the North for the referendum and just under 70,000 actually voted. In some cases, this disenfranchisement may have been a personal sacrifice for the sake of secession – even Southerners with extensive interests in the North voted for separation. In other cases, people positioned themselves for land grants in burgeoning Southern cities. Non-registration was not always a choice: many returnees misunderstood or were misled about requirements. Many will lose social connections and resources, and need time to reorient themselves in a changing South.

Rates of urbanisation in the South are difficult to guess*. Its cities are booming and can be even more expensive than Khartoum. Juba's population has tripled to about 600,000 people in six years. The returnees, with their Arabic language and urban skills, might help to integrate emerging Southern urban economies with the richer North. Those who can't make a living or get land may head back North as economic migrants. ●

*See 'Urbanisation and vulnerability in Sudan', Overseas Development Institute, London, January 2011.

ETHIOPIA

A five-year exit plan

As democracy activists pressure entrenched regimes across Africa, Premier Meles's government sets out its plans for controlled change

From a position of strength – there is just one opposition member of parliament – the ruling Ethiopian People's Revolutionary Democratic Front has been setting out its plans to rebuild itself and renew its leadership. If the EPRDF is to be believed (and plenty of people do not believe it), it will replace its leaders over the next five years. **Meles Zenawi** himself will retire in 2015, he says (AC Vol 51 No 18). A first big change is the retirement of **Seyoum Mesfin** after 19 years as Foreign Minister and his appointment as Ambassador to **China**, showing the importance Ethiopia attaches to that connection.

Many tip the new Foreign Minister and Deputy Prime Minister, **Hailemariam Desalegn**, as a successor to Meles. From the South, which has been poorly represented in successive governments, he is the first deputy prime minister to combine that post with a key role in government. His predecessors as deputy premier have not fared well; one made little political impact, the other, **Tamrat Layne**, ended up in gaol on corruption charges.

Another former aspiring leader is

Girma Birru, the former Trade and Industry Minister who has gone to the Washington Embassy (AC Vol 50 No 10). The National Security Advisor, **Abay Tsehaye**, has taken over the Sugar Corporation. Senior party members who have kept their jobs, such as **Bereket Simon**, head of the Government Communications Agency, have been energetically training newly promoted cadres and organising the expanding party membership. The EPRDF's regional parties, the Tigray People's Liberation Front, Amhara National Democratic Movement, Oromo People's Democratic Organisation and Southern Ethiopian Peoples' Democratic Movement (SEPDM), are all being revamped.

HAILEMARIAM FOR 2015

The next round of senior party changes is planned for 2012. Last year, the Southern Regional State gained at the expense of Tigray, Amhara and Oromiya states. **Hailemariam Desalegn**, of the SEPDM, became the EPRDF's first non-Amhara Vice-Chairman. He is front-runner to succeed Meles in 2015 but Amhara

and Oromo rivals may surface by then. Meanwhile, Meles and his immediate allies are stronger than ever.

The EPRDF is growing fast, with the balance of power shifting away from the Tigrayan core to the other regional parties. The Amhara and Oromo parties are the largest but **Hailemariam's** appointment indicates that Meles hopes to replace the EPRDF with a united nation-wide party, an idea his senior colleagues have hitherto failed to support. He needs to safeguard the current federal structure.

Hailemariam is aiming his diplomacy more to the East than to the traditional Western powers. Last year's EPRDF conference saw Meles pay tribute to the 'generosity' and dependability of Chinese and **Indian** direct investment. In an exclusive interview with *Africa Confidential* (see www.africa-confidential.com) **Hailemariam** reiterated that the Chinese model inspired Ethiopia's preference for a big government to balance out market failures. The relative availability of Indian or Chinese investment is very welcome but the choice also has its ideological aspect.

The 'Chinese place no conditions in terms of ideology' on the support that they offer, he says. The **United States**, though, seems not to appreciate that Ethiopia's financial model, 'learned from the Asian tigers', is 'within the line of market economies'. With its creaky infrastructure, Ethiopia is pulling in billions of dollars of investments from

China, India and **Saudi Arabia** to build roads, telecommunications and factories in its economic expansion. Hailemariam says that economic growth is more likely in a peaceful and stable sub-region.

With the deadline for the Nile Basin Initiative Cooperative Framework due on 13 May, tensions are high between the upper riparian states and the alliance of **Egypt** and **Sudan**, to which the 1959 Nile Treaty gives the largest shares of water. Both sides are chasing supportive votes from **Burundi** and **Congo-Kinshasa**, far upstream, and Ethiopia insists that it does not want a deal that would harm Egypt (AC Vol 52 No 2). The possible exit of Egypt's President **Hosni Mubarak** could change Cairo's relations with the Addis Ababa government quite radically.

The Minister describes the current level of friction with Eritrea as manageable, although some Ethiopian opposition movements are based there, and the Tigray People's Democratic Movement regularly crosses in and out. In November, more than 200 people were rounded up and shipped back across the border. As leaders gathered in Addis Ababa for January's African Union summit, delegates commented, some rather grudgingly, that Meles's government looked a lot more secure than many of its counterparts, despite its dangerous neighbourhood.

DISORGANISED AND DIVIDED

Some argue that is mainly due to the disorganisation and divisions among opposition parties which, traumatised by their crushing defeat in May's elections, have been slow to resolve the resulting internal disputes. The All Ethiopian Unity Party's leader, **Hailu Shawel**, resigned but was re-elected in December at a congress where several members were suspended.

The party also decided to merge with Unity for Democracy and Justice but without negotiations with the Ethiopian Federal Democratic Unity Forum (Medrek) to which the UDJ belongs. Former UDJ leader and detainee **Birtukan Mideksa** has announced she is pulling out of the organisation but gave few details about her plans. Medrek carried out its six-monthly leadership shuffle, replacing Chairman **Gizachew Shiferaw**, acting Chairman of the UDJ, with **Gebru Asrat** of Arena Tigray for Democracy and Sovereignty. Other appointments include **Merara Gudina** (Organisational Affairs); **Negaso Gidada** (Finance); **Tilahun Endeshaw** (Secretary General); and Professor **Beyene Petros** (Public Relations).

The opposition maintains its deep ideological differences and has no pre-eminent leader. It shows little sign of picking up the pieces of last year's electoral debacle in the face of a confident, wealthy and growing EPRDF, with more than 5,000,000 members. ●

RWANDA

The political fallout

Opposition forces, some armed and some civilian, intensify their campaigns against the regime in Kigali

Yet another former government figure has set up a political movement in opposition to Rwandan President **Paul Kagame**. **Faustin Twagiramungu**, who was Prime Minister in the first post-genocide government in 1994, publicly launched the Rwanda Dream Initiative in Brussels on 27 January. He wants to make the RDI (*Initiative du rêve rwandais/Umugambi Rwanda Rwiza*) a broad opposition front. Twagiramungu is campaigning for democracy and political change and says his ambition is not to replace Kagame. He favours dialogue with the Rwanda National Congress, the opposition party launched in Maryland, **United States**, in December, and other groups, including the Green Party. He insists he is opposed to violence but Kigali links the RNC to militias in eastern **Congo-Kinshasa** (AC Vol 51 No 22).

Twagiramungu's initiative follows a spate of opposition activity around the elections last August, when Kagame again swept the board. Foreign observers such as the European Union raised questions about irregularities but restricted their criticism. The EU and **Britain** remain strong supporters of Kagame's economic development strategy.

Opposition rhetoric is heating up. Colonel **Patrick Karegeya**, former head of the Directorate of Military Intelligence, is one of the dissident officers who founded the RNC. He fled to **South Africa** in 2005 and was joined there in 2010 by Lieutenant General **Faustin Kayumba Nyamwasa**, one of the senior officers who led the *Front patriotique rwandais* (FPR) to victory in Kigali in 1994 (AC Vol 51 No 6). Kigali is now trying to have both Karegeya and Kayumba extradited to face treason charges in Rwanda.

Meanwhile, Karegeya has told a **Ugandan** newspaper that he was given a six-month contract by the Saracen company to train police and military of the Transitional Federal Government of **Somalia** (AC Vol 51 No 25). Kigali has objected, saying this will give him access to weapons and skills he could use against Rwanda. Saracen is linked to President **Yoweri Museveni's** brother **Salim Saleh** who has been hostile to Kigali since his troops clashed with the Rwandan Defence Force in eastern Congo-Kinshasa in 2000.

The RNC brings together prominent Tutsis such as former Chief Prosecutor **Gerald Gahima** and Hutu political veterans such

as **Gervais Condo**, **Jérôme Nayigiziki** and **Emmanuel Hakizimana**, and its coordinator is a former FPR Secretary General, **Théogène Rudasingwa**. After talks in **Switzerland**, the RNC signed a pact with **Victoire Ingabire Umuhiza's** *Forces démocratiques unies* on 25 January. Both Kigali and the United Nations accuse the FDU of links to genocidal elements of the regime army of the late President **Juvénal Habyarimana**.

Officially, the RNC does not advocate armed struggle. The latest pact stated its peaceful intentions but on 22 January the regional security chiefs of Burundi, Congo-K and Rwanda accused Kayumba and Karegeya of forming a new armed group in Congo and of having 'strong links' to the *Front démocratique pour la libération de Rwanda* and other rebel groups in the Kivus. In December, a UN report said both had links to the Tutsi-led *Forces républicaines fédérales* of Captain **Patrick Masunzu**, active in South Kivu, and elements of the *Conseil national pour la défense du peuple* in North Kivu. Both Karegeya and Kayumba deny that they have formed an armed group and have issued a press release to that effect.

Accusations fly among the rival factions. The RNC, Kagame's other Tutsi critics and leading Hutu object to the government's exclusion of Hutu from senior military or civilian posts. The RNC calls for a 'Burundi-style' system of ethnic quotas for senior appointments. The ruling FPR prefers not to talk about ethnicity at all, although it appears to be a feature of the its grip on the economy through front companies such as Tristar investment, Crystal Ventures and the Rwanda Investment Group.

Kayumba and Karegeya's RNC may be small but it is politically threatening to the regime, which dismisses it as a criminal organisation. In mid-January, the military high court sentenced Kayumba and Rudasingwa *in absentia* to 24 years' gaol. Karegeya and Gahima got 20 years, also *in absentia*. Trying to immunise the diaspora against the allure of the RNC, Senator **Aloysia Inyumba** of the FPR and other representatives have held meetings for exiles in Europe, the US and several African countries. More than 4,000 Rwandans from all over Europe came to Brussels on 4 December for a debate with Kagame, who invited them to come home and work for national development. ●

Squeezing Gbagbo's budget

African and European sanctions could take months to bite while the political and security crisis grows daily in Abidjan

Europe is adding its own sanctions to the pressure on President **Laurent Gbagbo** from Africa's regional organisations to force him to stand down in the post-election stand off. At the same time, Gbagbo is stepping up pressure on

COCOA BAN MAY HIT GBAGBO'S WAR CHEST

Around 40% of the world's cocoa is grown in Côte d'Ivoire and the market is in confusion as a result of the reigning political paralysis. The harvests, though, are large and speculation is more likely to affect prices in coming months than shortages or surpluses. Since 23 January, cocoa exports have largely stopped after the internationally acknowledged presidential election winner, **Alassane Dramane Ouattara**, demanded a month-long ban on exports. He did not call for an indefinite ban so as not to affect farmers too much and in the hope that the political impasse may be resolved by then. Six major exporters are respecting the ban and cocoa is piling up at the ports of Abidjan and San Pedro.

Alassane Ouattara had sent a letter to the organisation of cocoa exporters, the *Bourse du Café et du Cacao*, saying that paying tax to **Laurent Gbagbo**, who refuses to quit the presidency, was illegal and that exporters who defied his ban could be prosecuted by local and international courts. One trader told *Africa Confidential* that Ouattara was on the one hand 'asking us to stop exports but on the other, to continue buying from local farmers'. An Abidjan-based buyer said that as there was nothing stopping bean deliveries from farmers, there was a growing amount of unregistered cocoa at the ports.

Other exporters based in both Abidjan and San Pedro confirmed that new beans were not being registered, in line with the ban. Beans must be registered at the port in order to be taxed and exported. Another exporter said he was running out of warehouse space, while a shortage of financing meant new purchases were also winding down. Volumes would fall much this week but after that 'it will be much less,' he said.

The **Danish** shipping company Maersk has stopped lifting cocoa from Côte d'Ivoire and, a Maersk official told AC, has stopped taking new orders, in line with the European Union embargo. Goods loaded before 15 January will still reach their destinations, he said, but requests for new shipments are being rebuffed. The last container ship to lift exports would arrive in Côte d'Ivoire on 15 March. Maersk is the main shipper of Ivorian cocoa beans to buyers in the **United States** and Asia and one of the world's biggest container carriers. The export ban should reduce income for the Gbagbo regime significantly, since cocoa represents 90% of foreign exchange earnings.

With the beans not being registered, the risk, which is small because of the long shelf-life of beans in storage, is carried by the exporters, not the hauliers, middlemen and small farmers, who have already been paid. Some 895,000 tonnes of cocoa had reached the two ports since the start of the season in October up to 30 January, a 14% increase on last year, according to exporters' estimates, although that figure included 40,000 tn. from the week ending 30 January, none of which had been registered for shipment.

Together, the moves threaten to test national storage capacity. However, it is late in the season and most of the 2010/11 harvest has already left the plantations, so the impact on supply will be limited. Good growing conditions, including unseasonal rain in November and December, improved prospects for this season's crop: the International Cocoa Organization forecast 1.3 million tn. Farmers produced just over 1.2 mn. tn. during the 2009/10 season. The likely effect of the export ban will be a huge increase in cocoa smuggling into **Ghana**, the world's second-biggest producer. Some 35,000-40,000 tn. of beans have been smuggled across the border since the season began in October.

Ghana is on track for a record 800,000 tn. cocoa harvest this season. **Tony Fofie**, head of the Ghana Cocoa Board (Cocobod), has insisted that any impact from smuggling from Côte d'Ivoire has been limited. Ghana was taking measures to protect its cocoa, he said – which is generally of a higher, premium quality – from Ivorian inflows. Arrivals, an indicator of crop size, at Ghanaian ports are running above 640,000 tn. Although no cocoa has been smuggled so far, Cocobod admits it is necessary to 'strengthen existing measures on the ground' to safeguard the quality of beans. Fofie added that the size of monitoring teams had been increased along the border and the quality control unit had been issued with extra grading rules for crosschecking and grading beans. ●

Alassane Dramane Ouattara ('ADO'), his election rival whom the United Nations and African Union say won the second round of the presidential election on 28 November (AC Vol 51 No 25). On 14 January, the European Union froze the Gbagbo family's assets and those of 18 members of his team, and extended the visa ban imposed on 22 December on the same individuals and others who 'obstruct the process of peace and national reconciliation in Côte d'Ivoire'. About 90 people and eleven parastatal companies are now on the sanctions list.

Dignitaries include **Marcel Gossio**, Director General of Abidjan port (AC Vol 47 No 20); **Kassoum Fadika**, Director of the national oil company, the *Société nationale d'opérations pétrolières de la Côte d'Ivoire* (Petroci); and **Laurent Ottro Zirignon**, the Chairman of the refinery company, the *Société ivoirienne de raffinage*. The EU says they have all helped to fund the Gbagbo regime. In December, Fadika transferred 20 billion CFA francs (US\$41.76 million) from Petroci to the Treasury, to pay public servants (including police and soldiers) the monthly total of CFA70-80 bn.

Parastatals under sanctions include the electricity corporation, the *Société de gestion du patrimoine du secteur de l'électricité*; Abidjan port; *Banque nationale d'investissement* (BNI); *Banque pour le financement de l'agriculture*; Versus Bank; and the bodies that run trade in coffee, cocoa and rubber. The state television and radio, RTI (*Radiodiffusion télévision ivoirienne*) is also on the list, accused of 'public incitement to hatred and violence'.

EU rules do not only freeze these companies' assets, they prohibit EU companies from making payments to them, including loans and service payments. European companies affected include Petroci's partners in oil, Tullow (**Ireland**), Afren (**Britain**) and Edison (**Italy**). Petroci may have to postpone building a 60,000-tonne refinery with a **United States** company. Cocoa makes up 40% of total exports, crude oil 15%. **Germany** was the main buyer of exports in 2009 (10.9%), the USA came second with 10.1%, then **Netherlands** with 9.7%. **France** supplied 15% of imports in 2009, so will be strongly affected. Tuna boats are boycotting Abidjan port and vessels are forbidden to pay for loading cocoa.

It will take time for the sanctions to work, as European governments develop the necessary regulatory powers. Gbagbo's backers have already moved funds into **Libya** and various tax havens. Associates of Ouattara claim that Gbagbo has shifted a chunk of his personal fortune into a bank in **Angola**. Petroci's Kassoum has for some months been arranging for payments to be made into offshore accounts, although company managers fear that the money for buying crude will run out.

Jean-Louis Billon, President of the Ivorian *Chambre de commerce et d'industrie*, has called on his members not to pay taxes to the Gbagbo regime. This may not work; one **Belgian** businessman in Abidjan says he cannot turn away Gbagbo's tax collectors when they call.

Another European businessman thinks that the money collected is probably paid not to the national Treasury but to the BNI, now under EU sanctions. The regime may find a way round that problem by dealing with customers from Asia. Abidjan's business community is fed up and reckons that its members should be compensated for the losses caused by sanctions. Businesses face threats from ADO's side, too. His Planning Minister, **Albert Mabri Toikeusse**, accuses some firms of financing Gbagbo's regime.

Gbagbo's government still controls the levers of power but is scrambling for money. It struggled to pay public-sector salaries for December and faced another wage bill this week. The security service, military and *Gendarmerie* will get first call on scarce funds.

On 21 December, **Robert Zoellick**, President of the World Bank, said it had closed its offices in Abidjan and frozen its finance facilities of \$254 mn. This will hurt, as Côte d'Ivoire was supposed to qualify in 2011 for debt reduction under the International Monetary Fund programme for heavily indebted countries. Zoellick said that his Bank's affiliates had also acted. The *Union économique et monétaire ouest-africaine* (UEMOA) has frozen its loans and the African Development Bank

(AfDB), which quit Abidjan for Tunis in 2003, has closed down its 254 mn. euro disbursements under a five-year programme of the European Development Fund. Gbagbo has his helpers. Ouattara's spokesman, **Patrick Achi**, claims that the Governor of the *Banque centrale des états de l'Afrique de l'ouest*, **Philippe-Henri Dacoury-Tabley**, a known Gbagbo-supporter, issued CFA100 bn. to him between 23 December and 17 January. Ouattara's people fear that may give Gbagbo enough to pay for weapons and mercenaries.

PRICES AND POSSIBLE DEFAULTS

Since then, the EU has declared Dacoury-Tabley *persona non grata* and put him on the banned list. His term in office was ended by the UEMOA summit in Bamako, **Mali**, on 22 January, where Côte d'Ivoire was represented by Ouattara's chosen Prime Minister, **Guillaume Soro**. The President of the *Banque ouest-africaine de développement*, **Abdoulaye Bio-Tchané**, says Côte d'Ivoire may not be able to repay the CFA410 bn. CFA of treasury bonds due to it in the first quarter of 2011, which would cause further defaults.

The sanctions will embitter the crisis. Côte d'Ivoire was the financial centre for West Africa until 2002, when the AfDB moved out of Abidjan and more than 15,000 expatriates moved out with it. There is now a similar exodus and inflation is soaring. Meat, milk and sugar have doubled in price since November.

The price of cylinders of butane gas has more than doubled and queues are

lengthening at the filling stations. One European businessman reckons that small and medium enterprises have lost 40% of their business since November. Neighbouring countries face similar problems but have in recent years found ways around Ivorian problems. The rival ports of Tema, Lomé, Cotonou and Conakry see ships turning their way.

The Kimberley Process, intended to stop the trade in 'conflict diamonds', reaffirmed in late December its ban on Ivorian diamonds. Yet most of the stones come from fields in the north, in the Séguéla and Tortiya regions, controlled by the ex-rebel *Forces nouvelles*, strong supporters of Ouattara.

The European Election Observation Mission which, along with the UN, confirmed the legitimacy of the poll, is led by a **Romanian** member of the European Parliament, **Cristian Dan Preda**. On 25 January, confirming his Mission's verdict that Ouattara had won with 54% of the vote, Preda doubted whether sanctions would be effective. They would complicate Gbagbo's life 'but forcing him to quit was something else' and any collective move by West African states should get full support from the EU.

Given the strength of feeling about any military intervention in Côte d'Ivoire at the African Union summit in Addis Ababa on 29-31 January, the EU will have little to say about it. Some West African diplomats expect a military confrontation involving Gbagbo before the sanctions begin to bite. The next few weeks will be critical for both sides to reinforce their positions. ●

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France/Tunisia

BEN ALI, BIENS MAL ACQUIS

■ The Paris Public Prosecutor's office is opening a preliminary investigation into funds and property held in France by Tunisian ex-President **Zine el Abidine Ben Ali**, his family and entourage. Transparency International (TI) France and two other non-governmental organisations, Sherpa and the Arab Commission for Human Rights, called for the funds and goods to be frozen immediately, which the authorities declined. The French police financial crime unit, the *Office Central pour la Répression de la Grande Délinquance Financière*, must complete an inventory of the Ben Ali fortune in France before action to freeze funds can be taken.

The anti-money-laundering unit of the Economy Ministry is also involved. Only after a new law last July did prosecutors gain the right to request the freezing of funds under investigation. The NGOs complain that by the time the list is made, much of the money may be gone. The case has benefitted from the successful appeal by TI and Sherpa in December against the dismissal by the Paris Prosecutor of the '*Biens mal acquis*' (BMA, ill gotten goods) case, in which the NGOs tried to force a prosecution of three presidents – **Gabon's** late **Omar Bongo Ondimba**, **Congo-Brazzaville's** **Denis Sassou-Nguesso** and **Equatorial Guinea's** **Teodoro Obiang Nguema Mbasogo** – their families and entourage for embezzling state funds. France's *Cour de Cassation* ruled the case could be brought and two judges have been working on the investigation ever since (AC Vol 50 No 5).

The NGOs filed complaints accusing Ben Ali of fraud, money-laundering, embezzling state funds and other charges. Unlike the BMA case, the investigation of the Ben Ali fortune, estimated at US\$5 billion by the NGOs, is supported by the new Tunisian government. A French government spokesperson said Paris was 'at the disposal' of Tunisia in investigating Ben Ali's property in France.

Nigeria

BAYELSA'S FIGHTING CHANCE

■ Rivalry between two former loyalists of President **Goodluck Jonathan** and his People's Democratic Party in his home state of Bayelsa presages fierce confrontations before April's elections. The split in the Bayelsa PDP began with the defection of **Ndutimi Alaibe**, former Special Advisor to the President on Niger Delta Affairs and manager of the amnesty programme; he is now standing for Governor for the Labour Party (LP). Alaibe was heir-apparent to

Jonathan's governorship in Bayelsa but the present Governor, Chief **Timipre Sylva**, pipped him for the PDP candidacy in 2007.

The candidate opposing Jonathan in the presidential contest, on behalf of the Action Congress of Nigeria (ACN), is the former Chairman of the Economic and Financial Crimes Commission, **Nuhu Ribadu**. He says this is a continuation of his crusade against corruption and patronage politics. Bayelsa's government is particularly corrupt and power is maintained through intimidation, payola and officially sponsored violence.

Mass defections to the ACN and LP followed the primaries in early January, when PDP loyalists were excluded from advancement. Joining Timi Alaibe's move to the LP were the former PDP Chairman in Bayelsa, Chief **Rufus Abadi**, the former Director of the defunct Ijaw Council for Human Rights, **Patterson Ogon**, and another heavy-hitter, the former Chairman of the Yenagoa branch of the Nigeria Bar Association, **Rex Ogbuku**. Chief **Ayakeme E. Whiskey**, a former Commissioner for Housing in Sylva's administration, is now the ACN candidate for Governor.

Alaibe decried the breakdown in security in Bayelsa in his acceptance speech; many draw parallels with Ribadu's anti-corruption presidential candidacy. The Dream Bayelsa group announced that the governorship election 'will allow Bayelsans a window to exercise their rights to a choice which has been on a strait jacket since the democratic dispensation began in 1999.' After the LP's selection of Alaibe on 13 January, an explosion blasted their Bayelsa headquarters, shortly after they had left the building. 'These things are orchestrated to intimidate and we want to stop them,' Alaibe says.

Britain/Egypt

GAMAL MUBARAK'S RETREAT

■ **Gamal Mubarak**, Egyptian presidential son and putative heir (until he announced on 3 February that he would not stand for President) of beleaguered President **Hosni Mubarak**, was widely rumoured to be in London last week. Demonstrators – convened, as in Cairo, by Twitter and Facebook – duly flocked (as did television cameras) to 28 Wilton Place, in London's posh Belgravia, where he is believed to own a house. Its value can be gauged by the fact that a nearby house is on sale for £8.75 million (US\$14.14 mn.).

However, **British** Foreign Secretary **William Hague** denied that Gamal Mubarak was in London and said he had spoken to him by telephone in Egypt, though without revealing how he knew he was there. Gamal holds a British passport, courtesy of his mother, **Suzanne Mubarak**, whose Egyptian father married her Welsh mother in London before World War II.

There is nothing Whitehall can do

to prevent Gamal from, embarrassingly, taking up residence in London. Less clear is how much of the Mubarak fortune is in the British financial system. Gamal worked as an investment banker in the London branch of Bank of **America** and then with a private equity firm before starting his business and political career in Egypt.

Britain/Africa

LESS BASHING FOR BRIBERS

■ UK businesses lobbying against the new Bribery Act seem to be having some success (see *Confidential Agenda*, 28 January, at www.africa-confidential.com). The government has postponed implementation of the Act, already delayed for six months, until June. The Ministry of Justice now says the Act will come into force at the same time as it publishes the all-important 'guidance notes' on what Whitehall expects companies to do to prevent bribery.

It would be hard for business to dilute the Act, as it won all-party support during its passage through Parliament. Instead, a struggle is being fought over what constitutes sufficient defence against liability. All companies are obliged to use 'adequate procedures' to prevent their employees bribing people. The nature of these procedures are outlined in the guidance notes.

Soon after the delay was announced, **Mark Pieth**, the Chairman of the Working Group on Bribery in International Business Transactions of the Organisation for Economic Cooperation and Development (OECD), declared his concern. 'It is very disappointing that despite public commitments, the UK will further delay this important Act to tackle bribery and corruption,' said the **Swiss** criminologist. 'Establishing a level playing field for international business is as important now as ever and will help strengthen the global economic recovery. As a G-20 country, the UK bears a special global responsibility and should lead by example.'

When the OECD Working Group reviewed the UK legislation last December, it was full of praise that the UK was finally falling into line with other countries that have implemented laws conforming to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, adopted twelve years ago. However, even then, the group noted significant exclusions in the UK Act, including vagueness over the role of agents acting on behalf of companies and its failure to include trusts, unincorporated bodies and charities within the law.

The head of the Confederation of British Industry, **John Cridland**, has said the Act requires 'urgent clarification'. It is on the question of allowable defences to the charge of bribery that the business complaints have been strongest, we hear.

[illegible]

WINNERS OF THE WAVE

With two autocrats felled in less than a month, the big winner in North Africa's democracy wave is clearly people power, previously a rarity on the streets of Tunis and Cairo, and indeed other North African cities. It is the nature – young, pro-democracy and politically secular – of that power that will prove important in the weeks to come, both for the progress of the political transitions in **Egypt** and **Tunisia**, and also as object lessons to new political movements in the rest of Africa and the Middle East.

The achievements of the organisers (and they were highly organised) of these revolts can hardly be overstated. In Egypt, the protestors were up against a 750,000-strong security system under which secret police revelled in a reputation for beating and torture, as well as the capacity of ruling party politicians to run their own gangs of thugs to attack oppositionists with impunity. On top of their formal and well financed structures, Egypt's security services operated a private army of enforcers, freelance undercover spies and paid informers.

In Tunisia, ex-President **Zine el Abdine Ben Ali**'s regime operated a similarly draconian security service, which spent long hours breaking into e-mail accounts and university computers. To the huge satisfaction of most Egyptians and Tunisians, the brave demonstrators succeeded despite that security system. That doesn't mean the spies, informers and the torturers have joined the ousted autocrats but it could mean more accountable securocrats.

Democratic reformers everywhere have been boosted. North Africa's revolutionaries have demonstrated the international resonance of demands for representative and accountable government, and shown that the richer authoritarian regimes can no longer rely on high commodity prices to buy off dissident groups without making political reforms. Activists are celebrating the power of individuals to make a difference – whether they be the tragic figure of Tunisia's **Mohamed Bouazizi**, whose self-immolation started the wave of protest on 17 December, Egypt's social media organiser **Wael Ghonim** or Nobel laureate **Mohamed el Baradei**, who helped convince an older generation that the protest was meaningful.

Alongside, independent journalists have shown the value of local reporting, considered analysis and new media forms when others were struggling to understand the new realities. President **Mohamed Hosni Mubarak**'s attempt to turn off the internet failed to stop the revolt. Almost everywhere, new media such as Twitter and Facebook circumvented the security services' power to censor and even block communication among protestors. *Al Jazeera* television, owned by **Qatar**'s royal family, played a leading role in promoting the aims and achievements of the oppositionists. At times, its Arabic service revealed its Islamist sympathies through its choice of commentators and analyses but its English-language service was often more composed and objective than some Western coverage.

Africa's military and notions of 'democratic coups' have emerged strengthened by the army's role in pushing out Mubarak and Ben Ali. In both countries, the army has credibly posed as a guarantor of constitutionality and political rights but this marriage between the generals and the radicals could easily break up in the coming weeks.

Turkey's Islamists have had a good month, with Prime Minister **Recep Tayyip Erdogan** and his *Adalet ve Kalkinma Partisi* (Justice and Development Party) being held up by Islamists in Tunisia and Egypt as a model for supporters of political Islam in a multiparty system. The approbation for Erdogan and the AKP comes as Istanbul is rapidly boosting its trade and investment in Africa and the Middle East.

However, Erdogan's close friendships with **Sudan**'s President **Omer Hassan Ahmed el Beshir** and **Syria**'s **Bashar al Assad** points to a limited enthusiasm for democrats and democracy. Turkish oppositionists argue that their country's successes owe more to a rich tradition of pluralist politics and the secularist political legacy of **Mustapha Kamal Atatürk**. The AKP embraced electoral politics only after Turkey's Constitutional Court had ruled against its predecessors, the Islamist Welfare Party and the Virtue Party.

Apart from the Mubarak and Ben Ali families, authoritarian regimes in general are weakened by the latest events but by how much will depend critically on the performance of the post-revolutionary regimes. The commitment to democracy of Western governments, which backed the oppositionists only when it seemed they were certain to win, looks ambivalent and in some cases opportunistic.

The European Union's belated decision to show concern about the billions of dollars looted by the Ben Ali and Mubarak regimes only after they were ousted reinforces scepticism about Western advocacy for accountability. More powerful authoritarian regimes, such as **China** and **Russia**, could profit from this embarrassment of Western governments and the diversion of their attention and resources towards a adapting policy in the Middle East and Africa. ●

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of sorts. The movements in North Africa – broad fronts against electoral fraud, human rights abuse, rising unemployment, inequality, grand corruption and nepotism – have sparked similar civil society organisations in West and East Africa, some of which are organising around the elections in **Nigeria** and **Uganda**. Those two elections will be critical barometers of African democracy.

Activists are ready to relay election results by mobile telephone and internet to counter efforts by incumbent regimes to steal votes. They are also working more closely with advocates for greater corporate accountability, to cut the ability of regimes to divert export proceeds into political and personal accounts.

Elsewhere, the hottest election spots will be **Chad**, **Congo-Kinshasa**, **Madagascar** and **Zimbabwe**, where all the conditions for a confrontation exist: discredited incumbent regimes with a record of electoral fraud, grand corruption and nepotism, gross economic mismanagement, poor social provision, high unemployment and a young and frustrated population. The lack of a strong middle class and widespread internet connectivity may constrain some oppositionists – but the example of the North may inspire them. However, the nationalist and anti-Western stance of the regimes of President **Joseph Kabila** and President **Robert Mugabe** earns some street credibility and they can call on **China** for at least some of their funding.

Both regimes face a growing social and political crisis which they are confronting with force of arms and show little interest in reform. Congo's formidable mineral riches and now Zimbabwe's giant Marange diamond field inoculate the regimes from immediate financial pressures. As in Egypt and Tunisia, the deciding factor would be the position taken by the military in the event of a mass mobilisation.

Chad and Madagascar, which rely on both overt and covert **French** backing, may prove more malleable to some external pressure although there is little sign that this would mean a real political opening in either state. Again, it will require a savvy opposition movement to play on **Idriss Déby Itno**'s and **Andry Rajoelina**'s vulnerabilities and those of their foreign sponsors to push through change. ●

Democracy standoff

Bitterness grows amid the political stalemate and economic pressure on Laurent Gbagbo is mounting

The bitter rivalry between presidential claimants **Laurent Gbagbo** and **Alassane Dramane Ouattara** has come to personify the arguments over how to manage elections in Africa and beyond. Although United Nations Secretary General **Ban Ki-moon** has publicly tempered his view of Gbagbo's refusal to accept the results of the UN-certified elections in Côte d'Ivoire, his predecessor **Kofi Annan** was less constrained: 'If President Gbagbo is allowed to prevail,' he said, 'election as an instrument of peaceful political change in Africa will suffer a serious setback.'

Efforts to persuade Gbagbo to step down as President depend more on financial than diplomatic pressure. Local banks are running out of money and foreign ones are shutting down. Cooking gas and pharmaceuticals are growing scarce, too. Ivoirians are not used to that.

Few believe that the High-Level Panel asked to resolve the crisis at last month's African Union Summit in Addis Ababa will improve matters. **Nigerian** President **Goodluck Jonathan** and **Burkinabè** President **Blaise Compaoré**, who insisted that the AU stick to its position of backing Ouattara as the legitimate winner of November's elections, clashed at the Summit with **Angolan** President **José Eduardo dos Santos** and **South Africa's** **Jacob Zuma** (AC Vol 52 No 3).

LEGITIMATE FORCE

Jonathan and Compaoré had led calls for the regional Economic Community of West African States (Ecowas) to take a tough line on Côte d'Ivoire, starting with financial sanctions and leading up to the use of 'legitimate force' if Gbagbo refused to succumb to other pressure. The two West African presidents argued that their regional organisation should take the lead on a West African country in the same way that South Africa had insisted the Southern African Development Community should lead on the **Zimbabwean** crisis.

Ouattara is now distancing himself from threats to use force against Gbagbo, given the record of previous West African intervention forces and worries that calling for a foreign invasion would erode his popular support at home.

The AU has not explicitly ruled out the use of force against Gbagbo as proposed by Ecowas but AU Commission Chairman **Jean Ping** said the 'absolute priority' was a 'negotiated and peaceful' resolution. Nor

has the AU abandoned its formal position of endorsing the UN-certified elections which declared Ouattara victor.

Uganda's President **Yoweri Kaguta Museveni**, who faces an election this week, joined the pro-Gbagbo group of Zuma and Dos Santos who argue that there were serious irregularities in the Ivorian elections, despite the UN's certifying the results. They dismiss calls for Gbagbo to step down as 'counter-productive'. **Kenya's** President **Mwai Kibaki**, whose own election in 2007 was violently disputed, has opened an independent channel of communication with Gbagbo, but mainly to undermine his Prime Minister, **Raila Odinga**, the AU Envoy to Côte d'Ivoire.

The Ecowas Chairman, **Ghana's** **James Gbeho**, criticised Zuma for dispatching a South African warship to Abidjan, arguing that it would obstruct mediation efforts. Zuma said the ship could serve as a neutral 'negotiating venue'. The SA Navy says the ship is on a 'routine training mission'. Some think it could be used to evacuate Gbagbo and his entourage if they choose to take up an offer of exile in South Africa;

others think it may be there to discourage Ecowas plans to oust Gbagbo.

Mauritanian President **Mohammed Ould Abdel Aziz** chairs the AU High-Level Panel. Other members are Ping, Gbeho, Zuma, Compaoré, **Chadian** President **Idriss Déby Itno** and **Tanzanian** President **Jakaya Mrisho Kikwete**. Most are pro-Ouattara. They sent a 'Team of Experts' on a fact-finding mission led by the AU Commissioner for Peace and Security, Ambassador **Ramtane Lamamra**, to Abidjan on 6-10 February but nothing has been heard from them or their political masters since. South Africa's former President **Thabo Mbeki** told *Africa Confidential* in Addis Ababa that the main goal was a peaceful resolution of the dispute, even if it took the AU Panel longer than its allotted four weeks. Mbeki was then glad-handed by a clutch of Gbagbo-loyalists attending the AU Summit.

Nevertheless, there are jitters in Gbagbo's camp. They see sanctions undermining their regime and eroding Gbagbo's popular support (by the UN count he won 46% of the vote in the second round of the election). The political balance of the AU Panel does not weigh in Gbagbo's favour. Déby is on record as a supporter of Ouattara and has himself been backed by Compaoré, another staunch supporter of Ouattara. Ould Abdel Aziz is nurturing relations with his **Senegalese** neighbour, President **Abdoulaye Wade**, another partisan of Ouattara. One Gbagbo-loyalist told AC: 'Everybody knows Wade falls into

THE FINANCIAL SANCTIONS TIGHTEN

Laurent Gbagbo's economic options are narrowing. While sanctions have deprived him of most of his income from cocoa, he did, say local reports, make off with US\$500 million worth of CFA francs from the vaults of the *Banque centrale des états de l'Afrique de l'ouest* before its managers were changed. This is reckoned to be enough to pay all government salaries for two to three months. We hear that Gbagbo-loyalists have been trying to decrypt the codes that have cut off the four active BCEAO branches in Côte d'Ivoire from the headquarters in Dakar, **Senegal**. If they succeed, they could get more credit – a lifeline for the Abidjan economy.

Nigeria, Britain, France and the **United States** have been closing down their banks in Abidjan. America's Citibank, Nigeria's Access Bank and France's *Banque Nationale de Paris* local affiliate, the *Banque Internationale pour le Commerce et l'Industrie en Côte d'Ivoire* (BICICI), ceased operations on 14 February. On 11 February, a Gbagbo representative had ordered the banks to sign a contract to continue operating.

The managers agreed but asked to consult their head offices. The senior managers then fled the country with their families over the weekend and on 14 February the closure announcements were made. Other banks are also closing, further undermining Gbagbo's ability to pay state salaries. In Abidjan on 16 February, all the cash machines seemed to be shut and there were queues everywhere. Standard Chartered Bank had already closed, while Ecobank and *Société Générale* looked likely to follow suit.

There have been attempts to circumvent the sanctions on cocoa trading but the sales and registrations are computerised and when five large cocoa companies led by Saf-Cacao, which is thought to be linked to presidential wife **Simone Gbagbo**, tried to register for exports, **Alassane Dramane Ouattara** was alerted and he threatened to have the companies put on the European Union sanctions list (AC Vol 52 No 3). The record of this registration means there is the potential for a prosecution. The companies are trying to remove traces of this. We hear one cocoa-buying firm approached Ouattara at the Golf Hotel with a peace offering of CFA2.5 mn. (US\$5,140), which was declined. ●

a foaming-at-the-mouth trance at the mere mention of Gbagbo's name.' **Charles Blé Goudé**, leader of the violent street group *Jeunes Patriotes*, lambasted the AU Panel for including Compaoré. The rising profile of the hardline Blé Goudé, apparently speaking on behalf of Gbagbo, suggests things are spinning out of control.

The UN more than the AU wants to act with dispatch. Maintaining some 11,000 Blue Helmets, vehicles, equipment and three helicopter gunships plus supplies costs tens of millions of dollars a month. The attacks by Gbagbo's forces have prompted an exodus from the west. The Office of the UN High Commissioner for Refugees reckons there are some 35,000 internally displaced people; another 36,000 have crossed into **Liberia**.

Advisors and *Forces Nouvelles* (FN) commanders have been discussing plans for Ouattara to establish his government

in Yamoussoukro, the official capital. Yet the Gbagbo side may view such a plan as a declaration of war and Ouattara might be seen as deserting his supporters (perhaps half of the population) in Abidjan, the old and business capital. Once Gbagbo's people heard of the plan, they reinforced their control of Yamoussoukro, ensuring that it would not fall without a fight.

ROOM WITH A SEA VIEW

Meanwhile, Ouattara's redoubt in the Golf Hotel is in a good defensive military position, with the sea on two sides of the roughly triangular site it occupies and a wide road on the other. It is also just minutes from the **French** *Licorne* military force's base. Most of all, Gbagbo must pay the army, the *Garde Présidentielle* and the militias. His people are watching General **Philippe Mangou**, the Armed Forces Chief of Staff, who is equivocal about

Gbagbo. Blé Goudé has been holding press conferences lately in which he nods while Mangou stumbles through a pre-written text. Blé Goudé told Mangou on state television that he 'had better stick to Gbagbo' – if he knew what was good for him. Earlier, Mangou's position seemed critical to the standoff but is less so now. Mangou's family is within easy reach of Gbagbo's forces, which makes his defection difficult.

The Gbagbo clique may be able to guarantee Mangou's loyalty under pressure but the army will not be so malleable if it's not paid regularly. Ouattara's Prime Minister, **Guillaume Soro**, has appointed a defector from the army, Captain **Léon Kouakou Alla**, as defence spokesman. Formerly commanding key units in the west during the civil war, Kouakou was well liked among the ranks although he's unlikely to trigger mass defections. ●

KENYA

First pick your judge

President Kibaki is undermining efforts to reform the judiciary as he protects his allies from prosecution

The latest dispute between President **Mwai Kibaki** and Prime Minister **Raila Odinga** began in late January, when Odinga accused Kibaki of failing to consult him about nominations to the soon-to-be-vacated positions of Chief Justice, Attorney General (AG) and Director of Public Prosecutions (DPP). Behind this local row is the threat of prosecution at the International Criminal Court of six top politicians and officials for political killings (AC Vol 52 No 1). The ICC list includes two of Kibaki's inner circle: Finance Minister **Uhuru Kenyatta**, son of founding President **Jomo Kenyatta**, and the head of the civil service, **Francis Muthaura**. Another two are former allies of Odinga's – **William Ruto** and **Henry Kosgey** (both of whom face separate corruption cases).

Kibaki loyalists are keen to exploit long-running disputes within the Orange Democratic Movement, particularly the personal animosity between ODM leader Odinga and his former ally Ruto, who led the Kalenjin faction in the party. Ruto is now making common cause with fellow ICC indictee Kenyatta to stop Odinga's campaign for the presidency in 2012.

For the first time since the coalition government was formed almost three years ago, Odinga lacks a secure majority in the National Assembly. His party's 105 nominal supporters include between 40 and 60 of Ruto's Kalenjin allies, who are reluctant to quit the ODM until the very

last minute for fear of losing their seats in the subsequent bye-elections. They vote consistently with Kibaki's Party of National Unity (PNU) and undermine Odinga.

Kibaki nominated the three judicial officials without consulting Odinga, breaching the terms of the coalition agreement. Odinga can't rally the votes in Parliament and the voting strength is with the PNU. House Speaker **Kenneth Marende** seemed to have sidestepped the need for a parliamentary vote by saying that he would rule on the constitutionality of the nominations. In Marende's ruling, he ducked responsibility, passing the final decision to two subcommittees. In fact, he played into the PNU's hands. The subcommittees are to deliver their reports to Parliament, for adoption or rejection by a vote of the full house. The PNU, knowing it will win, likes that idea.

Deeply corrupt and compliant towards the executive, the judiciary was ripe for reform. Under the new constitution, the key offices of the Chief Justice and AG were to be vacated within six months and one year respectively after it came into force. Chief Justice **Evan Gicheru**'s term expires at the end of February and AG **Amos Wako** is due to leave in August.

Both were widely seen as presidential rubber-stamps. It had been agreed that the PNU would pick the Chief Justice and the ODM would choose the AG. Until late January, negotiations were going well. Then Kibaki abruptly demanded a final

decision before he departed for Addis Ababa for the 24-31 January African Union summit. There, armed with his nominee list, he tried to convince his fellow leaders that Kenya was making comprehensive judicial reforms. He succeeded and the AU summit backed his request that the ICC defer the prosecutions against the 'Ocampo Six' (AC Vol 52 No 3).

Yet Kibaki's legal nominees were contentious. For Chief Justice, he named **Alnashir Visram**, a Court of Appeal Judge since 2001. He ranked eleventh among the senior judges and (according to Odinga) his name never came up during the initial discussions on nominees. Kibaki argued that since Visram is of **Indian** extraction, he would be unbiased towards local ethnic constituencies. Oppositionists claim that Justice Visram is too pro-establishment. In 2000, he awarded record damages for libel to **Nicholas Kipyator Biwott**, the strongman of **Daniel arap Moi**'s regime, who had sued the publishers of **Iain West's** *Casebook* for implicating him in the murder of Foreign Minister **Robert Ouko**. West was a celebrated **British** forensic pathologist who was involved in the investigation of Ouko's murder. In an unrelated matter, the Law Society of Kenya has accused Visram of perjury.

The nominations for AG and DPP created even fiercer controversy. Kibaki's chosen Attorney General, Professor **Githu Muigai**, a respected legal scholar who is a counsel at the ICC, is said to have been consulted on Kenyatta and Muthaura's ICC case. Should the six ICC cases ever be transferred to a credible local tribunal as Kibaki wants, it would be odd if the AG had represented two of the indictees. Kibaki's nominee for the DPP, **Kioko Kilukumi**, has represented Ruto in corruption cases (but has since pulled out). So far, Kibaki is ahead of Odinga on points. ●

Dropping the pilot

Under pressure from revolutionary youth, the army has pushed out Mubarak but its commitment to reform is highly questionable

As everyone – save fearful tyrants – salutes the spectacular courage of Egypt's young people in driving out President **Mohamed Hosni Mubarak**, the military has emerged as the dominant power in the transition. The generals' seizure of power on 11 February, after they had ushered an ailing Mubarak down to his Red Sea retreat in Sharm el Sheikh, was a palace coup by any other name.

In power since **Gamal Abdel Nasser's** Free Officers toppled King **Farouk** in 1952, Egypt's military has jealously guarded its reputation as a professional, nationalist force, leaving the grubby business of day-to-day government and local security to politicians, police and security officers. Accordingly, the military has been able to separate itself from Mubarak, himself a former Air Force Commander, along with the corruption and cronyism of his circle.

Yet the army's own economic interests and patronage system have been central to the regime for the past five decades. That is clear from the appointment of Field Marshal **Mohamed Hussein Tantawi** as Chairman of the Supreme Council of the Armed Forces. Tantawi also boasts the title of Minister of Defence and of Military Production, a post he has held since 1991. Insiders say that he has spent as much time on the businesses of the military as on military business. The military controls a massive shadow economy of companies and contracts that may attract more scrutiny from the opposition. Now, the military's job is to temper the demands of the protestors, restore calm, manage the transition towards constitutional government – and control candidates for the presidency and other key positions.

On 13 February, eight representatives of a coalition of the youth movements that led the protests met under the title 'United Youth of the Revolution' to hold talks with General **Mahmoud Hegazy** and Gen. **Mohamed Abdel Fattah**, two members of the Armed Forces Supreme Council.

The representatives of the April 6 Movement, the Youth Section of the Muslim Brotherhood, Justice and Freedom and a group aligned with **Mohammed el Baradei** laid out their demands for the transition. They include a new constitution, trying the policemen responsible (including former Interior Minister Gen. **Habib Ibrahim el Adly**) for the killing of protestors, releasing all political prisoners, lifting the state of emergency, a new

technocratic transitional government with no links to the old regime and guarantees that new elections will be held as soon as possible under judicial supervision.

The generals told the United Youth that in two months, a referendum would be held on a new constitution which, they said would be ready by the early date of 25 February. According to one of the youth leaders, Google executive and former political prisoner **Wael Said Abbas Ghonim**, the army assured them that 'a civil state is the only way forward'.

On the next day, the Supreme Council appointed **Tareq el Bishry**, a retired judge and known supporter of an independent judiciary, to head the committee in charge of the proposed constitutional changes. The general supposition is that the committee will not draft a constitution from scratch but merely arrange the removal of the most hated articles: those on qualification for presidential candidates, the presidential term, legal supervision of elections, court rulings on rigged votes, the president's use of military justice and amendments to the constitution. So long as the committee sticks to this brief, it is not believed that it will attract controversy.

People associated with the Mubarak regime and those who have benefitted from it have fled or are in hiding. So far, a few hated figures have been dismissed. The Supreme Council sacked Gen. **Adly Fayed**, Director of Public Security at the Interior Ministry, and **Ismail el Shaer**,

Cairo's security chief, on 15 February. They are considered most responsible for the decision to shoot on protestors.

As Prime Minister **Ahmed Mohamed Shafik** and the military attempt to meet the popular demands, calls for economic justice have led to a wave of strikes which started on 13 February. The Shafik government approved a 15% increase in public sector wages and pensions but it's had little effect. It is as if the protests of 6 April 2008 – now seen as a precursor to the current uprising – have restarted. In 2008, the protest organisers called for a general strike to demand better pay and then political change in a challenge which, though unsuccessful, shook the Mubarak regime to its core.

The civil disobedience and street protests that this year pushed Mubarak out are being replaced by industrial action as public sector workers revel in their new-found right to strike, demanding more pay and action against pollution, corruption and police brutality. Airport and bank staff, textile workers, ambulance drivers and small farmers are all setting out their economic and social demands.

The resumption of normal economic activity is a top priority for the army, to restore public order and financial flows. Yet the military's own stake in the economy is vast – just how vast is unknown because the value of those businesses owned or run by the military is excluded from the national accounts. However, the top generals are very wealthy. Egypt's military-industrial complex developed after the peace treaty with **Israel**. President **Anwar Sadat** and his **United States** allies needed to ensure the military's loyalty with aid and commercial opportunities. The national airline, **Egyptair**, for example, is a fief for retiring air force officers. Other businesses offer lucrative supply contracts and jobs for former officers. ●

MUBARAK'S FRIENDS SANCTIONED

Civilians who benefitted from the *ancien régime* may fare less well than their military counterparts. **Hosni Mubarak's** younger son, **Gamal Mubarak**, is believed to have made a fortune from opportunities arising from the economic reforms and privatisation that he helped introduce (AC Vol 52 No 3). Key associates, all under a travel ban, are:

- Leading tycoon **Ahmed Ezz**, who resigned from the then ruling National Democratic Party on 29 January. He is Chairman and Managing Director of Al Ezz Industries, one of the biggest steel and ceramic manufacturers in the Middle East and North Africa; Ezz is said to control over 60% of Egypt's steel industry.
- **Youssef Loutfy Mansour**, one of the Alexandrian business *shilla* (clique) within the ousted government and head of the Mansour Group.
- Housing Minister **Ahmed el Maghrabi** (Mansour's cousin): his accounts are frozen.
- Industry Minister **Rashid Mohamed Rashid**: his accounts are frozen.
- General **Mounir Thabet**, Hosni Mubarak's brother-in-law, is accused of running a monopoly on transport of **United States** military and economic goods to Egypt.

The European Union has, after requests from the government, frozen assets of key Mubarak regime people but Hosni was not on the list. **Switzerland** says it has frozen all Mubarak family bank accounts. Yet bankers say claims that the Mubarak fortune amounted to over US\$70 billion are wildly exaggerated. ●

A fight for the President's base

After a period of calm, political battles have resumed in Ogoniland as the ruling party tries to ensure its dominance ahead of the coming elections

Political violence in the Niger Delta is escalating in the run-up to the April elections, threatening to plunge President **Goodluck Jonathan's** power base into chaos again and compromising both oil production and public safety. The long shadows of assassination and intimidation have extended to Ogoni in Rivers State. This is affecting the governing People's Democratic Party (PDP) and opposition parties, which now have a fighting chance in some Delta states. The fear is that if violence is already so bad in Rivers, it will soon get worse everywhere.

On 1 February, twelve thugs shot dead **Richard Nima**, a retired Director of the Rivers State Ministry of Agriculture and former activist in the Movement for the Survival of the Ogoni People (Mosop), in a night raid on his home at Aleto community, Eleme Local Government Area. The murder was politically motivated, we understand. He had shown interest in running for the Khana council chairmanship against the incumbent, **Gregory Bariledum Nwidam**, who is believed to be seeking re-election.

Many see the killing as a grim foretaste of bloody elections ahead. Ogoni is a bellwether region for Rivers State and the Delta as a whole. It is very important to Shell and to the oil industry: a manifold collects pipelines from all over the south-eastern division in the small village of Kegbaradere in Gokana, south of Eleme. Until facilities are built to take oil to the main Bonny Island export terminal, across the bay, Ogoni is a strategic choke-point.

Ogoni people exploited this in the 1990s when, tired of the pollution and chronic underdevelopment associated with the oil industry, they formed Mosop, led by the writer **Ken Saro-Wiwa**. They managed to push Shell off their land by mostly non-violent means but Saro-Wiwa and thousands of others paid with their lives when the then dictator, General **Sani Abacha**, established a barracks in Ogoni, carried out reprisals against Mosop and convened a kangaroo court, which sentenced Saro-Wiwa and eight other leaders to death (AC Vol 36 No 23).

The international outcry following the hangings on 10 November 1995 saw Nigeria suspended from the Commonwealth. Championed by **Anita Roddick**, the late owner of **British** cosmetics retailer The Body Shop, and lionised by environmental

and human rights groups, the Ogoni became the African minority group best known outside the continent. Since those heady days, hopes that elections and community activism could deliver real change have faded.

In 2003, the then PDP Governor of Rivers State, **Peter Odili** – who is widely believed to have looted a vast fortune from the state – armed **Alhaji Mujahid Dokubo-Asari** and **Ateke Tom** to do his bidding. Tankers of oil bought new weapons in Europe and old ones from the **Liberian** army's demobilisation, equipping the militias that went on to form the basis of the Movement for the Emancipation of the Niger Delta. MEND is a coalition of gangs that pool their resources to mount attacks on oil industry and government targets.

The worst period of gang warfare in Ogoni began in 2005. Two prominent Ogoni politicians went to war: **Kenneth Bie Kobani**, then the Rivers State Commissioner of Finance, and **Gabriel Pidomson Junior**, then a representative of the Gokana constituency in the Rivers State Assembly. They were manoeuvring for position in the town of Bodo and things got out of hand. In what became known as the Bodo War, hundreds of cultists and gang members were brought in to Ogoni to fight for their masters' agendas. **Fred Barivule Kpakol**, the younger brother of **Magnus Kpakol**, former Economic Advisor to President **Olusegun Obasanjo**, mobilised his private army, the Gberesaakoo Boys, and joined in.

The Deebam and Deewell cult groups hovered round Bodo and other Ogoni towns, menacing the population for the better part of two years and leading to a spate of nauseating murders, including the ritual mutilation of women and human sacrifice, including of children. Eventually, the intra-PDP conflict was resolved through politics rather than violence but the Bodo War is a stark reminder of where politics can end up in Ogoni.

A sense that Ogoni is somehow exempt from the psychosis of the prolonged conflict in the Niger Delta persists outside Nigeria. A legend about Mosop and Saro-Wiwa – of non-violent tribal peoples led by a charismatic leader, David to Shell's and Abacha's Goliath – was woven in the 1990s by non-governmental organisations and well-intentioned international lawyers but now bears little resemblance to reality. Since their campaign and Shell's

out-of-court settlement of US\$15.5 million to the Saro-Wiwa family and relatives of the others executed, Mosop pioneers have been unable to bring responsive and responsible government to Ogoni. Unemployment, poverty and lack of opportunity remain endemic. Frustration is growing and the Mosop leaders of the 1990s have joined mainstream politics.

One of the architects of the violence was **Diepreye Solomon Peter Alamieyeseigha**, Jonathan's predecessor as Bayelsa Governor and a convicted fraudster. A joint investigation by Nigerian and British police discovered £1.8 mn. (\$2.89 mn.) in cash and in his UK bank accounts, and a further £10 mn. in property. Alamieyeseigha perfected many of the methods of intimidation of opponents and recruitment of police and youth organisations to act as foot soldiers at election time, techniques perpetuated by his successor, Chief **Timipre Sylva** (AC Vol 51 No 24).

Today, it's business as usual for the Delta's gangs and politicians. The appointment of **Kingsley Kuku**, a former member of the Ondo State Assembly, as the President's Special Advisor on Niger Delta Affairs, over the heads of Delta governors, follows the resignation in December of **Ndutimi Alaibe** and his defection to the Labour Party in Bayelsa to run against Sylva. The announcement of his candidacy was followed immediately by a bomb going off in the LP headquarters.

Kuku's appointment was welcomed by **High Chief Government Ekpemupolo**, aka **Tompolo**, the most prominent MEND leader in the Delta in the absence of **Henry Okah**, who is on trial in **South Africa** on arms-trafficking charges. Kuku told the press on 31 January that the amnesty was working. He claimed oil production was back to 2 mn. barrels per day, meeting Nigeria's quota at the Organisation of the Petroleum Exporting Countries. This is up from 600,000 bpd, following a wave of militant operations and simmering community disputes with oil companies. Two days earlier, MEND threatened more violence ahead of the elections: 'In this new chapter, nothing will be spared, from land-based offices to oil platforms and storage facilities,' a spokesperson using the Movement's alias, **Jomo Gbomo**, announced to the media via e-mail.

In key Delta states, the PDP is splitting because the incumbent candidates look vulnerable, giving rise to the widespread political sponsorship of gangs. Yet this is not merely a local issue. Continued violence in the south and rising oil prices could fuel instability in central and northern Nigeria, already wracked by confessional violence which is so bad in Jos that the polls may be called off there altogether. When the Delta sneezes, the republic catches a cold. ●

Obame: no, he can't

An oppositionist enjoys his moment in Libreville's limelight but has no options once the curtain falls

André Mba Obame is in no hurry to leave the small offices of the United Nations Development Programme in Libreville, where he has been holed up since 29 January, having declared himself President and sworn in his own government on 25 January. President **Ali Ben Bongo Ondimba** appears intent on dealing with Obame by ignoring him. The government dissolved the *Union nationale*, the party of AMO, as he styles himself in tribute to Côte d'Ivoire's **Alassane Dramane Ouattara** (ADO), and charged him with treason. The *Conseil National de la Communication* has closed his television station, known as TV+.

UN Secretary General **Ban Ki-moon** also fails to see any analogy with Côte d'Ivoire, where ADO's election was recognised by the UN and African Union. He has asked the 'government in exile' to vacate the UNDP offices, giving Resident Representative **Nadir Hadj-Hammou** the authority to expel the uninvited guests. UNDP staff do not want to force them out but have asked them to go and are limiting their contact with the outside world, allowing them only food from outside.

RUNNING OUT OF OPTIONS

Union nationale members fear that there are only two places left to go if they leave the diplomatic sanctuary of the UNDP's small compound: the central Libreville prison popularly known as '*Sans Famille*' (without family) and the *Cour de sûreté de l'état* (state security court). AMO and his allies have been outmanoeuvred by the government and have no options left. As the National Assembly member for Medoneu, AMO would normally have enjoyed parliamentary immunity but that cover disappeared with the dissolution of the *Union nationale*. No member of parliament may sit without a party.

Before the August 2009 presidential election, Mba Obame, former prime ministers **Jean Eyeghé Ndong** and **Casimir Oyé Mba**, and former Health Minister **Paulette Missambo** were dismissed from the ruling *Parti démocratique gabonais* and formed the *Union nationale*. Their exclusion from the PDG forced by-elections in June 2010.

The timing of AMO's declaration has puzzled observers. He is contesting the results of the 2009 poll which brought Ali Ben Bongo to power. Obame's 'prime minister', **Raphaël Bandega-Lendoye**,

gave 'better late than never' as the reason for forming a 'government' 13 months after the election. He says the opposition never recognised the results. PDG Secretary General **Faustin Boukoubi** has been asking meetings of the party faithful, with a wry smile, why AMO ran for Parliament last June if he already thought he was President of the Republic.

International reaction to the parallel government has been little more than the shrugging of shoulders. On 2 February, French Foreign Affairs Spokesman **Bernard Valéro** said that France and the international community recognised Bongo's victory. The Equatorial Guinean government said that President **Teodoro Obiang Nguema Mbasogo** denied that he has a special relationship with AMO. Both are from the Fang ethnic group, which is found in Gabon, Equatorial Guinea

and Cameroon. With a resolution of the Gabon-Equatorial Guinea border dispute likely in the coming months, neither side wants complications. Ban Ki-moon has already visited Gabon and congratulated President Ali Bongo on his victory.

Opposition parties and civil society groups have called for a national political dialogue. So far, the government has done nothing. Vague attempts at 'dialogue' and 'reconciliation' were a principal tool of Ali Ben's father, the late President **Omar Bongo Ondimba**. There would be warm embraces and the opposition would weaken after members took nice jobs or money. However, the PDG is no longer the force it once was and Ali Ben Bongo doesn't have much money for cooption.

The *Union nationale*'s strategy has been to increase tension on the streets of Libreville, sacking stores and setting cars on fire in the districts of *Derrière la Prison* (behind the prison), Nkembo, Nzeng-Ayong, Plein-Ciel and Rio. This has led to a series of arrests and trials which are scheduled for later this month. Sympathy protests have been held across the north but despite AMO's claims that insurrection is 'the most sacred of rights', the *Union nationale* has little real prospect of disturbing the government. ●

REARRANGING THE CABINET

Since coming to power in 2009, President **Ali Ben Bongo Ondimba**'s government has asked only for patience and delivered only promises. Holding a cabinet meeting in Tchibanga in January, the President said, 'I no longer have the desire to waste money', adding that government projects uncompleted after almost a decade ago would be abandoned. Across the country, the cost of living is rising, development projects are on ice and the tone of political rhetoric is getting nastier. The tap of free money from the *Banque des états de l'Afrique centrale* (BEAC) is now firmly turned off (AC Vol 52 No 1).

In early January, Ali Ben Bongo reshuffled the cabinet, keeping on Prime Minister **Paul Biyoghe Mba** and naming six new ministers. He also reorganised the management of the presidency, all with an eye on the legislative elections late this year. The August 2009 polls show that the ruling *Parti démocratique gabonais* can count on solid support only from the Ogooué-Lolo and Haut-Ogooué provinces in the south-east, while **Pierre Mamboundou**'s *Union du peuple gabonais* dominates the south-west and the *Union nationale* (UN) the north. Given the wide scope of presidential power, losing control of Parliament would be a minor inconvenience for the PDG. Currying favour with Mamboundou and winning a show of strength with the UN give the PDG the best chance of winning a majority. PDG cadres have also been busy improving their chances by handing out machetes, clocks and couches to village leaders.

Some political heavyweights were casualties of the reshuffle, showing that the President is not afraid of making political enemies and that there is only one safe political office in the country. The biggest demotions include those of **Blaise Louembe**, who moved from Budget to Housing, and **Angélique Ngoma**, who lost Defence for Labour. Economist **Alexandre Barro Chambrier** did well, becoming Mining Minister after failing to win the BEAC presidency after the bank's financial scandal (AC Vol 51 No 20).

The faces change but the personality conflicts remain the same. The messiest battles are within the President's Office, where backbiting and conflicts of personality dominate. Former Communications Minister **Laure Olga Gondjout** took a leap towards the centre of power by becoming Secretary General at the Presidency. Valued for her dogged defence of the government, she replaces **François Engongah Owono**, who had got on to the wrong side of Biyoghe Mba. **Maixent Accrombessi**, a close friend of the President's, replaces **Patrice Otha**, a presidential relative, as Director of the President's Office. Accrombessi's combative personality and family ties to **Benin** anger the nationalistic members of government. He will therefore not want for enemies. ●

Uneasy lies the head

The WikiLeaks cables reveal much about the Gadaffi family and show that no one expects real change or reform until after the Colonel's departure

The secret world of Libya's oil industry, as well as its palace politics, has been laid bare by the publication of hundreds of **United States** cables by WikiLeaks over the past three months. The State Department cables about meetings with **Shukri Ghanem**, the head of the National Oil Corporation and Prime Minister in 2004-06, afford unique insights into oil policy, Colonel **Moammar el Gadaffi's** family and the extreme unlikelihood of reform.

As Secretary of the People's Committee of the National Oil Corporation (NOC), Ghanem runs oil policy, including strategy, with a firm hand. One source consulted by the Embassy spoke of dissatisfaction at 'every level' of the NOC, calling Ghanem 'autocratic, jealous of his prerogatives and inclined to rely on a small, subservient team'. The leaked cable dates from January 2008 but nothing has changed. The cables go on to say that the tempestuous Ghanem was driving experienced managers into the private sector and denuding NOC's upper echelons of skilled ones. Indeed, **Page Maxson**, the General Manager for Libya of ConocoPhillips, effectively told the Embassy that oil companies were in a dilemma. They wanted qualified Libyan staff but they didn't want to strip NOC of competent managers lest it reduce NOC's management capacity.

Foreign oil executives in Libya clearly did not relish dealing with Ghanem. According to the cables, **Peter Thompson**, General Manager of **British Gas** Libya, told the US that Ghanem was isolated because of his mistaken belief that he knew everything. Maxson said Ghanem was less willing to listen to foreign oil company managers and much preferred the management style of Ghanem's predecessor, **Abdullah Salem el Badri**, now Secretary General of the Organisation of the Petroleum Exporting Countries.

The cables also contain evidence of Ghanem's determination to squeeze the oil economy for additional rent. He is shown to be most concerned about raising the number of Libyans working in an industry of whose personnel 76% is expatriate and in exploiting oil reserves and increasing production to the maximum. In January 2009, in spite of apparent threats by Gadaffi to nationalise the oil sector, Ghanem said this was 'unlikely', hinting that the leader's comments were empty threats related to another dispute. Other

cables make it clear Libya has not got the professional capacity for such a move.

Ghanem's role as the Gadaffi regime's chief oilman also makes him the family treasurer and exposes him to the dangers of life at court. The cables show he has been able to hold his own, though. One says that he is 'one of the only senior GOL [Government of Libya] officials who can speak candidly, and at times openly contradict' Gadaffi.

However, in a cable of July 2008, a close friend of Ghanem's revealed to a US diplomat that he was thinking of resigning as head of NOC, which would be a 'serious blow' to Libya. The friend said Ghanem was under pressure to make US\$1.2 billion available to **El Muatassim el Gadaffi**, Gadaffi's son; his father had attempted to introduce him to international diplomacy by inviting him, for example, to a meeting with a Congressional delegation, even though he had to 'shush' him from time to time. El Muatassim was made National Security Advisor, a post specially created for him, in 2006.

Muatassim refused to tell Ghanem what he wanted the money for but the US diplomat reports, 'Muatassim reportedly intended to use some of the funds to establish a military/security unit and to support unspecified security upgrades he wanted to make in his capacity as National Security Advisor.' This could have been a fit of sibling rivalry. Unknown to the US Embassy was the fact that just three months beforehand, in May 2008, General Dynamics UK had won a \$165 million contract to equip the 32nd Reinforced Brigade of the Libyan armed forces. The unit's commander is Muatassim's younger brother, Col. **Khamis Abu Minyar el Gadaffi**, and the deal was facilitated by British ex-Prime Minister **Tony Blair**. It seems Muatassim needed the money to build up a brigade of his own but didn't want to ask his father.

Ghanem's friend told the US diplomats that several of Gadaffi's four sons had attempted to use NOC as a 'private bank' and demanded if not cash then oil allotments they could sell privately. Ghanem told Gadaffi Senior about Muatassim's demands but he just laughed it off, telling him to ignore his son. Ghanem was worried that Muatassim or his friends might seek revenge if he refused him the cash or if he learned that Ghanem had told his father. The diplomat's informant

on this episode, who was highly placed in the regime, told him, 'no one can cross or refuse such people [the Gadaffis] without suffering consequences, particularly when the matter is to do with money'.

Ghanem's ability to navigate the treacherous currents of Gadaffi palace politics was also visible when he finally did resign the chairmanship of NOC in August 2009, although this was not the result of a clash with Muatassim but a vicious spat with his old rival and successor as Premier, **El Baghdadi Ali el Mahmoudi**, whom Ghanem regarded as a serious obstacle to reform. Two months after his resignation, the most powerful of Gadaffi's sons, **Seif el Islam el Gadaffi**, intervened and Ghanem immediately regained his seat in a signal victory over his old rival. Nevertheless, the cables indicate that Ghanem had been prepared to go all the way. According to the most recently leaked cable of February 2010, Ghanem said he had resigned in order to 'catch up on movies, read books, and rest'. Ghanem had only returned to the job 'at Seif's strong urging'. The US Ambassador wondered if Ghanem was sticking around to see if Seif's political career would be going anywhere.

Ghanem's friend added that Moammar el Gadaffi is interested only in cosmetic reform, telling the diplomats he is 'anxious to give the appearance of a pro-reform agenda' and had asked Ghanem to become prime minister again. Ghanem, though, wanted more than an appearance of reform and, at the time of the report, was trying to find a way of declining the head of state's offer without angering him. The cable reported Ghanem's friend as saying, 'Ghanem does not assess that meaningful economic and political reform are possible until al-Qadhafi passes from the political scene.'

Crucially, the cable goes on to give Ghanem's views, via the Ambassador's interlocutor, on why the prospects for real change in Libya were so poor. Ghanem and his friend, the cable went on, believed that Gadaffi was not, 'in his heart and in his bones', ready to implement change. This was for two reasons. The first was that 'real change would entail undoing economic fiefdoms of regime loyalists whose profitability derives from political connections and who would be unable to successfully compete in an economy characterised by transparency and rule of law,' the cable said. 'Second, genuine reform would be a tacit admission that the *Jamahiriya* system, of which al-Qadhafi himself was the author, had failed. Al-Qadhafi perceives himself as "a superman of history" and is not able to admit fault or weakness.' In view of this, the Ambassador added, Ghanem and others saw no possibility of anything other than cosmetic change until Gadaffi died. Moammar el Gadaffi is 68. ●

Zumanomics sound better

There is little new in Zuma's new economic strategy but his growing confidence is pulling in more support

President **Jacob Zuma's** third State of the Nation address to Parliament, on 10 February, was more like a bid for a second term at the elections in 2012. He repeated his New Year pledge that 2011 would be the 'year of jobs' and announced a 9 billion rand (US\$1.3 bn.) fund to support job creation over the next three years. President Zuma also promised measures to boost manufacturing and improve the lives of the poor through 'developmental' rather than welfare strategies. There would be 'meaningful economic transformation', he said, and a 'new growth path', all 'working within the premise that the creation of decent work is at the centre of our economic policies'.

The mention of 'decent work' was aimed at his critics in the trades union movement who decry any attempt to create a 'two-tier' labour system where short-term contract workers would have less job protection than those hired under the country's rigid labour legislation. Last year, **Zwelinzima Vavi**, General Secretary of the Congress of South African Trade Unions, infuriated the Secretary General of the governing African National Congress, **Gwede Mantashe**, by accusing a 'predatory elite' within the party of feeding off the state like 'hyenas'.

Zuma needs the support of the ANC's allies in its tripartite alliance with Cosatu and the South African Communist Party (SACP) this year, when countrywide municipal elections are due before the end of May and before the ANC's conference in 2012, when Zuma hopes to secure a second presidential term.

Last year's State of the Nation address speech was overshadowed by disclosures that Zuma had fathered a child with **Sonono Khoza**, the daughter of soccer mogul **Irvin Khoza**. That speech – not dissimilar from this year's – fell flat, prompting whispers that he might end up as a one-term President. Dissenters proposed ANC Deputy President **Kgalema Motlanthe** as a contender, with Housing Minister **Tokyo Sexwale** and former ANC Youth League (ANCYL) President **Fikile Mbalula** as power-brokers.

Zuma appears to have silenced his party critics, including the voluble ANCYL leader, **Julius Malema**, with a commanding performance at the party's National General Council in December and through a flurry of foreign trips that have landed the country bountiful investment

from **China**, a seat on the United Nations Security Council and membership of the **Brazil-Russia-India-China (BRIC)** group of rising economic powers. The successful hosting of the football World Cup made people happy and Zuma now displays the self-assurance of a leader settling in for the long haul. His family and political allies have benefited substantially from Black Economic Empowerment (BEE) policies, which are described as 'addressing the inequalities inherited from apartheid'.

JOBS FOR THE PEOPLE

The focus on jobs could be a winner. In the last quarter, the expanded unemployment rate stood at 35.8%. Zuma announced the Industrial Development Corporation would invest R10 bn. over the next five years in job creation, new or expanding manufacturing enterprises would be entitled to tax breaks costing the government up to R20 bn. and 4.5 million work opportunities would be offered through the second phase of a public works programme, including road-building and other labour-intensive projects.

Critics say that the work offered elsewhere – particularly in services and in the 'knowledge economy' – require skills for which the education system fails to cater. Zuma's plan is in essence the same new growth path unveiled by Economic Development Minister **Ebrahim Patel** in October last year (AC Vol 51 No 21). It relies heavily on monitoring the performance of government departments, particularly Education, by the Minister of Performance Monitoring, **Collins Chabane**. Yet the writer, academic and ex-presidential brother **Moeletsi Mbeki** told *Africa Confidential* that 'corruption continues to be the single factor that will undermine all these pronouncements'.

Cosatu and the SACP have broadly endorsed Zuma's package. Business leaders worry that legislation now before Parliament would further constrain the country's inflexible labour market. 'I don't know if we totally understood each other on how jobs are created. Our view is that employment is the outcome of enterprise... you cannot have higher growth and more employment if South Africa becomes a more expensive place to do business,' said **Michael Spicer**, Chief Executive Officer of Business Leadership SA and formerly of Anglo American.

The SACP welcomed the 'paradigm

shift' implicit in more interventionist and 'transformative' economic policies. However, Cosatu was concerned that business might be the biggest beneficiary of the R20 bn. in tax breaks for industrial development. The union federation, chaired by **Sdumo Dlamini**, wanted more information on who the recipients would be and insisted 'that the businesses who benefit do not just boost their profits'.

The multinational companies represented at February's Mining Indaba in Cape Town appeared unfazed by the insistence of ANCYL's **Malema** that mines and mineral resources should eventually be nationalised. Anglo American Chief Executive **Cynthia Carroll** warned that 'the false prophets who argue for nationalisation are advocating the road to ruin' (AC Vol 50 No 14). Mining Minister **Susan Shabangu** reassured the 6,000 delegates that nationalisation was 'not the option' and investors took her at her word: some R100 bn. was pledged during the week-long meeting.

The Executive Chairman of De Beers Consolidated Mines, **Barend Petersen**, said that the company had confidence in its investments in South Africa and would spend R10 bn. at its Venetia underground project in the next five to eight years. Rio Tinto's Chief Executive of Diamonds and Minerals, **Harry Kenyon-Slaney**, said his company aimed to make capital investment worth \$11 bn. this year. Some argued that West Africa was a safer investment environment, with **Gabon**, **Ghana** and **Guinea** well represented at the conference and **Congo-Kinshasa** attracting the most attention outside South Africa. In his address, Zuma nodded to the nationalisation lobby by endorsing the state-owned African Exploration, Mining and Finance Corporation as the company for minerals of 'strategic significance'.

Moeletsi Mbeki said that South Africa could not afford the present pattern of public expenditure. It risked a Tunisia-style revolt, he said, in about 2020 when the government would no longer be able to sustain the welfare programmes it 'uses to placate the poor and get their votes'. An ANC representative vigorously rejected Mbeki's charge, saying that South Africa had a stable democracy and could not be equated with tyranny and stagnation, as in northern Africa. Mbeki riposted that the 'people can't eat democracy'.

The exchange came as police fired live ammunition in Mpumalanga during protests about poor sanitation, roads, housing and health care. Coincidentally, a Johannesburg data service published figures showing marches were becoming a favoured tactic among citizens angry at failings in public services. Municipal IQ, reported that marches were becoming a 'socio-political phenomenon' with 111 taking place last year. ●

Cooking up those raw materials

European companies want cheaper raw materials and propose ways of getting them from Africa

European policy-makers are anxious to safeguard the supply of raw materials to their industries and the European Union has just presented guidelines for a 'raw materials diplomacy' to do just that. It recommends both increasing investment in mining projects in Africa and unspecified 'trade disciplines' for countries which restrict their exports to preferred customers. It is fashionable to blame **China** for its voracious appetite for raw materials. The EU and its industry lobbyists are no ascetics either. On 3 February, the European Commissioner for

Industry and Entrepreneurship, **Antonio Tajani**, told the European Parliament and Council about the companies' concerns.

Raw materials prices, having declined during the worst of the financial crisis, began to rise again in the summer of 2009 and are still heading upwards. Demand is booming in the emerging economies least affected by the recession, notably **China, India and Brazil**. Over the past ten years, China's share of copper consumption has risen from 12% to 40% of the world total. The prices of base metals such as aluminium, copper or nickel are largely

determined by open trading on the London Metal Exchange (LME). However, the market is less transparent for the EU's 14 'critical raw materials' (see Box), defined as those which display 'a particularly high risk of supply shortage in the next 10 years'. These critical raw materials tend to come from a handful of countries, several of which look politically or economically unstable.

Tajani said the demand for these raw materials may rise threefold between now and 2030, and identified several concerns about **Congo-Kinshasa**. That thoroughly unstable country is the swing producer (near monopolistic producer) of cobalt and several other minerals, including niobium, tungsten and tantalum. The European Commission probably underestimates its share of production and does not take into account associated metals such as platinum, rhodium, indium and gold. These valuable substances may be extracted by separation from the cobalt and copper mined in Katanga. For example, the **United States-Finnish OM Group** recovers germanium from cobalt found in the copper tailings of Lubumbashi's Big Hill.

CONGO-KINSHASA: SPLIT THE NATION

Katanga's separatists are on the march again. Fifty years ago, they threatened the unity of the new-born Congo state at Independence. On 4 February, at around 3 a.m., a score of armed men in civilian clothes with red-and-white Katangese headbands took over Luano Airport outside Lubumbashi, the provincial capital, and hoisted their flag in place of the national one. The men of President **Joseph Kabila's** Republican Guard, taken by surprise, withdrew but took control again at dawn. The raiders shed their headbands and escaped unidentified. A security guard from the **Belgian** giant *Groupe Forrest International* was killed. One national guardsman took a bullet in the leg.

Some eyewitnesses described the incident as an army mutiny. **Georges Kimba** of the Overseas Katangese Community says otherwise; his father, **Evariste Kimba**, was a minister in the failed secessionist regime of **Moïse Tshombe** and was hanged by the late President **Mobutu Sese Seko** in 1966. Kimba says the cause was discontent among Katangese troops in the national army, who resist postings outside their province. The government is wary of the descendants of the Katangese ex-gendarmes who operated as a semiautonomous special force after serving in the *Movimento Popular de Libertação de Angola*. Some in Lubumbashi say they mounted the raid as a show of strength.

This was not the only recent separatist incident. On 2 January, the President of the *Front de libération nationale du Congo* (FLNC), **Kapend Elie Kanyimbu**, announced that he would stand for the national presidency. Last May, a few dozen of his supporters were arrested, accused by the provincial Interior Minister, **Jean-Marie Dikanga Kazadi**, of plotting an armed insurgency in Lubumbashi, targeting the airport. On 11 July last year, the anniversary of the abortive declaration of Katangese independence, another twenty or so people were arrested during a separatist demonstration in the city's main square, renamed the *Place Moïse Tshombe* for the occasion.

Kimba says that the Katangese autonomists have been angry since 15 January, when the National Assembly voted for a constitutional reform that fell short of their wishes. The reform gives the President the power to dismiss governors and dissolve provincial assemblies, and denies the provinces the 40% of tax and customs revenue they had demanded.

Katanga is usually regarded as a vote-mine for Kabila, whose father came from the north of the Province. He seems to be losing support in the southern Copperbelt, though. Meanwhile, in his other strongholds of North and South Kivu, his position is undermined by his falling out with **Vital Kamerhe** (AC Vol 50 No 7), formerly President of the National Assembly. The uncertainty may help explain the odd behaviour of Katanga's Governor, **Moïse Katumbi**, after the airport raid. He told *Radio France Internationale* that no attack had taken place, although the Minister of Information, **Lambert Mendé**, said it had. The Governor described the event as a 'set-up' and denied that there were any signs of fighting, although witnesses saw bullet holes in two aircraft. That, and the two casualties, make the raid sound like more than a mere gesture. ●

THE CRITICAL LIST

For eleven of the 14 minerals listed as critical, the EU depends entirely on imports; 71% of the cobalt it uses comes from Congo-Kinshasa, 60% of platinum from **South Africa**. **Rwanda** supplies tungsten, **Madagascar** graphite. Hoped-for sources of supply are **Mozambique** (tantalum, beryllium), **Zimbabwe** (platinum), **Zambia** and **Morocco** (cobalt) and **Burundi** (niobium). The critical list may lengthen as the EU identifies new causes for concern, warned Tajani.

Conventional economics says that higher prices should lead to more exploration, the use of substitutes and long-term stabilisation. The EU Commission specially recommends investment in the quest for substitutes. It also advocates increasing resource efficiency, more recycling and the possibility of forming strategic stockpiles like those maintained by the USA. The Commission also wishes to increase the supply of minerals from Africa and other resource-rich regions.

That would involve developing transport and energy infrastructure, through European Investment Bank loans and European Development Fund loan guarantees; financial institutions hoping for such guarantees include official bodies such as **Germany's Kreditanstalt für Wiederaufbau** and the *Agence française de développement*, as well as private banks and direct investors in mining and refining projects. The imperative is seen as securing supplies rather than more refining.

The EU also proposes to finance

reform programmes, which could enhance developing countries' capacity for using revenue to support development. It wants a dialogue on improving mining taxation regimes. It plans to intensify its cooperation on raw materials and development with the African Union Commission, under a programme launched in Addis Ababa in June 2010 to strengthen African governments' power to bargain with mining companies and improve their knowledge of geology.

A pilot project by France's *Bureau de recherches géologiques et minières* is intended to help **Mali** develop an up-to-date mapping service. The EU also offers financial support for the Extractive Industries Transparency Initiative, intended to enable civil society and parliaments to check whether corporate money ends up in national treasuries or in other pockets.

Germany has already initiated a European drive to check whether revenue from extractive industries is used to fund war. The *Geozentrum Hanover* is leading the field and setting up a system of traceability for colombo-tantalite (coltan) and cassiterite, including chemical fingerprinting, in Congo-Kinshasa and Rwanda. That could help to legitimise exports to Europe, where the European Parliament is pressing for legislation similar to the Dodd-Frank Wall Street Reform and Consumer Protection Act in the USA, which since 2010 has forbidden its firms to import 'conflict minerals'. Reliable tracing of origin should also ensure that the producing country receives the taxes and

charges due on its mineral exports while ensuring reliable supplies for European, and above all German, companies.

The European Commission is determined to use its full leverage to obtain access to raw materials for European firms. The new proposals would involve removing restrictions, such as export quotas, taxes or licences. That is part of the agenda for free trade (as defined by European interests) that is the central element of the controversial Economic Partnership Agreements (EPAs) that are slowly being negotiated between the EU and the African, Caribbean and Pacific (ACP) group of governments. For Africa, that involves regional organisations such as the Economic Community of West African States, Southern African Development Community, *Communauté économique et monétaire de l'Afrique centrale* and the Common Market of Eastern and Southern Africa.

MARKET ACCESS FOR MATERIALS

Representing the Federation of German Industry, **Stefan Mair**, addressed the European Parliament last month and said that Europe's trading partners should be told, 'If you wish an access to our market, we wish an access to your raw materials in exchange.' If that does not happen, the EU is determined to raise the issue at the World Trade Organisation; in 2009, alongside the USA, it lodged a complaint against China, which was restricting exports of rare earths.

A close watch is kept on Europe's industrial lobbyists by the non-

governmental organisations in the Fatal Transactions Coalition, including the *Nederlands Instituut voor Zuidelijk Afrika* (Netherlands Institute for Southern Africa), *Medico International* (Germany) and *Broederlijk Delen* (Belgium). They claim the EU's raw-materials diplomacy will 'limit Africa's ability to turn its natural wealth into a motor for growth and development', by undermining efforts to build more advanced domestic industries.

Last December, a **Mauritian** economist, **Isabelle Ramdoo**, warned a ministerial meeting on the development of mineral resources in the ACP countries about future European pressure. Ramdoo suggested that export restrictions on minerals are key to industrial development in Africa and should be maintained to protect infant industries and to boost government revenue.

Export restrictions are a sensitive issue for those African countries where customs duties provide a large share of budget receipts. The EU's raw-materials diplomacy may clash with the 'beneficiation' strategy advocated by Southern African diamond producers such as **Angola**, **Botswana**, **Namibia** and South Africa, which have started domestic diamond-polishing industries, hoping to add value to the rough stones and create employment and skills. For the time being, European companies do not regard diamonds as a critical raw material. Yet if, for instance, South Africa and Zimbabwe decided to process the platinum dug up from their soil, European lobbyists would soon start to grumble. ●

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Uganda

CAIRO TACTICS

■ The biggest excitement in the 18 February presidential and parliamentary elections is the electoral arithmetic (AC Vol 51 No 1). Presidential challenger **Kizza Besigye** will never have a better chance of forcing a second-round run-off by bringing President **Yoweri Museveni's** share of the vote below 50%. Colonel (Retired) Besigye's supporters promise to take to the streets should the official count deviate from the opposition parties' tally; Museveni says he will 'gently' detain anyone attempting 'Cairo tactics'.

A second round would offer the disparate opposition a chance to unite and Museveni's camp is desperate to avoid that. Some point to Museveni's support for **Laurent Gbagbo**, defeated in the second round of the **Ivorian** election but refusing to quit. Besigye's third tilt at unseating Museveni has failed to muster a broad movement. However, of 14 million electors, 3.5 million are new (700,000 in Kampala) and their intentions are unknown.

After sporadic spats, the presidential contest was going Museveni's way. The build-up was calm. Routine harassment of journalists was stepped up and **CBS Radio Baganda**, back on air after being banned in September 2009, has been cautious. Opposition activists have faced restrictions and intimidation but nothing on the scale of 2006. The government has opted for quiet, expensive patronage and coercion.

On an expected 70% turnout, Museveni is confident of winning the 5 mn. votes he needs, even with falling support in his western strongholds and among Baganda. The wide field of candidates, particularly **Olara Otunnu** (injured in a mysterious car accident on 14 February) of the Uganda People's Congress and **Norbert Mao** of the Democratic Party, will also grab votes in the (less populous) north and reduce Museveni's share: he won a disputed 59% of votes in 2006. Civil society groups, the East African Community, Commonwealth and European Union have also sent more monitors than in 2006.

Namibia/Iran/United States

NO URANIUM FOR TEHRAN

■ United States' worries over possible uranium sales to Iran from the planned Valencia mine in west-central Namibia may have blocked its sale to **George Forrest International** (GFI), according to US State Department cables published by WikiLeaks. Valencia's estimated uranium reserves are 29,000 tonnes, with hoped-for annual production of 1,600 tn. over 17 years from 2012. GFI offered Valencia's

owner, **Canada's** Forsys Metals, US\$579 million in cash in late 2008, along with other big investments in Namibia by **Belgian** magnate **George Forrest**, who made his fortune under the late **Mobutu Sese Seko's** regime in **Congo-Kinshasa** (AC Vol 49 No 11).

Forsys pulled out in August 2009 after several delays. The US cable, written on 12 August 2009, was prompted by notice of the sale of the mine on the Forsys website and by intelligence that GFI was in talks with senior Iranian officials that could have concerned Tehran's need for more uranium. The cable mentions that Iran's domestic production of uranium ore is insufficient to meet demand from its planned seven nuclear reactors.

The cable asked the US Embassy in Ottawa to approach the Canadian government to see if it was possible to halt the sale to GFI. Industry Canada, the agency which reviews take-overs of Canadian firms, stopped the sale over what was then thought to be concern about finance but may have been security-related.

GFI fiercely denies it would be soft on security, saying said it 'never had commercial relations of any kind with Iran' and would 'ask its own questions about the nature of this so-called Iran nexus'. Last year, the **Anglo-Australian** resources group Rio Tinto fended off a campaign to force out the Iran Foreign Investment Company's 15% holding in the Rossing uranium mine, also in Namibia. Rio, which has a majority stake in Rossing, says IFIC has no access to the mine's uranium and doesn't even receive dividend payments.

Malawi

PRE-EMPTIVE POLICING

■ Police swooped on organisers of the 'Big Bicycle March on the Chronic Fuel Crisis' just before it set off in Lilongwe on 14 February. The Human Rights Consultative Committee, Malawi Congress of Trade Unions and Public Affairs Committee organised the protest: President **Bingu wa Mutharika** had warned them 'not to be inspired by Egypt' and put 250 armed police on the streets. Since Christmas, petrol stations have been closed or been subject to queues half a kilometre long.

Finance Minister **Ken Kandodo** blamed foreign exchange shortages but Mutharika pointed to hold-ups at **Mozambican** ports. The central bank used to allocate forex but now commercial banks have more control. The government pledges to build urban fuel-storage depots for the recently established and long-promised National Oil Company. About 80% of fuel is imported by the private-sector Petroleum Importers, which cannot get the hard currency to clear debts on past orders. Frequent power cuts raise demand for diesel for generators. Farmers cannot get their crops to market and fertiliser deliveries are held up.

In 2009, Mutharika bought six Hummer vehicles for the presidential motorcade and a US\$20 million private jet. Some said that helped explain the forex shortages. Others decided that the Hummers, which do about three kilometres to the litre, had consumed the national petrol reserve.

Sudan

MILITIA MASSACRES

■ The death of perhaps 200 people this month, mainly civilian returnees, in attacks in Jonglei State, Southern Sudan, show the havoc that one militia can wreak. This militia is led by Lieutenant General **George Athor Deng** who commands, according to the Sudan People's Liberation Army (SPLA), 2,000 fighters (AC Vol 51 No 20). The Government of Southern Sudan (GOSS) last August paraded a **Russian** Mi-60 helicopter captured, along with Athor's intelligence chief, Major Gen. **James Yor Chol**, seven soldiers, two Russians and a **Kazakh**. It sported the Sudan Airways flag labelled 'Special Flights Services' and is still parked in Juba, unclaimed by Khartoum's National Congress Party regime.

GOSS officials said Khartoum had supplied Athor's weapons two days earlier. A senior Sudan People's Liberation Movement source told AC he had seen documents linking the regime to Athor.

Athor Deng was once an SPLA loyalist. Unlike most dissidents, he is Dinka, the South's largest ethnic group, which dominates the GOSS. In 1991, the SPLA was expelled from **Ethiopia** after the overthrow of President **Mengistu Haile Mariam**. In the fighting that ensued, Athor attacked **Riek Machar Teny Dhurgon's** breakaway SPLA-Nasir faction, commanding forces loyal to the SPLA leader, Colonel **John Garang de Mabior**, under the leadership of Lt. Gen. **Kuol Manyang Juk**.

Athor was furious when Riek Machar (now GOSS Vice-President) rejoined the SPLA in 2002. Athor resigned as SPLA Deputy Chief of Staff four years later. He refused to serve under another former rebel, Gen. **Paulino Matiep Nhial**, who was appointed SPLA Deputy Commander in Chief after former pro-Khartoum militias merged with the SPLA in 2006's Juba Peace Agreement. Athor launched his insurgency last April, after Kuol Manyang defeated him in the election for Jonglei governor. Interestingly, he made common cause with former Khartoum loyalists, including Nuer militia leader **Galwak (Gatluak) Gai Deng** and Murle militia leader **David Yauyau**, as well as attempting to link up with Nuer warlord, **Gabriel Gatwech Chan (Gabriel 'Tanginya')**, recently fighting in Malakal.

Last October, GOSS President **Salva Kiir Mayardit** pardoned most rebels after agreeing a truce. Athor was pardoned but failed to materialise at the peace talks. He eventually agreed a ceasefire just before January's referendum.

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bombing and later freed by the Scottish government. It was to keep Megrahi's loyalty that Gadaffi went to such lengths to secure his release. The Gadaffi tribe had a minor role in politics before Gadaffi's rise. Of about 140 clans only 30 have political influence. The official population of 6.4 million is an exaggeration; indigenous Libyans number 3 million or fewer.

Gadaffi micromanaged the patronage system and stopped tribal leaders from gaining control of strategic economic and administrative sectors through ethnic balancing and creating rivalries between contenders for power. Manipulation and distribution of largesse served him well: his promise to double workers' salaries in Tripoli this week was his latest effort to buy favour but many may see it as the desperate act of a drowning man. Although Gadaffi refused to create a formal state or give himself a title, the state employs most Libyans. The General People's Committees and the supposedly governing General People's Congress are a state in all but name. Preference and promotion depend on nepotism and bribery. Gadaffi preferred ad hoc *Jamahiriya* organisations to institutions that could develop independent interests.

Gadaffi kept the armed forces weak and divided so that they would not create a corps capable of a putsch such as that which brought him to power. The real military power stays within his family circle: his son **Khamis** commands the 32nd Reinforced Brigade, aka the Khamis Brigade, which acts as his praetorian guard. When officers rebelled in 1993, he brutally suppressed the rising and has kept most of the army poorly equipped. Yet it remains one of the few national institutions, despite the specialist units under the Gadaffi family's control.

Libya's tough, capable civil servants and professionals will be vital to reconstruction, should Gadaffi go. If **Egypt's** revolution serves as an example, many professionals will return to help. Libya has the resources to recover rapidly: Africa's biggest oil reserves of over 40 billion barrels, over US\$100 bn. in foreign reserves and a further \$150 bn. in its sovereign wealth fund. The small population and resource wealth offers a basis for nation building – if the successor regime can negotiate the politics. ●

ZIMBABWE

ZANU-PF cries treason

President Mugabe and his allies take stern action against the growing interest in North Africa's revolutions

After they chose the week of President **Robert Gabriel Mugabe's** 87th birthday (21 February) to express solidarity with the democracy movement in North Africa, 45 participants in a Harare discussion group now face treason charges. The meeting was convened by **Munyaradzi Gwisai** of the International Socialist Organisation. Gwisai, who sometimes sports Rastafarian-style dreadlocks, was briefly a member of parliament for the Movement for Democratic Change (MDC) until he was expelled for his maverick behaviour. The theme for the gathering was to be 'Egypt and Libya: the lessons for Zimbabwe'. A panel of trades unionists and human rights activists was billed. None actually turned up but the organisers showed a video of events in North Africa while people waited for the guest speakers.

The security police had hoped to arrest some of the more prominent activists due to attend. Despite the lack of big names at the meeting, the police arrested the 45 people in the room, taking them 200 metres down the road to Harare Central Police station, put them in the cells and, according to their lawyers, beat and tortured them. The next day, they were arraigned before magistrates on treason charges. They will remain in custody while Attorney General **Johannes Tomana's** team tries to develop a case that does not criminalise everyone who watches international news on television.

Treason is the buzzword of the Zimbabwe African National Union-Patriotic Front electoral strategists and one which they are keen to pin on **Morgan Tsvangirai** and his MDC. With an eye on the North African protests against corrupt autocrats who stole elections, Mugabe abjured his customary lavish birthday celebrations this week and attended a meeting to launch a campaign against sanctions on Zimbabwe.

Mugabe signed a petition to end sanctions and called for action against foreign subsidiaries in Zimbabwe of international companies such as Nestlé and Zimplats, which ZANU-PF activists link to the imposition of sanctions. The real targets are Tsvangirai and the MDC: Mugabe regards them as the treacherous instigators of sanctions (mainly travel bans against senior ZANU-PF officials and a freezing of their – illegal – foreign bank accounts in Europe and North America).

ZANU-PF's recently reinstated spin doctor, **Jonathan Moyo**, used the word 'treason' half a dozen times in the state-owned *Sunday Mail* when attacking Finance Minister **Tendai Biti** and the MDC. Professor Moyo considers Biti's call for a comprehensive audit of US\$300 million in diamond revenues from the Marange/Chiadzwa fields to be treasonous.

MPOFU, THE OBEDIENT SON

The Zimbabwe Mining Development Corporation had assured Mugabe that \$174 mn. had been transferred to the Treasury but Biti claims it received only \$62 mn. At a heated cabinet meeting, Biti accused **Obert Mpofu**, ZANU-PF's Mines Minister, and ZMDC Chairman **Godwill Masimirembwa** of misleading Mugabe. Mpofu, who signs communications to Mugabe 'your obedient son', also has to explain the whereabouts of a further \$125 mn. from this January's diamond sale.

Moyo links concern over the diamond money trail to tougher Western rules on money laundering and argues that anyone demanding an audit is working for the West. Moyo and Mpofu are allies in ZANU-PF's faction-torn Matebeleland North branch. Many fear the diamond funds have been diverted into ZANU-PF's campaign fund or just misappropriated. That makes it difficult to give the civil service a pay rise, which Mugabe said would be funded from diamond earnings.

Biti says there is not enough in the Treasury to fund a pay rise; Moyo claims this is another treasonable strategy to incite violence and protest and also says that a recent audit of the civil service is bogus. The audit by Ernst and Young of **India**, paid for by the World Bank, covered 280,000 employees of whom 75,000 were deemed 'ghost workers', costing the Treasury some \$20 mn. a month.

The Public Service Commission under its Chairman **Mariyawanda Nzuwaha** refused to cooperate with the audit and has rejected its findings. Nzuwaha and Moyo argued that as some of the consultants had been seconded from **Britain's** Adam Smith Institute, with the connivance of the treasonous duo of Biti and MDC Public Services Minister **Eliphas Mukonoweshuro**, the audit was yet another Western plot against ZANU-PF. In Zimbabwe, treason is fast becoming whatever displeases the Prince. ●

Power at a price

Museveni's victory was the result of astute tactics, state funding and a divided and despondent opposition

Uganda faces a harsh economic hangover because so many state resources were used to win a decisive victory for President **Yoweri Museveni**, 67, in 18 February's elections. Museveni and the ruling National Resistance Movement hailed the victory and spoke of plans to abandon age limits for presidential candidates and extend the length of presidential terms. The NRM may have calculated that oil earnings over the next five years will compensate for the damage done to the Treasury by six months of vigorous government electioneering.

Museveni's vote rose to 68%, 9 points up on 2006 when there was greater support for a challenge to the man who has led Uganda for 25 years. For the third time running, his main rival was **Kizza Besigye** of the Forum for Democratic Change (FDC), who had hoped to take Museveni to a second round (AC Vol 52 No 4). However, after a confused, lacklustre campaign and with a low turnout of 59%, the retired colonel's vote slumped to 26%. About 1.5 million fewer Ugandans voted this year than in 2006. Museveni praised the relatively peaceful elections at a time of turbulence in North Africa, but only last week he had warned that anyone trying 'Egyptian tactics' would be detained.

The scale of the defeat shocked the opposition. 'The elections route is clearly not viable. Neither is the North African route, at least not yet,' one senior FDC strategist told *Africa Confidential*. The failure to reduce Museveni's winning margin represents not just the success of the NRM machine in distributing patronage and coordinating support but also the failure of the opposition to unite. The Inter-Party Cooperation electoral pact between the FDC, Justice Forum, Conservative Party and Social Democratic Party existed in name alone.

The NRM's strategy was based on patronage, money and the old, potent message that change could mean chaos. The high visibility of the army and police indicated that Museveni was ready for every eventuality. Informal estimates put the total amount spent on the polls in the tens of millions of dollars: from US\$50 handouts to local councillors, to the selective use of government programmes, to supplementary departmental and State House budgets. On 20 February, Dame **Billie Miller**, the former Deputy Premier of **Barbados** who led the Commonwealth

Observer Group of a mere twelve observers, bemoaned the 'commercialisation of politics'. Yet none of the election monitors – including 110 from a European Union mission who expressed 'disappointment' – accused the government of bribery or vote-rigging, although complaints of pre-ticked ballot papers and logistical failures were common. Unusually, the African Union mission, led by veteran **Kenyan** human rights lawyer **Gitobu Imanyara**, was the most critical.

The separate election for the mayoralty of Kampala was suspended after the discovery of rigged papers in favour of the NRM. The poll was also marred by attacks on local journalists investigating fraud.

THE OPPOSITION UNDERWHELMS

To make inroads into Museveni's support base, the opposition needed to build mass support in central and northern Uganda, and undermine government support in the oil-rich west, where both excitement and concern about the start of production remain high. It didn't happen. In the west, Besigye took just 18% and FDC candidates also performed dismally in the parliamentary contests. Museveni took 85% in Hoima district, future capital of the oil boom. Besigye's best showing was in central Uganda, which he needed to carry by a healthy majority to stand any chance nationally. Yet he only took 31.7%, even in places that had rioted against Museveni just 18 months ago, and won just 47% in Kampala, not enough to outweigh Museveni's progress elsewhere.

Museveni's campaign focused on rural areas, from delivering bags of sugar to agricultural programmes and hard cash. Building his vote in the north was a long-term strategy and it proved decisive. The defeat of the Lord's Resistance Army there and improved security were at least recognisable achievements. The 'northern' opposition candidates, **Norbert Mao** and **Olara Otunnu**, squeezed Besigye out, reducing the FDC vote to 26% in former strongholds which had seen majorities for the party in 2006. To complete the disaster, the FDC's parliamentary leader, Professor **Ogenga Latigo**, lost his northern seat to

Otunnu, a former United Nations diplomat and Uganda People's Congress leader. Otunnu had spent months touring the north as the Acholi standard bearer and won 7.2%, including 35% in Kitgum. He was never a national candidate,

though, as Museveni knew. Even where NRM members of parliament lost their seats or discontent was high, as in Masaka, Museveni won a comfortable majority by distancing himself from local corruption.

His refrain was that if there had been corruption, the money had been stolen on the ground by unscrupulous officials from funds provided by the government in good faith. Nineteen NRM ministers may have lost their seats in the new Parliament but the beneficiaries were independent rivals from within the ruling party. The FDC, which lost ten seats and now holds only 29, will continue fighting often futile battles against 216 NRM MPs.

On 24 February, Besigye, Mao (who took 1.9% overall but won Gulu, where he is Mayor) and Otunnu (1.6%) rejected the results and called for public protest. There was no response. Ugandans had expressed their frustration by staying at home rather than voting for the opposition or taking to the streets. On the eve of the elections, the Uganda Communications Commission forced mobile telephone operators to block text messages with trigger words including 'Egypt', 'dictator', 'people power', 'Mubarak', 'police' and 'gun'. It banned words in local languages, too.

The fall in turnout represents over 1.5 mn. registered electors, many of whom are likely to be the educated and unemployed youth who would probably have backed the opposition. Enthusiasm and reassuring them should have been the FDC strategy from the start, said observers. No alternative strategy for economic growth was on offer, nor a sustained critique of the government's oil policy.

A significant number of urban young people did not meet the deadline for election registration last year. It was a long, cumbersome process and many could not take time off work to complete, disenfranchising them.

The government has been unapologetic about its campaign and its use of party and state finances. 'The NRM mobilised its resources,' the Security Minister and NRM Secretary General, **John Patrick Amama Mbabazi**, said. One of Museveni's oldest allies, he played a key organisational role alongside the Election Coordination Committee. Finance Minister **Syda Namirembe Bbumba** admitted last month that government departments were experiencing 'cash limitations' because, we hear, of the diversion of money.

Donors have been wary of criticising the \$227 mn. supplementary budget passed in January but on 11 February the International Monetary Fund declared Uganda's policies 'inconsistent' with agreements made under the Policy Support Instrument. That will not worry Museveni much if production at the Lake Albert oil fields finally begins next year. Patronage politics may soon be more affordable. ●

Democracy heads south

Political tactics or public relations? The announcement of President Omer's exit points to jitters in the ruling National Congress Party

The prospect of President **Omer Hassan Ahmed el Beshir** stepping down reflects the ruling National Congress Party's dilemma over how to tackle growing domestic and regional calls for political change and four months of tough negotiation before Southern Sudan formally secedes. When on 21 February NCP Spokesman **Rabie Abdel Aati** said that Omer would not contest the next election, he neatly diverted attention from ongoing air strikes in Darfur, and militia attacks in Abyei and by Lieutenant General **George Athor Deng's** rebels in Jonglei (AC Vol 52 No 4). The common factor in these attacks is the NCP.

After Khartoum's bombing on 17 and 18 February, 31,000 people fled to already overcrowded camps at Zamzam, near El Fasher. In Pigi County, Jonglei, fighting continued between Athor's men (seen as backed by Khartoum) and the Southern government's Sudan People's Liberation Army (SPLA), with deaths on both sides. At the same time, stories were spread, including to foreigners in Juba, that Athor (who has begun talking to the foreign press) has influential friends in the Government of Southern Sudan (GOSS) and that he leads a new organisation, the South Sudan National Resistance Movement, purportedly also including **David Yauyau** and **Galwak (Gatwak) Gai Deng**. A 17 February SSNRM communiqué was signed by one **Yien Lam Tot**.

This name surfaces periodically, formerly as someone from the South Sudan Liberation Front and praise-singer of **Lam Akol Ajawin**. Lam split from the Sudan People's Liberation Movement in 1991 with **Riek Machar Teny Dhurgon** but is now theoretically at peace with the SPLM (AC *passim*). Yien this month claimed **Salva Kiir Mayardit** last year lost the election for GOSS President to Lam Akol and that the end of the SPLM is nigh. Senior SPLM officials say they detect the hand of the NCP. Divisions over Athor are only about how to handle his rebellion: some favour more talks, others want to crush him. 'He crossed a red line for the SPLA by killing so many troops,' said one.

Abyei highlights the NCP's use of war for political ends. After Missiriya militia attacked an SPLA police post on 27 February, Abyei Administrator **Deng Arop Kuol** said the attackers had used Sudan army 'mounted jeeps'. Over 100 people have died in Abyei this week. Although

the NCP accepted the Permanent Court of Arbitration (PCA)'s 2009 ruling which divided Abyei in two, it is now reneging.

Presidential Security Advisor Major Gen. **Salah Abdullah Mohamed 'Gosh'** on 21 February said Abyei was 'Northern and will remain Northern', the second claim on Abyei by the former Director of the National Intelligence and Security Service (NISS). Asked about such contradictions in London on 17 January, NCP Political Secretary **Ibrahim Ghandour** said Omer's words trumped those of 'Salah Gosh or Ibrahim Ghandour'. Usually the NCP's contradictory statements are tactical.

Also in London that week, the NCP's Abyei strategist, Ambassador **El Dirdiri Mohamed Ahmed**, insisted at length that Missiriya must vote in the referendum on whether Abyei should join the South and was backed by Ibrahim Ghandour and London Ambassador **Abdullah el Azrag**. A Missiriya vote, not foreseen in the Comprehensive Peace Agreement, could be manipulated to give Abyei to the North. It contravenes the PCA ruling, accepted by the NCP, and the CPA. **United States** Special Envoy **Scott Gration** has endorsed NCP attempts to redraw the Abyei map.

'This is a clear case of violation of the CPA,' Cabinet Affairs Minister **Luka Biong Deng** told *Africa Confidential*. 'We need to refocus attention on Abyei, Darfur and the Two Areas' [Blue Nile and Nuba Mountains]. 'The NCP should know they can't have sanctions lifted, debt cancelled, normalisation,' while Abyei was not settled. The PCA was a 'clear case of a ruling based on international law and the matter should be settled peacefully.' An SPLM source said the GOSS would go to war if necessary. At a Meeting of the National Presidency (Omer, Salva Kiir and Second Vice-President **Ali Osman Mohamed Taha**), Salva said the SPLM could not yield more land in Abyei and would have to 'take it by force,' we hear.

Meanwhile, the SPLM is focusing on the rest of Southern Kordofan, where elections are rescheduled for May. Salva, who remains national First Vice-President until then, also heads the SPLM national election committee and wants to ensure that the NCP does not rig the polls as it did last year in the rest the North.

SPLA former Commander **Abdel Aziz Adam el Hilu**, now South Kordofan Deputy Governor, will be head to head with the current Governor, **Ahmed Mohamed**

Haroun who, like Field Marshal Omer, is wanted for war crimes by the International Criminal Court. Abdel Aziz is half Darfuri and half Nuba. The SPLM Northern Sector sees the poll as a symbol of the 'New Sudan', albeit one in two halves.

The SPLM North and South has been training monitors – it says it has 10,000 – in the Nuba Mountains (which have still not seen the 'popular consultation' enshrined in the CPA) and other parts of Southern Kordofan. 'We learned from the last elections,' said one activist. This work includes talking to various sections of the Missiriya along the border. Missiriya intellectuals met in Canada in January and accepted the Southern referendum result, agreed their future lay with the GOSS, not the NCP, and backed a 'New Sudan'.

The democratic Sudan promised in the CPA again exercises minds in the North. On 27 February, security men surrounded the SPLM's Khartoum headquarters to bar the National Consensus Forces (NCF) from delivering a protest against electoral registration fraud in Southern Kordofan to the National Electoral Commission. A group led by the SPLM's **Yasir Saeed Arman Saeed** (alongside the Umma, Communist and Democratic Unionist parties) evaded the blockade. Every protest risks confrontation with the NISS: one recent tactic targets women and accounts of sexual assaults are now common and are horrifying a conservative public.

Opposition is growing and the NCF is now working more coherently, though DUP chief **Mohamed Osman el Mirghani's** talks with the NCP and **El Sadig el Sideeg el Mahdi's** warning in **Qatar** that the South could become a 'black Israel' may not help. It is not just **Egypt's** and **Libya's** uprisings that scare the NCP; President **Hosni Mubarak** thought the best way to neutralise Sudan's Islamists was to 'contain' them by engaging with them.

Architect of this policy was Egypt's ex-intelligence chief, General **Omar Suleiman**, who for years kept the Sudan (and the Israel) file out of Egypt's Foreign Ministry. He was Khartoum's champion in Washington, Riyadh and beyond. Sudanese ask why the United Nations says nothing about Khartoum's attacks on civilians in the South and Darfur but protests against Colonel **Moammar el Gadaffi's** attacks on his people in Libya.

NCP veteran **Mustafa Osman Ismail** denied that the NCP had discussed Omer's future. This may be clever public relations from a party that has long struggled to control its figurehead President but may now find that he holds the edifice together. It has long been taken for granted that non-Islamist army officers had all been purged but rumours now say that some 'free officers' indeed remain. This could be laying the groundwork for a 'palace coup' by the NCP itself. ●

So where did the money go?

Obscure accounts uncover a black hole in state finances as politicians hit the campaign trail promising to end corruption

Opposition parties claim that over US\$27 billion is missing from state accounts, managed by the People's Democratic Party government under President **Goodluck Jonathan** and his late predecessor, **Umaru Musa Yar'Adua**. Coming just before the national elections, the row is as huge as the sum (AC Vol 52 No 4). The missing money was in the Excess Crude Account (ECA), where the government lodges its excess oil revenue.

This account is intended for special national investment projects, outside normal budgeted spending. The entire sum, apart from about \$300 million, has apparently been spent by federal and state government agencies in the past four years. As in the run-up to the 2007 elections, the naira is under pressure, although oil prices and output are rising. Some or even much of the money could have been spent on legitimate projects but there are few clear accounts from the centre or from the 36 state governments. The outcome could be worse: the \$27 bn. drawdown does not include extra payments into the account over the last four years when oil prices have hit \$100 per barrel or the \$25b bn. from foreign reserves (which had peaked at over \$60 bn.) drawn down to back the naira over the same period.

The fiscal deficit has worsened from 3.3% of gross domestic product in 2009 to just over 6%, according to International Monetary Fund and commercial bank estimates. Government spending in 2010 rose by an estimated 45%-50% to 5.2 trillion naira (\$34.4 bn.), in Nigeria's biggest ever budget. Finance Minister **Olusegun Olutoyin Aganga**, fearful of growing fiscal troubles, plans to cut state spending by some 18% this year: the budget outturn should be about \$28.2 bn. and the budget deficit should drop to about 3.62% of GDP. Such deficits are common in developing economies but would have been much worse had the government not drawn down the ECA funds.

Economic growth has brought few jobs – unemployment is officially said to be at 20%. As oil prices rose, the government raided the ECA rather than build a buffer against harder times. The Central Bank of Nigeria initially focused on interest rates and inflation but the liquidity from government spending meant that the CBN was funding consumption. That involves demand for dollars by multinationals and importers, including cash calls for joint-

ventures with international oil companies and fuel importers.

Every month, the Federal Accounts Allocation Committee (FAAC) disburses billions of naira to the federal, state and local governments, fuelling demand for dollars. To meet this demand, the CBN auctions dollars and sells to the bureaux de change which, unlike regulated banks, face no limit on the amount of dollars they can resell. Fuel imports are the largest drain. Crude oil is exported at a 25% discount to refineries abroad and the refined product is reimported and sold at market price. This is profitable for state officials, business people and politicians. CBN Governor **Lamido Aminu Sanusi** wants to end fuel subsidies but Jonathan has delayed the decision again. More leaks out of the national budget. For instance, N97 mn. was approved to replace the carpet at the International Conference Centre. 'Cash for amnesty', says one observer, is another source of leakage.

GROWTH BUT NO JOBS

Finance Minister Aganga, formerly a director of Goldman Sachs, says that GDP growth is high and borrowing is low. Yet, he explains, 'we have growth without job creation and employment. Therefore, the impact is not felt well enough in the life of the average Nigerians.'

On 9 February, Jonathan suspended further disbursements on the 2010 budget, while the National Assembly insisted that it alone can make such decisions. Some lawmakers were taking revenge on the President, under whom they may lose their safe seats; others were defending their economic interests. Lawmakers do well from last month's Appropriation Act. They can benefit from contracts to build roads awarded to their cronies. The number of merchants-turned-contractors with political friends is on the rise. Passage of a bill on money laundering is still pending.

Under Sanusi, regulation by the CBN has been firmer: banks have been warned not to loan money to politicians and directed to update the details of their customers. Some parliamentarians still do well, though. Senator **Iyiola Omisore**, defeated by **Rauf Aregbesola** of the Action Congress of Nigeria (ACN) for the Osun State governorship, is Chairman of the Senate Committee on Appropriation. As such, he approved funds for several building projects for federal universities

in the south-west – in agreement, we hear, with university officials and contractors.

The President's critics say that sudden jumps in the amounts drawn down from the ECA and the FAAC coincide with periods of intense politicking. On 12 February last year, three days after assuming executive power as Acting President, Jonathan approved the disbursement of N324 bn. In the last three quarters of 2010, the government disbursed N1.437 tr., N1.551 tr. and N1.357 tr. respectively, while Jonathan was preparing his presidential declaration. Finance Minister Aganga says that though the government can account for 'every penny' that comes into the ECA, 'a lack of transparency, a lack of adequate disclosure' make it impossible to know how state and local governments spend their share. Worries about long-standing federal government arrears suggest further concern about the accuracy of the budgeting process.

President Jonathan wants to ensure a good election, say his sympathisers. He is reluctant to use anti-corruption officials to hound his formidable opponents but the sympathisers insist that the new Freedom of Information Bill, the Sovereign Wealth Fund Bill and the Petroleum Industry Bill will unlock additional investment in oil and gas, boosting growth in the next five months. The opposition is strong. Running for the Congress for Progressive Change are **Muhammadu Buhari**, the austere former army general, and **Tunde Bakare**, a pastor and political activist. For the ACN, the popular **Nuhu Ribadu** has chosen an accomplished businessman, **Fola Adeola**, as his running mate (AC Vol 47 No 11).

Yet institutional investors and the media keep asking where all the billions have gone. Presidential aspirants denounce the bloated cost of governance. On 28 February, the Restoration Alliance for Buhari took full pages in newspapers to point out the duplication of expenses in the 2010 budget. Items duplicated included new furniture for the Vice-President's guest house, vehicles, teleprompters and medical equipment.

The IMF worries that Nigeria's lavish government spending and lax monetary policy have caused high inflation and dissipated foreign reserves. **Razia Khan**, Head of Research (Africa) at Standard Chartered Bank, believes that the CBN's recent move to increase banks' credit reserves is the start of a tightening that will continue through 2011. Credit growth, especially to the private sector, is expected to rise slowly. Former Finance Minister **Ngozi Okonjo-Iweala**, now a senior official at the World Bank, says that 'Nigeria's huge fiscal deficit, rising domestic debt, depletion of the ECA and the distress in the banking sector are issues that urgently need the attention of Jonathan's cabinet.' ●

ERITREA

Gold rush

Issayas used to be suspicious of foreigners, but that was before a mineral wealth bonanza looked possible

The Eritrean President and leader of the ruling People's Front for Democracy and Justice, **Issayas Afewerki**, has long sought to retain a closed economy and prevent non-Eritrean involvement in his single-party republic. In 2006 during a deadly drought and food shortage, he expelled all foreign non-governmental organisations. However, mining companies have spent the past two years quietly negotiating with the PFDJ to establish gold, potash and copper mines which are potentially hugely profitable. Energy and

Mines Minister and veteran party stalwart **Ahmed Haj Ali** has signed agreements with mining companies from **Australia, Britain, Canada and China** (see Box).

The policy switch reverses a previous ideology of strict self-sufficiency at a time when Issayas is under pressure to hold elections, sign a constitution and allow freedom of the press (AC Vol 51 Nos 5 & 10). Yet as gold prices hit new highs, he shows no sign of liberalising and is likely to use the new wealth to consolidate his grip on power. Domestic dissidence is

held in check by suppressing opposition groups and strictly controlling the media, which are merely platforms for the dissemination of PFDJ propaganda. The focus of the PFDJ's legal system is, and has always been, the stifling of subversive political groups. This has been successful in preventing the formation of any meaningful opposition inside Eritrea. Only the internet and the diaspora remain as active centres of opposition.

A former First Lieutenant from the Eritrean People's Liberation Front (EPLF, as the PFDJ was once known), **Daniel Habte Yihdego**, tried to assassinate Issayas on 13 August 2009 and this may have shaken Issayas's confidence. The PFDJ denies that any move was ever made against the President but Issayas has moved his primary residence from Asmara to Massawa because it is easier to defend and further away from potential putschists in the capital, we hear.

ERITREA IS NOT FOR SALE

'Eritrea is not for sale.' This used to be President **Issayas Afewerki**'s customary response to interest in his country's considerable mineral resources. Now, as he faces greater isolation while needing more cash to pursue his regional objectives, Issayas has relaxed his stand. However, the President will need to maintain his iron grip on society, since instability is what investors most fear.

Companies will be making massive investments that will show significant profits only in the medium term. Gold and potash projects in particular require enormous sums just to break ground. Signs of international trouble will not be welcomed either. Yet despite his international militancy and intransigence, Issayas seems to have convinced several mining companies that the threat of war with **Ethiopia**, or anyone else, is low.

The Ministry of Energy and Mining invited mining company representatives from **Egypt, Sudan, Australia, Saudi Arabia, Yemen and Britain** to the Asmara GeoCongress on 22 September 2010, to showcase opportunities in Eritrea's growing mining sector. Mining firms already at work include **Canada's** Sunridge Gold, which has commenced production at its Asmara North gold project near the capital, Asmara. Sunridge claims to have discovered reserves, in three main deposits, of 1.28 billion pounds of copper, 2.5 billion pounds of zinc, 955,000 ounces of gold and 31.2 million ounces of silver in the course of its drilling programme. On 21 February, Sunridge announced that it would undertake a new 8,500-metre drilling programme, exploring areas north, west and east of the deposit. Full-scale production has not yet begun but prospects look promising. Andiamo Exploration and London Africa, both British, have also attracted investment for their gold projects in the west. **China's** Beijing Donia Resources is the oldest miner in Eritrea, having obtained a licence in September 2007 for its copper project in Agameda.

Australia's South Boulder Mines, which boasts one of the biggest projects, has seen its share price triple over two months since releasing exceptional preliminary drilling results at its Colluli potash project in the Danakil Depression. The deposit is well located, within reach of the deep-water port of Massawa. The initial announcement spoke of 548 mn. tonnes of potash, which is roughly half the size of the world's largest potash deposit, in Saskatchewan, Canada. South Boulder's estimate factors in assessments only from three of 17 drilling holes, which has led experts to speculate that South Boulder and the Eritrean regime could be sitting on the world's largest potash deposit. South Boulder's Managing Director, **Lorry Hughes**, announced in February 2011 that his firm would aim to extract 1 bn. tonnes of potash from Colluli. He is conducting meetings across Canada and the **United States** to raise more investment for the mine.

There is concern about the human rights of people displaced by mining, especially by Beijing Donia's Agameda project, which has engulfed a number of villages. Asmara is said to be unconcerned and emphasises the importance of mining to its nation-building strategy. The non-governmental organisations Human Rights Watch, International Crisis Group and Grassroots International continue to protest against the humanitarian record of the ruling People's Front for Democracy and Justice but fear that the mining bonanza will entrench Issayas's rule and his ability to resist pressure for change. ●

BACKING THE REBELS

There are some indications that Issayas may use the mining revenue to finance a retreat from active politics and to escalate his dispute with **Ethiopia**. He pursues this dispute mainly by proxy, through support for rebels in **Somalia**. The United Nations Security Council imposed an arms embargo, assets freeze and travel ban on the Eritrean leadership in December 2009 for supporting *Al Haraka al Shabaab al Mujahideen* and the Islamic Courts Union. The ICU then split: some members joined *Al Shabaab* while a group led by **Sharif Sheikh Ahmed** formed the Asmara-based Alliance for the Re-liberation of Somalia. Sheikh Sharif now heads Somalia's Transitional Federal Government (TFG).

The PFDJ is also believed to be backing insurgencies in **Sudan** (the Sudanese opposition is still welcome in Asmara), **Yemen** and two in Ethiopia: the Oromo Liberation Front and Ogaden National Liberation Front. Asmara's principal aim there is to undermine the government of Premier **Meles Zenawi** and the Ethiopian People's Revolutionary Democratic Front. To the quarrels over territory and influence are added a history of Marxist doctrinal differences and personal quarrels.

Ethiopia has striven to isolate Eritrea diplomatically and provided much of the hard evidence of support for Somali Islamists that led to the UN sanctions. The two countries fought a brutal border war in 1998-2000, killing 50,000-100,000 people. In his most recent interview, with *Al Jazeera* over a year ago, Issayas denies backing any rebels abroad whatsoever.

Nevertheless, Ethiopia's July 2006 invasion of Baidoa in Somalia furthered its dispute with Eritrea, since operations to support the TFG against the Islamist groups were tantamount to fighting Eritrea itself. Since then, Somalia has been

of more interest to Eritrea and Ethiopia as a crucible in which to act out their own conflicts rather than out of any ambitions for Somalia itself. By the same token, each has indulged in a rapprochement with its former enemy in Khartoum (Ethiopia more than Eritrea), in the hope of putting pressure on the other.

Observers are confident that any funds Issayas secures through Eritrea's gold rush will be used to pursue the vendetta with Ethiopia. Yet the PFDJ faces enormous military and economic problems because of the flight of young people. Confronted with the prospect of a lifetime of military service, young soldiers are deserting to neighbouring Ethiopia and Sudan. In 2002, the regime effectively lengthened military service by introducing the Warsai Yekalo Development Campaign, a form of forced labour for development projects. Whether as forced labour or as soldiers, reports say that men may have to serve until their late 50s and women until their late 40s. Deserters are joined by waves of emigrating young people in search of employment and freedom.

Military camps, most famously Sawa in the north-east, serve almost as replacements for institutions of higher education. These camps train and support an estimated 200,000 soldiers. There are fears that the militarisation of society and the disappearance of many people into

exile will reduce Eritrea's ability to exploit the mining boom to the benefit of the economy and also its ability to withstand Ethiopian attack. Issayas has used fear of assault by Ethiopia to justify many of his policies, including conscription and mass mobilisation of the military.

POLICIES FUEL AN EXODUS

The large army is balanced by another large population: those in prison, mainly for evading conscription or for desertion, although there are persistent reports that many suspected dissidents have been gaoled too. Imprisonment for opposition is swift and without trial. A group of PFDJ government officials, nicknamed the G-15, drafted the Berlin Manifesto, an open letter condemning Issayas's refusal to hold general elections or enact a constitution. They were arrested and detained in September 2001 amid the confusion of the 9/11 attacks in the **United States**. Some have since fled the country but others are believed still to be in prison.

The PFDJ does not operate according to a recognised legal code, its object being primarily to bring dissenters to heel and to spread fear among those contemplating dissent. On top of the lack of economic opportunity, such fear is one of the main causes of emigration. The regime also is intent on isolating the population from any outside influences and its enemies include

Jehovah's Witnesses, Pentecostalist Christians and Bahais, in addition to customary targets such as failed asylum-seekers and journalists. In recent years this pressure has increased.

Eritreans face many difficulties in obtaining passports, which are rare and greatly sought after. Those who succeed in leaving illegally have difficulty in returning and have created large expatriate communities in London, Washington DC and Oakland, California. Those seeking asylum in Western countries often use East African hubs such as Khartoum, Nairobi and Kampala as temporary points of transit. Remittances from these exiles provide much of the means of livelihood for most of those they have left behind.

Issayas's tight grip on the members of his party and the people of his country all but guarantees that the political arena will not change significantly while he is President. Since he became EPLF Secretary General in 1987, Issayas has enjoyed being able to move government officials around as he pleases, preventing dissident or rival factions from developing within what is now the PFDJ. Dissidents and those who do not follow his direct orders are often transferred to irrelevant positions but kept on salary. The Defence Minister, General **Sebhat Ephrem**, has seen his input frequently sidelined, as Issayas insists on absolute authority over defence policy. ●

CÔTE D'IVOIRE

Peering into the abyss

Armed supporters of Ouattara, the internationally recognised winner of 2009's election, take on forces and militia loyal to Laurent Gbagbo

The United Nations, which supervised and certified last year's vote, now warns of a return to civil war. After its consultations failed to make progress, the African Union is extending the mandate of its High Level Panel on Côte d'Ivoire until the end of March. Officials may be hoping that the weight of sanctions will have driven out Laurent Gbagbo by then (AC Vol 52 Nos 3 & 4).

The Panel is divided: some, such as **Burkina Faso's** President **Blaise Compaoré**, see its role as forcing out Gbagbo; others, like **South African** President **Jacob Zuma**, want to broker a compromise. **Alassane Dramane Ouattara** (aka ADO) refused to meet the Panel on 22 February because Compaoré, though he insists the Panel is united, stayed away after threats against him by Gbagbo's *Jeunes Patriotes*. Yet we hear that Zuma, seen as pro-Gbagbo, was 'being probed' by other Panel members. 'Let's just say certain members are not happy with

him,' one insider said. Certainly, the Panel is discussing solutions that 'must involve both camps working together'.

Nigeria is still considering military action against Gbagbo, such as imposing a naval blockade, sending in a rapid response force or giving a similar mandate to **France's** Abidjan-based *Force Licorne*, nominally under the aegis of the UN peacekeeping force, the *Opération des Nations Unies en Côte d'Ivoire* (ONUCI). Nigeria's differences with South Africa are strongly felt.

Both seek permanent UN Security Council seats: both are on the Council for the next two years. After 50 years of independence, Nigeria understands diplomatic deals. South Africa, having overturned apartheid just 16 years ago, wants to emphasise its authority as an African voice. French President **Nicolas Sarkozy**, who backs Ouattara, was set to offer his support for a permanent UNSC seat to convince Zuma, who is on a state

trip to Paris this week, to dump Gbagbo.

Gbagbo's forces face problems in Abidjan, especially in the suburb of Abobo, where support for ADO is strong. In late February, a dozen elite soldiers from Gbagbo's *Centre de commandement des opérations de sécurité* (CeCOS) and Presidential Guard were killed. The two units, both directly under Gbagbo's command, believe insiders or defectors are betraying their operations and helping their opponents to lay ambushes. Morale among government forces is falling. Many soldiers call in sick to avoid patrolling Abobo, we hear. On 22 February, Abobo residents ambushed two police vehicles and killed ten officers.

The fighters confronting Gbagbo's men are not, locals insist, *Forces Nouvelles*. Nicknamed the 'invisible commandos' by locals and army officers, these highly effective anti-Gbagbo forces have been linked to **Ibrahim Coulibaly** ('IB'), the former FN leader who was sidelined by **Guillaume Soro**. Soro served as Prime Minister in Gbagbo's unity government and is now Ouattara's Prime Minister.

Claims from UN Secretary General **Ban Ki-moon's** office that **Belarus** was delivering three Mi-24 attack helicopters suggest a military escalation and serious investment by Gbagbo and his backers, in a clear violation of the 2004 UN arms

embargo. Yet Ban's office later backtracked and a planned Security Council meeting on the matter was cancelled. Gbagbo's team seized on this discrepancy. Insiders say the intelligence was supplied, without verification, from a permanent member of the Council. **French** and **Russian** UN ambassadors distanced themselves from the claims, we hear. Some suggest a pre-emptive move by Ban to block the deliveries. ONUCI brought in three Mi-24s from the UN Mission in **Liberia** to defend its troops from Gbagbo's forces.

Financial desperation is growing. A close associate of Gbagbo said: 'Anything that can bring in money is in our line of

sight,' hinting that Gbagbo's people may 'nationalise' more companies. They want companies to pay 'tax in advance' in cash and are looking for ways to tax the cocoa sector. They are also worried that oil production will soon stop. Anadarko suspended operations in late February. Mining and logging companies in the west are closing because of UN and Western sanctions. Gbagbo is paying for his soldiers and weapons in US dollars, we hear.

Treichville, a predominantly Muslim district of Abidjan, and neighbouring Koumassi are also in revolt. There is harrowing testimony of pro-Gbagbo forces using mounted machine guns against

protestors in Treichville on 21 February. If Gbagbo loses control of these two districts, he could be restricted to the presidential palace and offices; his men have begun using rocket-propelled grenades, a serious escalation. In the east, in Abengourou, Gbagbo's curfews are no longer obeyed. Yamoussoukro is also in revolt.

A peaceful transition is unlikely. An AU source told *Africa Confidential* there is only a 15% chance that Gbagbo will go and that his worsening plight only reinforces his determination. One of his allies offered a perverse interpretation: 'We all agree we lost but democracy is about being able to fight back – that is what we're doing.' ●

SWAZILAND

The King's budget

Swaziland is suffering a severe economic crisis and the monarchy looks ill-equipped to survive it

While rebellion has spread only within North Africa and the Middle East so far, monarchies all over the world fear the worst and Swaziland's has more reasons than most to fear change. King **Mswati III** has absolute power in a country of extreme poverty, where political parties are banned and human rights activists are labelled 'terrorists' (AC Vol 46 No 9). He and his 13 wives live in the lap of luxury while 70% of his subjects live on less than US\$1 a day. At 25%, the country also suffers the highest HIV rate in the world. The economy is highly dependent on foreign remittances, which have fallen along with the number of jobs available in South Africa.

Swaziland is also reeling from two major scandals. In mid-January, the King sacked Foreign Affairs Minister **Lutfo Dlamini** (AC Vol 41 No 24) and the Ambassador to **Kuwait**, **Phesheya Dlamini**. Online commentators blame allegations of misappropriation of over \$10 mn. that the Kuwaiti royal family had given to the King for a new private jet.

In late February, a **United States** Department of State cable leaked by WikiLeaks revealed that in 2008 the **British** government had refused Swaziland permission to buy \$60 mn. worth of small arms and military vehicles, supposedly intended for international peacekeeping duties but which were suspected to be bound for re-export to the Middle East, possibly Iran. The King's Middle East contacts have been expanding and his eldest son, Prince **Sicalo Dlamini**, is a lieutenant in the army and was in **Libya** for several years receiving specialist military training. Sicalo was still there when the revolution erupted but he has since been rescued.

Swaziland's scanty economic assets include the largest Coca-Cola concentrate plant in sub-Saharan Africa and massive sugar exports. The country also earns income from the regional Southern African Customs Union, whose revenues fell because of the decrease in imports after the global financial crisis. Coupled with a strong **South African** rand, to which the Swazi *emalangeni* is pegged, this shortfall saw currency reserves crash by 31% in 2010. Changes in SACU's revenue formula will see Swaziland and other regional economies such as **Botswana** and **Namibia** receive a still smaller share of the Union's income in the future.

All this has contributed to a fiscal crisis or, as Finance Minister **Majozi Sithole** put it in his mid-February budget speech, there had been an 'excess of government expenditure over government revenue'. He warned that there could soon be no more money to pay public salaries. Roads are already poorly maintained, street lights not switched on and buses immobilised by fuel and parts shortages. Hospitals are running low on medicine. In a bid to reduce government outgoings, all procurement has been halted, limiting cash-flow to the suppliers who make up the bulk of the small private sector.

Sithole, who has been in his post for close to ten years, is implementing drastic cuts to bring the budget deficit (13% of gross domestic product) under control and is planning to cut public spending by 20%, sack 7,000 public sector workers and improve tax collection. Trades unions have reacted angrily to the proposed cuts. Unemployment is officially at 43% but is estimated by some to be closer to 65%.

Swaziland wants cash from the International Monetary Fund but as yet

is getting only fiscal guidance. The IMF welcomed the budget, especially the pledge to protect health and education spending. However, the King's personal budget is unchanged at 1.5% of GDP, topped up by other transfers hidden in other parts of the budget.

The government is determined to push on with the new Sikhuphe International Airport, which has been criticised as a white elephant. Close to E500 mn. have been allocated to finish building the terminal and new link road. The airport, a pet royal project for which no feasibility study was even done, is over budget and late. The official website still says 'Opening in 2010'. The current airport, at Manzini, handles only a few flights every day; most are feeder flights to the main regional airport, Johannesburg. The economic viability of Sikhuphe remains unproven.

In spite of all this, the IMF is expected to move forward with a Staff Monitored Programme, which could lead to a financing deal by the end of 2011. The process will cause ructions in the ruling inner circle. Economically trained pragmatists such as Finance Minister Sithole and Prime Minister **Barnabas Sibusiso Dlamini** will clash with traditionalists in cabinet whose interests are closely tied to the King's projects, like the new airport. Popular unrest has been growing as food insecurity increases and unemployment rises. Observers in Mbabane are noticing increased local criticism of government and monarchy and less fear of reprisal.

In response to growing public unrest, there has been some legislative reform. For the past year, the government has been working closely with the International Labour Organisation, which sent a mission after the death of labour activist **Sipho Jele**. Arrested at a trades union event last year for wearing a T-shirt of the banned opposition People's United Democratic Movement, Jele was found hanged in his cell the next day. The inquest, which the ILO has closely monitored, is due to report soon but is likely to declare the death a suicide, we hear. ●

A port with no ships

The presidential dream of a navigable trade route to the sea will need more than a grand opening ceremony to make it a reality

Although it opened with much fanfare four months ago, the Nsanje World Inland Port is yet to attract a single ship. President **Bingu wa Mutharika** hosted the opening ceremony and attracted regional leaders such as President **Robert Mugabe** of Zimbabwe and Zambia's **Rupiah Banda**. Conspicuous by his absence was President **Armando Emílio Guebuza** of Mozambique, the country whose participation is essential to the project. Guebuza was not even invited and no Mozambican official was present.

The port is intended to provide a direct route to the sea and relieve the landlocked country of some of its dependence on imports whose cost is hiked by long routes, fuel costs and customs payments. Nsanje is at the extreme southern tip of Malawi and lies on the Shire River, which flows out of Lake Malawi and into the Zambezi and then on through 238 kilometres of Mozambican territory to the sea.

Nsanje has a road but no railway and is inconveniently placed for distributing goods to the rest of Malawi. The main drawback to Mutharika's ambition, though, is the fact that the Maputo government, whose cooperation is essential since the first part of the intended route is under its control, has not been fully involved. It is also believed to be sceptical of the scheme and potentially has much to lose from it.

October's inauguration celebrations

were meant to be crowned by the arrival of a barge loaded with fertiliser, Malawi's bulkiest import. When the vessel reached the Mozambican town of Marromeu, however, it was detained for lack of paperwork, leaving Mutharika embarrassed and empty-handed.

FOUR MEN IN A BOAT

The military attaché at the Malawi High Commission in Maputo, Colonel **James Kalipinde**, attempted to continue the journey after police warned him not to. When he did, he was arrested. After his diplomatic status was revealed he was released but the other three men on board were detained. Malawi had not notified Mozambique of the barge's voyage, officials said. Nor has Mutharika endeared himself to Maputo by claiming that congestion in Mozambican ports was to blame for the chronic fuel shortages, which Maputo denies (AC Vol 52 No 4).

The Malawian authorities had not considered how the Nsanje project would affect Mozambicans who live by the river, a Mozambican diplomat in Lilongwe told *Africa Confidential*. Fishing is a vital activity for riverine communities and heavy shipping could result in pollution. Shrimping in the mouth of the Zambezi is also important to the Mozambican economy. Mozambique will not allow the project to move forward until there is a feasibility study, including an assessment of the environmental impact. When the barge was arrested, Mozambique's Foreign Minister, **Oldemiro Baloi**, complained that Malawi was guilty of impatience and was trying to push the project through by force, instead of sticking to an agreed schedule of experimental voyages.

The cost of building the port has so far been US\$30 million, says **Victor Lungu**, Director of Planning at the Ministry of Transport and Public Works. The facilities consist of a concrete dock with space for three 60-metre barges end to end. There are no cranes, no railway and one two-lane metalled road to Blantyre, a 170-km. journey. Officially, the port is capable of handling up to 15,000 containers per year. The government signed a contract to build the dock almost two years ago with the Portuguese construction giant, **Grupo Mota-Engil**, which built it at its own expense in what many believe was a *quid pro quo* for being awarded the contract to operate the state-owned Malawi Lake

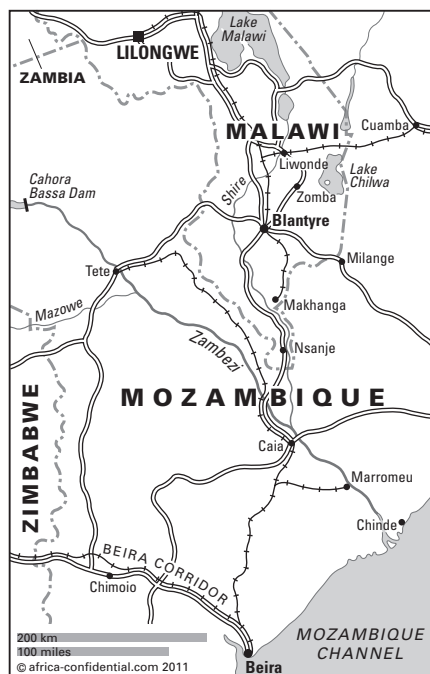
Services, which has a monopoly on transport services on the Lake. *Mota-Engil* has a 35-year public-private partnership contract with the government and won the tender with a bid of \$3.5 mn.

The Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (Comesa) are involved in procuring the \$4 mn. feasibility study for Nsanje, which is being financed by the African Development Bank. Mozambique rejected the first consortium selected for the study, saying it doubted its legitimacy. Estimates from the Ministry say that the study should be finished by the end of this year.

The delay means that the government will have to adjust expectations of the new port. It was building up Nsanje and attempting to direct some much needed attention from the business community to the impoverished south of the country. The campaign to turn the port into a trade hotspot seemed to be working before the fiasco of the opening ceremony. In October, the Nsanje District Commissioner, **Rodney Simwaka**, reported 800 applications to buy land around the port.

Members of the Indigenous Business Association of Malawi are maintaining their enthusiasm, at least in public. IBAM President **Mike Mlombwa** says he wants to make sure there are more Malawian business people in Nsanje than foreigners but it is unclear what foreign companies, if any, are taking an interest. Mutharika took his cabinet and a group of business executives to Hamburg, Germany, one of Europe's largest ports, last September for inspiration and possible foreign investment interest, so far with little to show. Mutharika has attempted to win support from SADC members and said the Nsanje project would benefit the entire region. Since then, both Zambia and Zimbabwe have made encouraging noises and declared support for the project, as well as providing their heads of state for the opening ceremonies. However, both countries are closer to the Mozambican port of Beira along well established road and rail routes which are shorter than the distance by river via Nsanje.

Zimbabwe does not share a border with Malawi, so many were surprised by Mugabe's promise to use Nsanje. Malawi has promised Zambia it will rehabilitate roads between the two countries to facilitate the transport of goods but there is suspicion that the support from Zambia and Zimbabwe is politically based. Malawi obtains over 40% of its imports via Mozambican ports, which would lose Malawian business, and possibly Zambian and Zimbabwean business, if Nsanje were to become the regional trade hub of Mutharika's dreams. In fact, Mozambique has little, if anything, to gain from the project and could kill it at any time. ●



It's all about jobs

Finance Minister Pravin Gordhan stakes everything on the government's attack on unemployment

Job creation and social services would be government's top political measures, said Finance Minister **Pravin Jammadas Gordhan** in his budget speech on 24 February. He warned that without cooperation over economic issues, South Africa might suffer a popular rebellion like those in North Africa. Those troubles, he said, were 'about allowing inequality to grow, allowing joblessness to grow, about a state that doesn't actually perform, about a minority that accumulates things for itself.'

The budget's centrepiece was a proposal to subsidise companies that employ young people. The subsidies would cost 5 billion rand (US\$719.74 million) and create 178,000 jobs over three years. Only 12.5% of South Africans under 25 have formal jobs; in a population of about 50 million, only 13.1 million have such jobs. Only two out of five people of working age are employed; 15 million are on welfare.

In his State of the Nation Address on 24 February, President **Jacob Zuma** promised that the African National Congress government would create 5 mn. jobs in the next decade. Yet the Congress of South African Trade Unions, the ANC's union ally, angrily rejected the subsidy plan. Cosatu General Secretary **Zwelinzima Vavi** said it ignored the structural nature of youth unemployment, would introduce a two-tier labour market and would be

abused by unscrupulous employers to displace older workers from full-time jobs. When the proposal is discussed at the tripartite social consensus forum, the National Economic Development and Labour Council (Nedlac), Cosatu will oppose it.

A sweetener for the Left was the allocation of R1.22 bn. over three years to the National Youth Development Agency, whose Chief Executive, **Steven Ngubeni**, is also Secretary General of the ANC Youth League. The opposition Democratic Alliance said the NYDA has been an ANCYL exercise in cadre deployment and wasteful spending since it began in 2009. It spent R100 mn. on the recent World Festival of Youth and Students, run by the ANCYL and described as a week of partying and drinking for radical youth organisations from around the world.

Cosatu's budget response criticised Gordhan's conservative macroeconomic policies, saying they were hobbling the potential for growth and job creation. Despite some welcome shifts, the budget continued the focus on inflation targets and budget deficit reduction, and was conservative, ultra-cautious and pro-business. Cosatu had not been consulted on budget preparation and Vavi stayed away from its presentation to Parliament.

In Zuma's 24 February speech, he had announced a new R9 bn. fund for jobs.

Gordhan said it would be managed by the Development Bank of Southern Africa (DBSA), a complicated task which will delay the start of practical job creation. Since 1994, successive schemes have failed to get off the ground because of poor performance by state departments.

This time, instead of working through individual departments, the government will look largely to the state-owned enterprises (SOEs) to manage job creation. This could involve more central intervention, including the deployment of ANC cadres to SOE management. Yet the government has cut the SOEs' budgets. The Treasury says they must borrow on the strength of their balance sheets, with only 5% of funds provided by government.

The Industrial Development Corporation is using its own funds to set up its own programme to secure some independence from government. Its R10 bn. loan scheme over five years is intended, according to Chief Executive **Geoffrey Qhena**, to lend at cheap rates to companies hoping to raise between R1 mn. and R1 bn. Projects with a 'high development impact' (job creation, rural development, black economic empowerment, small and medium enterprises) will pay less. Qhena insists that recipient companies should make enough profit to service their debts. IDC economists reckon to create 40,000-50,000 jobs at a cost of R250,000 each.

GREEN JOBS

Economic Development Minister **Ebrahim Patel** has long wanted to create jobs in the 'green economy'. Gordhan allocated no money for that but may provide R800 mn. in an adjustment budget in October. Patel, on the left wing of the ANC, and Gordhan, a centrist, dispute control of economic policy. Gordhan did allocate R2.2 bn. to expand public works programmes in the environment sector, which the government hopes will deliver 41,131 jobs. Some of the money will be used to host the United Nations Conference on Climate Change in November and December in Durban.

In January, 247 companies closed down, compared to 206 last year. The budget introduced a R20 bn. tax allowance for struggling manufacturers, granting relief for investment worth at least R200 mn. for new projects and R30 mn. for expansion and upgrades, with extra for new investment in industrial development zones. In 2010/2011, the budget deficit is expected to reach 5.3% of gross domestic product. Gordhan blames disappointing tax returns from companies hit by the recession. The expanding deficit will raise debt servicing costs from R77 bn. to R10.4 bn. in 2012/13, making it the fastest rising area of spending and increasing total net loan debt to 39% of GDP in 2013/14.

Gordhan tolerates this rise to protect spending and stimulate the economy.

THE GUPTA FACTOR

President **Jacob Zuma**'s critics again claim he is in thrall to the Durban-based Gupta family. If the African National Congress does badly in the coming local elections, party critics will again question his suitability as a presidential candidate. Brothers **Atul**, **Ajay** and **Rajesh Gupta** are in business with Zuma's children and allies (AC Vol 51 No 24). Some ANC officials claim they influence senior appointments. They say newly appointed Transnet Chief Executive **Brian Molefe** is a close ally of both Zuma and the Guptas.

Presidential son **Duduzane Zuma** and Rajesh Gupta are directors and shareholders in a deal with the **China** Railway Construction Corporation: the joint venture will be able to access finance under the government's 550 billion rand (US\$79.85 bn.) rail programme. The Guptas wanted one of their personal assistants to stand for the ANC in the local elections. The Congress of South African Trade Unions is investigating. ANC Youth League leader **Julius Malema**, who seemed pacified after Zuma brought his allies into cabinet, is back on form and accused Zuma of appearing 'only to look after his family'.

Finance Minister **Pravin Gordhan**'s budget allocated R350 million over three years to upgrade ministerial estates, including an executive military health facility for the president, cabinet and visiting VIPs – at R62 million over three years. It also included R19 mn. to refurbish the President's official Pretoria residence. Cosatu is furious: 'The issue is, should the government be spending so much money on facilities which benefit so few when so many lack the basic facilities,' said Cosatu's **Patrick Craven**. ●

Planned spending on education will increase by an extra R24.3 bn. over the next three years, with R8.3 bn. for schools and R9.5 bn. for further education. He allocated R8 bn. to lay the foundations for a National Health Insurance scheme, including R1.2 bn. for a family health system based on local teams of doctors, nurses and community workers. Spending on HIV/AIDS will rise from R6 bn. this year to R10.6 bn. in 2013/14. R2.1 bn. was set aside to increase police staff to 202,260 in 2013/14, from about 190,000 now.

The government wants to raise growth and create jobs by investing in infrastructure. Yet the public sector has failed in the past financial year to spend R12.4 bn. of the money allocated to capital expenditure projects, especially housing and transport. Local governments failed to spend 17 cents of every rand available to them. This year the government will need an extra R314 bn. for public sector salaries, which will take up more than 40% of all expenditure, apart from interest payments. The public sector wage bill has doubled in the past five years from R156 bn. to R314 bn., with no noticeable increase in productivity or efficiency. **Iraj Abedian** of Pan African Capital Holdings, an architect of ex-President **Thabo Mbeki's** Growth, Employment and Redistribution strategy (Gear), says this is unsustainable.

Banks will be under pressure to ensure that their charges are fair, transparent and do not create undue hardship; the Treasury will release discussion papers on regulation of the financial sector and foreign direct investment, and on

institutional investment. The government is also moving into mining. At a coal mine in Ogies, Mpumalanga, Zuma launched the state-owned African Exploration Mining and Finance Corporation. Its first task, as a subsidiary of the Central Energy Fund, will be to ensure that the state-owned electricity utility has enough coal. The National Union of Mineworkers, South Africa's biggest union, said it was not told about the new company; its Spokesman, **Lesiba Seshoka**, warned the government against 'marginalising those who are at the coal face of wealth generation in favour of the bourgeoisie'.

CURBING INFLATION NOT THE RAND

Gordhan did nothing to curb the volatile rand but noted that **Brazil, South Korea and Thailand** had acted to counter capital inflows and currency speculation. Cosatu lamented his failure to tax short-term capital inflows and financial transactions. The fight against inflation, said Gordhan, is the primary mandate of the SA Reserve Bank, and exchange rate volatility can be moderated by controlling inflation and maintaining fiscal discipline.

A new oversight committee for the Reserve Bank will be co-chaired by its Governor **Gill Marcus** and Finance Minister Gordhan. Cosatu and the SA Communist Party have long called for such oversight and for monetary policy to be more 'democratic'. Gordhan accepts the need for oversight but under the control of Marcus and himself. That could strengthen the coordination of monetary policy with fiscal policy but not in the way

that Cosatu and the SACP demand. Food prices have shot up since Christmas. In January, inflation in the Consumer Price Index rose by 3.7% year to year, compared to 3.5% in December.

Marcus has warned of inflation due to rising commodity prices. The inflation target range is 3%-6%. She said rising global and domestic prices were likely to pose a challenge to monetary policy in the coming months and that the likelihood of further loosening was limited. 'While inflation appears to be under control, there are increasing risks to the outlook posed by rising global commodity prices, particularly food and oil prices,' she said. 'Should food and oil prices impact on domestic inflation by more than is currently expected, we may see inflation moving towards the upper end of the target range sooner than expected.'

The Reserve Bank left its key repo rate (the difference between sale and repurchase prices) unchanged at 5.5% in January and signalled the possible end of a 650 basis point easing cycle that began in December 2008. It sees the economy growing by an average 3.4% in 2011 and 3.6% in 2012, far below the 5% average expansion in 2004-08. Marcus said manufacturing, which accounts for about 16% of GDP, remained under pressure, in part because the strong rand is hitting export competitiveness. Traders have reported more aggressive central bank intervention in the market this year to buy foreign exchange, helping to weaken the currency after gains of 12% against the US dollar last year. ●

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Egypt

THE REVOLUTION CONTINUES

■ The resignation of Prime Minister **Ahmed Shafik**, 77, on 3 March is another victory for protestors. Former Transport Minister **Essam Sharaf** succeeds him and is forming the next cabinet. Sharaf, 59, has a PhD in civil engineering from the **United States**. More importantly politically, he is said to have joined the protestors against President **Hosni Mubarak's** regime.

The 25 January Revolution Youth Coalition had exerted intense pressure on the Supreme Council of Armed Forces for Shafik's resignation, but the SCAF had seemed reluctant to give in. With a few tanks still visible around Tahrir Square, tens of thousands of people gathered there on 25 February demanding a new transitional government. The Coalition had threatened to call for a one million-person march on Friday 4 March. Then, on 27 February, Coalition representatives met the SCAF, which promised a referendum on constitutional amendments on 19 March, parliamentary elections in June and a presidential election a month later.

The path to elections is not yet clear and the opposition is naturally not united. On 1 March, **Mohamed el Baradei** and a delegation of intellectuals, politicians and business people (including Orascom Telecom tycoon **Naguib Onsi Sawiris**) also met the SCAF. El Baradei proposed a one-year transition and a presidential council of three public figures, one to be chosen by the SCAF. Legal experts advised against holding a presidential election first, to avoid repeating the scenario where a single party seizes control of Parliament in order to support its presidential candidate.

Political (and economic) uncertainty is weakening Egypt in relation to its African neighbours. On 28 February, **Burundi** joined the Cooperative Framework Agreement. That means the Nile states can now end Egypt's and Sudan's hegemony over the river (Vol 51 No 17).

Central African Republic/Niger/EU

THE EU PAYS BUT KEEPS SILENT

■ Opposition candidates declared the first round of the presidential election on 23 January tainted ('*vicié*'), putting President **François Bozizé's** 64.7% share of the vote in doubt (AC Vol 51 No 25). The European Union, which had paid 60% of the cost of the election, kept quiet. Bozizé had thrown out the previous EU Ambassador, **Jean-Claude Esmieu**, after he claimed some ministers were corrupt. His successor, **Guy Samzun**, also **French**, is saying nothing. The opposition candidates are furious.

According to the Independent Electoral

Commission, **Ange-Félix Patassé** took 22.14% of the vote, **Martin Ziguélé** 6.4% and **Emile Gros Raymond Nakombo** 4.6%. Yet the opposition candidates claim that almost 500,000 votes, cast by 27% of the electorate, were excluded from the count. An observer mission from the *Organisation internationale de la francophonie*, led by **Burundian** former President **Pierre Buyoya**, described 'all sorts of difficulties and malfunctions'. The French non-governmental organisation *Survie* says ballot-boxes were stuffed.

The Paris government's line was that there should be a 'dialogue' and that the opposition candidates should take part in the second round of voting on 27 March. Yet the opposition intends a boycott, so the likely outcome is single-party rule as in the old pre-democracy days. The failure to comment on the controversy seems to contravene the EU's commitment under the Cotonou convention with the African, Caribbean and Pacific group to uphold the rule of law among members, with the power to impose sanctions.

Yet in **Niger**, the EU's High Representative for Foreign Affairs and Security, **Catherine Ashton**, and Development Commissioner **Andris Piebalgs** had welcomed the first round of voting on 31 January. That was also 60% financed by the EU, which at least sent observers to Niger.

South Africa

MAKING HISTORY

■ As next year's centenary of the African National Congress approaches, a row is raging over how to portray Presidents **Nelson Mandela**, **Thabo Mbeki** and **Jacob Zuma** in the ANC's official history. Zuma appointed his ally **Mac Maharaj**, a former Transport Minister, to coordinate the writing. Mbeki's supporters say he and his team have not consulted them.

Mbeki, they complain, has 'been written out' of the ANC's history. They say it 'eulogises' Mandela and plays up Zuma's role by portraying him as 'following in the footsteps' of Mandela. Police Minister **Nathi Mthethwa**, who is on Maharaj's team, insists the history will be politically balanced: 'the struggle is not only about Mandela' but also 'who was there before'. Activists in the Congress of South African Trade Unions (Cosatu) and the SA Communist Party (SACP) – neither of which is in the editorial team – fear their roles in defeating apartheid and bringing the ANC to power could also be airbrushed out of official history.

Another battle looms, this time over an ANC research team due to investigate whether nationalisation should be a policy option. At its National General Council (AC Vol 51 No 22), the party agreed the team's mandate was to find a compromise between the ANC Youth League (ANCYL) and indebted black

mining tycoons, who back nationalisation, and black professional organisations such as the Black Management Forum and other groups, which oppose it.

The ANC has appointed Witwatersrand University's **Pundy Pillay**, mining researcher **Paul Jordaan** and the Human Sciences Research Council's **Margaret Chitiga-Mabugu**. ANCYL rejected the trio as 'anti-nationalisation'. We hear an expert approved by the ANCYL and from the Development Bank of Southern Africa will now join the team. Cosatu and the SACP complain they have been cut out and are pushing their own candidates.

Angola

OIL STATE ON THE RECORD

■ On 24 February in Luanda, **Manuel Vicente**, head of the highly secretive state-owned oil company *Sociedade Nacional de Combustíveis de Angola* and a possible successor to President **José Eduardo dos Santos**, announced record profits for Sonangol of over US\$3 billion for 2010. This was almost 50% higher than in 2009, due to higher oil prices and production (averaging 1.75 million barrels per day).

Vicente seemed amused by a question about whether Sonangol was exploring for diamonds in **Zimbabwe**. 'Sonangol has a joint venture, with a **Chinese** company called China Sonangol', which had diamond concessions in Zimbabwe, he explained. Yet he didn't say which of the nine Hong Kong-listed China Sonangols, which are part of the 88 Queensway Group of Chinese and Angolan companies and the China International Fund (*Africa-Asia Confidential* Vol 3 No 4). Plans for a new refinery at Lobito were subject to 'light deceleration', said Sonangol's **Anabela Fonseca**. Construction was due to start in 2005 and in May the government will review the now over \$8 bn. budget. There was little progress on **South Africa's** PetroSA's proposals for the development.

Vicente insisted that Sonangol wanted a direct stake in **Portugal's** Galp oil company rather than to increase its indirect shareholding through *Amorin Energia*, a company linked to Dos Santos's daughter **Isabel**. So Sonangol may buy the stake in Galp now held by **Italy's** ENI.

No mention was made of Sonangol's plans to list on the New York Stock Exchange, but a recent zero-ranking by Revenue Watch and Transparency International will not have helped. The lack of a public listing has not dampened Sonangol's international ambitions and its subsidiary *Pesquisa e Produção* has concessions in **Brazil**, **Cuba**, **Iraq**, **Venezuela** and **Mexico**. In January, Sonangol awarded concessions for eleven pre-salt offshore oil blocks without a formal tender process: among the successful companies were ENI, **Spain's** Repsol, BP and **France's** Total. Exploration will start in late 2011.

[illegible]

The main locus of conflict is in Abidjan, where Gbagbo's forces face growing pressure. On 14 March, insurgents supporting Ouattara advanced within striking distance (about four kilometres) of the presidential palace, which Gbagbo rarely leaves, and the state television station, *Radiodiffusion Télévision Ivoirienne* (RTI), which backs his cause. Well supplied and highly motivated, these insurgents are making inroads against Gbagbo's men. So far, they have treated civilians with some respect but there are reports of summary executions of captured Gbagbo soldiers.

Another casualty of the fighting is the reputation of the *Opération des Nations Unies en Côte d'Ivoire*. As the UN management hired mainly local staff three years ago, there are many Gbagbo-loyalists in the organisation who leak information on a daily basis. Security breaches include operational plans for the use of attack helicopters. UN Special Representative **Choi Young-jin** faces criticism from all sides. Some claim he deliberately overlooks breaches of security by both sides in the belief that this shows his neutrality. To the protagonists, this looks like weakness. Both local people and UN staffers criticised Choi's refusal to send in armoured cars when civilians were attacked in front of ONUCI headquarters. In that incident, the vehicles positioned themselves between Gbagbo's soldiers and civilians before suddenly withdrawing.

While the shooting continues, the quest for resources to sustain Gbagbo's regime also continues. This week, a **Russian** ship was due to dock at San Pedro and fill its hold with cocoa. Before Gbagbo nationalised the cocoa industry this month, the *Bourse du Café et du Cacao* (BCC) carried out an inventory, estimating 340,000 tonnes of cocoa were stored in warehouses, which could bring the state 65 billion CFA francs (\$137.86 million) in tax. About 100,000 tn. are ready for export.

Only a few of the smaller registered exporters acceded to demands to open their warehouses but the general view is that Gbagbo's men will not use force to make the companies comply. Larger companies are refusing because the beans will keep for several more weeks and also because they do not want to break Ouattara's export ban.

Small-scale smuggling is on the increase. Smugglers can obtain a document from customs stating that the beans have spoiled and since they are below export quality, they need to go back to the farm for drying. They then move the beans east to **Ghana**. Stocks are very high because of the political crisis but another harvest season runs from 1 April to 31 September. This usually accounts for about 350,000 tn. The BCC is forecasting a bumper total of 1.2 mn. tn. ●

KENYA

On to the trial

Despite a dissident judge and government lobbying, the ICC is set to try six politicians accused of mass murder and has issued summonses

Kenya's government is still trying to dodge the International Criminal Court, whose Pre-Trial Chamber (PTC) ruled on 8 March that six high-level Kenyan suspects must appear at the Hague on 7 April to hear the charges against them of crimes against humanity during the post-election violence in 2007-08 (AC Vol 52 Nos 1 & 4). The government has asked the United Nations Security Council for a year's deferral, challenging the ICC's power to take up the case.

Accused are Deputy Premier and Finance Minister **Uhuru Kenyatta**, of President **Mwai Kibaki's** Party of National Unity (PNU); **Francis Muthaura** of the Orange Democratic Movement, head of the civil service, Chairman of the National Security Advisory Committee and confidant of Kibaki; Major General **Mohammed Hussein Ali**, former Police Commissioner; **William Ruto** (ODM), formerly Minister of Agriculture and of Higher Education; **Henry Kosgey** (ODM), ex-Industrialisation Minister; and **Joshua arap Sang**, a Kalenjin-language radio broadcaster. All said they were innocent and would appear on 7 April; Kenyatta said he was delighted at the opportunity to clear his name.

A year ago, the PTC authorised Prosecutor **Luis Moreno Ocampo** to begin a formal investigation. Of the three Pre-Trial judges, **Ekaterina Trendafilova** and **Cuno Tarfusser** decided to issue summonses for crimes against humanity, while Judge **Hans-Peter Kaul** dissented. Kaul said the crimes did not rise to the level justifying ICC intervention and were not committed 'in furtherance of a State or organisational policy', as required under the ICC founding statute, the Rome Statute. He said the networks and groups identified by Ocampo were loose, ad hoc alliances of convenience, and not organisations. Ocampo has since told the government that Muthaura cannot testify before the ICC while he controls the police, which could empower him to interfere with witnesses and has asked that Uhuru Kenyatta be removed from the Witness Protection Board. Ocampo warned suspects not to threaten witnesses or he would issue warrants for their arrest.

Meanwhile Vice-President **Stephen Kalonzo Musyoka** continued his expensive but unlikely mission to stop the ICC in its tracks. As the summonses were issued, he arrived in New York, hoping

to persuade UN Secretary General **Ban Ki-moon** and the Security Council to support Kenya's application for a one-year deferral under Article 16 of the Rome Statute. The Kenyan National Commission of Human Rights (KNCHR) asked him to give up and come home, seeing his trip as a national embarrassment.

UNSC deferral would require two conditions. Firstly, it must be shown that the hearings would endanger peace and security, as the government has argued. Secondly, deferral would require a unanimous vote by the Permanent Five UNSC members. The **United States**, **Britain** and **France** say they won't support it. **Nigeria**, a non-permanent Council member, backs deferral; most other members say Kenya does not stand a chance and the issue probably won't even be discussed.

WAKO 'EMBODIES IMPUNITY'

The government is trying again, challenging the ICC's jurisdiction and the admissibility of the cases under Article 19 of the Rome Charter. Fronting this move are Attorney General **Amos Wako** (a WikiLeaks cable reveals that the US Embassy in September 2009 called him 'the embodiment in Kenya of the phenomenon of impunity'); **George Saitoti**, Minister of State for Provincial Administration and Internal Security; and **Mutula Kilonzo**, Justice and International Affairs Minister. ICC lawyers went on television and pointed out that, to qualify, Kenya would need a functioning court prosecuting the same individuals for the same crimes, which Kenya does not have. Wako has asked two highly paid British lawyers, Sir **Geoffrey Nice** and **Rodney Dixon**, for consultations. Both tried in vain to get the ICC warrants lifted from **Sudan's** President **Omer Hassan Ahmed el Beshir** (AC Vol 50 No 4).

Prime Minister **Raila Odinga** has now written to the UNSC asking it to ignore Kenya's request for deferral. He insists Wako's challenge on jurisdiction and admissibility was not a government decision, as no cabinet meeting was held and he and his ODM supporters oppose it. Medical Services Minister **Peter Anyang' Nyong'o** (ODM) says PNU efforts to stop the ICC are 'laughable'. Odinga had until recently tried to have it both ways, sometimes supporting the ICC, sometimes saying Kenya should try the cases.

Kenya's problem is of its own making, since its government failed to set up a national special tribunal to try perpetrators of the post-election violence. That opened the way for the ICC, as the international criminal court of last resort, to take up the case. The Executive Director of the International Commission of Jurists' Kenyan section, **George Kegoro**, says Kenya's aim in hammering away at the ICC is not to get rid of it and have a local trial but to have nothing.

Many see the government's attempts as both curious and futile. They could be a last-ditch effort to avoid a possible Odinga presidency. Kibaki's advisors think postponing the case for a year (or even two) would coincide with Ocampo's departure from the ICC, paving the way for a possible KKK alliance headed by Kenyatta and Ruto.

The anti-ICC effort may also be designed to appeal to the PNU's Gikuyu, Embu and Meru (Gema) political base, enabling the party to argue that it did all it could to protect Kenyatta, a Kikuyu, and Muthaura, a Meru. Kibaki might not mind seeing Ruto put away and Odinga (whom he called 'impossible' and 'largely responsible for the continuing violence in the Rift Valley', according to another US Embassy WikiLeaks destroyed. Yet backing Ruto for now might maximise future PNU options and safeguard Kikuyu in the Rift Valley. Musyoka seems to think his shuttle diplomacy will help him in his doomed pursuit of the presidency in 2012.

The PTC's discussion of Ocampo's evidence is compelling, although there are many references to confidential annexes and hints of more testimony to come. In December 2010, Ocampo shocked the Nairobi government by naming names, saying he had amassed evidence for two cases. This included that held by former UN Secretary General **Kofi Annan**, who sent it to the ICC when the government declined to act on it and the results of Ocampo's own investigation. ODM's Ruto, Kosgey and Arap Sang are accused of crimes in various parts of Kenya's North Rift, to rid the mostly Kalenjin area of Kikuyu, Kamba and Kisii supporters of the PNU. Kenyatta, Muthaura and Ali are said to have committed retaliatory violence against ODM supporters, targeting Luo, Luhya and Kalenjin in the ethnically mixed towns of Nakuru and Naivasha, and Nairobi's Kibera slum.

In their latest decision, Judges Trendafilova and Tarfusser examine whether the charges of murder, deportation, forcible transfer of population, rape and other inhumane acts took place, whether they were crimes against humanity and whether they were part of a state or organisational policy. They agreed with the Prosecutor that the accused worked together with a 'common purpose'

to commit crimes against humanity as defined by the Rome Statute, creating or using existing organisations.

In the case of Ruto, Kosgey and Sang, the majority judges argue that from December 2006, they put together a common plan and 'a network of perpetrators belonging to the Kalenjin community', consisting of politicians, media people, former police and military officers, Kalenjin elders and local leaders. They say that the network, with Ruto as leader, Kosgey as deputy and treasurer, and Sang heading communications, held meetings and established a command structure to manage logistics, identify targets and arrange payments, in order to kill as many of the target population as possible. The perpetrators were carefully organised, to identify and kill PNU supporters – and burn down their properties. All this, say the two judges, was to punish PNU supporters and expel them from the Rift Valley so as to create a uniform ODM voting block for the future.

RUTO'S KITCHEN FIRE

Kaul's dissent maintains that the network was not an organisation but an alliance of convenience and, however bad the crimes, they were not crimes against humanity. Probably none of the judges would buy Ruto's version of the burning down of the Rift Valley church in Kiambaa and the deaths of the Kikuyu congregation inside it. A WikiLeaks cable reveals that Ruto told a US diplomat that the church conflagration was caused by 'an accidental kitchen fire during preparations for lunch'. TV pictures at the time showed Ruto's henchmen pushing victims back inside when they tried to escape.

Differing with Ocampo, the majority judges maintain that Sang was not a principal perpetrator, unlike Ruto and Kosgey, but they found Sang criminally responsible for crimes against humanity under Article 25(3)(d) of the Rome Statute. They did not accept Ocampo's designation of 'torture' for some crimes.

In the Kenyatta, Muthaura and Ali case, the majority judges consider Kenyatta and Muthaura to be co-perpetrators, responsible for five counts of crimes against humanity. Between November 2007 and January 2008, the two are said to have arranged meetings with the Kikuyu criminal gang *Mungiki* and prominent PNU members. Ali later, on Muthaura's orders, instructed police not to interfere with the *Mungiki*'s operations. Kenyatta is said to have made the arrangements with the *Mungiki*, while Muthaura dished out cash to them and told Ali to go along with the plan. In a WikiLeaks cable of April 2009, US Ambassador **Michael Rannenberger** said: 'Muthaura is considered to be virtually a shadow president, so much power does he yield.'

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The judges claim the *Mungiki* agreed to help keep the PNU in power, in exchange for protection of their interests. The majority judges maintain the *Mungiki* is a hierarchical organisation with a militant armed wing, clear-cut rules and disciplinary measures, and the ability to levy informal taxes; and that Kenyatta had control over the organisation while Muthaura had power over the security forces. The majority judges find that Ali did not participate in the plan as a co-perpetrator but, like Sang, is criminally liable for contributing to the commission of the crimes. Kaul disagrees that the *Mungiki* is an organisation or that the human rights violations are crimes against humanity under the Rome Statute.

Tarfusser and Trendafilova dismiss Ocampo's argument that the crimes committed by police in Kibera and Kisumu were part of state policy or can be attributed to Muthaura, Kenyatta and Ali. This will disappoint those who wanted Kenya's police brought to book. The judges also reclassified certain crimes, such as rape and forced circumcision, leaving it open for the Prosecutor to present new evidence; Ocampo has already appealed the decision on Nakuru and Naivasha. He says although there was not a 'state policy' for the police to commit crimes against humanity, 'state actors' were used to support the policy of an illegal organisation and should be charged.

Kenyatta attributes his problems to his political rivals, meaning Odinga and those who want to stop him running for president. He says he will use his trip to the Hague next month to out the real perpetrators of the violence, particularly Odinga, whom he maintains had the Kalenjin do his dirty work against the Kikuyu in the Rift.

The ICC's request for summonses is the first of many legal steps. Once they have heard the charges against them, the suspects will be free to return to Kenya. In four to six months, Ocampo will present his finalised evidence to the suspects and their lawyers, who can contest them. The PTC may confirm or deny the charges, or ask for more evidence. The suspects may challenge any ruling and if the Chamber decides the cases should go to trial, two fresh courts with new judges will conduct full trials. ●

Ambushing the revolution

Oppositionists want sweeping constitutional change; the military wants quick fixes to the old constitution, then fresh elections

Political tension is rising again over the military's plans to hold constitutional and presidential elections within six months, a move which would benefit mainly the formerly ruling National Democratic Party (NDP) and its old foe, the Muslim Brotherhood (MB). Oppositionists in the Wafd Party, *Tagammu*, April 6 Youth Movement and the Coalition of the Youth of the 25 January Revolution have condemned the hasty organisation of the referendum and want a 'no' vote. Al Ghad leader **Ayman Nour** has confirmed to *Africa Confidential* his opposition to the constitutional amendments. He also said he might try to make an alliance with Al Wafd and any liberal group in the next elections. **Mohamed Mustafa el Baradei** also opposes the amendments and wants more time to draw up a new constitution.

The opposition fears that the military is setting a rapid pace for constitutional amendments and elections to help conservative forces to resist radical change. Some see these amendments to the constitution as 'patches' which could undermine democracy. Opposition and civic activists believe the changes help the military and allies of the NDP of ousted President **Mohamed Hosni Mubarak**.

On 28 February, the Supreme Council of the Armed Forces announced a tight schedule: the referendum on constitutional amendments on 19 March; parliamentary elections in June; the presidential election in August. Opposition parties want a transition of at least a year and are beginning to question the military's commitment to democratic reform. NDP officials retain key administrative positions across the country, which helps their political organisation and allows them to block change. Although the most senior NDP apparatchiks have been replaced at national level, the party's central administration and organisation in the provinces remain intact.

For now, there are no political forces capable of running credible campaigns in all 222 constituencies – other than the NDP and the Muslim Brotherhood. The latter would be the main beneficiary of the tight electoral timetable ordered by the military. Opposition members fear that the military wants to reproduce the political zero-sum game prevalent under Mubarak: a choice between the NDP or the Islamists. Since Mubarak's downfall, the NDP has recovered and plans a comeback in the

new Parliament. Many of its old supporters – businessmen and security agents – are staying loyal. On 13 March, NDP Secretary General **Mohamed Ragab** urged party members and supporters to approve the constitutional amendments, ignoring calls for the dissolution of the party. Ragab did, however, expel Mubarak and other older leaders on 12 March and claims to be purging other corrupt members. The MB also backs minimalist constitutional changes and early elections.

CULLING THE CANDIDATES

The proposed constitutional revisions amend Articles 75, 76, 77, 88, 93, 139 and 148, and annul Article 179, which was amended in 2007 to suspend civil rights in case of 'terrorism'. This was widely used and abused against Islamists and others suspected of opposition or otherwise inconveniencing security officials. Many changes are uncontroversial but many people oppose changes to the eligibility of presidential candidates. The amendments disqualify anyone who has or has had dual nationality, or anyone with a foreign spouse. Hosni Mubarak's wife, **Suzanne Thabet Mubarak**, has dual Egyptian and British nationality but this exclusion has never been an opposition or civil society demand. The real targets appear to be possible candidates such as Egyptian-American Nobel laureate Professor **Ahmed Hassan Zewail** and Mohamed el Baradei, another Nobel laureate, who denies holding a second passport. Rumours are spreading that his Egyptian-born wife has foreign citizenship.

The amendments do not specify a timeframe within which the new president must organise the drafting of a new constitution. Indeed, although the president may call for a new constitution, as may 100 members of parliament, the amendment of Article 189 does not require the promulgation of a new constitution. It also leaves the selection of a committee to form a new constitution entirely up to the two houses of Parliament. El Baradei's National Association for Change proposes a timetable under which the military would rule for six months, after which the electorate would vote for an interim president on a two-year term, while Egyptians draft and negotiate a new constitution.

There is also concern about the vague formulation of Article 88. It provides a legal

guarantee for elections rather than judicial supervision of them, which most people prefer. The amendment talks of 'judicial bodies' to oversee the elections rather than sitting judges (regarded as more independent). These concerns prompted El Baradei, along with other opposition parties, to demand the cancellation of the referendum. On 9 March, Prime Minister **Essam Sharaf's** interim regime made it a crime to threaten citizens, and on 14 March a military spokesman warned on state television that the 'law against thuggery' would be applied to anyone trying to obstruct the referendum. Police could then criminalise protesters calling for a 'no' vote.

The newly formed Supreme Judicial Committee for Supervising the Referendum, led by **Mohamed Attia**, the First Deputy to the State Council President, oversees the voting. The Committee, which includes six members of the State Council, the Cassation Court and the Appeals Courts of Ismailia and Mansoura governorates, insisted on 14 March that the referendum would not be postponed.

The opposition is splitting. On 12 March, 73 members of *Al Tagammu's* Central Committee resigned to create a new left-wing party after party President **Rifaat el Said** refused to step down. He claimed that only the party's general conference in July could dismiss him. *Al Tagammu* ('Alliance') Deputy Chairman **Abul Ezz el Hariri** accused El Said of denying reality. Young activists in Cairo question *Al Tagammu's* stance and El Said's claim to have 'always been involved in the national movement'. They say the party was initially doubtful about the protests and may have obstructed them.

The MB are not immune from ructions, with the protest movement sparking calls for change from younger members. **Mohamed Kamal Farag**, the coordinator of a faction of younger members calling for the dissolution of the Brotherhood's Guidance Bureau and Shura Council, called for a 'revolt' on 17 March, with free and fair internal elections for the party leadership.

The leadership has agreed to meet the group and Farag has said that the 'revolt' could be postponed if the leadership listened to its demands. Other dissidents include members who were already at odds with the election as Supreme Guide of **Mohamed Badie** in January 2010 and again last October when he decided to participate in the parliamentary elections. The Brotherhood is now setting up a party, to be known as the Freedom and Justice Party. This will cultivate an image of moderation and democracy, in line with the modern strategy of gaining power through elections by shifting the goal posts defining the political and religious 'middle ground'. ●

Defying the democracy wave

The ruling party dismisses attempts by oppositionists to follow their North African counterparts

The opposition's attempts to bring the spirit of North Africa's democracy wave failed to bring the masses on to the streets of Luanda but still worried a government surrounded by speculation about the successor to President **José Eduardo dos Santos**. Using online social networks, posters and word of mouth, opposition supporters called for a rally on 7 March against the leaders of the ruling *Movimento Popular de Libertação de Angola* (MPLA). The posters called for an end to the 32 years of rule by Dos Santos and drew parallels with January's overthrow of President **Zine el Abidine Ben Ali** in Tunisia (AC Vol 52 No 3).

The MPLA tried to pre-empt events by calling its own rally, two days earlier. MPLA activists and the state media claimed four million people across the country attended its rallies on 5 March and accused their opponents of wanting to restart the civil war. They spoke of the opposition *União Nacional para a Independência Total de Angola* (UNITA) forming a new army in the bush. Independent observers reckoned that 40,000 people at most, many of them state employees, were bussed in to the government rallies. 'Angola is not Egypt or Libya or Tunisia,' said the MPLA First Secretary for Luanda, **Bento Joaquim Sebastião Francisco Bento 'Bento Bento'**, at the Luanda rally. 'The plan that these people want to carry out here in the country will destroy all that we have achieved through these long years of peace.' The civil war formally ended in 2002, following the killing of UNITA leader **Jonas Savimbi**.

The MPLA Secretary General, **Julião Mateus Paulo 'Dino Matross'**, told people to be on a 'high state alert' for dissidents, warning that anyone taking part in the protest would 'be got'. Heavily armed Rapid Intervention Police – the 'Ninjas' – patrolled the capital the day before the opposition demonstration. Traffic jams all but disappeared and officials warned foreigners to stay indoors.

In the event, the protest was a damp squib. Between 15 and 20 people turned up and police quickly arrested them all, along with a team of four journalists from the independent *Novo Jornal*. The group included the rapper **Brigadeiro Mata Frakuzz**, whose on-stage tirade against Dos Santos a few nights earlier had made him a YouTube star. The protestors were held for about eight hours before being

released without charge: by mid March, Mata Frakuzz's video had attracted over 36,000 hits on YouTube.

Critics say the MPLA's heavy-handed approach exposed its worries about its unpopularity. Arresting the protestors seemed to violate the new constitution, which enshrines the right to peaceful free assembly. The arrests drew criticism from the Committee to Protect Journalists, Reporters Without Borders and Human Rights Watch. HRW accused the government of intimidation and 'misusing the state media for partisan political purposes'. A senior official privately admitted the reaction had been excessive but said the police were not familiar with legal demonstrations.

The Luanda municipal government barred an attempt by smaller opposition parties without seats in Parliament, including the *Partido de Apoio Democrático e Progresso de Angola* (Padepa-ANA) and the *Bloco Democrático* (BD) to hold an independent vigil on Sunday 13 March. It said their plans to sing religious songs and read poetry were not legitimate actions for a political party. The group, known as the *Partidos da Oposição Civil* (POC, Parties of Civil Opposition), initially planned to defy the ban but death threats, car burnings and police raids soon shut them up.

SUCCESSION GUESSWORK

Speculation about Dos Santos's successor is intensifying. Some suspect he may be trying to smoke out unwelcome challenges to his presidency; others think that party barons may be trying to engineer a smooth transition to a trusted candidate. Several successors have been suggested, including his eldest son, **José Filomeno de Sousa dos Santos 'Zenu'**. Yet given the fate of the planned dynasties in Egypt and Tunisia, that option looks less likely.

For now, the Chairman of the state oil company, the *Sociedade Nacional de Combustíveis de Angola*, **Manuel Vicente**, is the leading – albeit undeclared – candidate. He recently told *Novo Jornal* he was hoping to leave Sonangol by October and 'take on new challenges' in business but he might still take a political role.

Vicente is close to the President and has been brought into the MPLA Politburo although he had not previously been involved in party matters. He says he was invited into the Politburo and 'could not let them down'. Investigative

journalist **Rafael Marques de Morais** has written extensively about claims that Vicente benefited personally from the restructuring of Sonangol in 2008.

The MPLA's elderly Vice-President, **Roberto António Victor Francisco de Almeida**, rarely seen in public, is said to be in ill health and keen to retire from politics. He is privately critical of the MPLA's record on corruption. However, he did answer the MPLA's call to give the keynote speech at its March rally and accused unnamed forces of trying to stop Angola from moving forwards.

In late April, the MPLA is to hold its 'extraordinary congress', billed as a reflection on its ideology, before the next general elections, set for 2012. De Almeida's resignation and his possible replacement by the ex-Minister for Economic Coordination, **Manuel Nunes Júnior**, are likely to dominate the meeting. British-educated technocrat Nunes's removal from his post late last year surprised many, including the International Monetary Fund, with whom he had worked closely on Angola's US\$1.4 billion Stand-by Arrangement (AC Vol 51 No 22). The official reason was that his position as a Minister was incompatible with his MPLA Politburo membership, but the party said he would later 'hold prominent roles in another institution'. That time may be coming now.

Opposition activism and speculation about the succession are rattling the MPLA: 'There is extreme paranoia and distrust of anyone or anything out of the ordinary which might ultimately be a challenge to the state or to the President,' said an analyst in Luanda. 'The public spheres of debate have been shut down and it is the same within the MPLA itself. This means people aren't talking and now nobody knows what anyone else is thinking and that only adds to the paranoia and insecurity.' Instability and change within the MPLA itself are likely to be the main catalysts of political change.

The MPLA wants to improve relations with other West African states. Dos Santos has talked to **Mohamed Lamine Fofana**, Guinea's new Mines Minister. Luanda and Conakry are expected to strengthen the African role in their mining sectors and coordinate policy on Chinese mining investment. Guinea's former Mines Minister, **Mahmoud Thiam**, is now a director of China Sonangol, a joint venture between Angola and a Hong-Kong-based company. Closer ties will boost China's influence: Chinese state aluminium supplier Chinalco's \$1.35 bn. contract is under review by Guinea's new government under President **Alpha Condé**. On 16 March, the MPLA also met **Gambian** Foreign Minister **Mamadou Tangara**, who called for a stronger African role in settling disputes. ●

Pushing for probity

Pressure is growing for greater accountability and transparency in oil and mining operations, especially in Africa, due to the strengthening of the Extractive Industries Transparency Initiative and the imminent application of the United States' Dodd-Frank Act. Yet major disagreements between companies, governments and anti-corruption activists emerged at the EITI's biennial conference in Paris on 2-3 March, its biggest ever. Large oil companies, led by Royal Dutch Shell, argue that any extension of the compulsory accountability provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act would undermine voluntary agreements such as EITI (AC Vol 51 No 19).

VOLUNTARY PRINCIPLES, BUT NO LEGAL FORCE

European and African officials backed moves at the Paris conference to toughen laws on company payment disclosures, despite strong opposition from oil and mining companies, including some who sponsored the conference. EITI was launched to promote accountability in oil and mining by encouraging companies to report all the payments they make to governments and for governments to declare what they receive from the companies. Nine years on, it remains a set of voluntary principles without legal force. EITI has 35 member countries, eleven of which have passed the 'validation' exercise that verifies their adherence to the disclosure of extractive industry public revenues.

Last July the US Congress passed the Dodd-Frank Act, requiring US-listed companies to report all payments they make to governments and transactions with suppliers. This will make it easier for investigators to track corrupt payments to officials, illicit transfer pricing deals such as over-invoicing, tax avoidance and evasion schemes, and trade with armed groups under United Nations or US sanctions. Section 1504 of the Dodd-Frank Act, also known as the Cardin-Lugar Amendment, is the toughest legislation demanding disclosure by oil and mining companies. The USA pioneered anti-bribery law in its Foreign Corrupt Practices Act in 1977; European countries did not introduce comprehensive anti-bribery laws until the late 1990s. Currently, companies listed on European stock exchanges do not have to disclose their payments to governments nor do they have to publish profits and tax accounts on a country-by-country basis.

Section 1504 of Dodd-Frank, entitled 'Disclosure of Payments by Resource Extraction Issuers', compels extractive companies registered with the US Securities and Exchange Commission to publish all their payments, on a project-by-project and country-by-country basis, to foreign governments. In April, the law will begin to bite when the SEC rules on the details of the disclosure requirements.

A new front in the transparency battle will open in Europe with some officials in the European Union determined to introduce provisions similar to Dodd-Frank. It's not yet clear whether these provisions would be an addition to the EU's 2004 Transparency Directive or a stand-alone law. **Klaus Rudischhauser**, EU Director of African, Caribbean and Pacific Affairs, said in Paris that a feasibility study was due by the autumn and we hear the EU Internal Markets and Services Directorate is already drawing up proposals. **French** President **Nicolas Sarkozy**, who wants to mark France's leadership of the Group of Eight (G-8) this year with many new initiatives, publicly backs tougher rules in Europe,

as do **German** and **British** officials (although the latter are more ambivalent). Civil society organisations (CSOs) such as Revenue Watch, Publish What You Pay (PWYP), Global Witness, Oxfam and others, whose pressure helped to bring about Section 1504 and are highly active in EITI, want Europe to follow the US lead.

Big oil companies argue that the Dodd-Frank law undermines EITI, of which they are members. They add that its provisions could cause them to break the law where they operate, compromising local sovereignty. **Peter Voser**, Chief Executive of Shell, told the Paris conference: 'Dodd-Frank treats foreign governments not only as irrelevant but as a problem and not a solution.' He added that its provisions might violate some countries' national laws on the confidentiality of financial transactions.

Total has made similar objections in the past and EITI supporters BP, Exxonmobil and Chevron have also publicly objected to Dodd-Frank. However, one of the authors of Section 1504, Senator **Benjamin L. Cardin**, expected objections based on government confidentiality concerns and said that 'there should be no exemptions for confidentiality or for host-country restrictions.' He added, 'It would be too easy for countries who want to avoid disclosures to simply pass their own law against disclosure.' Some anti-corruption campaigners think the companies made a tactical error over Dodd-Frank by not trying to influence its terms. 'Two years ago, oil companies had an opportunity for dialogue on Dodd-Frank,' one activist said, 'but they turned it down and maintained absolute opposition.'

BIG OIL AGAINST US LAW

The outgoing EITI Chairman, **Peter Eigen**, took issue with Voser, arguing that Dodd-Frank was 'complementary to EITI', not an alternative. The US Under-Secretary of State for Economic, Energy and Agricultural Affairs, **Robert D. Hormats** (previously of Goldman Sachs), backed Eigen, saying the Act would 'complement, not compete with, EITI' and that it should become a global standard. **George Soros**, the financier-philanthropist who contributes to many of the lobbies involved in EITI, argued for the legislators to adopt uniform standards on disclosure.

Officials in Paris said that Dodd-Frank's Section 1504 is likely to be the template for European law on disclosure, although the European provisions may also include privately-owned oil and mining companies, not currently listed on European stock exchanges. Privately-owned extractive companies in the US do not have to observe Section 1504 because the Act amends securities legislation, which has no jurisdiction over private companies.

An executive with an independent oil company operating in Africa which is quoted on a European stock exchange but not registered with the SEC was untroubled by the prospect of EU rules similar to Section 1504. He told *Africa Confidential* that conditions attached to project finance often involve similar reporting requirements. The compliance with laws similar to Dodd-Frank did not worry him nor did he believe that being outside the jurisdiction of the US disclosure provisions gave his company any competitive advantage over US-listed companies.

Few expect big oil companies to continue their opposition to the extension of Dodd-Frank laws to other jurisdictions. Such companies complain that **Chinese** firms could use their relative freedom from scrutiny to commercial advantage, although there is growing pressure on them to sign up to EITI principles. US-listed Chinese companies have to meet Dodd-Frank requirements, as do

Chinese companies involved in joint ventures with any US-listed companies. We hear that China might introduce its own version of the Dodd-Frank law. Big oil companies prefer EITI to Section 1504 because the US law requires strict compliance on payments to all countries in a comprehensive report, while under the EITI process, countries sign up individually, often taking several years to meet the organisation's norms for disclosure of tax receipts.

The Dodd-Frank provisions also require the disaggregation of company payments and tax liability, allowing for a more detailed and accurate financial picture to emerge. EITI rules do not insist on such a reporting system. Several countries in the EITI programmes consolidate all payments by mining and oil companies and government receipts, greatly complicating scrutiny of payments on a company-by-company or project-by-project basis. The campaigning groups in EITI have long pushed – in the face of opposition by the oil and mining companies – for EITI country reports to provide that level of detailed analysis.

EXTENDING EITI'S SCOPE

The American Petroleum Institute, one of the strongest objectors to Dodd-Frank, cited EITI's willingness to employ aggregated figures as an argument against the stricter measures of Section 1504. As Dodd-Frank is now law, with its requirements for full disaggregation, opposition to it within EITI may now diminish. Those groups in EITI – Revenue Watch, PWYP and Global Witness – also lobbied hardest for Section 1504 and are pushing for a stronger EITI. **Anthony Richter**, Chairman of the Revenue Watch Institute, has called for EITI to extend its scope into licences and contracts – involving exploration bidding rounds, joint ventures and production sharing agreements. For now, companies are reluctant to divulge such details but try to influence the drafting of any new rules.

As well as expanding EITI's scope, there will be pressure to do more with the tax receipt figures published by EITI member countries. PWYP's International Coordinator, **Radhika Sarin**, said that EITI 'now needs to embrace changes which will ensure that transparency leads to true accountability.' The figures that governments and companies give, if they are irreconcilable by the 'validator', simply lie there. Sometimes governments promise audits to get to the bottom of any discrepancies, sometimes not.

The idea is for civil society to take action. In **Tanzania** and **Zambia**, this year's EITI reports have prompted a public debate on the gap between what companies paid and what governments received, with suspicion falling on government officials for having pocketed at least some of it (see Box). One activist said, 'There's no point in producing performance data if it can't be used.' With only eleven countries officially 'validated' in their reporting, it might seem that the EITI bar is high but some criticised the organisation for leniency.

After countries hold 'candidate' status as an EITI compliant state for two years, they are submitted for 'validation' on the basis of accurate reporting of all payments. That is the final hurdle to full membership and is meant to be achieved within two years, although that deadline is often missed. Only **Equatorial Guinea** and **São Tomé e Príncipe** have been excluded from membership of EITI so far. **Congo-Brazzaville**, for example, signed up to EITI in 2004 and became an EITI candidate

country in February 2008. In March 2010, it won an extension of the two-year deadline for reaching 'validation' and had until September to produce a validator's report, which it did. The report, though, said the country had failed on six of the key points on the validation checklist, such as figures for what companies had paid in tax and government figures for what it had received. Last December the EITI Board concluded that Congo-B had made 'significant progress' and allowed it to remain a 'candidate country', with no deadline for final validation.

Equatorial Guinea, having joined EITI as a candidate country in September 2007, produced an EITI report covering 2007/08 but when it came to validation, requested an extension of the March 2010 deadline. The EITI refused. Human Rights Watch has criticised EITI for lack of clarity about why some countries failed the validation test. Other countries seeking deferment of validation include **Congo-Kinshasa**, **Mali**, **Mauritania**, **Niger**, **Kazakhstan** and **Peru**, all of which have until June to meet it. Yet EITI's partisans remind those who criticise it for inconsistency in its standards that there is more in play than just producing the numbers. In many countries, such as Congo-B, the CSOs working on EITI are almost the only politically independent entities which the government allows. EITI can provide a safe haven, said an African activist, as well promoting extractive accountability.

Promotion of civil society is key to EITI, say insiders. It tries to encourage dialogue between government and critics, some of whom might face arrest. EITI encourages, its defenders say, demands for accountability which could spread beyond oil and mining. Congo-B may boast a society no more open than **Ethiopia's**, but the latter cannot join EITI because its 2009 Charities and Societies Proclamation is seen as undermining the independence of CSOs. As laws like Dodd-Frank proliferate, African and international CSOs within EITI will push for greater accountability from governments on how they use natural resource revenues and not just how they count them. ●

TAXING PROBLEMS FOR ZAMBIA

Some US\$66 million in tax revenue owed to the Treasury are missing, according to the mid-February report on Zambia published under the Extractive Industries Transparency Initiative (EITI). The report showed that the mining companies had paid \$463 mn. to the government in 2008 but the government says it received just \$397 mn. PriceWaterhouse Coopers (PwC), which compiled the report, said the discrepancy was probably due to documentation problems, exchange rates and lack of supporting documents and hoped to reconcile them. It offered possible explanations but no definite conclusions. Mines and Minerals Development Minister **Maxwell Mwale** has commissioned an investigation but many worry that officials have misappropriated the money (AC Vol 51 No 9).

Just two weeks before the EITI report came out, a leaked audit revealed that Mopani Copper Mines, which is 73% owned by the **Swiss**-based Glencore International, had run a transfer-pricing scheme with its parent company. Civil society organisations, including the European Network on Debt and Development (Eurodad) and Oxfam, leaked the audit to Zambian journalists. Accountants Grant Thornton Zambia and **Norway's** Egon Pöyry, part of the giant Pöyry Group, carried out the pilot audit of Mopani for the government. They found inflated costs and misreported production levels. The audit stated that some of the mine's copper, for which Glencore is the sole purchaser, was sold at 25% below world prices in the period under review. Mopani Chief Executive **Emmanuel Mutati** dismissed the audit as 'flawed and incomplete'.

The Mopani audit and the EITI report have put mining taxes on the political centre-stage. The government suspended a mining profits windfall tax in 2009, but when world copper prices began to soar it refused to reintroduce it, earning criticism from trades unions and oppositionists. The Zambian Institute of Chartered Accountants has called in its members working at Mopani to answer disciplinary charges. Opposition politicians are calling on government to review mining taxation and find ways to verify independently the production figures and sale prices claimed by the companies.

Finance Minister **Situmbeko Musokotwane** is under fire because the government received the Mopani audit in late 2009 and kept it secret. The controversy has cut government support in the Copperbelt. ●

Gas finds offer hope of ending power-cuts

Powerful interests stood in the way of a sound energy policy emerging but everyone wants to turn on the gas

Despite obstacles from corrupt politicians, the exploitation of gas is likely to gather pace this year with new offshore discoveries. The opening on 12 April of the fourth offshore bidding round for 13 new blocks is likely to coincide with the commencement of drilling by **Brazil's** Petrobras. Just one overworked pipeline runs the 200 kilometres from Songo Songo Island to Dar es Salaam. Last year's gas discoveries by Ophir and **British** Gas in Tanzanian waters and this year's by Anadarko in **Mozambique**, along with high fuel prices, will also help to generate interest in new export pipelines, liquefied natural gas (LNG) and much delayed gas-fired electricity generation.

However, Tanzania's two existing gas deposits are not fully utilised. The oldest operation is the Songo Songo field, now operated by PanAfrican Energy Limited, a subsidiary of the Toronto-listed Orca Exploration Group. As part of the Songas consortium, it supplies gas to Dar es Salaam's Ubungu power plant as well as to over 30 industrial facilities in the city.

Further south, the Mnazi Bay field near Mtwara town, now run by Maurel & Prom, is operating greatly below capacity since the collapse of plans to build a 300-

megawatt power plant involving the gold mining companies Barrick and Artumas, the previous operators of Mnazi Bay. Three of the four Mnazi Bay wells are capped and the fourth is operating at just 10% of capacity. However, **China** is discussing financing that could revive plans for the plant at Mtwara, and Songas and Maurel & Prom hope to benefit from plans by the national electricity utility, Tanzania Electric Supply Company (Tanesco), for Dar es Salaam's Kinyerezi plant to start generation in 2013.

Tanzania also has substantial coal reserves. Investors in gas fields cannot be certain that gas-generated power plants will necessarily be built and thus provide them with a market in the long run. Two feasibility studies will be carried out for a pipeline to Mombasa, one by Orca-owned EastCoast Transmission and Marketing, one by the East African Community. Ophir and BG are pinning their hopes on the development of LNG facilities.

The challenges are considerable. The power sector has been mismanaged for over 20 years. Power-rationing, first resorted to in the early nineties, is now a fact of daily life. The government first said it wanted to increase the use of natural

gas in the 1990s but plans were thwarted by the corruption of key politicians and officials tied to Western companies exporting generating equipment that was not fuelled by gas. Also central has been the quick fix of hastily arranged power-purchases. Consequently, the power sector remains hamstrung and both the Dowans and IPTL generators are idle because of contractual disputes with Tanesco.

Many of those linked to the well-known cases of corruption in the power sector are still in or near to the corridors of power. **Andrew Chenge** was Attorney General when he approved the IPTL contract and he still sits on the Central Committee of the governing *Chama cha Mapinduzi* and in Parliament (AC Vol 51 No 4). Former Prime Minister **Edward Lowassa**, who resigned following revelations of his central role in the Richmond-Dowans affair, now chairs the Parliamentary Foreign Affairs, Defence and Security Committee and is believed to be preparing for a bid for the presidency in 2015.

One long-serving energy sector observer has also noted the tension between the Ministry of Energy and Minerals, Tanesco and the National Development Corporation. The NDC is responsible for state mining interests and is actively seeking investors in coal and wind power. NDC remains a key broker and has struck deals in China for the Mchuchuma coal mine as well as for wind in Singida Region. Yet another monolithic state institution in the power mix is unlikely to help to improve planning.

Regulation is also an issue. The Tanzania Petroleum Development Corporation has roles as both the regulator of upstream operations and as the state oil company and ultimate rights holder, which creates confusion and conflicts of interest. Legislation in the sector is outmoded, dating from 1980. A Natural Gas Bill has been in the works for some years but has been delayed by turf wars between fuel importers, TPDC, Parliament and Ministry officials. TPDC is looking to hive off an independent gas distribution entity and maintain its regulatory and operational roles. Industry interests want price control taken away from the Energy and Water Utilities Regulatory Authority. Moreover, there is pressure from Parliament to split TPDC and to have one upstream regulatory body and two state-owned oil companies, one each for Zanzibar and the mainland. The principal political backer for this is an opposition member of parliament, **Zitto Kabwe**, Chairman of the Parliamentary Public Investments Committee.

The lack of clarity in regulation, oversight and planning gives the advantage to companies already present and people with political connections. The Songas consortium and Orca's PanAfrican Energy have considerable

TANZANIA'S GAS PLAYERS

Songas consortium consists of PanAfrican Energy Limited, a subsidiary of Orca Exploration, CDC Globeleq and the state-owned Tanzania Petroleum Development Corporation (TPDC). Songas has operational rights over the Songo Songo-Dar es Salaam pipeline and well-established relationships with the government. Despite approaching new competition, it is keen to lock in the monopoly benefits it has enjoyed to date – hence its application for a 70% tariff increase for gas supplied to the Tanzania Electric Supply Company (Tanesco).

Maurel & Prom operates the Mnazi Bay field, hoping to supply a power plant at Mtwara and a newly announced fertiliser operation. With clear direction from the government, it could transform Mtwara and its own profits. No guidance is yet forthcoming. Both Maurel & Prom and Songas will face stiff competition if **Britain's** Ophir Energy-BG Group and Petrobras develop their gas fields. The latter two have considerable acreage while the companies already in place have two discoveries. Both groups will be eyeing up the neighbouring exploration blocks on offer in the new round of bidding in April. The newcomers' operations are likely to dwarf the existing ones. They see their main business opportunity in liquefied natural gas for export rather than for local markets.

A key figure will be **David Jairo**, Permanent Secretary at the Energy and Minerals Ministry, who is close to President **Jakaya Kikwete** having served as his Private Secretary. In the early 1990s, he was also in the Ministry of Water, Energy and Minerals, as it was then known, when Kikwete held the portfolio. He will be important in mediating among institutions, business and politicians. While **Zitto Kabwe** and **January Makamba** are putting energy at the top of their political agendas, more important in coming years will be whether **Edward Lowassa** wins 2015's presidential election. If past performance is anything to go by, he could have an unfortunate impact on energy policy. ●

influence on pricing and infrastructure management. The senior management of these companies also has important personal and professional relationships with key players in government. Orca Deputy General Manager **William Chiume** is the son of the late **Kanyama Chiume**, an exiled **Malawian** politician resident in Tanzania and a confidant of former Presidents **Julius Nyerere** and **Benjamin Mkapa**. William Chiume also has President Kikwete's ear.

Two politicians hope for political success through staking out development in the energy sector as their territory: Kabwe, of the opposition *Chama cha Demokrasia na Maendeleo*, and CCM's

newly elected MP, **January Makamba**. Kabwe chairs the Public Investments Committee and is seeking restructuring of TPDC and the directing of public funds to the power sector.

Makamba is a son of CCM party Chairman **Yussuf Makamba** and a former aide to Kikwete. Articulate and energetic, he is building alliances with the private sector as well as oil and gas investors with a view to achieving quick gains – such as switching on the Dowans generators, which cannot be used because of court orders – and medium-term infrastructure development, such as investment in the Songas-operated Songo Songo-to-Dar pipeline.

Kabwe and non-governmental organisations have also taken considerable interest in mining. Yet populist measures on royalties and taxation, as well as the absence of any major new ventures in the sector since 2007, have seen this interest diminish. The recently released Extractive Industries Transparency Initiative report for Tanzania covered TPDC, Songas and Maurel & Prom among other mining companies but it is unlikely to lead to the broad popular and political interest that mining evinced since it has not yet been verified and its conclusions are not clear. Consumers can only hope that the new gas finds will lead to lower prices and more capacity – despite the obstacles. ●

LIBYA

Europe's new line on Gadaffi

As the regime attacks civilians, European states are tearing up their trade deals with Gadaffi and his family

The European Union's decision to freeze the assets of the Central Bank of Libya, the Libyan Investment Authority sovereign fund and other businesses could have serious consequences for Libyan investment in sub-Saharan Africa, where Colonel **Moammar el Gadaffi** sought to build strong trade as well as political links. The majority of Central Bank and the LIA portfolio, worth around US\$70 billion world-wide, is in the EU and **United States**: holdings in Italy's UniCredit bank, Fiat, Juventus football club; Pearson, where the *Financial Times's* publisher, in **Britain**; and the Vivaldi and Milano Due hotels in **Malta** (AC Vol 43 No 23).

The sanctions kicked in after the EU's 11 March extraordinary summit on Libya. The businesses will no longer pay dividends to the LIA and the Central Bank. Many Libyan investments in African businesses are crucial to their survival. Their freezing or collapse could have knock-on effects elsewhere. LIA owns the US\$5 billion Libyan African Investment Portfolio (LAP) whose main financial arm, the Libyan Arab African Investment Company (Laico), has a chain of 18 hotels in 15 countries: **Burkina Faso**, **Chad**, **Congo-Brazzaville**, **Gabon**, **Gambia**, **Guinea Bissau**, **Ghana**, **Kenya**, **Mali**, **Rwanda**, **South Africa**, **Tanzania**, **Togo**, **Tunisia**, **Uganda** and **Zimbabwe**.

Through its other subsidiary, Libya Oil Holdings, LAP controls a network of 1,250 petrol stations in 20 African countries. The most important recent acquisitions were of Mobil's Kenyan network in 2009, the Shell distribution network in **Ethiopia** in 2008 and the Mobil network in **Côte d'Ivoire** in

2006. Libya Oil Holdings' plans to invest \$2 bn. in oil exploration in **Benin**, **Sudan** and **Chad** must now be in doubt. Also under threat are Libya Oil's proposed 560 kilometre Kampala-Kigali oil pipeline and the 140 km. Muanda-Matadi line.

COMPANIES MAY CLOSE

If the Libyan investments are going concerns, they could possibly continue as they are and remit profits to escrow accounts. But, if they depend on continuous financial inputs or new investment from the Libyan holding companies, they will probably have to close. LAP owns several African mobile telephone companies, including Rwandatel, and Sahelcom and Sonitel in **Niger**, along with many other companies in **Côte d'Ivoire**, **Sierra Leone**, **Sudan**, **Togo** and **Zambia**. There is particular concern about Uganda Telecom Limited, 69% owned by LAP Green Networks, which ended the last financial year with a \$13 million deficit and had problems paying its bills.

Laico's agricultural projects could also be in danger, including its 25,000 hectare estate in Mali and a 20,000 ha. farm in Chad. The company owns plantations in Burkina, Ghana, **Madagascar**, **Niger** and **Togo**, and vast timber concessions in Congo-B (448,000 ha.) and **Gabon** (347,000 ha.). Laico's manufacturing investments include a cigarette-manufacturing plant in Mali, a mineral-water bottling plant in **Ethiopia**, a rubber-processing plant in **Liberia** and a fruit juice plant in **Guinea**. Laico also owns half of the **Eritrean-Libyan Mining Share Company** (Eri-Lib), which has gold

exploration licences for 3,000 square km. at Nefasit and Fanco.

Sanctions on Libya are bad news for Guinea. The authorities were relying on Libyan finance to develop agricultural and industrial projects. The African building sector will also suffer, with the end of the Libyan financing of mosque construction, as in **Uganda**, **Liberia** and even **Mauritius**. The Libyan Foreign Bank fully owns the Commercial Bank of Zimbabwe, the *Banque Commerciale du Chari* in Chad, and subsidiaries in **Cameroon** and **Mauritania** (AC Vol 41 No 16). They, too, will have problems because of the freeze of the parent company's assets in the EU, **Switzerland** and the USA.

The EU summit also specified a visa ban and an asset freeze against Gadaffi and 25 other people in his entourage who are accused of brutalising civilians. The list includes **Mustafa Zarti**, who is also an **Austrian** citizen. The EU Council cited as reasons Zarti's 'closeness of association' with the regime and his position as Vice-Chief Executive of the LIA, board member of Libya's National Oil Corporation, head of Tamoil and Vice-Chairman of the First Energy Bank in **Bahrain**.

British Prime Minister **David Cameron** told the EU summit his government had frozen £12 bn. (US\$19.36 bn.) worth of Libyan assets in Britain. **Luxembourg** has frozen assets worth 1 bn. euros (\$1.4 bn.). Other assets likely to be frozen are those of Tamoil in the **Netherlands**; \$7 bn. worth of assets in **France**; \$442 mn. in **Spain** (an oil refinery and properties); several billion euros of LIA assets in the *Bundesbank*, refineries and petrol stations in **Germany**; as well as the Italian assets. In **Austria**, the LIA owns 10% of Wienerberger AG, the world's largest brick-maker. This is on top of the \$32 bn. of Libyan assets frozen in the USA.

This may well not be all. A French banker told *Africa Confidential* that the different spellings of the Gadaffi name as well as nominee and straw-man accounts complicate the hunt for the assets. ●

Real bullets, phoney coup

Suspicious about the government's account of a small but deadly attack near the President's home

The government called it a terrorist attack but what actually happened is still not clear. The raid on one of President **Joseph Kabila's** homes came in the early afternoon of 27 February, a Sunday, when a couple of dozen soldiers forced their way past a roadblock manned by the *Garde républicaine* in the smart Gombé district of central Kinshasa and were stopped at a second barrier. First reports said that six of the attackers died, along with one Republican Guard. This was later revised to eleven attackers and eight Guardsmen, according to police Spokesman, Colonel **Lole Onyondo**. Day by day the number of alleged raiders rose, eventually reaching 126, of whom 80 were arrested.

On the following day, Kabila summoned his *Conseil supérieur de la défense* (see Box), which described the incident as a 'terrorist offensive', while Information Minister **Lambert Mende Omalanga**

said the attackers had hoped to 'spread fear across the nation'. Some captives were persuaded to confess that they had followed *commanditaires* (masterminds), Congolese and foreign, but two weeks later these remained unidentified. The government media claimed that some of the raiding party had carried machetes for chopping up their victims and amulets to make themselves invisible and invincible. By 7 March, the police Spokesman was claiming that the airport and television station had also been targets and that soldiers, probably from the same group, had tried and failed to get into the army's main munitions store at Kokolo Camp, five kilometres away.

None of this is widely believed. In that same afternoon, a big crowd went to the stadium near Kokolo for a football match between the Vita Club and visitors from Zanzibar. Everything was calm, with no signs of official alarm. A veteran journalist

thinks the authorities gradually worked up the notion of a great conspiracy. The arrested suspects whom the authorities showed to reporters on 7 March said they were innocent and had been picked up from their workplaces. No questions were allowed. Officials claim that the attackers were heavily armed with rocket-launchers and a machine-gun but the only shots heard came from Kalashnikov assault rifles. It looks as if the government tried to exploit the event to justify a purge.

The apparent targets were people from Equateur Province, the home base of Kabila's main rival at the 2006 presidential election, **Jean-Pierre Bemba**, and his *Mouvement de libération du Congo*. Lambert Mende claimed that one of the attackers was a former MLC activist, MLC Senator **Eve Bazaiba Masudi** strongly denies that her party played any part in the events, pointing out that Bemba's personal guard was disbanded in 2007. Bemba himself is awaiting trial at the International Criminal Court in the Hague and his assets have been seized, so he lacked the resources for a coup, Bazaiba said, complaining, too, about the arrest of workers from the MLC headquarters straight after the attack.

SACKING THE DEPUTY PM

On 10 March, the radio announced the dismissal of the Deputy Premier, **François-Joseph Nzanga Mobutu Ngbangawe**, who was Labour Minister and President of the *Union des démocrates mobutistes* (Udemo, AC Vol 47 No 23). The semi-official *Agence congolaise de presse* claimed he was fired for being absent from his Ministry since November. The independent press says Mobutu Junior had stayed away because he had repeatedly criticised the 'parallel government' around Kabila Jnr., while Prime Minister **Adolphe Muzito** exercised only the appearance of power. On 11 March, another Udemo Minister, **Bernard Biando Sango**, responsible for Trade, also resigned.

The President has thus thrown away the support of a significant party. This seems risky, as his popularity has been fading and he might not win a second-round poll at the election due in November. In January, Kabila secured a change in the constitution whereby the leading candidate in the first round would be declared the winner. The latest purge doesn't improve his chances.

The general opinion in Kinshasa is that the raid on the President's house was yet another sign that the army is fed up with things as they are. The troops' life has been somewhat better since a team of officers from the European Union introduced safeguards for their pay, which had previously gone almost entirely into the pockets of their officers. The nominal strength of the armed forces has been cut

THE STATE OF THE FORCES

Congo-Kinshasa's armed forces comprise about 150,000, including 2,500 in the Navy, 3,000 in the Air Force and 15,000 in the Republican Guard. Military observers believe that most of the naval and air force equipment is unusable or unsuitable. The 20 T-72 tanks recently bought from **Ukraine** or the 20 T-55s and other armoured vehicles are useless against **Rwandan** ex-soldiers or the Lord's Resistance Army fanatics who camp in the eastern forests and mountains. President **Joseph Kabila's** best troops are Katangese and Tutsi of the *Conseil national pour la défense du peuple*, who have joined the *Forces Armées de la République Démocratique du Congo*.

Foreign armies try to help. Since February 2010, **United States** trainers have formed a battalion of 1,200 light infantry at Kisangani. **Belgian** officers have set up a commando battalion; **British** trainers have instructed 40 military intelligence officers; and **Chinese** instructors are training Congolese commandos at the Kamina base in Katanga. **South Africa**, which began cooperation in 2004, has just finished training two rapid-reaction battalions; the SA-trained First Brigade saw action against Enyele rebels in Equateur last year. In February, Congo's Chief of General Staff, Lieutenant Gen. **Didier Etumba Longelo**, took the salute at the end of training by two **Angolan** infantry battalions.

The European Union is contributing 12.6 million euros this year, the sixth, for its *Mission de conseil et d'assistance de l'Union européenne en matière de réforme du secteur de la sécurité en RDC* (Eusec), which is supposed to help modernise administration, logistics and training, and to teach respect for human rights. Its most important job has been to ensure that money intended for the troops is not stolen by their officers. This has meant creating separate chains of command for money and for men; Eusec's **Portuguese** commander, Gen. **António Martins**, says that 60,000 biometric identity cards have been issued and that Eusec has completed 85% of its aims since it started in 2006.

Yet a report to the United Nations Security Council in January on its *Mission des Nations unies pour la stabilisation du Congo* described continuing conflict in the east, the 'tenuous' integration of former rebel forces into the national army and persistent illicit mining by army units that had been ordered to stop. The UN Secretary General reported 'limited progress concerning the training' of the army and a lack of supplies and logistic support. Military trainers on the spot say the most serious problems are those of command and discipline. ●

from 350,000 to 150,000 men, mainly by eliminating 'ghost soldiers' whose pay was also pocketed by officers. Yet the remaining soldiers live miserably. Basic pay has risen from US\$10 to \$50 a month in recent years, but that is far short of what a family requires and some soldiers get left out altogether. Quoting military sources, the Kinshasa-based news agency APA reported on 3 March that 40 soldiers in Kasai Occidental had been waiting for their pay for nearly two years.

Over 14 years after the fall of President **Mobutu Sese Seko**, Congo has an army consisting of paupers – except for the *Garde présidentielle*. Despite massive help from abroad, unrest persists in the ranks and its first victims are the civilian population. In February, a medical centre in the Kingabwa district of Kinshasa was pillaged by 'men in uniform'. The people of Orientale have been left to their own devices, in the face of killing, kidnapping, plunder and displacement by Uganda's Lord's Resistance Army – and the Mbororo militia who are armed to the teeth.

There are repeated mutinies. On 4 February, at around 3 am, a score of men in civilian clothes, wearing red-and-white Katangan headbands, took the Republican Guards at Lubumbashi Airport by surprise (AC Vol 52 No 4). On 12 January, Senator **Jacques Mbadu**, a Kabila-supporter, claimed that the residents of six districts in Bas-Congo had captured 72 rebels who had been aiming to dynamite the Inga dams. When sentenced by a court martial in Matadi, the men were said to be veterans of the *Forces armées zaïroises*,

COUNCIL OF WAR, BUT WHO'S THE ENEMY?

The 28 February *Conseil supérieur de la défense* brought together President **Joseph Kabila's** top security team. Present were:

- Prime Minister **Adolphe Muzito**;
- Defence Minister **Charles Mwando Nsimba**;
- Chief of the General Staff, Lieutenant Gen. **Didier Etumba Longila**;
- Inspector General of Police, Gen. **Charles Bisengimana**;
- Chief of Air Staff, Major Gen. **Massamba Mussungu**;
- Chief of the Presidency Military Staff, Brigadier Gen. **Célestin Mbala Musense**;
- Presidency Chief of Staff, **Gustave Beya Siku**;
- Special Advisor on Security Matters, **Pierre Lumbi Okongo**;
- Administrator General, *Agence nationale de renseignements* (national intelligence), **Jean-Pierre Darwezi**;
- Director General of Migration, **François Beya Kasonga**;
- Head of Military Intelligence, Gen. **Kitenge Tundwa**;
- Commander in Chief, Republican Guard, Gen. **Dieudonné Banze Lubundji**. ●

whom a former Chief of Air Staff, General **Faustin Munene**, had recruited for his 'People's Resistance Army'.

Under the late President **Laurent-Désiré Kabila**, Munene was Deputy Minister of the Interior; he fled to **Congo-Brazzaville**, where he was arrested in January. People wonder, though, how local residents managed to capture trained troops and how those troops could have got together the large quantity of explosives required for blowing up a hydroelectric dam. Once again, official disinformation is suspected.

In Kinshasa, the witch-hunt atmosphere prevails. On the 11 March, the President fired another Minister, **Philippe Undji Yangya**, who was in charge of Rural Development. Philippe Undji, who belongs

to the Mai-Mai *Patriot Résistants* party, was charged with embezzlement of public money in the 'zero tolerance' campaign launched several months ago by Kabila.

A minister from Equateur government, the Chairman of the board of the national lottery, several judges and high-ranking officers of the tax and customs services have been sacked and face similar charges. Yet opposition MP **Clément Kanku** of the pro-Bemba *L'Union pour la Nation* remains unconvinced. In his opinion, Kabila wants to be seen as tackling corruption in order to secure the popular vote at the forthcoming presidential election in November. Kanku considers the measure cosmetic and wonders, 'Why are the officers who steal the food rations of their soldiers not being prosecuted?' ●

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Zimbabwe

THE SPEAKER'S CHAIR

■ Members of Parliament are due to vote for a new Speaker in a contest that could determine the next president should 87-year-old President **Robert Mugabe** be declared medically unfit for office. In that event, Parliament and the Senate have to elect an interim President, which is likely to spark a fierce battle between the two main parties, the Zimbabwe African National Union-Patriotic Front (ZANU-PF) and Movement for Democratic Change (MDC). Parliament reconvenes on 24 March.

Although the MDC has a majority in Parliament, the police continually arrest MDC MPs, which keeps them away during critical votes; ZANU-PF has a comfortable majority in the Senate since Mugabe appoints many of its members, such as provincial premiers and traditional leaders. The Speaker's chair is vacant following a successful campaign by ZANU-PF spin doctor **Jonathan Moyo** to get the Supreme Court to set aside the 2009 election of MDC National Chairman **Lovemore Moyo**. The ZANU-PF caucus is now lining up to elect **Simon Kaya Moyo**, its own National Chairman, as Speaker.

Top officials in the three parties – ZANU-PF and the two MDC factions, MDC-Tsvangirai and MDC-Mutambara – struck an elaborate deal over the job. This fell apart when MPs disobeyed official instructions and elected Moyo in a secret ballot by a small margin. The outcome of the vote will depend on who attends: in the past month, police have arrested six MDC-T MPs on flimsy grounds, opposing bail applications and forcing defendants to appeal to the High Court before release.

These arrests, which destabilise the MDC's electoral efforts, include **Douglas Mwonozora**, the Co-Chairman of the Constitutional Parliamentary Select Committee, and Energy Minister **Elton Mangoma**, arrested on 10 March. The MDC Co-Minister for Home Affairs, **Theresa Makone**, complains that Police Commissioner General **Augustine Chiuri** never consults her or **Kembo Mohadi**, her ZANU-PF counterpart, on such matters.

The police accuse Mangoma of arranging an illicit deal to import fuel from **South Africa**; his lawyers insist he was acting legally within his brief as Energy Minister. High Court Judge **Samuel Kudy** granted bail to Mangoma, describing the police case as weak. We hear the police consulted President Mugabe on Mangoma's arrest, but he did not inform Prime Minister **Morgan Tsvangirai**, who again threatened to pull out of the government of national unity.

Gabon

AU REVOIR LA RÉPUBLIQUE

■ On 27 February, **Sammy Kum Buo**, Africa Director in the United Nations Secretary-General's office, helped negotiate the dissolution of **Andre Mba Obame's** short-lived republic, which he had set up in the UN Development Programme's office in Libreville. Obame represents Medouneu in Woleu-Ntem Province. After he declared himself the winner of the August 2009 presidential elections (AC Vol 52 No 4), Interior Minister **Jean-François Ndongou** dissolved Obame's party, the *Union Nationale*, and began legal proceedings against him.

The UNDP in Libreville was threatening to stop paying the water and electricity bills for the office that Obame and his shadow government had occupied. However, *Union Nationale* members wanted guarantees for their freedom and personal safety before leaving the UNDP's compound.

Obame's republic achieved little. In early March, Justice Minister **Ida Reteno Assonouet** wrote to *Assemblée Nationale* President **Guy Nzouba Ndama** to ask the legislature, currently dominated by President **Ali Ben Bongo Ondimba's** *Parti Democratique Gabonais*, to vote on the government's request to remove Obame's parliamentary immunity. Ali Bongo is now trying to co-opt **Pierre Mamboundou**, a more significant opposition figure, into a wider presidential alliance ahead of the legislative elections, which are likely to be postponed until February 2012.

Djibouti

HELLO NORTH AFRICA

■ Opposition politicians are to boycott the presidential election due on 8 April, after Interior Minister **Yacin Elmi Bouh** banned all demonstrations, fearing a spate of North African-style democracy protests. **Ismael Guedi Hared**, leader of the *Union pour l'Alternance Democratique*, organised protests in February and one that brought 30,000 people to the football stadium. Police fired tear gas and live bullets to disperse the protestors, killing at least one, and arrested over 300.

Exiled opposition leader and former presidential advisor **Abdourahman Boreh** has withdrawn from the election over the protest ban. Only **Mohammed Warsama**, a former president of the *Cour Constitutionnelle* with a negligible political base, is standing against President **Ismail Omar Guelleh**. Last year, Guelleh's supporters pushed a bill through Parliament giving him a third term in office. All signs point to a repeat of the 2005 poll, when Guelleh ran unopposed and received 100% of the vote.

New York-based Human Rights Watch is calling on Guelleh to release **Jean-Paul Noël Abdi** and **Farah Abadid Heldid** of *La Ligue Djiboutienne des Droits Humains*. Police detained both men for organising

protests against the government on 5 and 6 February. Foreign Minister **Mahmoud Ali Youssouf** has also banned Democracy International, the **United States** Agency for International Development-funded election observer organisation. He said it wasn't neutral and declared it 'illegal'.

Sudan/United States

QUESTIONS ON TERROR

■ Just as the United States was preparing to remove the Sudan regime from its State Sponsors of Terrorism (SST) list, Khartoum has hosted a conference of international Islamists, including some the USA lists as 'terrorist'. It hosted the eighth annual meeting of *Al Quds* (Jerusalem) Foundation on 5-8 March but this was not just about **Israel** and Palestine. On the margins, we hear, **Iranian** and Muslim Brotherhood (MB) leaders discussed how to control the Arab *intifadat* (uprisings).

This will not please Washington, which has been telling Khartoum 'normalisation' may be possible by July-August (i.e. if it allows Southern independence on 9 July). US officials say they will 'decouple' Darfur from the conditions required for 'normalisation'. Secretary of State **Hillary Clinton's** review of Sudan's SST status is now under way. It will have to assess the fact that senior officials from the *Harakat al Muqawama al Islamiya* (Hamas), which rules in the Gaza Strip and which the USA lists as terrorist, still reside in Khartoum, as do Hizbollah and other Islamist activists.

Last week, **Egyptian** police seized five lorry-loads of weapons, including mortars and anti-tank missiles, on the Sudanese border and apparently bound for Gaza. The previous week, President **Omer Hassan Ahmed el Beshir** had again defied the International Criminal Court and visited Cairo, where he met new ruler Field Marshal **Mohamed Hussein Tantawi**. The arms seizures recalled the convoys Israel bombed in northern Sudan in early 2009: WikiLeaks recently revealed that, although Khartoum never protested publicly, it privately complained to the USA, whom it believed responsible (AC Vol 50 No 7).

Hamas's **Khalid Meshaal** was prominent at the *Quds* meeting, as was **Ali Qaradaghi**, Secretary General of the International Union of Muslim Scholars, led by Egypt's **Yusuf al Qaradawi**, who issued a fatwa against Southern independence. Qaradawi is boycotting Khartoum until **Hassan el Turabi** is again freed from gaol. Also attending was **Tunisia's Rachid Ghannouchi**, veteran Sudan passport-holder, who claims affinity with **Turkey's** ruling party, which arrived in force. Turkish President **Abdullah Gül** lunched in Egypt on 3 March with MB chief **Mohamed Badie**. All now say they accept democracy. 'Expect a lot of cooperation on how to take over a country,' a Western former intelligence official told *Africa Confidential*.

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Three critical events on 29 and 30 March show both the speed and the fragility of changes on the ground: the rapid convening of the London Conference, attended by diplomats from 40 countries; the defection of Gadaffi's former intelligence chief, **Musa Kusa**; and the recapture of Brega and Ras Lanuf by Gadaffi's forces.

The rapid implementation of the no-fly zone, following the UNSC Resolution on 18 March, has elevated the Interim Transitional National Council (ITNC) leadership in Benghazi to key allies of the Western-dominated coalition, though only France and **Qatar** recognise it as the country's legitimate authority.

ITNC officials have been received in Paris, Washington and, most recently, in Whitehall during the Conference. They were not accredited to the meeting but British officials helpfully circulated

the Council's eight-point 'Vision of a Democratic Libya' to journalists.

REBEL DENTISTS

Africa Confidential interviewed several fighters on the front line in eastern Libya: most of them were engineers, lawyers, dentists and farmers but almost none had any military training. A common determination to oust Gadaffi united them. Claims by ITNC that several army units had defected proved overblown. Many soldiers who had fled Benghazi in mid-February melted back into society or quietly returned to barracks, refusing to fight on either side. The revolutionary *katibat* (battalions) which have done most of the fighting consist of poorly equipped, untrained volunteers.

This explains why the rebels' initial advances were so quickly driven back by Gadaffi's well-equipped elite brigades, led by his most capable military son, Captain Khamis, and his rehabilitated footballer son, **Es Saadi**. They are backed by ruthless militias, many recruited from marginalised, often black, southern Libyans and from African conflicts in which the Colonel has meddled for decades. Gadaffi has also armed his small Gadaffa tribe and larger 'loyal tribes', including the Magharia. Loyalist Col. **Hassan Ishkal** has set up militias, as have **Ahmed Ibrahim's** Revolutionary Committees (AC Vol 50 No 19).

Faced with such organisation, the opposition saw that it needed to build up military power quickly, partly by winning over defectors. The most important of these is General **Abdel Fatah Younis**, a leader of the 1969 coup against King **Idris**. He was Interior Minister until 22 February, when he moved to Benghazi as Commander-in-Chief of *Libya Hurra* (Free Libya).

Younis was not trusted, however, and Col. **Khalifa Belqasim Haftar** was appointed Commander, with Younis downgraded to Chief-of-Staff. Haftar had defected from the Libyan army during the 1980s war with **Chad** and joined the opposition in exile.

Less comforting for *Libya Hurra's* Western allies are the links between some oppositionists and Islamist movements. In a 29 March hearing at the US Senate, the North Atlantic Treaty Organisation (NATO) Supreme Allied Commander in Europe, US Admiral **James Stavridis**, said that intelligence agencies had picked up 'flickers' of an *Al Qaida* presence among Libyan opposition fighters, as well as links to *Hizbollah*.

AQIM, which concentrates much of its fire on Algeria, said in February it would do whatever it could to help Libya's rebels; **Usama bin Laden's** Egyptian right-hand man, **Ayman al Zawahiri**, has sought to exploit the conflict. As Western intelligence began to look at **Sudan's** Islamist regime, Khartoum denied any involvement and on 30 March said its aid was purely 'humanitarian'.

Other Islamists are involved: this reflects eastern Libya's long history of Islamist militancy, which was suppressed by Gadaffi in areas such as Dirna, El Bayda and Benghazi. The Libyan Islamic Fighting Group (LIFG) recruited jihadist fighters, who went on to fight in **Iraq** alongside Islamist forces. More recruits went from Libya than any other Arab country to fight Western forces after the 2003 invasion.

Remnants of the local arm of *Al Ikhwan al Muslimoon* (Muslim Brothers) have re-emerged. INTC and other sources in Benghazi are reluctant to discuss Islamist influence but we hear that the Brothers are proselytising for a **Turkish-style** political system of 'Islamist rule with constitutional safeguards (see Egypt Feature)'. One Islamist source said this would become a vital issue after Gadaffi was deposed and Libyans could express their political preferences.

The breadth of the opposition – from politically secular leftists and liberals to radical Muslims – shows in the make-up of the INTC. Islamists originally opposed the Council's Education Secretary, we hear, because of his secularist, left-wing past. The nomination was eventually accepted but Islamists want to control

THE OPPOSITION BREAKS COVER, SLOWLY

The West's new allies in Libya are largely unknown. The most familiar faces to join the revolution include the Ambassador to the United Nations, **Abdel Rahman Shalgam**, a former Foreign Secretary and regime stalwart (AC Vol 47 No 1), and several defectors associated with the failed reform initiatives pushed by Colonel **Moammar el Gadaffi's** son **Seif el Islam el Gadaffi**.

These include the Interim Transitional National Council (ITNC) Chairman, **Mustafa Mohamed Abdel Jalil**, who spent three years as Justice Secretary. A respected judge who spoke up about the system's abuses, Abdel Jalil has another main qualification: coming from a minor tribe, the Obeidat. In a society where ethnicity largely defines identity and power – and tribal leaders will be key to future arrangements – he looked an attractive front man. Other opposition technocrats, linked to Seif el Islam, include ex-Planning Council head **Mahmoud Jibril** and ex-Economy Secretary **Ali el Isawi**.

Yet the names of only 13 of the ITNC's 31 members have been made public: Abdel Jalil, **Osman Suleiman el Megrahi** (representing Batnan area), **Ashour Hamed Bourashed** (Dirna), **Abdelellah Musa el Mehoub** (Qouba), **Zubeir Ahmed el Sharif** (representative of political prisoners), **Ahmed Abduraba el Abaar**, **Fathi Mohammed Baja** and **Abdel Hafed Abdel Kader Ghoga** (all Benghazi), **Fathi Terbil** (the lawyer whose arrest sparked the initial demonstrations in Benghazi; Youth portfolio), **Salwa Fawzi el Deghali** (Women's Affairs), **Omer Hariri** (Military Affairs), **Mahmoud Jibril** and **Ali el Isawi** (both Foreign Affairs and International Liaison).

The other names are kept secret for 'security reasons', since they represent parts of Libya still under the regime's control. This shows the rebellion's determination not to be seen as an eastern secession but as a national movement. During a mid-March visit to the east, and in conversations with a range of opposition activists of all political persuasions, *Africa Confidential* heard the same message: if Gadaffi succeeded in anything in 42 years, it was in forging a Libyan national identity that persists. Now the majority of those national groups are united against him. Yet the people from the Warfalla, Margaria and Gadaffa tribes, with the Touba and other 'black Libyan' groups from the south of the country, still provide enough support for the loyalist fight-back. ●

socially sensitive dossiers in future administrations.

OIL TERMINALS AT WAR

Much of the fighting has been over oil export terminals along the coast, with opposition forces trying to win a critical revenue source. The ITNC wants to set up its own marketing and financial operations. The Benghazi branches of three state banks and the eastern headquarters of the Central Bank of Libya are setting up independent payment systems.

During the early weeks of the revolution, two shipments were exported from the Marsa el Hareiga oil terminal east of Tobruk, about a million barrels going to **China**, with the money going to the Gadaffi-controlled National Oil Corporation (NOC), but another 600,000 barrels went to an unidentified buyer in **Italy**, paid in cash and yielding some US\$80 million for the INTC. Since then, neither side has been able to export – despite reports of Chinese and other traders descending on Tripoli with bags of cash. The INTC's main oil advisor is **Ali Tarhouni**, an exiled Washington University economics professor who is lobbying to have sanctions waived on oil from fields under Free Libya's control.

In Benghazi, the directors of the second largest oil company, the Arabian Gulf Oil Company, quickly declared for the revolution and sacked Chairman **Abdel Wanis Saad Almereteja**, seen as a stooge for Agoco's parent company, NOC. They replaced him with an emergency interim committee (but would not release names) chaired by **Ahmed Mujberi**.

TENTS IN THE DESERT

Gadaffi's sons Seif, Mutassim, Khamis and Saadi have been prominent on the military and diplomatic front. Many are sceptical about claims that Khamis met his death at the hands of a renegade kamikaze pilot who crashed a jet into the Bab Azizya barracks on 14 March. Whatever the truth, the 'Khamis brigade', one of the best equipped, has remained effective.

Mutassim, who heads the National Security Council and met Clinton before the current crisis, sent an envoy to London, proposing a transitional regime (a council of loyalists and rebels) to oversee the establishment of constitutional rule. Under that plan, Gadaffi would be relieved of all effective power but allowed to stay in Libya. This might have attracted the NATO coalition or others such as the Arab League or African Union but falls short of the full regime change that Sarkozy and the Benghazi opposition seek. The Leader's demise or exile would change everything. ●

EGYPT

In command and control

The generals have won some important tactical victories against the activists of Tahrir Square

Six weeks after the military eased out President **Mohamed Hosni Mubarak** after a mass campaign against his regime, the generals are gradually reasserting their grip on Egypt's political system (AC Vol 52 No 6). Seasoned tacticians in the high command are steering the demands for a more open political system into a programme of early elections. That will mostly benefit the established political forces: the previously ruling National Democratic Party (NDP) and its arch-opponents in the *Akhwan el Muslimoon* (Muslim Brotherhood, MB).

The Supreme Council of the Armed Forces (SCAF) is attempting to undermine the great democratic awakening which demanded reform of institutions amid far-reaching political and social change, and the safeguarding of individual freedoms. Such ideas are anathema both to Mubarak's old party and the elderly Islamist MB leadership, who are more comfortable with the previous political game between the military-backed NDP and the Brothers. The movement in Tahrir Square and beyond established a new force for freedom and justice which rejected the old polarity.

The SCAF plan will undermine the activists because they will not have time to form effective parties to compete in the coming elections, which the NDP and MB will dominate. The plan now is for parliamentary elections in September, with the presidential vote 'one or two months later', said General **Mamduh Shahin** on 30 March. The constitutional mini-referendum on 19 March, in which many Egyptians voted for the first time, endorsed the amendments by 77.2%. Shahin said this 'Constitutional Declaration' would hold for six months, until the new parliament can draft a permanent constitution.

The Declaration divides some interim powers between the military and parliament. It bans parties based on religious grounds, forbids arrest or detention without a legal basis and guarantees freedom of the press and of belief and opinion. Yet the generals have banned the media from discussing the armed forces without first 'coordinating' with the army's Department of Morale Affairs. Reports of the army violating human rights are on the rise.

When troops forcibly cleared Tahrir Square on 9 March, many arrests were

violent, and some detainees were tortured and prosecuted in military courts. On 23 March, Amnesty International reported that soldiers beat female protesters, gave them electric shocks and subjected them to strip-searches as male soldiers photographed them, before subjecting them to 'virginity checks' and threats of being charged with prostitution.

Liberals claim the army is choosing sides. The popular momentum to prosecute the most corrupt members of the *ancien régime* has not slowed but the generals show no enthusiasm. Civilian corruption in privatisation of statals is a target but nobody has yet focussed on the questionable dealings of the many Defence Ministry companies. This has been deliberate, to keep the army on side, activists in Cairo tell *Africa Confidential*.

The army's objectivity has also been questioned over the upsurge in sectarian violence. In February, soldiers stormed a Coptic Christian monastery because a wall had been built on state land to protect it. Monks alleged the soldiers used excessive force; the army denied the attack took place. More serious were clashes on 8 March between Copts and Muslims in the poor Cairo district of Manshiet Nasser, where Copts outnumber Muslims. Ten people died and witnesses said snipers shot some of them.

Essam Sharaf's government takes its cue from the army, say observers, and is hardening its attitude to civil liberties. On 23 March, it issued a new law under which anyone organising or calling for protests can be prosecuted and imprisoned or fined up to 500,000 Egyptian pounds (US\$84,000). The law will last as long as the state of emergency. As the military reinforces control of the transition, forces of the old regime see opportunities. Supporters of Hosni Mubarak's younger son, **Gamal Mubarak**, have resurfaced and formed a coalition on 29 March to seek his election as president and to form a political party. **Magdi el Kurdy**, who leads the pro-Gamal campaign, claims the new party embraces all social classes.

The big question is whether such forces, derived from the NDP, can coopt enough of the politically active young people who powered the revolution. El Kurdy's group has the resources and networks to run a strong campaign, even if the elections are free. For now, activists seeking wholesale political change can see no obvious home

in the current crop of parties. If the NDP stole most of its votes under Mubarak and the MB won about a third of seats in parliament, that leaves a huge gap in the political market.

ISLAMISTS REGROUP

These political unknowns have prompted important debates over strategies in the MB. Some differences are generational, others tactical or more ideological. Islamists across North Africa refer to Turkey's Islamist party holding power in a multiparty system as their model. After Mubarak's fall, the MB downplayed its ambitions, to avoid a military crackdown and alarm at home and abroad.

The reformist **Abdel Moneim Aboul Fotouh** launched a new political party, *Nahdat Misr* (Egypt's Renaissance), on 27 March, to compete with the Freedom and Justice Party, recently launched as the MB's electoral vehicle. Aboul Fotouh's split illustrates the ideological and generational conflicts inside Egypt's oldest and best organised Islamist organisation. Earlier in March, young activists, under middle-aged Brother **Ibrahim el Zaafarani**, had launched an online campaign for a 'Renaissance Party', just like **Rachid Ghannouchi's** *En Nahda* in Tunisia. He hoped Fotouh would preside over it.

In recent years, Fotouh won fame as a 'liberal Islamist' preaching democratic values, women's rights, freedom of speech and expression, and opposition to discrimination against non-Muslims. This is in open contrast to the traditional MB stance. In 2007, he said Copts and other non-Muslims should be entitled to run for president. That fits with the Turkish model and with the reformist mood in Egypt. The question is whether such activists will replace the traditional Islamists and where the new movement will go.

On 26 March nearly 300 young Brothers held a conference in a Giza hotel, opposed by their leaders, on the MB's political future. It was the first public discussion on how to reform the MB. A concluding resolution insisted that the party be independent of proselytising and social-service activities (a major source of recruitment), and that members should be allowed to join other parties. The hard-line Supreme Guide, **Mohamed Badie**, had already warned that only joining the Freedom and Justice Party was allowed.

The MB's **Mohamed el Beltagi** has warned of a civil war such as Algeria experienced after the army took power in 1991, cancelling elections which the main Islamist party was about to win. 'If the Islamic tendency tries to become dominant in positions of authority, we could encounter big problems. If the other forces strive to block or censor the Islamic trend we will encounter a bigger problem', he said. ●

NIGERIA

Results that are fit to print

This month's elections will be unique – the ruling class cannot agree on who they want to win

Until now, every Nigerian national election has been more or less managed under an elite pact. The richest and most powerful people informally agree to accept the outcome, despite their reservations. The reward is that they will draw adequate compensation from the national patronage machine of public works and oil trading contracts. Such deals have brought elections in which Nigerians' votes have been blatantly disregarded, while the political parties have developed into companies to disburse patronage. Since the return to civilian rule in 1999, each election has been worse than its predecessor. In 2007, even the victor, the late President **Umaru Musa Yar'Adua**, admitted the election was seriously flawed.

This time there is no cosy pact. The most business-minded of the southern elite generally back President **Goodluck Jonathan** from the Niger Delta; their northern counterparts generally back ex-military leader General **Muhammadu Buhari** from Katsina in the far north; and the more reform-minded back the former anti-corruption chief, **Nuhu Ribadu**.

Jonathan starts the election with the mammoth weight of the People's Democratic Party and state patronage behind him; yet many senior PDP dissidents think the presidential nomination should have gone to a northern candidate and have cast their lot with Buhari and his Congress for Progressive Change. The other two candidates, Ribadu and former Kano Governor **Ibrahim Shekarau**, are also from the north. Six new elements increase the electoral competition:

- the lack of a PDP consensus weakens Jonathan's campaign.
- state governors and the National Assembly has put the national presidency on the defensive and made it far harder to push through reform.
- a credible and non-partisan academic, **Attahiru Jega**, heads the Independent National Election Commission (INEC).
- three credible northern opposition candidates face a southern incumbent.
- there is a chance that no candidate will reach the threshold (25% of the vote in 24 of the 36 states) to win in the first round.
- violent conflict is flaring in Niger Delta, Plateau, Bauchi and Maiduguri states.

The electoral cycle starts with National Assembly elections on 2 April, the presidential on 9 April and governorship

elections on 16 April. The system, if it operates fairly, favours Jonathan, who looks the most likely to get a quarter of the vote in two-thirds of the states. Buhari is probably weaker in his weakest areas than Jonathan is in his; the anti-Jonathan vote is divided, although there is talk of a Buhari-Ribadu pact just before the presidential election to encourage people to take the opposition more seriously.

That could be important as Buhari's CPC has an important following in the north, although the party's officials are poor at managing organisational disputes; and Ribadu's Action Congress of Nigeria (ACN) has a growing following in the south-west. In a few areas, people might dump the PDP at governor level but vote Jonathan for President.

THE GHANA EFFECT

To date, incumbents have rarely been re-elected without rigging and transition from one civilian ruler to another has been within the governing party. Yet in other West African countries, ruling parties have lost to the opposition. Even if there is clumsy fixing in volatile areas such as Bauchi and Kano, gubernatorial candidates may keep things quiet until after their own elections a week later. INEC will try hard to ensure free and fair polls. The 2007 elections were widely condemned, with elector disenfranchisement, violence, fraud and ballot-stuffing. INEC Chairman Jega is striving to avoid such mistakes.

Nigeria is currently swimming in oil revenue – the price of a barrel of Bonny Light oil is well over US\$100 and output averages 2 million barrels per day. Lawmakers keep their hands on the till. The 2011 budget, padded by the National Assembly, was deemed 'unimplementable' by Finance Minister **Olusegun Aganga**. The Central Bank of Nigeria (CBN) has raised interest rates to 7.5% to ward off inflation caused by government spending (mostly for campaigns) and to make bank funds expensive for politicians.

Nigerians are committed to democracy but generally disapprove of the National Assembly. Last year, CBN Governor **Lamido Sanusi** infuriated the legislators when he complained about their cost: the Assembly has drawn more than 684.6 billion naira (US\$4.5 bn.) from the Treasury since the return to civil rule in 1999. A Senator earns about \$1.7 mn. a year, a member of the House of Representatives earns about

\$720,000 plus expenses for transport and accommodation; yet they are among the least productive in the world, having passed about a dozen bills since the last elections in 2007. All the presidential candidates see the Assembly as troublesome, expensive and unproductive but none of them, apart from Ribadu, show much determination to reform it and make it genuinely accountable.

THE PDP LOOKS BUSY

The PDP's majority in the Assembly is likely to be cut this year and it might lose its grip altogether. The legislators, perhaps fearful of losing their seats, have tried to look busy. In March, the Assembly rapidly passed the Freedom of Information Bill (renamed Right to Information), antiterrorism and money laundering bills and a new minimum wage.

Several members have made campaign trips to constituency projects, promising either to arrest contractors where work is unfinished or to re-award contracts. Contract brokers throng Abuja, the federal capital, to resell contracts awarded to shell companies belonging to lawmakers, their friends and families. Such promises are unlikely to placate the public.

Many Assembly members failed to win their party primaries, due to factions within their parties or offers of more money by their opponents. In Ogun State, **Dimeji Bankole**, the Speaker of the House of Representatives, lost his bid for nomination in the camp led by Governor **Gbenga Daniel**. Yet the winner, from ex-President **Olusegun Obasanjo's** camp, 'stepped aside' for Bankole, who wants a third term in the Assembly. In Ogun State, the PDP is split. The new People's Party of Nigeria is tacitly backed by Governor Daniel. Bankole's main opponent is **Olusegun Williams** from the ACN, whose popularity is growing in the south-west.

Iyabo Obasanjo-Bello, Obasanjo's daughter, is running for a third time and is said to want to become Nigeria's first female Senate President. Not if **David Mark**, the current President, has his way. He, too, wants to chair the Senate and is seeking a record fourth term there.

The electorate is dissatisfied but buoyed by a new improved INEC, vocal young people and a vigilant civil society. The 2 April elections will be tough, even for well-financed PDP heavyweights. Poor governance, dismal economic management and a lingering deficit of legitimacy trail the PDP's twelve years in power. Polls by *This Day*-MORI and TNS-RMS report that PDP will win the presidency by a landslide. Civil rights lawyer **Ayo Obe** argues that such polls are inaccurate as the research was done several months ago.

Personalities, not parties, will count most across the 8,813 wards and 120,000

polling units. Several new contestants are children of politicians. **Olumide Osoba** and **Adedapo Adesina** are ACN candidates for the House of Representatives; their fathers **Segun Osoba** and **Lam Adesina** were governors of Ogun and Oyo states respectively. A showdown is expected in the Lagos Central senatorial race between **Oluremi Tinubu**, wife of ACN baron **Bola Tinubu**, and **Yemisi Ransome-Kuti**, the late **Fela Kuti's** cousin and matriarch of the Kuti family, who is standing on the ticket of the Social Democratic Mega Party.

To win an Assembly seat, a simple majority of the constituency votes will do. In the governorship elections, the winner must obtain at least two-thirds of the local government areas within the relevant state. The opposition has reopened coalition talks for the presidential election, depending on the outcome of

the parliamentary polls. INEC is trying to limit the number of results that will be contested in the courts. Jega's team has been transparent and responsive to media requests; electors are encouraged to go out to vote with their mobile telephones and to send reports via SMS or BlackBerry.

Nigerian politicians may be surprised by the potent combination of heightened confidence in INEC, a more engaged civil society and what World Bank Vice-President and former Minister **Obiageli 'Oby' Ezekwesili** calls the 'tipping point generation' of politically active young people. **Wole Soyinka** sees this year as a turning point: 'The mental orientation has been changing... from resignation to activism, to angry activism. There are signs of a collective sense of rejection. There's a cumulative impact'. ●

WATCH THE SOUTH-WEST

The six states of south-west Nigeria may determine the national elections for President **Goodluck Jonathan**, whose People's Democratic Party lost much of its following in the region under its previous leaders. Of Nigeria's 73.5 million registered electors, the south-west accounts for 14.3 million. The two main rivals there are the nationally dominant PDP and the Action Congress of Nigeria (ACN), which has its political roots in the south-west. Even the name refers back to Yoruba leader **Obafemi Awolowo's** Action Group, founded in 1951 in the run up to Independence.

In 1999, there was a massive vote for the regional (strongly Yoruba) Alliance for Democracy, which became the Action Congress and is now the ACN. Its presidential candidate then was **Olu Falae**, a Yale-trained economist and former Secretary of Finance in **Ibrahim Babangida's** military regime. By 2003, when President **Olusegun Obasanjo** struggled to get endorsement for his second term, he used his south-western and Yoruba credentials to campaign for his presidency and the PDP: the AD/AC vote crashed.

In the 2007 elections, the PDP machine rigged most states (several in the south-west) that it couldn't win fairly. It was only in Lagos State, where the AC/ACN was well organised and popular, that the PDP couldn't use its national machine to control the state votes. Now, after several scandals, the PDP is fighting for its life in a test of regional allegiance: will south-west voters back a presidential candidate from the South-South (or Niger Delta) against one of the three northern candidates, who all have running mates from the south-west? In Lagos, sentiment towards Jonathan is mixed. There is sympathy for him as a southerner battling the traditional political strength of the north, but also a deep suspicion of the PDP as a corrupt juggernaut that has, under both northern and southern leadership, failed to reform Nigeria or even make the power stations work.

Most electors think the region's ACN governors have performed well, especially Lagos Governor **Babatunde Raji Fashola**, who has cleaned up the city, made the traffic run faster and become something of a Lagos showman. The ACN says it will respond strongly to any attempts by the PDP to steal votes in Lagos. The All Nigeria People's Party hardly exists in the south-west, though its vice-presidential candidate, Chief **Harry Ayoade Akande** is from the region. Late last year, the ANPP had planned an alliance with the ACN, which fell through over tactical differences.

The ACN in the south-west is the party of **Bola Tinubu**, the former Governor of Lagos State who handed power to his cousin **Fashola**. Fashola's reforming zeal inspires other ACN states such as Ekiti, Osun and Edo in the mid-Delta. Tinubu has financed the ACN, whose presidential candidate in 2007 was **Atiku Abubakar**. This time, it is the former anti-corruption czar **Nuhu Ribadu**. He has teamed up with **Fola Adeola**, who helped to establish the highly regarded Guaranty Trust Bank. The ACN will coast to victory in most of the governors' races in the south-west but the presidential race will be harder.

Ogun State, home of ex-President Obasanjo, is governed by the PDP. Obasanjo is wrangling with Governor **Gbenga Daniel**, so the fallout could help the ACN in the governorship elections at least. That's bad news for Jonathan, who has been using Obasanjo to rally support in the south-west. In the South-South, the ACN is well represented in Rivers State but is unlikely to challenge seriously the incumbent PDP Governor **Rotimi Amaechi**, who is a good orator and publicist. ●

Zuma's presidential primary

Claims of corruption and nepotism are weakening the ANC's position ahead of key local elections

For once, local government elections could change national politics. The municipal polls next month will be a critical test for President **Jacob Zuma** and the African National Congress. If the ANC maintains its dominance of local authorities in the towns and countryside, then Zuma will be able to face down the growing band of party critics who want him to make way for another presidential candidate in the 2014 election.

Yet if – as many suspect – the ANC is trounced in some constituencies and loses control of a couple more provinces (it currently controls eight of the nine), then the moves to push Zuma out of the presidency will gain ground and he might suffer the fate of his predecessor, **Thabo Mvuyelwa Mbeki**. The ANC National Executive unceremoniously removed him, making way for Deputy President **Kgalema Motlanthe** to take the top job on an interim basis in 2008.

Now, with some uncertainty about Zuma's future, some are calling for Motlanthe to step into the breach and again take over the presidency – this time as a candidate who would stand on the ANC presidential ticket in the 2014 election. His supporters say Motlanthe, a quietish and likeable politician, combines Mbeki's intellectual qualities with Zuma's grassroots campaigning skill. The real problem for Motlanthe's cheerleaders, though, is that their man shows little interest in vying for the top job in a fairly crowded field of contenders.

It would be foolish to underestimate Zuma's skill as a great escape artist. If next month the ANC gets the vote in, he is clear favourite for the nomination for 2014. Yet the rumblings inside the party and its trades union and South African Communist Party (SACP) allies are growing louder. They attack Zuma over claims of corruption and nepotism, his personal behaviour, and weak leadership.

The trades unionists and Communists carried Zuma to the presidency of the ANC in 2007 and of the country in 2009. Last year, he neutralised a no-confidence vote in the ANC National General Council by offering the leaders of influential factions powerful jobs in the cabinet, provincial legislatures and municipalities. He also promised the ANC he would run his private affairs more prudently, ratchet up the anti-corruption fight and govern better.

The truce is coming apart as the local government elections loom on 18 May. If the party does badly, then it may struggle in the national elections thereafter. A lower vote will mean less patronage for the President to dispense and also paint him as a liability rather than a vote-catcher, which would give his enemies the excuse to prevent him from standing for re-election. Those most unhappy with Zuma's leadership are reminding party members that he publicly promised, in the middle of the campaign to oust Mbeki, that he would serve for only one term.

CARS FOR ZUMA'S FIRST LADIES

The 'first family' lives in luxury at the taxpayers' expense. The press revealed recently that Zuma had ordered seven luxury vehicles in seven provinces to be permanently available for his wives. Gauteng and the Western Cape already had vehicles on permanent call but the Presidential Protection Unit also needed a car hire business that could provide them in the other seven provinces at all times. The Police Spokesman, Colonel **Vishnu Naidoo**, confirmed that the Protection Unit needed one vehicle on standby in every province 'for the First Ladies'.

For other family comforts, the Zumas can thank the **Gupta** brothers: **Ajay**, **Atul** and **Rajesh**, the owners of Sahara Computers, the *New Age* newspaper and interests in mining and finance (AC Vol 52 No 5). The Guptas support the lifestyles of Zuma's wives and children, and give jobs to the family members and girlfriends of many other politicians. They gave the son of Free State Premier **Ace Magashule** a job and a luxury car. The media frequently allege that the Guptas have decided the appointment of chief executives and chairmen of parastatal companies. We hear that the issue came up this month in the ANC's National Working Committee but was dropped in favour of a 'broader' debate on whether 'there is a case to be made on business influencing politics'.

Controversial recent appointments include that of **Brian Molefe** as Chief Executive of Transnet, of **Mafika Mkhwanazi** as Transnet Chairman and **Lazarus Zim** as Chairman of Telkom. All are associates of presidential son **Duduzane Zuma**, while all Zuma's adult children serve on one Gupta company board or another. Duduzane and Rajesh Gupta have a deal with China Railway

Construction Corporation that positions them to benefit handsomely from the planned high-speed rail link between Johannesburg, Durban and Cape Town. **Duduzile Zuma**, the President's daughter, has left the board of Sahara Computers to start her own Dudu Zuma Foundation, which we understand was started with a Gupta donation.

The Guptas operate a classic business patronage system: backing politicians of all stripes whose parties will then be amenable to hearing the Gupta point of view on business policy. The Guptas regularly call cabinet ministers, state premiers and senior ANC leaders for 'briefings' at their mansion at Saxonwold, Johannesburg, we hear. Zuma was there in November to join their lavish celebrations for the Hindu Diwali festival and so were Home Affairs Minister **Nkosazana Clarice Dlamini-Zuma**, Housing Minister **Tokyo Sexwale** (also a considerable political patron these days), Communications Minister **Roy Padayachie** and Magashule.

Everyone attending meetings of the ANC National Executive and National Working Committee finds a copy of the *New Age* on the table in front of them. 'The Guptas' influence on the ANC senior leadership is just unacceptable,' one NEC member told *Africa Confidential*. 'The Presidency rejects insinuations that the [Gupta] relationship impacts in any way on the President's work in running cabinet and the country,' Zuma's office declared last month. At least opposition parties do not miss out. **Bantu Holomisa**, who leads the small opposition United Democratic Movement, says his party received 100,000 rand (US\$14,500) from the Guptas last year.

The main opposition party, the Democratic Alliance, will not say whether it has received a donation but, uncharacteristically, does not criticise the Guptas in public. Insiders claim that the Guptas did make a donation to the DA which has caused serious internal divisions. The Gupta brothers have, we understand, made a donation to the Inkatha Freedom Party for a national conference.

The *Umkhonto we Sizwe* (MK) Military Veterans' Association (MKMVA) – retired guerrillas of the old ANC's armed wing – has come out in support of Zuma and the Guptas, and its Chairman, **Kebby Maphatsoe**, says he wants the ANC Youth League (ANCYL) to discipline **Julius Malema**, its President, who has been vocally criticising the brothers. The Guptas have generously funded running costs and salaries for the MKMVA, which was a key ally of Zuma in his fight with Mbeki, we understand. The MKMVA has interests in a Gupta-owned uranium mine through a stake belonging to Duduzane.

The Congress of South African Trade Unions worries about claims that Zuma

colludes with the Guptas and launched an investigation after General Secretary **Zwelinzima Vavi** talked of 'the growing perception that the Gupta family is plundering resources of the country to the benefit of Duduzane'. An outraged President Zuma called for a meeting with Cosatu leaders, as did the Guptas, who wanted to 'reassure' them that they did not peddle influence. One union leader who was present told *Africa Confidential* that the Gupta brothers offered to help Cosatu and its individual leaders with anything they 'need', and asked whether Cosatu had any 'projects' that needed support.

The SACP is split into pro- and anti-Zuma factions. Secretary General **Blade Nzimande**, Minister for Higher Education and a key Zuma strategist, leads the former camp. **Gwede Mantashe**, who is both SACP Chairman and General Secretary of the ANC, also supports Zuma, and has claimed critics of the Guptas are racially prejudiced. Mantashe's former allies in the union movement – he used to lead the National Union of Mineworkers – don't like his management of the ANC and have threatened not to support him for re-election. ANCYL wants to get rid of Mantashe next year and replace him with **Fikile Mbalula**, the Sports Minister.

If Zuma wins a second term, Nzimande wants to become Deputy President of the ANC and of the nation, a source said, and he has launched a purge of the SACP's anti-Zuma faction. He suspended the Limpopo Province SACP Executive, which had been plotting to unseat Zuma, Nzimande and Mantashe, and packed the new Executive with his supporters. One of those suspended, the Limpopo provincial Finance Minister, David Masondo, who is sometimes tipped as a replacement for Mantashe, has said Zuma's relationship with the Guptas is 'an example of how narrow black economic empowerment (BEE) had become'. He called it ZEE – Zuma Economic Empowerment.

The firebrand ANCYL leader, Malema, returned to form this year and attacked Zuma for appearing 'only to look after his family', rather than the whole nation. Behind the scenes Zuma has been favouring **Lebogang Maile**, the Gauteng Youth League Chairman, to replace Malema at ANCYL's June conference. Malema's call for the mines to be nationalised annoys Zuma but he has not so far disciplined him for straying from party policy.

Another vigorous critic of Zuma's relationship with the Guptas is ANC Treasurer **Mathews Phosa**, who was persuaded to abandon his bid for the ANC deputy presidency in 1997 in favour of Zuma. He fell out with the Guptas, apparently, when he refused to accept their offer of free flights for Zuma in their private jet before the 2009 elections, and later after refusing a lift in their helicopter.

The ANC National Chairwoman, **Baleka Mbete**, also opposes the Zuma-Gupta axis. A consortium associated with her lost out in a steel deal with ArcelorMittal in favour of a Gupta-Duduzane consortium.

Zuma's newly appointed head of the Government Communications and Information Systems, **Jimmy Manyi**, who is President of the Black Management Forum, is also attracting fire. He got leading black professionals and business people to support Zuma's re-election campaign. Previously, the then Labour Minister, **Membathisi Mdladlana**, had suspended him as Director General of Labour for trying to secure BEE deals for friends. Zuma reassigned Mdladlana as an ambassador and promoted Manyi to become government Spokesman.

Manyi's gaffes have included saying that there was an oversupply of 'coloured' (mixed race) people in the Western Cape, where they are the majority. Manyi's use of the term, reminiscent of the racial language of the old apartheid regime, prompted National Planning Minister **Trevor Manuel**, who is coloured, to accuse him of racism. The timing is bad for the ANC. The Western Cape and Cape Town are the only province and major city that it does not control. Manyi's statements could push coloured voters into the arms of the DA, already strong there, and make it impossible for the ANC to recapture the province. Over local party objections, the ANC's national leadership has parachuted in Deputy Foreign Affairs Minister **Marius Fransman**, who is coloured, as ANC provincial leader.

SHAIK MAKES A RECOVERY

The DA candidate for Cape Town Mayor in May is **Patricia de Lille**, who is also coloured. A former trade unionist, she is a celebrated anti-corruption fighter, mostly for her role in exposing corruption in the government's US\$6 billion arms deal, in which Zuma's former financial advisor, **Schabir Shaik**, was implicated (AC Vol 49 No 5). Shaik was sentenced to 15 years in prison. Described by some as 'the Guptas' pathfinder', Shaik was released on parole in 2009 on compassionate grounds, as he was said to be 'terminally ill'. When a *Sunday Tribune* reporter spotted him on a golf course in early March, she said that he slapped her and grabbed her by the throat. Another report said he hit a man outside a mosque in Durban over a parking row. Police arrested him for failing to comply with parole conditions but the prison authorities have not yet decided whether to revoke his parole or amend the conditions.

In early March, the Crime Intelligence Division raided the offices of the Public Protector, **Thuli Madonsela**, who had alleged that the accounting officer of the South African Police Service, Police

Commissioner **Bheki Cele**, had improperly authorised a R500 million lease for a Pretoria office building. The police were trying only to find out who had leaked the story, said a source. The incident, they said, highlights the belief of Zuma's allies that they are untouchable.

Discontent with the ruling party deepens with problems of basic services. Johannesburg has been unable to bill residents correctly for a year because of the failure of its R580 mn. accounting project and some residents have had their electricity and water cut off. The ANC Mayor denies it but the ANC Gauteng provincial leader, **David Makhura**, says there is a crisis. The Minister for Local Government, **Sicelo Shiceka**, personally owes the Johannesburg municipality almost R35,000 and would like to pay what he owes but 'will not pay thousands of rands for something that is inexplicable'. None of this is good for the ANC.

Zuma can at least avoid some of his troubles on his many foreign trips, even though he lambasted Mbeki for travelling too much. However, he attracted heavy regional criticism for backing **Laurent Gbagbo** in Côte d'Ivoire against the internationally recognised election winner, **Alassane Dramane Ouattara**.

Just as he was about to answer questions on this at a press conference during his state visit to **France** in early March, a bomb threat curtailed the proceedings, possibly not accidentally, according to South African diplomatic sources. He suffered further embarrassment when Libyan television reported that he had spoken to Colonel **Moammar el Gaddafi**, a generous contributor to his campaign against Mbeki, and expressed his 'support'. Under pressure from the ANC and its other allies in the Tripartite Alliance, Zuma finally denounced Gaddafi, days later.

The ANC launched its manifesto for the local elections in Rustenburg in mid-March, with Zuma publicly acknowledging that the party had disappointed many supporters but promising to improve municipal performance and tackle service bottlenecks. The South African Municipal Workers Union, an affiliate of Cosatu, has threatened to boycott the poll and Cosatu itself has insisted that the ANC nominate **Tony Ehrenreich**, the union federation's Western Province leader, as candidate for Mayor of Cape Town.

In Johannesburg, the Guptas have played a bad card by attempting to install their personal assistant, **Mandisa Makinana**, as an ANC candidate in the area that includes the Saxonwold suburb where they live, provoking an angry reaction from local ANC members. It must be Zuma's hope that the groundswell of opposition to his presidency stays local and does not disturb his finely balanced network of alliances. ●

The scramble for the South

A spate of secret and exploitative land deals may cause instability and more economic hardship in the new state

Almost 10% of the land in South Sudan, due to win its formal independence on 9 July, has been sold or leased to foreign and local companies, according to a new report. Foreign investors have signed agriculture, biofuel and forestry deals which will take up 2.64 million hectares. That's the size of **Rwanda**. Including local domestic investment, tourism and

conservation projects, the land transfer totals 5.74 mn. ha. or 9% of the South's land mass, says the report, published by Norwegian People's Aid (NPA).

Worried about the implications of some of the more opaque arrangements, officials in Juba are preparing to suspend some deals. A fierce confrontation looms over Jarch's deal with **Paulino Matiep**

Nhial (see Box & AC Vol 51 No 22). The Chairman of the Southern Sudan Land Commission, **Robert Lado Luki**, and Unity State's Deputy Governor, **William Daud Riek**, told *Africa Confidential* that Jarch's contracts with Matiep were legally invalid. We hear Jarch's colourful American Chairman, **Philippe Heilberg**, is due in the South to persuade officials.

Developing agriculture is a priority of the Government of Southern Sudan. A large underpopulated territory combined with plentiful water means that the country has great potential but it remains largely unexploited. Oil, which accounts for 98% of GOSS income, will run out by 2050 at the current production rate, says BP's latest review of world energy.

Regulation has failed to keep up with land allocation. In 2009, the GOSS passed the Land Act to govern land leasing but it offers only a broad framework and no implementing mechanisms have been introduced. Other laws, including 2009's Local Government Act and Investment Promotion Act give guidance but lack detail and are not always consistent. A Land Commission was created in Juba but its role is limited to that of advisor and dispute mediator. State land commissions have been set up in some of the ten states, including Unity, but no power has yet been devolved to these bodies. A land policy bill has recently been drafted but controversies mean it could take several months before it is passed. Meanwhile, South Sudan has to deal with millions of dollars of land investment that are not properly regulated. Companies are unclear about what changes may be coming.

Many land deals agreed since 2005's Comprehensive Peace Agreement have not progressed. Investors waited for the outcome of January's referendum. Now it is clear the South will be independent, officials say that the deals signed to date will become active investments and that many more will follow.

Yet fundamental questions of land ownership, community participation and leasing rights remain: some projects may face local opposition, others may be cancelled. The big question is who has the right to lease land. Most land held by individuals or communities is unregistered, with rights based on the traditional association with an area of a certain tribe or family. The Interim Constitution, which governs the period between the CPA and Independence, states that land 'traditionally and historically' held or used by local communities should be protected by law, while the Land Act states that 'customary land rights... shall have equal force and effect in law with freehold or leasehold rights'.

The land rights of the GOSS, the states and the local communities are poorly differentiated. The Land Act says

MR. SMILE AND THE MILITIAS

After years of regime denials, Presidential Advisor **Mustafa Osman Ismail** effectively admitted this week that the National Congress Party (NCP) arms militias in Southern Sudan. 'We cannot tolerate that the South started to host Darfur rebels,' he told an on-the-record seminar at London's Chatham House on 28 March. 'If you continue to support the Darfur rebels from the South, you should expect the same,' he responded to a barrage of questions from Southerners from three parties and including two diplomats. 'We will not support a single rebel in the South unless the South support rebels in the North.'

The problem with this claim is that the NCP has armed anti-Sudan People's Liberation Movement fighters since at least 1991, when **Riek Machar Teny Dhurgon** and **Lam Akol Ajawin** broke with the SPLM and the NCP was still the National Islamic Front. Darfuris launched an organised response to government attacks only in 2001. It looked like typical NCP forward planning, anticipating international criticism following the SPLM's claims this month that it has documents proving NCP destabilisation attempts. The NCP says the papers are forged. SPLM Secretary General **Pa'gan Amum Okiech** has urged the United Nations to examine them. An American source says they appear genuine. At Chatham House, Mustafa never categorically denied helping Southern rebels.

Until then, Mustafa Osman had amply demonstrated why Sudanese call him 'Mister Smile'. His solemn retinue of ten diplomats, including Ambassador **Abdullah el Azrag**, laughed on cue as he chuckled his way through his speech. 'Last time I came here, **Zine el Abidine** was in Tunis, **Mubarak** was in Egypt and we don't know what's going to happen in the coming few days!' Introduced as Sudan's 'longest serving Foreign Minister' (1998-2005) and a man of great 'strategic clarity', he ably prepared the ground for the next NCP rebranding. In four years there would be 'a change of government after a general election under international supervision'. Here, a ripple ran through the assembled Embassy staff but it was only the dramatically mustachioed figure of **Ibrahim el Nur** arriving. He is a Metropolitan Police advisor and a founder of the Sudan International Defence Group, which tried, with the NCP's **Ibrahim Ghandour**, to block the International Criminal Court from trying President **Omer Hassan Ahmed el Beshir** (AC Vol 51 No 15).

In London in January, Ibrahim had been 'Mr. Reasonable'. Mr. Smile followed suit: 'The Congress Party is not going to continue for ever.' The regime hopes to charm the world and facilitate its survival. Mustafa encouraged foreign investment, development aid and debt relief. No one mentioned that the NCP is much criticised at home for its lack of interest in health, education or agriculture and its huge spending on war, Islamist activities and villas in Egypt, the **United Arab Emirates** and **Malaysia**.

Before that, he focussed on Abyei, predicting resolution within a month, with help from **Britain**, **China**, **Russia** and **South African** ex-President **Thabo Mbeki**. He insisted that the border had been settled by the Permanent Court of Arbitration (which is not what fellow Presidential Advisor General **Salah Abdullah Mohamed 'Gosh'** says) and the only hold-up was the SPLM refusing to see that the Missiriya had a right to vote in the referendum. The NCP raised this issue only after the PCA ruling, which it had accepted.

With a dentist's precision, Mustafa made sure he had every questioner's correct name. These are skills that served him well when he was deputy to **Hassan Abdullah el Turabi** in the Popular Arab Islamic Conference in the early 1990s. The PAIC brought together international Islamist groups, including that of **Usama bin Laden**, then resident in Khartoum, and was later seen as the cradle of Al Qaida (AC Vol 41 No 13). ●

community leaders can 'recommend' the lease of community land to the 'appropriate land administration', while the Interim Constitution states vaguely that land rights should be exercised at the 'appropriate level' of government. The draft land policy says the land is owned by the people but will be managed by the government, yet it is unclear how. Most land leases signed were agreed with either central government or a state authority. The Jarch deal was lined up without the agreement either of the government or the local community.

Equally problematic are the leases agreed with private companies for commercial activity. While the Land Act permits leases of up to 99 years, the Investment Promotion Act limits agricultural leases to 30 years and forestry leases to 60. Yet deals are already in place that exceed these limits.

The Nile Trading and Development Company (NTDC) has signed for 600,000 ha. in Lainya County, itself only 340,000 ha. in size. 'Leasing many times the amount of land than is in the locality raises questions as to what they are thinking,' says NPA report author **David Kuol Deng**. Deals such as those lined up by Jarch and NTDC raise concern as to the size of deals a particular level of government can agree. The Land Act says the allocation of over 105 ha. 'shall be approved by the concerned ministry in the state' and that 'any allocation shall be based on a land ceiling that shall be prescribed by regulations.' Enforcement mechanisms are yet to be introduced.

The community impact of such big investment is also poorly managed. The Land Act says the GOSS and the state governments must 'consult with the community concerned on any decision related to the land that the investor intends to acquire' and that the 'activity to be carried out by the investor' must 'reflect an important interest for the community' and contribute 'economically and socially' to community development. Yet there is little evidence of this happening. Of the 28 deals the NPA report examines, only ten involved community consultation, while only three undertook environmental and social impact assessments. A lack of proper consultation means local communities have tried to block investment. Amid poverty, displacement and new political arrangements, land pressures can only add to the potential for conflict, sometimes fuelled by Khartoum.

NPA suggests a moratorium on land deals pending a stronger regulatory framework but the appetite of foreign companies to invest and of all levels of government for investment means there is little chance of this. 'There are numerous expressions of interest by foreign investors in acquiring large pieces of land in

virtually all areas of the country,' Deng told us. 'I expect it to be a phenomenon that continues.'

Companies will have to tread carefully, however. 'If investors try to proceed without involving the local community, there is definitely a possibility of problems,' says Deng. 'It's an unfolding situation that as time progresses will become more and more contentious.'

That came true this week with **Egypt's** announcement that it wants to restart construction of the Jonglei Canal. The 360 km. canal is expected to increase Egypt's water supply by about 5% (AC

Vol 51 No 17). War stopped the world's largest bucket wheel excavator digging it out in 1983. The Canal, beloved of the late Colonel **John Garang de Mabior**, who wrote a PhD thesis on it, is hugely controversial as it would drain the Sudd, a swamp seasonally reaching some 130,000 square kilometres that is fundamental to the Nilotic pastoralist way of life. Draining it could also change the world's weather. No full social or environmental impact assessment was ever done but multiple reports point to the threat to humans and wildlife. Business, though, may be eyeing the mechanised farming prospects. ●

SOME LAND LEASE AGREEMENTS

Management/Leac for Agriculture and Investment: The most controversial deal in South Sudan is a the 400,000-hectare joint venture in Mayom County, Unity State, of **United States'** firm Jarch Management, registered in the **British** Virgin Islands and chaired by American entrepreneur **Philippe Heilberg**, and the local Leac for Agriculture and Investment (AC Vol 51 No 22). It was signed by former warlord **Paulino Matiep Nhial**, Deputy Commander-in-Chief of the Sudan People's Liberation Army (SPLA). His son **Gabriel Matiep** is Chief Executive Officer of Leac, in which Jarch has a majority stake. Work has yet to start, officials in Mayom told *Africa Confidential*, while a second deal is under negotiation. Neither deal is recognised by the Government of South Sudan (GOSS) or by Unity State. Jarch and Leac want to develop land in all ten Southern states.

Controversy erupted in 2006 when Lieutenant General Matiep granted Jarch full oil rights on the land controlled by his forces, then opposing the SPLA. Despite reportedly pursuing a deal for oil exploration acreage on land in Total's Block B in 2005, Jarch denied in 2009 that its land agreement was a precursor to an oil deal. However, the Jarch website says that hydrocarbons, metals and minerals remain a principal business line. The Comprehensive Peace Agreement and South Sudan's Interim Constitution say all subterranean resources are government property. Energy Ministry officials in Juba told us they would respect all existing oil contracts after Independence in July 2011.

Nile Trading and Development: The largest single deal, in 2008 to farm 600,000 ha., is between US firm Nile Trading and Development and Central Equatoria State. It includes payment of US\$26,500 in fees to the state government and sharing 40-50% of profits with local cooperatives. A payment of \$1 million is to go to the local community, say officials. Work has yet to start on the project, based in Lainya County. The deal includes an extension up to 1 mn. ha., although Lainya covers only an estimated 340,000 ha. The terms of the 49-year lease were poorly understood among locals whom *African Confidential* interviewed in February. Such a project could have a considerable impact on the county's population, estimated at 90,000. Local people are already disputing the investment, say officials. They also acknowledge a lack of local outreach by the firm.

Central Equatoria Teak Company: In 2008, the Agriculture Ministry agreed a 32-year lease for 50,000 ha. of teak forest in Lainya and Yei counties. The investor is Central Equatoria Teak Company, a joint venture by Britain's Department for International Development and **Finland's** Finnfund. Lainya and Kenyi *payams* (county sub-division) are in dispute over an agreement between the investors and Kenyi. The State is encouraging negotiations, says the official. Officials also say the deal has precipitated a dispute between the GOSS and the State over who owns the rights to lease the forest and manage project implementation. A second 32-year lease has been signed by the same two investors for 18,600 ha. of land in Nzara County in Western Equatoria State. Implementation has not started on either project, leaving the forests vulnerable to illegal logging, say officials.

Leaf Tobacco and Commodities: **Ugandan**-based Leaf Tobacco and Commodities has submitted proposals to grow tobacco in Lainya County, Central Equatoria. It wants first to develop 5-ha. test plots. Tobacco development faces major opposition. Some local environmental and religious groups are keen to stop it, said one official, while the Land Commission, Central Equatoria and Lainya County officials all say that they oppose it.

There is a long history of tobacco growing in Equatoria by Northern Sudanese, notably **Anis George Hagggar's** Hagggar Cigarette and Tobacco Company, which also used to grow it in Darfur. From a Coptic Christian family, Anis Hagggar is one of few traditional Northern businessmen to thrive under the National Congress Party and is widely found on African rich lists. He is, *inter alia*, Deputy Chairman of Ivory Bank, which describes itself as 'Islamic', and last month joined the state oil company, Sudapet. ●

One man, one vote

Once again President Guelleh will win an election with no credible opposition and his Western allies will continue to operate discreetly in his country

Moves by the ruling *Rassemblement populaire pour le progrès* to squash opposition protests, coupled with the expulsion of an electoral observation group, Democracy International (DI), have made Djibouti's 8 April presidential election effectively a one-horse race. All opposition groups will boycott the contest, leaving only President **Ismail Omar Guelleh** and **Mohamed Warsama Ragueh**, a former President of the *Cour Constitutionnelle*, on the ballot (AC Vol 52 No 6). Interior Minister **Yacin Elmi Bouh** banned demonstrations in early March after three mass rallies in February saw around 30,000 people gather in Djibouti City. Notwithstanding the RPP's measures to curb protest, Djiboutians are likely to remain frustrated with Guelleh's changes to the constitution last year, which allow him a third six-year term in power.

The absence of foreign journalists and a minimal presence of international non-governmental organisations in Djibouti mean the expulsion of DI, funded by the **United States** Agency for International Development, further undermines the election's credibility. The leader of DI's Electoral Processes Assessment Team, **Chris Hennemeyer**, told *Africa Confidential* that he doubts 'much attention will be paid to the many flaws of this electoral process' due to the relative obscurity of Djibouti on the international stage. While DI was allowed 'to meet regularly with members of the RPP leadership and many senior government officials, including ministers' in its 16-24 January visit, Hennemeyer says 'a request to meet with President Guelleh was not accepted.'

Abdourahman Boreh, a former Presidential advisor, was widely seen as the opposition's frontrunner before he withdrew from the race. He had made a name for himself as President of the Djibouti Port and Free Zone Authority and was an influential deal-broker in Djibouti's port-based economy. He had also become a major antigovernment voice. A private dispute with Guelleh over his constitutional changes led him to London in self-imposed exile. Boreh believes he is a 'target' of the RPP and he told AC he did not feel safe in Djibouti or in **France**. The ambitious political agenda he advocates on his slick website demands sweeping democratic reform, which he calls 'common sense' for both

economic and political development. His website continues to host otherwise banned political discourse.

Djibouti port currently handles many of landlocked **Ethiopia's** imports and exports. The likelihood that Ethiopia will develop trading relationships with the ports of Berbera, Port Sudan and Mombasa is a key motive for Djibouti to diversify away from its reliance on Ethiopia. Long-standing personal ties between Guelleh and Ethiopian Premier **Meles Zenawi** are thought to be behind this reliance. Boreh told AC that the RPP's relationship with the Ethiopian People's Revolutionary Democratic Front was 'close'. Reports say Meles gave Guelleh a US\$5 million estate in Dire Dawa, a hectare of land 45 kilometres east of Addis Ababa for a holiday home and 7,000 hectares 400 km. south of Addis that serves as a private wheat farm.

A DANGEROUS DEPENDENCE

While Guelleh seems content to structure his economy around Ethiopian need, both Boreh and the International Monetary Fund consider an over-reliance on Ethiopia dangerous in the long run. Boreh emphasises his experience in winning business from the **United Arab Emirates** as a key plank of his campaign. Dubai-based terminal company DP World, which recently reported a \$3.19 billion turnover, operates Djibouti's port and the nearby Doraleh Container Terminal.

The IMF believes private investment is essential for Djibouti's economic growth. The RPP's unwillingness to liberalise the economy and dismantle its monopoly on the telecommunications industry is stalling progress, they say. Djibouti is connected to the Fiber-Optic Link Around the Globe (FLAG) but as of yet, has utilised only 5% of its capacity. Boreh, himself a rich businessman, proposes economic reforms to attract potential investors from the USA's Silicon Valley, New Hampshire and Texas and foster the growth of private business.

Guelleh's close relationships with the militaries of the USA, former colonial ruler France and **Japan** are instrumental to his grip on power. There has been no comment from foreign governments yet on the withdrawal of either the opposition or the blocking of DI from the election. Influential Western powers are unlikely to speak out against Guelleh's undemocratic

actions because the stability of global shipping routes increasingly depends upon the stability of Djibouti.

Djibouti provides a base for the multilateral crackdown on **Somali** piracy. In return, Guelleh saves on military spending as his forces are trained for free. Prime Minister **Dileita Mohamed Dileita** is an important Western ally in the fight against the pirates' disruption of the key commercial waterway through the Gulf of Aden. The Djibouti Code of Conduct treaty, signed by Indian Ocean countries in the International Maritime Organisation on 29 January 2009, reflects Djibouti's commitment to international efforts to stop kidnappers and hijackers from targeting vessels.

The RPP also provides a strategic base for US counter-terrorist operations against *Al Haraka al Shabaab al Mujahideen* and the remnants of the Islamic Courts Union not in Somalia's Transitional Federal Government. With 2,200 personnel, Camp Lemonnier, adjacent to Djibouti's International Airport, is the only US military base in Africa. A December 2009 WikiLeaks cable from the US Ambassador to Djibouti, **James C. Swan**, reveals that National Security Advisor **Hassan Said Khaireh** collected weapons from the Djiboutian Navy for US security firm Xe Services (formerly Blackwater). Xe Services has three six-man teams, armed with .50 calibre machine guns, positioned off Djibouti's coast, ready to escort as many as three ships at once for \$2,000. They seem to have had no takers.

As recently as July 2010, Swan pledged his support to free and fair elections and emphasised the importance of DI's presence. He has not yet commented on their dismissal. The RPP's refusal to allow DI the right to observe the election is central to the withdrawal of Boreh and **Ismael Guedi Hared**, leader of the *Union pour l'alternance démocratique*.

Guelleh also plays host to 2,600 members of the 13th demi-brigade of the French Foreign Legion, who watch over the pirates from their *Le Monier* (now Lemonnier) base. Japan says it is exceptionally vulnerable to the Somali pirates and claims 10% of the maritime traffic through the Gulf of Aden comes from its ports. This January, Naval Commander **Keizo Kitagawa** opened Japan's first overseas military base since 1952 in Djibouti at a cost of \$43 mn.

Recently, the Office of the Inspector General released a report raising further questions about the RPP's accountability. The report claims that 30% of the funds given to Djibouti by the Global Fund to Fight AIDS, Tuberculosis and Malaria was siphoned off by the government, much of which 'went to buy motor vehicles.' The RPP has not commented. ●

The anti-Asmara campaign

Meles is increasing the rhetoric against his neighbour and wants the United Nations to join in action against Asmara

Ethiopia's blood feud with Eritrea is increasing in bitterness as Addis Ababa seeks to win more regional recruits to its cause. On 12 March, Ethiopia's Prime Minister **Meles Zenawi**, once an ideological and military ally of President **Issayas Aferwerki**, promised to work 'politically or through other means' towards 'changing Eritrea's policies or its government'. **Berhane Gebrekristos**, Ethiopia's Minister of State for Foreign Affairs, continued in this vein, telling the media that Eritrea was trying to 'turn Addis Ababa into Baghdad'.

Prime Minister Meles previously saw his neighbour as a nuisance, not a threat. This year, Ethiopia's new Deputy Prime Minister and Foreign Minister, **Hailemariam Desalegn**, said that he wanted to normalise relations with Eritrea, although Ethiopia could live with the status quo. Now there is growing evidence that Eritrean-sponsored fighters are active in Ethiopia and on its borders.

In September 2010, Ethiopian forces captured nearly 300 Eritrean-trained Ogaden National Liberation Front (ONLF) fighters on the Somaliland-Ethiopia border after they had arrived

by boat. Some 30 Eritrean-trained ONLF fighters fell into the hands of the **Djibouti** security forces when they were en route to the Somali Region of Ethiopia. Violent border incidents have included exchanges of fire, cross-border raids and kidnapping.

DISAPPEARING EPPF

Other Eritrea-based Ethiopian opposition groups operate in the Somali Region under Eritrean control. There have been reports in Ethiopia that members of an exiled opposition movement, the Ethiopian People's Patriotic Front (EPPF), which Ethiopia accuses of being backed by Eritrea, have disappeared in Eritrea without explanation from the authorities in Asmara.

According to Addis Ababa, seven men were caught on the Ethiopian-Eritrean border near Assab carrying explosives. Officials claimed that they were all heading for the African Union Summit in Addis Ababa in January. A second team was arrested in Addis Ababa on information after the first arrest, officials said. These incidents fuelled Ethiopia's rhetoric. Ethiopia says Eritrea is also

trying to subvert Djibouti, whose President **Ismail Omar Guelleh** is an Ethiopian ally (see Feature). Guelleh and Meles accuse Eritrea of reviving an armed opposition group in the country: the Eritrea-Djibouti border dispute remains unresolved after three years. Ethiopia insists Eritrea is a regional threat. Meles said the threat was 'not only to Ethiopia, but also to Djibouti, **Somalia** and **Sudan**'.

Eritrean oppositionists claim Asmara trains and arms Southern militias fighting the South Sudanese government. Juba says it has captured weapons with Eritrean markings.

Ethiopia certainly does not want to act alone against Eritrea. The United Nations Security Council imposed sanctions on Eritrea's leaders and an arms embargo in December 2009 for supporting the Islamist **Al Shabaab** and other Somali militant groups against Somalia's Transitional Federal Government (TFG). We hear the next report from the UN Monitoring Group on Somalia due in July will produce more evidence about Eritrean support for the Somali rebels. Ethiopia will push for action, demanding tougher sanctions and improved enforcement against Asmara.

Ethiopia says it has proof of Eritrean destabilisation efforts in Somalia and across the Ethiopian and Djiboutian borders, which it has given to the Permanent Members of the Security Council. Asmara is yet to react to Ethiopia's calls although it has rejected all accusations of complicity with **Al Shabaab** and objected vociferously to sanctions. ●

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Zimbabwe

ZANU-PF FAILS TO OUST SPEAKER

■ The Zimbabwe African National Union-Patriotic Front's attempt to get **Simon Khaya Moyo** elected as Speaker of Parliament failed on 30 March when the former Speaker, **Lovemore Moyo** of the Movement for Democratic Change-Tsvangirai, unexpectedly prevailed. ZANU-PF had wanted to insert a loyalist in his stead but Lovemore Moyo won by 105 votes to 93. So several ZANU-PF MPs must have either voted for him or abstained. The Speaker has a crucial electoral role in the event of the demise of the President.

Vice-President **Joice Mujuru** ordered ZANU-PF MPs to vote for Simon Khaya Moyo, warning that, although the ballot is secret, the Politburo would know if they voted the wrong way. Parliament is now waiting to see where the axe will fall.

ZANU-PF's plan for a new Speaker also depended upon police prosecutions to keep certain MDC MPs at home or in custody (AC Vol 52 No 6). Nevertheless, several managed to get to Parliament and persuade **Welshman Ncube**, leader of the breakaway MDC-Mutambara, to change his mind. Ncube had intended to order a wholesale abstention in protest at the prosecution of MDC MPs, which were clearly designed to keep them away from the vote, especially that of Energy Minister **Elton Mangoma**. However, when the MDC MPs turned up, Ncube saw the opportunity to win. He duly threw his seven MPs in with the MDC-T, winning the day for L. Moyo.

Police released Elton Mangoma on 21 March, re-arrested him on 25 March and he spent the weekend shackled in irons, hand and foot, as an ostensible escape risk. At his hearing on 28 March, the judge ordered the irons removed. Imposing bail conditions is a court prerogative, but Police Commissioner **Augustine Chihuri** has imposed his own, instructing Mangoma not to attend cabinet or his ministerial office. Independent media claim that Chihuri has ten more MDC MPs in his sights for similar treatment when it suits ZANU-PF.

Western Sahara/United States

HELLO AND GOOD-BYE

■ Just as United States-based Kosmos Energy is about to launch an Initial Public Offering (IPO) on the New York Stock Exchange to finance operations in **Ghana's** Jubilee field, the Polisario Front is demanding Kosmos halt drilling in the giant Boujdour block off Western Sahara. The African Union recognises Polisario as the legitimate authority in Western Sahara, the subject of a three-decade dispute with **Morocco**, which occupies most of the

territory. In 2001 and 2002, Rabat granted exploration licences in Boujdour to Kerr-McGee and Total but United Nations' legal advisors told the UN Security Council the contracts were not illegal but might contravene international law if they were 'in disregard of the interests and wishes of the people of Western Sahara'.

Under political pressure, Kerr-McGee sold to Kosmos, which took a 75% interest in Boujdour, with Morocco's *Office National des Hydrocarbures et des Mines* holding the rest. Kosmos has been harder to pressure because until now it has been privately owned. Kosmos's dispute with Polisario comes as it was drawing a line under its political difficulties in Ghana. Its partners are EO Group, whose Directors **Kwame Bawuah Edusei** and **George Owusu**, are allies of former President **John Kufuor** and the opposition New Patriotic Party. EO is considering a US\$300 million offer for their 3.5% stake in the West Cape Three Points from **Ireland's** Tullow Oil.

The government started investigating EO and blocked an attempt by Kosmos to sell its and EO's stake in Jubilee to ExxonMobil for \$4.3 billion (AC Vol 52 No 17). Should Tullow buy out the EO stake, it would finally sever the controversial company's links with Kosmos. The proceeds might be held in escrow until the government has completed its investigations into Edusei and Owusu, perhaps after the 2012 election.

Angola/United States

SCHOOL MEALS AND BULLETS

■ The Angolan government detained the United States-flagged *Maersk Constellation* container ship at the port of Lobito between 28 February and 17 March. This was in retaliation for the closure of its Washington Embassy's bank accounts by three US banks between July 2010 and February 2011, we hear (AC 51 No 24). President **José Eduardo dos Santos** was so angered by the closure that he held up the accreditation of the new US Ambassador, **Christopher McMullen**, for six months. McMullen was able to present his credentials only on 31 March.

The ship had sailed from the USA and docked at Lobito with soya beans destined for local schools under the US Department of Agriculture's 'School Lunch' programme. Angolan officials then found four containers containing 25 mm ammunition for light weapons on board. Officials detained the *Maersk Constellation* after claiming that the ship's officers had failed to list the ammunition on their paperwork. The US Embassy said it was a 'customs issue' and that the ammunition was legally purchased by the **Kenyan** Defence Ministry (AC Vol 52 No 6). However, a high-ranking Angolan official told *Africa Confidential* Luanda intended to be as strict with the Americans 'as they

are with us', denying the ship's officers had made an honest paperwork error.

During March, the Foreign Ministry summoned US Chargé d'Affaires **David Brooks** on at least three occasions, and in two of them they berated him and refused to accept his assurances. Angola had planned to send a delegation to Washington to resolve the banking issue but, after the *Constellation* incident, it cancelled. At first, Luanda described the weapons and ammunition as destined for **Côte d'Ivoire's** President-elect **Alassane Ouattara**, but later claimed they were bound for Angolan rebels, even after Nairobi had confirmed the ammunition was for Kenya.

South Africa/BRIC

CLUBBING BEIJING

■ South Africa formally enters the informal club of BRIC nations – **Brazil, Russian, India** and **China** – in April in Beijing. On 24 to 26 March, ten key policy analysts from each country met in the Chinese capital to set the agenda for the April meeting, sub-titled 'Development, Cooperation and Experience-sharing'. China fixed the preparatory meeting's agenda and delegates spoke on pre-arranged themes. One said the Chinese hope to make the debates in the new BRICS 'as relevant, perhaps even more so' than those of the G-7 group of rich nations.

China took the lead, delivering its best party intellectuals, along with showers of new books in English on the lessons of China's development history, with the Russians taking a back seat. South Africa still belongs to the IBSA (India, Brazil, South Africa) group, but reasons for IBSA to continue while BRICS exists are few, even though diplomats still want it. South Africans seemed uncomfortable with questions about their government's vote for the no-fly zone over **Libya**, on which China, India and Brazil had abstained.

Next to the founding BRIC countries – with 40% of the world's population and 26% of its area – South Africa is a dwarf. African National Congress leaders see BRICS as adding to South Africa's international prestige. The debate is sharpening about what route South Africa's development should take: the Chinese-style, high-growth, low-democracy model favoured by ANC leaders from the Marxist-Leninist, guerrilla and exile traditions, or the Indian and Brazilian model of development and democracy moving together, favoured by ANC Deputy President **Kgalema Motlanthe** and most trade union leaders.

Some countries in the Southern African Development Community worry about South African entry into BRICS. Mercosur, a free trade zone between Southern Africa and the South America free trade zone, failed because SADC members feared competition from Brazil. Many fear competition from China just as much.

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both recently passed into law. Passing the long-delayed Petroleum Industry Bill will be harder, however, given the PDP's weakness in the Assembly. Strong US and British endorsement of Jonathan in May 2010 has weakened over the past year, as progress on greater accountability and economic reform has faltered.

The power behind the throne was another ex-President, Gen. **Olusegun Obasanjo**. He hails from Ota in Ogun State in the Yoruba-dominated south-west, where economic and demographic power will concentrate in coming decades. In the 18 districts of the six south-western states, the PDP held on to just one senatorial seat. Indeed, Obasanjo's daughter, **Iyabo Obasanjo-Bello**, failed in her bid in Ogun State to get into the Senate in PDP colours amid bitterness from the party's Gbenga Daniel faction there. The sweeping defeat of the PDP in the south-west could weaken Obasanjo's influence over the party, yet he will still keep his authority as a trusted advisor to Jonathan on foreign policy and military matters.

For the south-west, the new king-maker is Obasanjo's sworn enemy, **Bola Ahmed Tinubu** of the ACN. Tinubu, who had a chequered career as a businessman in the US, is a sworn enemy of Obasanjo and inspires loathing and respect in almost equal measure. Governor **Babatunde Raji Fashola** of Lagos State is highly rated for his work there but has also had differences with Tinubu. Sweeping victories for the ACN in the south-west challenge the PDP seriously but it will struggle to present itself as a national party. That seemed to be the logic behind selecting Ribadu, from the north-west, as ACN presidential candidate, with his running mate from Lagos, tycoon and democracy campaigner **Tajudeen Afolabi ('Fola') Adeola**.

Even after a year in office, Jonathan is yet to acquire the presidential gravitas that would make it easier to deal with Nigeria's insistent and well resourced vested interests. His emergence as presidential candidate for the PDP juggernaut and his defeat en route of four rich and powerful northern contenders suggested that many had underestimated him. Nevertheless, he is one of the least experienced politicians to have held the presidency: for some, his lack of status as a professional politician

may be part of his attraction, for others it may conjure a vision of a naive or malleable figure who won't be able to stand up to powerful political and business lobbyists.

Whoever wins the presidential vote will face strong lobbying by groups such as the Arewa Consultative Forum in the north and the South-South political organisations under the tutelage of veteran campaigner **Edwin Kiagbodo Clark**, from the Niger Delta, whose access to some of the militants has helped Jonathan to subdue some of the festering unrest in Nigeria's main oil-producing region.

A big question is whether the winner will follow the example of Gen. **Yakubu Gowon**, the former military head of state who presided over the enlightened 'no victor, no vanquished' policy after the civil war in 1967-70 and appointed a cabinet of the most able, possibly future presidential, politicians, alongside technocrats. On all sides, that would mean a president who was prepared to break with precedent and not allocate the key ministerial portfolios such as petroleum, works and housing, water resources and internal affairs to close political and business associates.

IBB AND OBJ FEAR REVENGE

Former leaders such as **Ibrahim Babangida** and Obasanjo will seek to win over the successful candidate to ensure they are not called to account. Of the two leading candidates, Buhari looks more likely than Jonathan to delve into allegations of impropriety. Babangida overthrew Buhari in a coup in 1985 and Buhari believed Obasanjo had cheated him of victory in successive elections.

The new president will have to balance such imperatives as dealing with demands for justice and accountability along with pressure for economic reform. After the election, there will be growing pressure for the presidency to cut state patronage and to push ahead with critical reforms in the oil industry and financial services. A key partner here will be the radical Governor of the Central Bank of Nigeria, **Lamido Sanusi**, with whom all the candidates say they want to work. Already **Mallam Sanusi** is speaking of a second round of sweeping reform in the banking system; the last round in August 2009 resulted in the sacking of six bank chief executives.

Cleaning up the political system may prove tougher still. The habits of rigging, vote-buying and intimidation still abound but pressure from the ballot box should make the PDP more amenable to change. Nigerians are generally fed up with the party and a more aware and vocal civil society, aided by technology, could keep the excesses of the politicians in check.

All the same, says a leading politician, 'blood will flow'. In the south-east, Akwa Ibom and Delta states are vulnerable, with police clamping down hard on

activists. The heated election competition has thrown up dangerous operators such as Governor **Godswill Akpabio** of Akwa Ibom State. During the governorship electoral rerun in Delta State, Chief **Great Ogboru** was leading until polling officers in Koko, near Warri, were forced at gunpoint to thumbprint extra ballots.

There were disturbances and ballot-snatching in the Delta, bombings in the outskirts of the federal capital, which left 13 people dead in Suleja, Niger State, and two bombings in Maiduguri, Borno State, home of the *Boko Haram* sect of Islamist radicals. Yet even after the initial problems that caused the postponement of the poll, INEC Chairman Jega looked heroic for organising what many believe to be credible National Assembly elections. The comparison starts with a low base with the 2007 elections, when only 20% of votes are believed to have been counted and less than a fifth of the names on the electoral register were genuine.

A big loss for the PDP was that of **Dimeji Bankole**, the Speaker of the House, in Abeokuta, Ogun State. Governor of Abia (and publisher of *The Sun* newspaper) **Orji Uzor Kalu** lost the Abia North senatorial constituency to the incumbent, **Uche Chukwumerije**. **Maryam Yar'Adua**, daughter of the late President **Umaru Musa Yar'Adua**, lost her House of Representatives contest for Katsina to the CPC candidate, **Mohammed Tukur**.

For political insiders in Abuja, developments after the elections could see a trade-off between political reform and democratic freedom on one hand and the sense of a strong, national, political direction from the centre. The devolution of power, helped by four years of a relatively weak presidency and more strident national legislators and state governors, has been happening for much of the past decade. This means a more pluralistic and less predictable polity: it will also accelerate the weakening of the PDP's national muscle. For those business people who have attached their banners to the PDP, there may be efforts to build new relations with other parties. Foreign companies which had lobbied the PDP will have to handle the new government with more sophistication.

The growth of the ACN in the south-west, the CPC and ANPP in the north, the LP in the south-centre and the APGA in the south-east will weaken the PDP nationally but open up new avenues into politics for the non-PDP elites. Under the evolving electoral picture, the south-west will become once more an enclave of regional opposition, since the ACN and LP swept the board there, far into mid-Delta. The region had previously voted PDP because Obasanjo was one of its own. That might reduce the region's muscle at the federal centre but some argue that Lagos and

Ondo State are rich and can carry the other south-western states along. The revenue base of Lagos alone is bigger than that of ten northern states put together.

Bombings and political instability continue in the Middle Belt and the north-east, as well as the Delta. None of the bombers has been caught since Jonathan became President and he may not be able to rectify that. The President visited the hospitals for photo-opportunities with Suleja bombing victims but there are worries about the police's lack of capacity to make progress with the investigations.

In Maiduguri, two bombings on the same day targeted INEC collation centres and *Boko Haram* is believed to have links with local politicians. The bombings in the north could continue over the next two weeks of elections and even after the presidential inauguration. A raft of issues infuriate the militants: the conservative

elite feels cheated by the unresolved north-south issues in the PDP and the *talakawa* (working people) face higher prices, lower wages and rising unemployment, amid often bitter disputes over land.

Those grievances are repeated in the Middle Belt in confrontations in states such as Plateau and Benue, with added polarisation between Christian and Islamic fundamentalist sects and opportunist politicians seeking to exploit the divides.

Other parties and their candidates are manoeuvring for position. **Ndutimi Alaibe**, formerly of the PDP and former Special Advisor on the Niger Delta, is now in the LP and running for the governorship of Bayelsa State, Jonathan's home ground. He joined the LP less than seven months ago, when the PDP found it awkward to dump Governor **Timipre Sylva**. Some believe that if Jonathan is elected, he will welcome Alaibe back into the PDP family.

Such scenarios may unfold in many areas where the PDP has lost ground. If Jonathan wins, politicians in smaller parties will defect to his PDP. No fewer than 45 parties have endorsed him for president.

The holding of this election is the first step towards reintegrating the people of the oil-rich Delta into mainstream politics since the murder of **Ken Saro-Wiwa** in 1995 and the start of militant insurgency there. Now Jonathan, one of their own, is set to win a presidential election.

Nigerians have a new bounce in their step as they realise that their votes actually count, giving credibility to the democratic process – and keeping the military in their barracks for now. However, Nigeria's complexities and deep social inequities mean that no one, least of all the victors after the current round of elections, can afford to be complacent. ●

CÔTE D'IVOIRE/WEST AFRICA

A resolution in Abidjan

The military ousting of Gbagbo will have repercussions across Africa

The armed eviction of **Laurent Gbagbo** from the Ivorian presidency by a coalition of opposition, United Nations and French forces together with the organisation of national elections in **Nigeria** make this one of the most momentous weeks in West African politics for a decade or more. The two events are strongly linked. It was Nigerian President **Goodluck Jonathan's** insistence, as Chairman of the Economic Community of West African States (Ecowas) that Gbagbo would have to leave power – by the use of 'legitimate force' if necessary – that laid the groundwork for the denouement in Abidjan on 11 April.

Jonathan's determination to see Gbagbo ousted was encouraged by Nigerian former President **Olusegun Obasanjo**, who had found the Ivorian a tiresome and disingenuous interlocutor. Strengthening his resolve was the verdict of the United Nations election monitors that **Alassane Dramane Ouattara** had won 54% of the vote in the second round of last November's presidential election.

Jonathan led a strange coalition of 'democracy enforcers' in Ecowas, alongside **Burkina Faso's** President **Blaise Compaoré**, an improbable enthusiast of free elections, given his history as the beneficiary of a putsch which killed his childhood friend, **Thomas Sankara**, and as a political and business ally of **Liberian** warlord **Charles Taylor**, who is awaiting a verdict after his long trial for war crimes at the Special Court for **Sierra**

Leone in the Hague. Under the devolved structure of continental decision-making, it was Ecowas's decision to back Ouattara, by force if necessary, that informed the African Union's decision at its Peace and Security Council (PSC) to back Alassane Ouattara, too.

With that support behind him, Alassane Ouattara was then able to take his case to the UN in New York, energetically helped by Secretary General **Ban Ki-moon's** office and the French UN mission. He won an almost unprecedented unanimous vote at the General Assembly to delegitimise Gbagbo and recognise Ouattara as the rightful leader of Côte d'Ivoire.

BREAKING OPEN THE BANK

Yet Gbagbo didn't blink and successfully lobbied friends in **Angola**, **South Africa**, **Uganda** and **Israel** to back him with money, arms and diplomatic pressure. Even when Ouattara lobbied his former colleagues at the *Banque centrale des états de l'Afrique de l'ouest* to cut off the supply of CFA francs to Abidjan, Gbagbo ordered his forces to break into the BCEAO's local branch, where they found another US\$70 million of currency.

Meanwhile, the diplomatic efforts of Ecowas and the AU faltered, with no signs that either party in the dispute was prepared to accommodate the other in any respect. **Ban Ki-moon's** envoy and fellow **South Korean**, **Choi Young-jin**, told *Africa Confidential* that all the angles of the electoral dispute had been covered

to the satisfaction of the AU's PSC and the UN Security Council.

This is despite continuing scepticism from **Angola's** President **José Eduardo dos Santos** and **South Africa's** President **Jacob Zuma**. They have stuck to their view that the *Forces nouvelles* (FN), loyal to Ouattara in northern Côte d'Ivoire, had swayed the vote in his favour. So it may have been an astute move by Ouattara to seek help from Zuma's government in setting up a Truth and Reconciliation Commission this week.

It was the failure of diplomacy (especially by the AU and Ecowas) and the imposition of sanctions to secure a resolution that prompted phase two of Ouattara's strategy: to relabel the FN as the *Forces républicaines* and march them south from their base in Bouaké. Within a week, they were in Abidjan knocking on the presidency's door.

When it became clear that Ouattara's forces lacked the muscle to beat Gbagbo's fighters, the UN and French forces joined the fray, bombing his defences and heavy weaponry. The criticism of the French involvement was strongest among Gbagbo's supporters and Francophone governments, such as **Cameroon** and **Congo-Kinshasa**; **Ghana's** energetic neutrality in the affair was seen as hostile by some of Ouattara's supporters.

Nigeria, which has been the strongest counter to French influence in West Africa for the past 50 years, almost let the affair pass without comment. Only committed Nigerian nationalists have berated this latest manifestation of muscular French diplomacy. Jonathan's acceptance of the principle that attempts to steal elections must be met with military force to install the rightful victor may yet come back to haunt Nigeria and its neighbours. ●

Tough questions for Condé

The suppression of an opposition rally and concerns about the anti-corruption team raise doubts about Condé's commitment to reform

President **Alpha Condé** averted the risk of opposition leader **Cellou Dalein Diallo** receiving a massive welcome on his return to Conakry on 3 April by the simple expedient of banning demonstrations. Condé defeated Diallo in the presidential election last November. Masses of supporters had greeted Condé when, as opposition leader, he arrived home a year ago this month. It does not augur well for democracy that Condé denied the same right to Diallo, leader of the *Union des forces démocratiques de Guinée* (UFDG). The new Governor of Conakry, **Sékou Resco Camara** (who is said to be not very literate), announced the ban on state television on the evening before Diallo's arrival.

Demonstrators defied the ban and the ensuing arrests and repression were violent. Diallo's Spokesman, **Amadou Oury Bah**, said that three UFDG activists were killed and 60 others wounded, eight of them by gunfire. Others in the UFDG say the toll was lower. The President of the *Organisation guinéenne des droits de l'homme* (OGDH), **Thierno Maadjou Sow**, told *Africa Confidential* that some of Diallo's supporters had been shot but

could not confirm the number. This is the most serious political clash since Condé was elected President after winning 52.5% of the vote in the second round of the presidential election on 7 November.

Inflation has risen above 20% this year and the value of the Guinean franc weakened in the new government's first weeks from 6,200GF per US dollar to 8,200 per dollar. The government then banned foreign-exchange dealing and the currency strengthened again, to 7,500 per dollar. Agents working for Lieutenant Colonel **Moussa Tiégboro Camara**, again the Minister of Special Services in charge of suppressing organised crime, drugs and terrorism, arrested several illegal currency dealers and took the opportunity to steal from them. Tiegboro's reappointment in February, along with that of Presidential Security Minister Major **Claude Pivi**, provoked strong criticism from Human Rights Watch (AC Vol 51 No 2).

Almost all the currency dealers are Fulani (Peulh), the ethnic group that mostly supports Diallo, many of whom believe they are being discriminated against, especially after inter-ethnic clashes during the election campaign.

About 40% of the population is Fulani and about 35% Mandingo (Malinke). The Soussou are 15% and the *Guinée Forestière* people of the south about 10%. Condé is Mandingo by descent, although he speaks the language poorly, having been brought up in his mother's Soussou culture, and he has many friends among the forest peoples. His alliance of Mandingo, Soussou and Forestiers narrowly won the election and his political associates are mainly Mandingo. Several Mandingo officers have been sent for training in France.

Mandingos in the main jobs around the President include the head of his office, **Mohamed Diané**; Central Bank Governor **Louceny Nabé**; and key advisor and spokesman (and former Prime Minister) **François Lonsény Fall**. The only Fulani who hold senior positions were allied to the President during his election: Justice Minister **Christian Sow**, Deputy Central Bank Governor **Abdoulaye Yéro Baldé**, and Minister of State for Public Works and Transport **Ousmane Bah**.

FAMILIAR FACES RETURN

President Condé is pulled between the disastrous legacies of past governments and his high ambition and promises. He has hired some much criticised personalities from previous regimes, including **Fodé Bangoura**, ex-Minister of State for Presidential Affairs, and **Alpha Ibrahima Keïra**, ex-minister and Secretary General of the Presidency (AC Vol 51 No 23). **Ahmed Kanté**, recently appointed Minister-Counsellor for Mining Affairs, was a Mines Minister under President **Lansana Conté**, who died in December 2008.

In the final days of the Conté regime, an agreement was signed to grant **Beny Steinmetz** General Resources (BSGR), controlled by the Israeli entrepreneur of the same name, a licence to develop Blocks I and II of the vast iron deposits at Mont Simandou. The government had stripped the **Anglo-Australian** Rio Tinto conglomerate of those rights, claiming non-performance. Under this arrangement, Rio would keep the rights only to Blocks III and IV. The company's directors strongly contest the loss of Blocks I and II.

The following two military regimes – initially under the mercurial Captain **Moussa Dadis Camara** and then under General **Sékouba Konaté** – upheld that decision but, to Steinmetz's frustration, never granted him a presidential decree confirming that reallocation of the rights.

However, Steinmetz brought in **Brazilian** iron-ore mining giant Vale as a partner for Simandou Blocks I and II. Although Vale officials say their company is willing to jointly finance the project and to pay Steinmetz \$500 million for 50% of the rights, they will not release all the funds until he can obtain a presidential

GEORGE SOROS OFFERS SOME TIPS

President **Alpha Condé** has invited the **United States** billionaire financier and philanthropist **George Soros** to advise on a new mining code which, the President says, will facilitate 'the struggle against bribes and corruption in the country'. Surprisingly, Soros suggested that the Guinean state should take at least 30% of the equity in any new mining project, up from the current ceiling of 20%, a mining industry source said.

Condé, who has fraternal links with France's *Parti socialiste*, said all current contracts and licences would be reviewed and if any evidence of corruption was found, they would be renegotiated or cancelled with possible fines imposed. The Revenue Watch Institute (RWI), as well as the International Senior Lawyers Project, both supported by Soros, will help to draw up the new mining code.

RWI is a partner in the Extractive Industries Transparency Initiative, which Condé has pledged to join and whose terms he has said Guinea's mining industries will have to observe from now on: 'There will be a clause in the new code which would prohibit any company from giving bribes. Any company caught giving bribes would lose its licence or be penalised'. Soros is getting his Open Societies Foundation, including the Open Society Initiative for West Africa, to develop specific programmes for Guinea, including in agriculture. With Condé, Soros told Conakry journalists: 'Guinea is currently experiencing a new era. Its natural resources have in the past not been used to benefit the people. Guinea now has an opportunity to change this.'

Some local critics are sceptical about Soros's role, asking whether he is an advisor or an investor seeking inside information. A spokesman for Soros told *Africa Confidential* that he had 'no commercial interest' in Guinea. When Soros visited Guinea in March, he promised to help improve its feeble power supplies. He has set up a feasibility study that should lead to a turnkey project with the **Canadian** Commercial Corporation, which aims to restore electricity supplies within six months. ●

decree to secure the deal. We hear that so far, Vale has paid Steinmetz about 10% of the money he's asking.

Meanwhile, Rio Tinto representatives continue to insist they have the legal rights to Blocks I and II and are talking to the authorities as represented by Deputy Director General of Major Works **Boubacar Keïta**. Vale, we hear, doesn't much care whether it works with Steinmetz or Rio Tinto but just wants to speed up the development of Simandou.

Indeed, more conservative opinion at Vale might prefer to work with Rio because of its greater financing capacity

and its mining experience. For now, the contractual disputes continue so Vale's big plans for Simandou and the restoration of the Conakry-Kankan railway by Zagope of Brazil are on hold. Any resolution seems to depend on Rio and Steinmetz reaching agreement – perhaps through an additional payment to Steinmetz – and the revision of Guinea's mining code, which would regularise all these concession agreements.

Another controversial mining dossier is that of the world's leading aluminium company, Rusal, whose Chief Executive is the **Russian** oligarch **Oleg Deripaska**.

A senior official in the Mines Ministry told *Africa Confidential* that Rusal had attracted criticism for causing pollution, investing as little as possible and manoeuvring to control people close to the centres of power.

Other controversial schemes are the Kindia and Dian Dian bauxite projects, Global Alumina's Sangaredi aluminium refinery, and Bellzone's Kaliah iron mine at Faranah. **Nigerian** billionaire **Aliko Dangote**, who has interests all over West Africa, recently visited Conakry and is said to be interested in road-building. ●

KENYA

Six in the dock

Suspects played the ethnic card during mass rallies at home before flying to the Netherlands to appear in court

Six leading Kenyans faced, on 7-8 April, a kind of justice they are not used to at home. At the International Criminal Court (ICC) in the Hague, Judge **Ekaterina Trendafilova** presided over their first hearing, assisted by Judges **Cuno Tarfusser** and **Hans-Peter Kaul**. The three formed the Court's Pre-Trial Chamber, which decides if a case is ready to go before the full court; Kaul was the dissenter when the PTC decided by two to one in December that Prosecutor **Luis Moreno Ocampo** should open the Kenya cases (AC Vol 52 No 6). The suspects received their summonses in March: **Henry Kosgey**, **Joshua arap Sang**, **Uhuru Kenyatta**, **Frances Muthaura**, **Mohammed Hussein Ali** and **William Ruto**.

They identified themselves before the judges, court officials and defence lawyers, confirming their knowledge of the charges and that they had been informed of their rights. They seemed diminished, vulnerable and out of their comfort zone in a sombre sea of black robes instead of cheering supporters.

Trendafilova referred to reports in the Kenyan press about ethnically polarising rallies recently held all over the country in honour of Ruto and Kenyatta. She said she was 'not referring to anyone in particular' but the court was aware of 'some movements towards re-triggering the violence in the countryside by way of delivering dangerous speeches'. Such action, she said, 'could constitute a breach of the summonses to appear' and any repetition of this behaviour could prompt the Chamber to issue arrest warrants, which it would prefer not to do. Nevertheless, Kenyatta defiantly sang Kenya's Independence anthem on the steps of the Court before proceedings opened on 13 April.

Twice Judge Trendafilova asked Ruto to sit down when he requested full knowledge of the allegations against him and 'who had made them'. He said the charges were 'only possible in a movie' and 'for an innocent person like me to be dragged all the way here baffles me'. He also wanted to know more about the allegations. When Trendafilova asked Arap Sang if he had been apprised of 'the crimes' he was accused of, he replied 'allegations', thereby affirming his command of English. A few weeks ago, the Court had rejected his application to address the court in Kalenjin.

KENYATTA OF GATUNDU SOUTH

Kenyatta complained that he first knew of the charges through a press release from the Office of the Prosecutor and only later received an official notice. When asked his profession, Kenyatta said, 'I am currently the MP courtesy of the people of Gatundu South and Finance Minister and Deputy Prime Minister courtesy of the duly elected President of the Republic of Kenya'. Muthaura's **British** lawyer, **Karim Ahmad Khan**, who defended former **Liberian** President **Charles Ghankay Taylor** at the Special Court for **Sierra Leone**, also at the Hague, stressed that his client had not made 'any adverse comments' or done anything that would be a 'cause for concern' and did not want the public listening in Kenya to think otherwise.

Trendafilova explained that all suspects would learn of the charges in depth, on 1 September for Ruto and his allies, 21 September for Muthaura and his. The PTC will then decide whether to go ahead with trials or dismiss the charges. Defence lawyers have petitioned to see both the evidence and the names of

potential witnesses, which would make both victims and witnesses very nervous. Ocampo wanted the petition put off until Kenya's challenge to the PTC's authority had been resolved. The court said Ocampo must disclose his evidence on 18 April at a meeting of all the interested parties – Prosecutor, registry and defence – which would try to balance the needs of the suspects against the need to protect witnesses.

The formality of the hearings contrasted with the frenetic behaviour of Ruto, Uhuru and their supporters in the weeks before they left for the Hague. They held mass rallies, each on his own home ground. In Murang'a, Kenyatta, flanked by the smiling former Minister of Internal Security, **John Michuki**, berated his fellow Kikuyu for not speaking with one voice, unlike the Kalenjin, who follow Ruto's every word.

Ominously, he added that those who deviated from the prescribed ethnic line were known and would be hunted down. Huge crowds cheered him on. In Eldoret, Murang'a, Kiambu, Nakuru, Kakamega and elsewhere, Kenyatta and Ruto hammered away at Prime Minister **Raila Amolo Odinga**, accusing him of being responsible for the violence and claiming that he was supporting the ICC in order to eliminate them before the 2012 election.

In the Kikuyu heartland of Gatundu, home of the late founding President, **Jomo Kenyatta**, his widow **Mama Ngina** blessed both her son Uhuru and Ruto. She called the ICC a colonial relic which was repeating Jomo Kenyatta's unfair trial in Kapenguria by the British colonialists. Her son Uhuru has nevertheless retained two British lawyers who sat with him at the Hague on 8 April. **Steven Kay** and **Gillian Kay Higgins** were Court Assigned Counsel for **Slobodan Milosevic** at the International Criminal Tribunal for **Yugoslavia**. Also at the Hague were Odinga's advisor **Salim Lone** and Kenya's Attorney General, **Amos Wako**.

The ethnic carnival atmosphere around the suspects was a sinister accompaniment to the charges they face

of crimes against humanity: murder, displacement, sexual violence, inhumane acts and persecution. This seemed to be lost on Ruto's and Kenyatta's supporters. At the airport in Nairobi, 41 members of parliament showed up to accompany the suspects to the Hague, after making a big fuss about visas. They wore hats in the colours of the national flag, cheerfully sang the national anthem, gave interviews to all-comers and spoke about a homecoming prayer and thanksgiving rally in Nairobi's Uhuru Park.

So far, Kosgey has kept his distance, along with Ali and Muthaura – not giving interviews, saying almost nothing and, like Sang, not attending the Nairobi rally. Yet Vice-President **Kalonzo Musyoka** joined the convoy to Uhuru Park, along with ministers **Kiraitu Murungi** (Energy) and **Samuel Poghiso** (Information and Communications), who are both from President **Mwai Kibaki's** Party of National Unity, and **Sally Kosgei** (Agriculture), **Najib Balala** and other former stalwarts of Raila Odinga's Orange Democratic Movement.

Moreno Ocampo is clamping down. He has asked the PTC to impose more conditions on the suspects, with threats of arrest warrants if they do not comply. He wants them to appear at the ICC every six months, to verify their residence and contact numbers monthly, to declare their assets, to post sureties and to refrain from interfering with the cases or threatening witnesses or victims.

The Prosecutor had already asked Kenyatta to resign from the Witness

Protection Board and Muthaura to leave the National Security Committee which he heads. Both posts, he said, put the accused in positions to interfere with the cases. Both complied shortly before arriving in the Hague. Civil society activists want them to leave the government altogether. Protecting witnesses, victims and their relatives in the judicial process remains an immense challenge for the Court.

DIXON AND NICE AGAIN

The government opened another front in the battle against the ICC by challenging it on the admissibility of the cases under Article 19 of the Rome Statute. Acting for the government, British lawyers **Sir Geoffrey Nice** and **Rodney Dixon** (both veterans of unsuccessful attempts to save **Sudanese** President **Omer Hassan Ahmed el Beshir** from trial) pleaded in a 30-page submission that Kenya's new constitution and reform timetable empowered it to try the suspects. They asked for a six-month delay so the government could arrange its own trial.

Many Kenyans view this as another attempt to postpone proceedings until after the 2012 elections. The effort seems in vain, however, since, as ICC lawyers had previously explained, an admissibility challenge could only succeed if Kenya had already begun trials of the same suspects for the same crimes. The government plea omits all mention of this key point.

The government's lawyers' approach does not look hopeful. The Court has already denied two government requests, refusing to allow its lawyers to appear

at the current hearings, asking them to submit their points in writing for consideration on 18 April and denying a request for a 'situation meeting' on Kenya. The court has experience of Kenya's procrastination and the admissibility claim seems likely to fail, too.

Nairobi also failed to persuade the United Nations Security Council to defer the current cases under Article 16 of the Rome Statute. After a closed meeting, the Council President, **Colombian** Ambassador **Néstor Osorio Londoño**, said its members would not do so. Three of the five permanent members, **France**, Britain and the **United States**, had already said they would veto the proposal.

The ICC's next big hurdle comes in September, when the PTC will decide whether to confirm the charges and move on to trials or to request more evidence. In Kenya, 61% of those asked by Synovate pollsters between 27 March and 1 April said they wanted the Court to try the suspects, with the highest support in Luo Nyanza (80%). In the suspects' home regions – Kikuyu Central Province (46%) and Kalenjin Nyanza (43%) – fewer than half of those polled favoured the ICC.

Ordinary Kenyans may be tired of politicians using them as cannon fodder and see the threat of warrants from the ICC as a deterrent. At the same time, the victims of past violence and those who fear more to come are alarmed by the hordes of followers at Kenyatta's and Uhuru's rallies and their openly tribalist rhetoric. ●

KENYA/UNITED STATES

Through the Wikihole

The publication by WikiLeaks of the US Nairobi Embassy's cables affords a unique and stark view of the country's ruling figures

As the International Criminal Court (ICC) starts to hear accusations against six senior Kenyans accused of links to the violence after the 2007 elections, a set of United States diplomatic cables obtained by WikiLeaks displays Washington's candid views of Kenya's political elite. The corruption and impunity of that elite and its sponsorship of violence dominates US concerns about a country seen as Washington's most important ally in East Africa.

One US diplomat, in a 2009 cable, told his Kenyan interlocutor 'that corruption would likely be central to future Kenya-U.S. relations'. The man was Ambassador **Michael E. Ranneberger**, who urged Kenya to tackle corruption and adopt political reform, despite the angry reaction

from Kenyan politicians. President **Barack Obama** has appointed his replacement, the outgoing Special Envoy to Sudan, **Jonathan Scott Gration**, but with no handover date set. Major General (Retired) Gration, whose wife was born in Kenya, is likely to maintain US pressure for political reform.

DIPLOMATIC NICETIES

In April 2009, Ranneberger was concerned about 'insufficient progress on reform'. So he wrote to President **Mwai Kibaki** and Prime Minister **Raila Odinga** claiming that the US 'partnership' with Kenya rested on 'shared democratic values'. Yet others among the cables (which date from 2006 to 2010) show this was a diplomatic nicety, as Ranneberger issued visa bans

on politicians suspected of corruption and labelled the government 'kleptocratic'.

Some cables referred to the invasion of the offices of *The Standard* newspaper in 2006 by the supposedly **Armenian** 'Artur brothers' (aka **Artur Margaryan** and **Artur Sargasyan**), whom **Mary Wambui**, Kibaki's second wife, had apparently hired (AC Vol 47 No 21). The US Deputy Chief of Mission **Michael Fitzpatrick** observes: 'This real-life tale of hired thugs of questionable nationality, prominent Kenyans, massive corruption, blackmail, threats and narcotic trafficking schemes reads like a script Hollywood would reject as unbelievable.'

The thugs' assignment was to stop a story on the First Family's connection to the Arturs' drug dealing and other scandals. At a 2006 press conference, Fitzpatrick reported, the Arturs were 'dressed to the hilt in Soprano-esque suits and dripping with ostentatious gold accessories, one even sporting gold-rimmed rose-colored glasses for the event'. The brothers falsely claimed to have been paid off by Prime Minister Odinga. The US Embassy thought Odinga's arrest 'may be imminent' and

urged State House not to do it. The arrest of a *Standard* journalist thought to have incriminating papers about the First Family was also feared and he sought refuge in the Embassy, alarming the diplomats with stories of anonymous callers threatening him and his family on the telephone.

In November 2009, the Kenyan government complained that the Embassy supported 66 youth organisations which cut across political and ethnic lines. When criminals burgled the office of DAI, the 'global development company' that is the Embassy's primary contractor, Ranneberger noted that the operation had the 'hallmarks' of the National Security and Intelligence Service, 'which is often used to intimidate civil society activists'.

A cable from January 2008 shows that the Nairobi Embassy was unable to say who definitively had won the 2007 elections. Most of its calculations, using models based on a range of assumptions, showed only a small margin of victory for the winner. In contrast to its public stance at the time, it reported that 'we found evidence of rigging on both sides and confirmation that some of [it] took place inside the ECK [Electoral Commission of Kenya] headquarters'. They concluded that 'the ECK's failure as an institution constitutes a dark spot on Kenya's democratic evolution'.

Before the elections, in November 2007, the Embassy's Political Counsellor, **Larry E. Andre**, discussed a conversation with **Samuel Kivuitu**, head of the ECK. Kivuitu admitted that all but three of the 22 new commissioners had been appointed unilaterally in violation of an agreement that the opposition be consulted. In February 2008, the Embassy reported that it had slapped a visa ban on three ECK commissioners suspected of accepting bribes to fix election results when working in the Kenyatta International Conference Centre. They named them as Deputy Chairman **Kihara Muttu**, **Jack Tumwa** and **Joseph Dena**. At the time, the Independent Review Commission (Irec) dismissed claims of fraud at the KICC.

Letters from the US mission warned ten politicians and businessmen that they would be denied US visas for 'supporting, inciting, and perpetrating inter-ethnic violence'. Those supporting Kibaki's Party of National Unity (PNU) included **Richard Ngatia**, **John Muthotho**, former Defence Minister **Njenga Karume** and **James Kimathi**. The last two were 'suspected of having links to the Mungiki [Kikuyu gangs] and other related criminal organisations'.

Cables listed Orange Democratic Movement leaders suspected of 'inciting and organising inter-ethnic violence' as **William Ole Ntimama**, ex-President **Daniel arap Moi's** internal security boss **Zakayo Cheruiyot**, **Kabando wa**

Kabando and **Musa Cherutich Sirma**. ODM's **Henry Kosgey** was 'suspected of supporting Kalenjin youth engaged in violence'. Elsewhere, the Embassy outlined a lengthy career of wholesale corruption and called him a 'throwback to the dark days of President Moi'.

Joshua Kulei, an ODM businessman and former Moi-associate, was accused of 'financing Kalenjin youth groups engaged in ethnic violence' and also got a visa refusal letter in February 2008. **Nicholas Kipyator Biwott** and **Amos Wako** had already been banned, accused of gross corruption and impunity in connection with political violence.

During the election violence in 2007-08, the Embassy was working for a coalition government with the former Secretary General of the United Nations, **Kofi Annan**. In February 2008, Ranneberger said hardliners on both the Kalenjin and Kikuyu sides were 'preparing for more violence', with Kalenjin in the Rift Valley arming themselves with help from ex-soldiers, including senior officers. **Annan** and **Ugandan President Yoweri Kaguta Museveni** had suggested using the army to quell the violence. In a February cable, **Jendayi E. Frazer**, then Assistant Secretary of State for African Affairs, rejected this idea, given its potential for triggering civil war or even a coup d'état by the Kikuyu establishment.

HAUNTED BY OLD CASES

Once the coalition government was formed, in June 2008, the Embassy named the cabinet ministers it thought corrupt: **George Saitoti** (Goldenberg), **Kiraitu Murungi** (Anglo Leasing), **Frederick Omulo Gumo** (acquiring up to US\$10 million of stolen government property), **William Ruto** (illegal acquisition of land), **Sally Kosgei** (selling land owned by Kenya Railways); **Henry Kosgey** (defrauding the Kenya National Reassurance Company), **Kipkalya Kones** (kickbacks on road building); and **John Haroun Mwau** (reputed drug trafficking).

The same cable lamented that Kenya's legal system 'continues to stymie versus deliver justice in cases of corruption' and questioned Odinga's anti-corruption commitment. All these accusations have been rehearsed in the Kenyan press and all the accused deny all wrongdoing. For **William Ruto**, the accusations are particularly important as he wants to stand for the presidency next year and is one of the six facing political violence charges at the ICC. Last week, **Ruto** was acquitted in court on corruption charges linked to a land scandal.

In 2006-10, the Embassy was trying to push the government towards reform and reported conversations with political leaders including **Kibaki**, **Odinga**, **Saitoti**, **John Michuki**, **Muthaura**, **Stephen**

Kalonzo Musyoka, **Ruto** and **Kosgei**. Most were more interested in criticising each other. **Larry Andre** talked of **Uhuru Kenyatta's** charm, saying he was 'among the most perceptive and enlightened Kenyan politicians'. **Kenyatta** criticised **Kibaki** for having 'squandered' a 'golden opportunity to bring people together in 2002', adding that the 'same arrogance will blind them in 2007'.

John Michuki, former PNU Minister of Internal Affairs and now Minister of the Environment, ODM-Kenya Vice-President **Kalonzo Musyoka** and former ODM Minister of Education **Sally Kosgei** all rubbished **Odinga**. After lunch with **Michuki** at the Windsor Golf Club, **Andre** found him more interested in his golf links than the state of the nation. **Michuki** said if **Odinga** were elected president, he would avenge assassinated Luo politicians **Tom Mboya** and **Robert Ouko**. Later, **Musyoka** claimed that **Kibaki** was unable to function without medication.

A cable of June 2009 says that **Odinga** was 'increasingly perceived as feckless and unable or unwilling to govern effectively'. In January 2008, **Kibaki** was quoted as saying he found **Odinga** 'impossible' and wanted him out of cabinet. Yet **Kibaki** insisted **Ruto** was mainly responsible for violence in the Rift Valley; he did not blame **Odinga** as 'there are forces beyond his control'. In February 2008, though, **Jendayi Frazer** said that **Kibaki** saw **Odinga** as responsible for the post-election violence.

By June 2009, **Kibaki** had apparently pushed aside his earlier reservations about **Ruto**; he had 'made a number of private visits to State House in recent months and he and **Kenyatta** are in close contact'. The Embassy later reported that **Ruto** had dismissed the burning of displaced Kikuyu people at the **Kiambaa** church in **Eldoret** as 'an accidental kitchen fire'.

After the Waki Commission published its report in October 2008, the Embassy grew worried about witness protection. In January 2010, Political Counsellor **Mitchell Benedict** called the new Witness Protection Act a sham, saying that any unit established would be penetrated by Kenyan intelligence and that local human rights groups did not have adequate security or communications to do their job. The Embassy had a fund to help those at risk but could not do much.

A Nairobi-based political officer assisting human rights defenders received threatening phone calls quoting his e-mails back to him, demonstrating the limits of cost-cutting and the vulnerability to penetration in using Kenyans instead of US nationals as Embassy staff. **Benedict** said his sources told him: 'Cabinet Ministers **William Ruto** and **Uhuru Kenyatta** are directing a campaign of intimidation against potential witnesses.' ●

SÃO TOMÉ E PRÍNCIPE

The candidates line up

An official probe into a corrupt oil deal with Nigerian companies is worrying the political class and could upset calculations in the coming elections

São Tomé e Príncipe holds its much delayed presidential election in July. Meanwhile, a parliamentary inquiry into claimed corruption over an oil project with **Nigeria** is upsetting the political elite, as the second bidding round for offshore oil leases is due later this year. President **Fradique Bandeira Melo de Menezes** is nearing the end of his second and final term (AC Vol 47 No 7). His old ally, the current Prime Minister, **Patrice Trovoada**, will be standing for president but his prospects suffer from the poor reputation of the government he now heads.

Patrice Trovoada leads the centre-left *Partido de Convergência Democrática-Grupo de Reflexão* (PCD-GR). He is a Muslim convert and was briefly Foreign Minister in September 2001-February 2002. His father **Miguel Trovoada** was President in 1991-2001 and was one of the first wave of post-Independence leaders. Patrice Trovoada became a special oil advisor under President De Menezes. Yet members of parliament accused him of mismanagement during the oil-licensing process and passed a vote of no confidence, forcing him to resign.

Trovoada's main rival for the top job is the new leader of the *Movimento de Libertação de São Tomé e Príncipe-Partido Social Democrata* (MLSTP-PSD), **Aurélio Martins**, who is being heavily criticised for political chicanery and over-dependence on his **Angolan** sponsors and may lose his party's nomination.

The man who would have been most likely to win the presidency, the grand old man of political life on the islands, **Manuel Pinto da Costa**, is not in the running. He was the leader of the pre-Independence liberation movement, the *Movimento de Libertação de São Tomé e Príncipe* and President from 1975 to 1991. All the important political parties trace their origins in one form or another to the MLSTP. In January, the MLSTP-PSD, as it is now known, chose Martins as its leader and, controversially, as its presidential candidate on 3 April.

Martins's rapid rise to influence owes much to money and political support from the ruling *Movimento Popular de Libertação de Angola* (MPLA), which has been close to the MLSTP since the days of the anti-colonial struggle. Angola looms over the entire São Toméan polity. Luanda sees the twin islands as playing a key

strategic role in projecting Angola's power into the Gulf of Guinea and in limiting the regional strategic ambitions of rivals such as **Nigeria**. Now 44, Martins left São Tomé at 20 and spent the next two decades in Angola, returning to the island only five years ago.

He worked for Angolan National Radio, the state broadcaster, and most see him as a protégé of General **Francisco Higinio Lopes Carneiro**, Angola's Minister of Public Works and one of the old guard of top generals in the ruling circle. Martins reportedly partners Higinio Carneiro in several businesses. At the end of 2009, Martins set up a philanthropic foundation in his own name to dispense largesse among the poor of the islands. Martins was the source, in early March, of news that Angola's national oil company, the *Sociedade Nacional de Combustíveis de Angola* (Sonangol) was considering exploring for oil in São Tomé's Exclusive Economic Zone (EEZ) along with Portugal's Galp oil company.

Local political observers believe that Martins may have been taking his good fortune for granted. The 3 April MLSTP-PSD convention that chose him as its presidential candidate immediately ran into trouble. Members claimed procedures were violated and that the selection, which was by acclamation, should have been by secret ballot. Martins's opponents include a former Prime Minister, **Maria das Neves**, and another woman member of parliament, **Elsa Pinto**, a former Defence Minister, both of whom are prepared to stand in the election themselves if Martins's selection prevails. The party is undertaking an enquiry and sources say that Martins could be deselected as presidential candidate, even though he would remain party president.

OIL EXPLORATION DISAPPOINTS

São Tomé e Príncipe's hopes for prosperity have rested with the EEZ and the Joint Development Zone (JDZ) oil exploration areas, with prospects diminishing. Last November, the results of the first EEZ licensing round were finally announced, after bidding had been extended from March amid disappointing levels of interest. The *Agência Nacional de Petróleo* (ANP) announced that six companies had registered bids: Afex Global of **South Africa**; Force Petroleum and *Sociedade de Gestão de Participações Financeiras e*

Gestão de Empreendimentos (Grupo Gema) of Angola; OG Engineering of São Tomé and Oranto Petroleum and Overt Energy of **Nigeria**. ANP Director **Luís Prazeres** had hoped to receive bids from two **United States** oil majors, **Brazil's** Petrobras, **India's** Oil and Natural Gas Corporation (ONGC) and **British-Irish** Tullow Oil but none was forthcoming. Before it makes the awards, however, the government is employing **Norwegian** consultants to examine the capacity of the companies to follow through on exploration promises.

An oil company headed by **Peter Ntephe** – headquartered in the USA but linked to **Nigeria** – ERHC Energy, enjoys pre-existing rights of 100% in Blocks 4 and 11 and rights to a 15% share in two additional blocks. This would have required bidding oil companies to carry ERHC's interest for free and this may have deterred the oil majors from bidding. Only Afex has a track record and Oranto expects to drill its first test well in 2012. Another industry source, however, suggested that the lack of interest could derive from an assessment by the companies that there is simply no commercial oil to be had in these areas.

ERHC has had a tortuous history since it was set up to exploit the JDZ. It has been linked to Sir **Emeka Offor**, a **Nigerian** businessman associated with a former military ruler, General **Sani Abacha**, and with ex-President **Olusegun Obasanjo**, and a business associate of his, **Marc Wabara**, who has been investigated by **Nigeria's** Economic and Financial Crimes Commission over the misuse of US\$56 million of signature bonuses.

The two governments plan to launch a second round for the remaining JDZ blocks this year. Late last year, the Joint Development Authority, which manages the JDZ, approved the sale of Chevron's stake in Block 1 to **France's** Total. Total already operates the lucrative Akpo field in **Nigeria's** offshore zone, only 30 kilometres away. The **China** International United Petroleum and Chemicals Company (Unipet) is still drilling in the JDZ but it is unclear whether the five wells already drilled have commercially exploitable reserves.

The murky oil dealings linger on. The new São Tomé government's most senior public servant, **Afonso Varela**, declared he could find no record of any payment proceeding from the JDZ to the Treasury in 2009. After a debate, the National Assembly has set up a commission to probe further. De Menezes has denied any wrongdoing and ordered Attorney General **Roberto Raposo** to open an enquiry. Few in government over the last decade are likely to emerge with much credit, although the controversy is not thought likely to perturb the presidential election. ●

Mutharika cracks down

The President has always rejected criticism but his reaction to recent dissent could prompt more unrest and damage national finances

Fearing a revolt along North African lines, President **Bingu wa Mutharika** has unleashed a wave of repression and intimidation, prompting further dissent as Western governments respond by cutting aid. In January, the President banned articles in the press deemed 'contrary to public interest'. The previous month, he had extended the law against male gay activity to lesbians. He has banned public demonstrations and heavily hinted that his supporters should beat up members of the opposition.

The current round of confrontation began when activists tried to organise a peaceful march on 14 February to protest against the chronic fuel shortages plaguing the country since Christmas. The march didn't take place because police arrested the organisers before the crowd had a chance to gather (AC Vol 52 No 4). Mutharika had specifically warned dissidents 'not to be inspired by Egypt'.

The President then invited members of civil society organisations (CSOs) to State House to warn them – banging the table with his fist, say reports – not to stage demonstrations against his government. He later announced that anyone organising a public demonstration would need to pay an indemnity to the police beforehand of US\$13,000-30,000 to be forfeited in the event of damage to public property. Officials told Mutharika the indemnity was unconstitutional but he said he wanted legislators to find a way to make it the law regardless.

The political temperature rose further when civil society leaders delivered a letter to the President at the beginning of March protesting against restrictions on civil liberties. Clearly angered by the failure of his citizens to toe the line, Mutharika summoned supporters to a rally at the Blantyre Stadium on 6 March. Of the State House meeting, he declared, 'These people came to the State House and gave me ultimatums. You cannot allow people to insult your father like that. I leave everything in your hands.' Government officials later denied this was an incitement to violence.

A few days beforehand, thugs brandishing pangas and petrol cans burst into the Centre for Human Rights and Rehabilitation premises. They caused no damage but aimed to intimidate, observers said. The CHRR was behind the mid-February attempted fuel protest and

has been in the vanguard of subsequent actions. On 16 March, CHRR Programme Manager **Levi Mvula** along with the representatives of 91 other CSOs hand-delivered a petition condemning the threats to human rights activists to the office of the United Nations High Commissioner for Human Rights in Geneva.

The petition called on the international community to respond to the growing repression: 'Malawi is suddenly and quietly retrogressing into a dictatorship once again,' it said, in a reference to the rule of the first President, **Hastings Kamuzu Banda**. However, not all of the 91 CSOs were wholly opposed to the measures criminalising homosexuals, which led a few of them to revise their sponsorship of the petition.

SUMMONING THE PROFESSOR

The current locus of political tension is the University of Malawi, where the authorities have closed down two colleges. Just before the would-be fuel protest, the Inspector General (IG) of the Malawi Police, **Peter Mukhito**, summoned Professor **Blessings Chinsinga** to his office to explain why, in a political science lecture, he had compared the crises in **Tunisia** and **Egypt** prior to their uprisings to the fuel crisis in Malawi. Chinsinga's fellow teachers were outraged and Chancellor College, the University's largest, came to a standstill as they refused to teach until they received a guarantee of academic freedom and an apology from Mukhito.

Mutharika then intervened, declaring that the IG would never apologise to anyone. 'If you ask him to apologise, you are asking me to apologise,' he said, ordering all professors back to work. However, the President of the Chancellor College Academic Staff Union, **Jessie Kabwila-Kapasula**, obtained an injunction on the President's order. The teaching staff remained on strike for six weeks and just when they were on the verge of returning to work, students joined the protest, saying they would not attend classes unless the government gave the guarantees.

The University Council then tried to sack three professors for breach of contract but another injunction stayed its hand. On 1 April, the University authorities asked all students to leave the campus and a couple of days later, they announced they were closing Chancellor and the Polytechnic College indefinitely from 6 April. The

government is looking into replacing the lecturers with ones from **China**, we hear.

These localised troubles could be turning into a political crisis. The small People's Progressive Movement demanded that Bingu wa Mutharika remove his brother, Professor **A. Peter Mutharika**, as Minister of Education over the fight with the academics, although without effect. Peter Mutharika dismissed the accusations, saying that only his brother has the power to ask him to step down.

One mainstream politician has taken this opportunity to found her own political party. The Vice-President, **Joyce Banda**, who was sacked from the governing Democratic Progressive Party for failing to back Peter Mutharika as the DPP's next presidential candidate, has decided to form the People's Party. It should be formally registered soon. Dissidents are unlikely to see her as an ally owing to her history with the current government.

The political turmoil has had serious consequences for the economy. Malawi relies heavily on foreign aid and receives substantial direct budget support, which accounts for almost 40% of the national budget. Because of government actions against the press and against gay people, the **German** Economic Cooperation and Development Minister, **Dirk Niebel**, said he was halving budget aid for this year (AC Vol 52 No 5).

Students at Martin Luther University in Germany issued a petition to President Mutharika to ensure academic freedom and reopen the colleges after they mounted a day of action in solidarity with the Malawian students on 7 April. They also asked the President to stop suppressing peaceful demonstrations. Soon after the German announcement, the **United States** expressed concern before donating \$350 million over five years through the Millennium Challenge Corporation for a nationwide energy project. US officials said they were worried about good governance and Malawi barely passed the 'Governing Justly' indicator necessary for MCC disbursement.

The MCC granted the money but warned it would monitor Malawi's commitment to good governance and civil liberties. 'My government wants to assure the USA that we will adhere to principles of good governance, freedom of expression, association, religion as well as economic and academic pursuits,' pledged Mutharika at the signing ceremony in Lilongwe on 8 April.

He couldn't resist a swipe at the CHRR mission to **Switzerland**, however, declaring in the presence of the assembled US officials, 'A team of our nationals went out recently to damage us and they are back. I can assure you that they were not arrested and they will not be, unless they violate other laws.' ●

Boutef holds back the wave

Algiers calculates that astute state spending will counter growing political anger at unemployment, corruption and chronic housing shortages

The strikes and popular protests across Algeria point to economic and social pressures similar to those that toppled entrenched leaderships elsewhere in North Africa. However, President **Abdelaziz Bouteflika** looks less rattled than his neighbours. He is responding piecemeal to protest, not with offers of political liberalisation but with government spending from foreign reserves of over US\$150 billion from the gas-fired economy.

Algerians say their country has not followed **Tunisia**, **Egypt** and **Libya** into revolt because of bitter memories of the state's conflict with radical Islam during the 1990s, when at least 100,000 people died. The violence of the civil war triggered by the Libyan rebellion has added to these fears. Algeria also has a far freer press than most North African and Middle Eastern countries.

The *Coordination nationale pour le changement et la démocratie* (CNDC) group of established political parties and interest groups has tried to maintain weekly rallies for change in Algiers and other cities but has largely failed. They attract only a few hundred demonstrators and significantly more security forces. Established political parties, such as **Saïd Saadi's** secularist *Rassemblement pour la culture et la démocratie* (RCD) or Islamist groups with roots in the banned *Front islamique du salut* (FIS), have failed to generate sufficient popular support to throw the regime off its stride.

Bouteflika seems to think his regime has outplayed the opposition since January, when he crushed Saadi's initial efforts to mobilise mass protests in Algiers, and when angry residents in Bab el Oued shunned former FIS leader **Ali Belhadj's** efforts to exploit riots (AC Vol 52 No 3).

The new *Alliance nationale pour le changement* grouping was created by the respected former Prime Minister **Ahmed Benbitour**, the legal Islamist party *El Islah* and a few disaffected establishment party figures. Its efforts to appeal to both secular and Islamist oppositionists look unlikely to succeed. The ANC's first public meeting, on 18 March in Algiers, attracted many Islamists, with invited guest Belhadj trying, typically, to dominate the proceedings and distract attention from the new party's message.

Algerian regimes are at their most vulnerable when rival clans and factions

fight for power, as in the run-up to the October 1988 Algiers riots, when a mixture of youth protests and covert action by rival clans shook **Chadli Bendjedid's** government. This time, the major factions are acting with uncommon restraint, we hear, aware that a wrong move could tip the balance towards regime change.

Intense faction fights raged in 2010 between the 'Bouteflika clan' and Major General **Mohamed 'Tewfik' Medienne's** feared military intelligence structure, the *Département du renseignement et de la sécurité* (DRS). They took the form of investigations into the East-West Highway project (AAC Vol 3 No 5) and corruption at the state oil company, Sonatrach, which embarrassed 'Boutef' and his supporters.

The establishment has sought to build popular support by promising to use the massive foreign reserves to create jobs and infrastructure; by ordering public employees, first and foremost the police, to treat people with care and courtesy; and by making some concessions, including ending the state of emergency decreed in 1992 after the army intervened to stop the FIS from forming a government.

NOT A GADAFI CLONE

Many Algerians point out that Bouteflika is not a dictator in the mould of **Tunisia's Zine el Abidine Ben Ali** or **Libya's Colonel Moammar el Gaddafi**. In power for only eleven years, he has won three elections. Nor is he all-powerful, as was shown when plans for his businessman younger brother, **Saïd Bouteflika**, to succeed him were squashed (AC Vol 49 No 25). Yet the *Décideurs* in Algiers have to guard against complacency; social protest continues.

Young people clashed with police who responded with tear gas and strong-arm tactics in Algiers's El Madania area on 16 March; there has been violence in the eastern port city of Annaba and protests by students. Threatened industrial action by teachers and community police officers had the regime caving in to demands, triggering more political protest.

Industrial and service sector workers have taken note, including the trades unions in Sonatrach, whose head, **Nordine Cherouati**, has failed to convince members that the state energy giant will meet their demands for better working conditions in southern oil towns. Populations in marginalised areas of Algeria are more numerous and

angrier even than those in Tunisia, where **Mohamed Bouazizi's** self-immolation on 17 December triggered the uprising that led to Ben Ali's fall. A young unemployed man from the oil capital Hassi Messaoud hanged himself on 16 March in one of numerous protest suicides across Algeria, most of them by self-immolation.

Boutef must confront these challenges if he wants to finish his term in 2014. His old friend the Foreign Affairs Minister **Mourad Medelci** says that despite reports to the contrary, Boutef's 'health is excellent' and he is determined to carry on. However, in January 2007, Bouteflika had cancer, which was then in remission, according to his doctor who spoke to the then **United States** Ambassador, **Robert Ford**, as revealed in a US State Department cable released by WikiLeaks.

To shore up his power, Bouteflika is offering further, unspecified, political reforms. Lifting the state of emergency 'is but a new step in the elimination of the consequences of the dark years' but it did not signal 'the abandonment of the eradication of the last residues of terrorism', he said recently. The reference to terrorism suggests the government will use the presence of *Al Qaida* in the Islamic Maghreb to maintain tough security. AQIM is now most apparent on Algeria's southern borders with **Mali**, **Mauritania** and **Niger**. Protests are still banned in Algiers, ostensibly for security reasons.

This will be reform from above. After the emergency law was lifted, the Interior Minister, regime stalwart **Dahou Ould Kablia**, made it clear that no new political parties would be authorised in the immediate future. Parties in the ruling *Alliance présidentielle* – the *Front de libération nationale*, Prime Minister **Ahmed Ouyahia's** *Rassemblement nationale démocratique* and **Bougerra Soltani's** 'moderate Islamist' *Mouvement de la société pour la paix* – are said to be discussing options including a parliamentary system or 'semi-presidential' arrangement to devolve power in the still highly centralised state. Boutef has used the AP parties to pave the way for constitutional change in the past; the FLN led calls to amend the constitution to allow him to stand for a third term in 2009.

For many Algerians, these questions are academic. Improved salaries, work prospects and living standards are key. The President has promised to create three million jobs in the next five years, half of them generated by the economic growth that will be driven by state investment under the government's 2010-14 investment plan and half 'by public devices for the promotion of labour'. Given Algeria's record so far, this would be an unprecedented achievement, which many experts think unlikely to succeed. ●

Zuma to the shores of Tripoli

The AU mission to Libya was an abject failure but the South African leader got a chance to catch up with an old pal

South Africa's President **Jacob Zuma** led an African Union peace mission to Libya on 11 April. The mission quickly fell apart, which did nothing for the AU's poor reputation for conflict resolution. President Zuma spent several hours with Colonel **Moammar el Gadaffi** in Tripoli in the company of fellow members of the AU delegation – and fellow past recipients of the Libyan leader's largesse – President **Mohamed Ould Abdel Aziz** of Mauritania, President **Denis Sassou-Nguesso** of Congo-Brazzaville, President **Amadou Toumani Touré** of Mali and the Chairman of the AU Commission, **Jean Ping** of Gabon.

Jean Ping was a former finance minister, mines minister and head of the late President **Omar Bongo Ondimba**'s office in Gabon in 1984-2000. He became AU Commission Chairman in 2008. Ping may have thought this a bad time to remind Col. Gadaffi that he is two years behind on his AU membership dues. Ping is an accomplished diplomatic chameleon: two days after his friendly trip to see Gadaffi in Tripoli on 11 April he was in Doha, standing shoulder to shoulder with the Emir of Qatar, who is leading Arab

efforts to oust Gadaffi. In view of their past closeness, Zuma too may have felt embarrassed to tell the Brother Leader, as he called him at the press conference later, why South Africa had not backed him at the United Nations.

South Africa voted in favour of UN Security Council Resolution 1973, which established the no-fly zone and the mandate for air strikes. Worse, South Africa had voted in favour of referring Gadaffi to the International Criminal Court (ICC). Further, it was the South African UN Human Rights High Commissioner, **Navanethem ('Navi') Pillay**, who had presided over Libya's suspension from the Human Rights Council. Zuma has wanted to show he is critical of Gadaffi but opposed to regime change in Libya. However that played in Tripoli, it did not wash back home.

Many South African opposition politicians take it as an article of faith that Gadaffi contributed financially to Zuma's battle to oust **Thabo Mbeki** from the leadership of the African National Congress as well as to the 2009 election campaign, which won him the national presidency. After the Libyan revolt began

and Gadaffi found himself abandoned by former friends, he telephoned Zuma for help. Zuma's team tried to keep the call secret but Libyan state television reported it, claiming Zuma had offered his support. Zuma then confirmed he had spoken to Gadaffi, not to support him but to advise him to compromise with the opposition. Zuma promised that if Gadaffi did that, Zuma would oppose any move to bring him before the ICC. There was also talk of resettling Gadaffi in South Africa or another 'sympathetic' country.

After the meeting with Gadaffi, the AU delegation went on to rebel-held Benghazi to meet the Interim Transitional National Council but without Zuma, who went home to get ready for his trip to China on 12 April. Further embarrassment awaited Zuma in Beijing for his country's formal accession to the BRICS club (**Brazil, Russia, India, China, South Africa**), all of which had abstained on Resolution 1973. Zuma says that he will ask his new friends to support his position on Libya. They may have trouble working out what it is.

Meanwhile, the AU delegation, supplemented for the Benghazi trip by **Mull Sebulja Katende**, Uganda's Ambassador to the AU, brought along a peace plan based on a ceasefire, negotiations, safety of civilians, dialogue, reforms and talks towards a 'lasting solution'. The Libyan opposition politely rejected it out of hand. 'The initiative that was presented by the African Union doesn't satisfy the aspirations of the Libyan people for freedom and doesn't provide for the removal of Gadaffi,' a spokesman said. ●

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Sudan/Israel

HOSTING HAMAS

■ Khartoum's hopes of removal from the **United States'** state sponsors of terrorism list took a knock on 5 April when **Israel** bombed a vehicle near Port Sudan, killing two. Independent Palestinian news agency *Ma'an* said the target was **Abdel Lateef al Ashqar**, chief weapons officer of the *Harakat al Muqawama al Islamiya* (Hamas) who coordinated weapons smuggling to Gaza, where Hamas rules. Khartoum's ruling National Congress Party (NCP) said Israel's aim was to prevent Washington removing Sudan from its terrorist list and it would complain to the United Nations Security Council.

Israel bombed a Sudanese arms convoy to Gaza in January 2009: the NCP remained silent, which was widely seen as an admission of guilt (AC Vol 50 No 7). This time, it moved fast, getting the Arab League and Organisation of Islamic Conference on side, and naming the victims as Sudanese.

Mystery prevails. *Ma'an* later quoted Al Ashqar's uncle, 'senior Hamas figure' **Ismail al Ashqar**, as saying his nephew was alive. Sudanese officials had initially reported that a foreigner had been killed, after flying in from Khartoum but later gave details of the victims' Sudanese ethnicity. In 'smuggling arms to Gaza, there are non-Palestinians involved,' a retired Israeli official told *Africa Confidential*.

'Few in Sudan doubt the target was a Hamas cadre,' said a Sudanese analyst, and Khartoum had recently hosted an international solidarity conference 'attended by most Hamas leaders'. A *Sudaneseonline* contributor said the car, a Hyundai Sonata, was widely used by Sudan security and not generally available for sale. It is assembled at the Giad military-industrial complex. The Sudan Communist Party predicted 'repeated attacks' and blamed NCP policy.

Some officials blamed a strike from a helicopter or other aeroplane. From Israel, this means crossing **Egyptian** airspace: Egyptian leader General **Mohamed Hussein Tantawi** collaborates closely with the USA and Israel on counter-terrorism. Others said agents had landed in Sudan. On 12 April, the official Sudan News Agency said Defence Minister **Abdel Rahim Mohamed Hussein** had claimed Israel had received help 'from within', implying another crackdown. Then Khartoum told security 'to make intensive investigations of foreign organisations operating in Sudan'.

Typically, Israel kept quiet. 'Both official and unofficial Israeli sources are very quiet about it,' said the former official. 'There's nothing in the system,' said a serving

official, 'but Sudan was definitely on our radar and increasingly so.'

Khartoum has long, close relations with Hamas and a defence pact with Tehran that includes training and weapons manufacture (AC passim). 'What is clear is that Israel is determined to stop the flow of arms from **Iran** to Hamas and Palestinian Islamic Jihad and to serve a warning to third parties, like Sudan, that facilitate this, in contravention of UN Security Council resolutions,' said one Western analyst.

Swaziland

UPRISING PUT DOWN

■ The 12 April 'uprising' was heavily advertised so it was no surprise that the security forces outnumbered any who dared to go out on to the streets to protest. Riot police used water cannon, tear gas and rubber bullets to disperse crowds gathered in central Manzini. They had scooped up trades union leaders the day before and detained up to 100 over a 48-hour period.

Through the violence of the repression, the thousands of protestors, helped by their neighbours from the Confederation of **South African** Trade Unions, South African Communist Party and other SA civil society organisations, managed to draw attention to the lack of freedom in Swaziland. As well as helping the Swazi opposition, behind the scenes Cosatu and the SACP also hope, we hear, to embarrass SA President **Jacob Zuma**, who is close to King **Mswati III**. Some years ago, Zuma had been expected to marry a Swazi princess.

After the arrests, the United Nations International Labour Organisation warned that Swaziland, already on a 'Special Paragraph' for its poor labour relations record, could face trade sanctions. One penalty could be exclusion from the **United States** African Growth and Opportunity Act, which the economy can ill afford. With a 40% fall in Southern African Customs Union revenue, Mswati is dependent either on South Africa or the International Monetary Fund, the less friendly of the two. The IMF wants the government wages bill to drop. In late March, after some 7,000 people had protested, the government did nothing, then agreed only to a cut in ministerial salaries of 10%. So far, Mswati appears to be taking the heat for the austerity, which suits those pushing for reform (AC Vol 52 No 5).

Congo-Kinshasa

TAKING THE DEMOCRATIC OUT OF DRC

■ President **Joseph Kabila** and his supporters will restrict democratic representation only to the rich, if a bill sponsored by Kabila stalwart **Evariste Boshab** goes through. The law will double the non-refundable deposit for presidential candidates from US\$50,000 to \$100,000. Deposits for candidates for the National Assembly will rise to \$5,000, and to \$2,500

for provincial parliamentary hopefuls. Other restrictions are on the table. The draft bill also proposes to eliminate the possibility of individuals standing as independents, except in 61 seats where the constituency will return only one MP.

Opposition MPs did not condemn the deposit increases, perhaps because they are already well paid. The bill will also help them by effectively excluding from Parliament anyone not already elected, whatever their affiliation. The opposition's support for the law – which also sets the timetable for the presidential and parliamentary polls, due on 27 November – is conditional, though. If the bill does not pass by the end of April, it may not be possible to swear in a new president, as planned, on 6 December. The opposition says it will not recognise Kabila as President if he overstays that date, triggering a potential constitutional crisis.

To avoid this scenario, Reverend **Daniel Ngoy Mulunda**, the Chairman of the Independent National Electoral Commission who is a Katangan relative of Kabila's and a member of his *Parti du peuple pour la reconstruction et le développement*, has been holding talks with one of the main opposition figures, the veteran President of the *Union pour la démocratie et le progrès social*, **Etienne Tshisekedi**. The results are keenly awaited.

Angola/United States

FIXING FINANCES

■ A peaceful end to Luanda's diplomatic dispute with the United States is in sight. US banks had closed Luanda's bank accounts and Angola retaliated by detaining a ship from the USA (AC Vol 52 No 7). The banks were worried about liability, especially when diplomats withdrew vast sums to entertain visiting dignitaries, we hear.

Angola now wants to lower the temperature. US Secretary of State **Hillary Clinton** is expected at the African Growth and Opportunity Act forum on 7-8 June in Lusaka. President **José Eduardo dos Santos** is lobbying for US President **Barack Obama** to stop over in Luanda later this year, *Africa Confidential* understands. Opportunities will arise when Angolan MPs and ministers attend forthcoming meetings in Washington.

In July 2010, the countries signed a Strategic Partnership Dialogue in the US capital. When the accounts crisis broke, some Angolan diplomats complained this was 'no way to treat a strategic partner'.

The US Treasury has now informed banks that written assurances from foreign missions that transactions abide by US and international regulations would allow them to escape liability for account holders' actions. On 11 April, Angola's Washington and Houston consulates reopened with a full range of services after First Washington Bank agreed to accept Angolan accounts.

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Lamido told local radio that he and many others had used cash to mobilise support for the PDP. Buhari's supporters remained convinced that there would be a bulk vote for Buhari, given the failure of successive PDP governments to improve security, electricity, water supply or job prospects. Many disgruntled northerners defected from the PDP to the CPC and the split in the PDP grew after Jonathan won the presidential nomination in January.

Yet many in the north remain adamant that his was a stolen victory: 'I have never told anyone that Buhari won the election but I am willing to stake my reputation on the fact that he did not lose', says **Junaidu Mohammed**, a Soviet-trained neurologist close to Buhari who heads the People's Salvation Party, a leftist minority party in the north. He says many could contemplate a northern breakaway: 'If these differences persist, it may lead to the break up of the country. I'm not sure that would be a disastrous development. I have never seen the north this angry.'

Now the north's own traditional leaders find their authority and legitimacy questioned as never before. Their willingness to be coopted by former President **Olusegun Obasanjo** and now by Jonathan has undermined them and their institutions just as radical groups such as *Boko Haram* and *Hijrah* are stepping up arms seizures and attacks on police stations. They and other militant groups are linked to bombings in Maiduguri, aimed at disrupting the elections.

On the golf course at the Kano Club, founded by the colonials in 1908, the Emir of Kazaure in Jigawa, **Najib Hussaini Adamu**, tees into a dust storm and dismisses charges that emirs and other traditional leaders distributed money on behalf of the PDP. These were rumours, he says, spread on text messages. 'I wouldn't say the attacks were on the integrity of the leadership. It is misunderstood anger,' argues the Emir. 'We are the custodians of peace and stability. By virtue of our positions we can't openly come out and endorse politicians. But when they are in trouble they look for someone to blame. In this case, it was us.' After these fractious elections, playing the blame game will help neither the northern elite nor the new establishment in Abuja. ●

GOVERNORS, GODFATHERS AND GUTS

For ambitious politicians, the exalted office of state governor is worth fighting for, sometimes literally. That made the 26 April gubernatorial elections in 24 of Nigeria's 36 states a hefty test for the Independent National Electoral Commission (INEC), especially after the devastating violence following the 16 April presidential poll. Taking on well-heeled incumbents requires political cunning and considerable courage.

Powerful in their own right, state governors influence the presidency, choose federal ministers and enjoy immunity from prosecution. They also control health, transport, education and power projects in their states and are custodians of budgets of over a billion US dollars a year. Determined candidates often marshal bands of political thugs to discourage electors from backing their opponents. In the most extreme contests in the Niger Delta in 2003 and 2007, a minor civil war broke out. This year, there were fraught contests in Delta State and talk of sorcery in Rivers State, where the generally popular **Rotimi Chibuike Amaechi** fought off challenges from his former colleagues, **Celestine Omehia** and **Abije Sekibo**.

Many have an appalling governance record. The former Chairman of the Economic and Financial Crimes Commission, **Nuhu Ribadu**, launched criminal prosecutions against over 20 of the 36 state governors when their terms (and their immunity) expired in 2007. More than ten cases are still in court, going through endless appeal and counter-appeal hearings. Former Plateau Governor **Joshua Chibi Dariye** was arrested in Britain in 2004 and extradited to Nigeria on money laundering charges but fought them off and reasserted himself as a political godfather in his state. The most celebrated godfather and Governor, **James Ibori** of Delta State, won a privileged position for bankrolling **Umaru Musa Yar'Adua's** presidential victory in 2007 but fled to Dubai when **Goodluck Jonathan** took over the presidency last May. Now Ibori has been extradited to London and faces money laundering charges there.

A big point of interest in the governorship elections was how many of the old godfathers would still wield power in the new era under President Jonathan. On the basis of the first 20 states to confirm results, many godfathers seemed to have taken a drubbing but slightly more managed to maintain power.

The victories amid much violence of incumbent governors **Godswill Obot Akpabio** in Akwa Ibom and **Jonah David Jang** in Plateau – both with the governing People's Democratic Party (PDP) – raise concerns about local stability. Some ex-governors try to stay in the game by standing for the national Senate but this often prompts fierce opposition from new governors who want to keep old godfathers out of office.

In the north-east state of Zamfara, former Governor **Ahmed Sani Yerima**, whose introduction of *huddud* punishments such as stoning and amputation under *Sharia* (Islamic law) prompted widespread Muslim-Christian clashes, won a seat in the Senate against the wishes of the incumbent Governor, **Mahmud Aliyu Shinkafi**. **Jolly Nyame**, the former Governor of Taraba State in the north-east, lost his trial of strength with Governor **Danbaba Suntu**, who blocked him from winning a seat in the Senate.

In some states such as Kwara, the godfathers try to keep it in the family. There a battle royale ensued between veteran politician and businessman **Olusola Saraki** and his son **Abubakar Bukola Saraki**, who retired as Governor this year. Olusola was determined that Bukola's younger sister, **Gbemisola Saraki**, should take over as Kwara governor this year. Yet Bukola thought that was a dynasty too far, having benefited himself from his father's political influence, then backed a rival candidate, **Abdulfatai Ahmed**, who won the governorship easily, pushing Gbemisola into third place.

Defeated presidential contender Major General **Muhammadu Buhari** and his Congress for Progressive Change rejected within minutes INEC's announcement that the PDP candidates **Mu'azu Babangida Aliyu** and **Ibrahim Shema** had won in Niger and Katsina states respectively. Buhari, who hails from Daura in Katsina, inspires almost cult-like devotion across the state. With only one win, in Nasarawa State against a weak PDP candidate, his party had a poor show. The other northern-based opposition party, the All Nigeria People's Party, defeated the mighty PDP for the governorships of Yobe and Borno states.

The big winner in the gubernatorials was the Action Congress of Nigeria, which swept the governorship and state assembly elections in the south-west. The hopeful message here was that governors were winning elections based on performance rather than thuggery and federal largesse. The ACN's most celebrated governor, **Babatunde Raji Fashola**, won easily in Lagos, where even opposition politicians applaud his record. Others celebrating include Governors **Abiola Ajimobi** (Oyo) and **Ibikunle Amosun** (Ogun), both of whom won on ACN tickets. Ekiti State Governor **Kayode Fayemi**, who has a good track record after fighting a three-year court battle to overturn a fraudulent PDP victory in 2007, saw his ACN party win all three Senate seats in the state and control of the State Assembly. ●

Beau Blaise loses it

After his regional mediation, President Compaoré is now threatened by a national crisis of his own making

Almost before **Blaise Compaoré** had a chance to celebrate the installation of his friend **Alassane Dramane Ouattara** as President of neighbouring Côte d'Ivoire, he had to deal with the most serious challenge to his power since he seized the presidency from another friend, **Thomas Sankara**, in 1987. The crisis began as a wave of student demonstrations after reports that police had arbitrarily killed a youth in the capital, Ouagadougou. That sparked civic protests throughout the country and the usually ineffectual political opposition believes it has put Compaoré on the defensive.

In fact, it was the mutiny of police and army, after the government had failed to pay their salaries, that really threatened Compaoré. His own forces have rebelled against him, attacking innocent civilians in the process. His aura of invincibility has been shattered. Compaoré's human rights record is abysmal, but he has fended off outside criticism by playing regional mediator. After the death of **Gabon's** President **Omar Bongo Ondimba** in 2009, Compaoré took over as point man for Francophone Africa, at least as far as the Paris government is concerned.

Fighting to re-establish command, Compaoré has taken the Defence portfolio himself and brought back his Ambassador to Paris, former journalist **Luc-Adolphe Tiao**, as Prime Minister. Angry soldiers and demonstrators burnt down the home of his predecessor, **Tertius Zongo**, and of other establishment figures.

Trouble in the military began on 14 April in Ouagadougou, among Compaoré's personal *Garde Présidentielle*, and was taken up at Pô, 140 kilometres south of Ouaga, where the elite forces wanted their March wages and an increase for the *Garde*. At Kaya, 100 km. north of the capital, the shooting went on until the ammunition ran out, on 18 April. The *Gendarmerie* there also mutinied and burned their commander's home. Another mutiny erupted at Tenkedogo. The soldiers stopped rampaging after Compaoré promised the back pay would be delivered, but his authority has been terminally wounded – both the military and civilians are well aware of that.

In Ouaga, 43 people were wounded by gunfire and two at Pô. Shops were pillaged, especially those selling expensive items such as refrigerators, air conditioners, hi-fi equipment and jewellery. Mutineers raged

into city-centre hotels, kidnapped people and raped women. The home of the *Garde Présidentielle* Commander, Lieutenant General **Gilbert Diendéré**, was burnt down. Many hold him responsible, along with Compaoré, for the death of Sankara.

The army is the key to the regime. It has 12,000 troops, 1,200 of them in the Presidential Guard, 600 in the air force and 3,000 in the *Gendarmerie*. Compaoré has kept power by skilful promotions. He recently upgraded four major generals, including **Nabéré Honoré Traoré**, a former President of the *Fédération burkinabè de football*. Traoré takes over as Army Chief of General Staff from Gen. **Dominique Diendéré**, Gilbert's brother, who was sacked. Colonel **Boureïma Kéré** takes over from Col. **Omer Batiolo** as head of Compaoré's military staff.

Compaoré and his commanders underestimated the troops' frustration. In March, soldiers from Ouaga's two barracks sacked the main court and offices, demanding the release of two colleagues gaoled for robbery. When their demand was met, the magistrates went on strike. Back in December 2006 soldiers and police fought each other in Ouaga. The soldiers stole cars and other items, and attacked the central prison, freeing dozens of inmates. It was all hushed up but showed the level of discontent among the ill-treated and ill-trained lower ranks.

The Ouagadougou and Bobo-Dioulasso airfields have recently been busy at night; some aircraft have **American** crews and fly to **Chad** and **Sudan**. Burkina's military aircraft make money for their commanders by flying strange cargoes and sometimes passengers. The army, which views the air force as a privileged elite, had hoped for a better deal after Compaoré's victory in November's polls.

The *Fédération associative pour la paix et le progrès avec Blaise Compaoré*, a movement devoted to Compaoré, attracts young militants from the ruling *Congrès pour la démocratie et le progrès*, which is packed with old Marxists and veterans of past putsches. The CDP's ideology jumbles together the revolution begun by Sankara, the market economy and democratic forms. Its operating principles are nepotism and alliances with traditional chiefdoms and cults: the Mossi 'emperor', **Moro Naba**, the Catholic church and the imams.

Given the widespread opposition to Compaoré, his claimed 80.21% of the

vote in November 2010 lacked credibility. Second place went to **Hama Arba Diallo**, with 8.18%; **Bénéwendé Sankara** came third with 6.34% of the vote. Compaoré worked as a mediator in Côte d'Ivoire and urged ex-President **Laurent Gbagbo** to submit to the election last year. It was the northern-based *Forces républicaines*, followers of Ouattara, who had used Burkina as their base, who finally pushed Gbagbo out on 11 April. Burkinabè soldiers wondered why they had to put up with Compaoré while their Ivorian comrades were getting rid of Gbagbo.

Lt. Gen. Diendéré controls the movement of urgent papers when foreign businessmen or national ministers want them to reach Compaoré. He also keeps an eye on sensitive guests, such as exiled **Guinean** putschist Captain **Moussa Dadis Camara** and rebels from other trouble spots, granted refuge in Burkina. This makes it a sort of revolutionary diaspora. Exiles are often housed in the Ouaga 2000 complex outside the capital, near the new presidential palace. This lavish new suburb adds to the envy and frustration of the poor who were moved out to make room for it. The 2009 floods drove out many more, with only token compensation.

International financial institutions warned the government about financial mismanagement in 2009. In 2010 the World Bank criticised growing corruption, which among senior officers is massive. Compaoré's favoured few have taken over sectors of the economy along with **Lebanese** entrepreneurs such as **Hubert Haddad**. Fellow plutocrats are **Georges Fadoul**, **Abbas Jaber**, **Lassine Diawara**, **Simon Compaoré** (no relation) and **Alizèta Ouédraogo**. **Israeli** arms and diamond dealers find rich pickings across the Ivorian border. The ruling elite includes ex-Defence Minister **Yéro Boly**; Foreign Affairs Minister **Alain Bédouma Yoda**; *Gendarmerie* Col. **Djibril Yipènè Bassolé**, United Nations-African Union mediator in Darfur, Sudan; and Gen. **Kouamé Lougué**, Secretary General of the Defence Ministry. A **Mauritanian**, **Mustapha Chaffi**, with links to Guinea and its Lebanese networks, specialises in import-export and advises Compaoré. The top brass are the go-betweens when financial deals require political solutions.

Discontent is spreading. On 18 April there was a violent demonstration in Koudougou by students who burned down the CDP office. Once the mutineers had returned to barracks on 18 April, struggles broke out between CDP and *Union nationale pour la démocratie et le développement* activists, led by **Hermann Yaméogo**, whose house was also razed. Protest groups are yet to coordinate effectively, so the biggest threat to Compaoré is that he will be overthrown by a group of officers in his own army. ●

Bluff and bluster

Pirates in the Horn are stepping up operations and threatening more ships but the international response looks weak and divided

At huge expense, the United Arab Emirates brought scores of countries to Dubai on 18-19 April to craft new policies and raise finance to fight the growing threat from pirates based in Somalia and the wider region. Yet the delegates only managed to raise about US\$5 million to tackle piracy which brings in over \$200 mn. a year for the criminal gangs involved. Added to this, there are signs that Islamist groups are increasingly using 'taxes' on pirates as a means of raising finance for their own military operations.

The main task of the conference, organised by the UAE Foreign Ministry and Dubai World marine terminal, was to raise money for the Trust Fund of the United Nations Contact Group on Piracy off the Coast of Somalia. Contributors raised just \$5 mn., which is a tiny sum compared to the financial cost of piracy. Several Western delegates had concerns about the Fund's accountability: **Britain**, for example, which is prepared to give £10 mn. (\$16.47 mn.) directly to the UN Office on Drugs and Crime (UNODC), chose not to contribute.

THE PRIVATE SECTOR STAYS AWAY

The organisers had hoped to encourage money from the private sector: they raised some funds from the port industry but the broader shipping industry kept its hands firmly out of its wallets. The UAE is selling the conference as a success but no other Gulf state contributed to the Trust Fund and private contributions were very limited.

Yet a new approach looks overdue (see Box). The new head of the **United States Africa Command**, General **Carter F. Ham**, claims that money from Somali piracy is helping to fund the *Haraka al Shabaab al Mujahideen*, the Islamist organisation that controls much of the south of Somalia. This is especially sensitive since any confirmation of a link between money made by pirates and terrorist groups would render the payment of ransoms for the release of ships' crews very difficult and perhaps illegal.

The vast majority of pirates operate in Puntland and Galmudug, well north of areas controlled by *Al Shabaab*; only a few pirate attacks are launched from the south. Any such payments are likely to be in the form of 'tax' or bribes: an

unholy alliance rather than command and control.

The murder of four Americans on board the yacht *Quest* in February again focused minds. Although receiving less media attention than a year ago, Somali piracy has continued to expand. The fourth UN Security Council resolution on the issue, R.1976 of 11 April, raises particular concern about the fate of the pirates' hostages, who currently number over 300 people.

Many international efforts have sought a legal solution to the piracy problem. **Jack Lang**, the UN Secretary General's Special Advisor on Legal Issues relating to Piracy off the Coast of Somalia, **France's** former Minister of Culture (1988-1992) and Education (2000-2002) and current National Assembly member, produced a report in January calling for regionally based courts and prisons in Somalia. As over 1,000 pirates are in gaol or on trial in East Africa and beyond, with no noticeable drop in piracy, the efficacy of this approach is open to question. Foreign navies release most of the pirates they apprehend.

The UNODC is backing a programme of prison and legal reform in Puntland and Somaliland that saw a new gaol opened in Hargeisa. The fanfare was somewhat spoilt when the Somaliland government announced that it would not use it to house pirates from Somalia. **Seychelles**, a place of trial and detention for some pirates, has concluded a post-trial detention agreement with Somaliland and Puntland which should mean that alleged pirates can be tried in Seychelles and gaoled in the Somali regions.

On the military side, efforts by the European Union Operation Atalanta, the North Atlantic Treaty Organisation's Ocean Shield and the US-led Combined Joint Task Force 151 have been effective in stemming attacks in the Gulf of Aden. The pirates, though, have simply responded to increased pressure from navies by adapting their tactics and ramping up their own pressure.

A common characteristic of Somali piracy is their ability to change areas, shifting from the major ports of south/central Somalia to the Gulf of Aden and now, since that Gulf is much better protected, into the Somali Basin and wider Indian Ocean. Pirates from Somalia now regularly operate at the entrance to

the Persian/Arabian Gulf and southwards along the Indian coast.

This expansion is facilitated by the growing use of 'mother ships'. These were initially fishing trawlers or trading *dhow*s captured by pirates and used as floating bases out at sea. The pirates then started using captured merchant shipping as bases. This has advantages: large merchant ships make a stable and comfortable base; indeed, those which can distil their own water are particularly prized since they allow pirates to survive for much longer at sea.

Captured vessels also provide protection for the pirates, who use the captured crew as a human shield. Navies now report this tactic is in decline, though, because the ships are readily identifiable and consequently avoidable. Pirates are increasingly using *dhow*s and trawlers again.

VIOLENT TACTICS

Piracy in Somalia is a business, one that is criminal and very profitable. Average ransom payments have risen from around \$100,000 in the mid-2000s to over \$5 mn. in 2011. This huge increase is partly because the pirates' negotiating tactics improve as they gain experience. However, their negotiating approach is also increasingly violent.

The spread in the range of attacks is coupled with a disturbing escalation in violence. In the past, freed hostages would talk of the anguish of being held captive but rarely complained of physical abuse. This has changed. Recently released hostages have spoken of being tied to beams with cable ties, having their genitals tied with cable ties, rape and mock executions while their relatives were listening on the telephone. Such violence is seen as a tactic to help drive ransom payments even higher.

Another factor raising costs is that some negotiators prioritise speedy release over low payments, the theory being that it is better to pay \$5 mn. for a quick release than \$1 mn. for a longer period, when associated costs will be considerably higher. However, this assumption does not seem to have led to speedier releases. On the contrary, pirates now hold out for higher payments and are prepared to exert more pressure to get them.

Piracy generates well over \$200 mn. a year which, rather than flowing into the Somali economy, tends to remain concentrated in the hands of pirate leaders. Although individual foot soldiers may earn \$10,000 from a successful attack and ransom and may be involved in two or three of these a year, the lion's share goes to the bosses and as bribes/fees/taxes to politically and militarily influential individuals in Puntland and Galmudug.

SINKING THE PIRATES

Signs that piracy is getting worse are numerous and stark. They include higher ransoms, longer detentions of vessels and crews, and the use of more and often larger mother ships, leading to seizures over a vastly greater area. Violence is now more frequent and more ruthless. New approaches are therefore being sought, at a time when military budgets are heavily stretched. Some United Nations officials have called for a new comprehensive study to develop a more coherent approach based on shared intelligence. Many shipping industry, naval and other governmental officials internationally have stressed that a multi-pronged approach is needed.

Tackling piracy may also tackle other issues. The linking of piracy and terrorism, for instance, raises questions about the movement of money. Pirates' organisational structures and money flows are almost identical to those found in terrorism and arms supply networks, and in sanctions busting. External assistance may well help countries in the piracy affected areas through their own border control and revenue-raising operations, while restricting logistical supplies to the pirates and also to terrorist groups – whether the pirates and terrorists are cooperating or not. Goods are easier to intercept than cash or electronic money transfers, especially as *hawala* banking practices (based on trust, with few visible links between those concerned) mean that identifiable transfers do not necessarily take place between the most obviously involved countries. Those which are identifiable may not involve Somalia directly but use diaspora communities nearby (**Kenya**) or afar (**Italy, Britain**).

Key goods include petrol and diesel fuel, four-wheel drive vehicles and luxury consumer goods for pirate 'godfathers'. Diesel will often be available from hijacked ships but the four-wheel drives are highly visible and are often seen as indicators of laundering criminal proceeds. Apart from weapons, they are the ultimate status symbol.

These are exactly the kinds of goods smuggled into neighbouring ports, especially Mombasa, Kenya, and those in **Yemen**. Elaborate multinational networks of companies are used to import vehicles from the Far East, typically by transshipment through or use of bank accounts in **Malaysia, Singapore** and the **United Arab Emirates** (especially Dubai) and, increasingly, **Seychelles**. Importers hide their identities behind front companies and agents, with frequent changes. Goods are then sold internally to wholesalers. The value of goods is widely understated, leading to large losses in customs duties, value added tax and other taxes further down the chain. The transit states therefore have their own financial incentives to tackle these networks.

'LITTLE MOGADISHU' LAUNDRY

Cash payments are also often involved back along the chain. This obviously gives an advantage to those with cash to launder it through tribes and clans eager for such funds (and some goods) as their handling fee. The 'Little Mogadishu' communities of Nairobi and Mombasa are typically from southern Somalia. Some residents move cash to the southern-based *Haraka al Shabaab al Mujahideen*. This provides a further incentive for *Al Shabaab* and the Puntland pirates to cooperate: Puntlanders would find it much harder to blend in and many of the goods pass through Mombasa.

There is a debate over whether pirates cooperate with *Al Shabaab* and other Islamist groups, including *Al Qaida* in the Arab Peninsula (AQAP). The consensus, though not universal view, is that they do and that this is increasing, with *Al Shabaab* taking a significant proportion of pirate revenue. Whether or not they do, both use similar logistical chains. Therefore attempting to disrupt terrorist or insurgent supply chains will identify pirate supply chains and vice-versa.

Some experts think it prudent to assume a worst-case scenario in Yemen, where AQAP and the pirates share an interest in increasing piracy. Not surprisingly, a lot of work is now being done to increase understanding of the financial flows and the nature of Islamist, terrorist and pirate links, and is being followed at the highest levels of government in maritime and financial centre states. It is no coincidence that this April, the UAE announced a US\$17 million donation to the UN-backed international coalition, the Contact Group on Piracy off the Coast of Somalia, and that Dubai has just hosted an international piracy conference (see Feature).

Tackling the supply chain problems is a major challenge for the coastal states involved. Once the goods have moved some way along the chain, it is very difficult to identify the true beneficiaries. The same applies to the cash coming back, which can eventually be used to fund what appear to be ordinary electronic commercial transfers to banking centres such as Dubai. Successful disruption therefore requires a highly coordinated and cooperative approach. Due diligence on the real owners of the operations may enable interested officials to identify the real organisers or their key agents outside Somalia, in the financial centres.

The governments of the countries neighbouring Somalia enjoy a direct incentive here: coordinated assistance in identifying suppliers and, above all, the financial and commercial networks behind them, would enable them to increase their revenues. It would not be exclusively antipiracy or antiterrorist work: at a time when both Kenya and **Uganda** are declaring that they are threatened by *Al Shabaab* and *Al Qaida*, as they both have this month, that would have important political implications. ●

The response of the Puntland authorities to international pressure for action has seen pirates shift from Puntland to sites further south. However, it appears much money still flows back to Puntland. The administration there is widely accused of benefiting financially – a UN sanctions monitoring report in 2010 accused President **Abdirahman Mohamud Farole** of receiving funds from pirates to pay for his election campaign.

Reports that the private security firm Saracen was to provide training for anti-piracy forces in Puntland provoked controversy (AC Vol 51 No 25). The deal was initially said to cover the Transitional Federal Government in Mogadishu as well

as that of Puntland. Following revelations that **Erik Prince**, the notorious founder of Blackwater (now renamed Xe), was involved in securing funding for the initiative and the resultant international unease, the TFG pulled out.

Puntland decided to go ahead, although some reports said that Saracen had been asked to leave. However, Saracen's camps are still active, *Africa Confidential* understands, and there is no evidence that the foreign trainers, mainly **South African**, are leaving. There is uncertainty about where the funding for this project comes from; there are suggestions that interests in **Saudi Arabia** or the UAE are the source.

Meanwhile, some in the shipping industry have floated a proposal for a privately run escort service through the Indian Ocean, funded from a fee paid by users. The idea is that shippers would make savings on various insurance costs. This proposal has triggered limited enthusiasm.

International efforts to prevent piracy by military, legal or private security means are unlikely to be successful unless the authorities in Puntland, Galmudug and elsewhere in Somalia take action against piracy at home. The ineffectual TFG in Mogadishu limits the opportunities for effective international action. ●

Local elections threaten the ANC's national grip

Municipal elections do not always stir passions but those on 18 May hold great significance for an African National Congress beset by infighting and disunity. They promise to be the most competitive polls since majority rule began in 1994 and will affect the ANC's National Congress next year, signpost 2014's presidential and parliamentary elections and test the Tripartite Alliance of ANC, Confederation of South African Trade Unions (Cosatu) and SA Communist Party (SACP), which is split several ways on economic policy.

ABUSED PRESIDENT

President Jacob Zuma's political position has become precarious and a poor show at the municipal polls will hurt him as much as his governing party (AC Vol 52 No 7). He is suffering abuse from senior colleagues over all aspects of his life, personal and political, and the media almost routinely reveals new corruption scandals about his government and his ministers. The local elections are creating problems for the ANC as a whole, though. To many people, the issues bothering electors exemplify the problems of both Zuma and the party.

Within the ANC, professionals and veterans of the anti-apartheid struggle are critical of the government. Former Culture Minister and leading intellectual **Pallo Jordan** last year lambasted the government's Protection of Information bill, which imposes gaol sentences on whistle blowers and journalists who investigate official malfeasance. There is no public interest protection. The Deputy Chairman of the South African Institute of International Affairs, **Moeletsi Mbeki**, is more forthright still: 'South Africa's First Family has been in power for less than two years and already sports iron ore prospecting rights in an existing iron ore mine, oil wells in the Congo, shipping businesses, gold mines and is soon to acquire billions worth of shares in South Africa's largest steel maker ArcelorMittal.'

A recent opinion poll by the Pretoria-based Institute for Democracy in Africa found that about 70% of people in the rural areas of four provinces thought councillors were not doing a good job and municipalities were failing. Two-thirds thought councillors benefited personally by allocating tenders to family and friends – or from bribes. Seven out of ten considered it easier to get services from the local authority if you had a friend or relative on the inside. Over half interviewed said councils had made no progress against corruption since the 2006 elections. The local government crisis is 'starting to become a structural systemic problem', concluded the IDASA summary.

Twenty town councils run by the ANC are bankrupt and in administration. The situation is so critical that 30 ratepayers' associations in ANC-run municipalities are holding back rates and taxes. Three such associations have taken over local government functions in Sannieshof, Ngwatho and Mafube, organising services such as sewerage and rubbish collection. In bankrupt Parys, in Free State, the ratepayers' association has opened a trust account to help to pay for public services. Newspapers have accused the minister responsible for the Department of Cooperative Governance and Traditional Affairs (formerly 'Local Government'), **Sicelo Shiceka**, of going on publicly-funded spending sprees costing hundreds of thousands of rand, including luxury hotel stays for himself and his staff and first-class air travel. One trip was a first-class flight,

ostensibly on World Cup business, to visit an ex-girlfriend in gaol in Switzerland for a drugs-related offence. Zuma counts Provincial and Local Government Minister Shiceka as a close ally and refused to sack him.

The impact of such scandals became clear to Zuma when he came to the Eastern Cape on the campaign trail this month. On the eve of his visit, Cosatu General Secretary **Zwelinzima Vavi** told a conference of the National Union of Metalworkers of South Africa (NUMSA) that the ANC might lose the Nelson Mandela Bay region of the Eastern Cape, which includes its biggest city, Port Elizabeth. Vavi said the party was 'infested with corruption and greed' and that Nelson Mandela Bay could end up under Democratic Alliance (DA) leadership. Such open splits have been rare in the Tripartite Alliance.

One special area of dispute is the nomination of ANC candidates. Local bigwigs who helped Zuma to get elected want nomination as their reward, even when they have performed poorly as councillors and have alienated local communities. Councillors and mayors have rich powers of patronage, distributing government contracts and jobs to allies, family and friends. Local business people back candidates or finance their selection, hoping for future tenders. If Zuma could get his ANC supporters re-elected, he would acquire a network of local bosses who could in return marshal support, resources and foot-soldiers for his own re-election. However, if Zuma bows to local opinion and favours other candidates, he loses these resources.

To get his allies elected, Zuma's camp has tried to manage the selection of candidates from above while making it appear that they have consulted grassroots members and the community. One device has been to preselect candidates at ANC branch level and then have their selection endorsed by 'community' meetings. Not all such meetings have gone according to plan, however, and ordinary members have revolted against rubber-stamping the party machine's nominees, ending the meetings in chaos.

WOULD-BE PRESIDENTS SEIZE THE DAY

Rival would-be presidential candidates, notably **Tokyo Sexwale**, are exploiting these problems to weaken Zuma and enhance their own prospects, pushing their own local candidates to the fore. Each of the alliance partners – Cosatu, the SACP and the rival ANC factions – wants its own people elected on the party ticket as councillors or mayors so as to advance its factional interests. In Cape Town, Cosatu wanted **Tony Ehrenreich**, its leader in the Western Cape, to be the ANC candidate for Mayor (AC Vol 52 No 7). Cosatu publicly announced his nomination before the ANC had made its choice and ANC General Secretary **Gwede Mantashe** angrily admitted that Cosatu had bounced the leadership into accepting him. He said, 'It was not sprung on us by the opposition, it was sprung on us by an ally called Cosatu.'

Deputy President **Kgalema Motlanthe** is also well known to have presidential ambitions and in a climate where Zuma is seen to be struggling, friends have advised him to stake his claim for the presidency more aggressively and to work harder to secure the election of friendly mayors and councillors. Motlanthe's allies say that Sexwale and other rival would-be-presidents will seize the chance as Zuma slips. Vavi has warned 'workers' that if they fail to take control of the party, it will soon start losing

elections and the DA will win power. The ANC Youth League (ANCYL) and its leader, **Julius Malema**, Zuma's erstwhile ally and now his opponent, is pushing anti-Zuma candidates. So are other factions and groups inside the Tripartite Alliance. So intense is the internal combat that the overall electoral campaign is paralysed.

Zuma and the ANC's national leaders face serious problems deciding what to do with the unpopular sitting councillors and mayors who are nonetheless powerful pro-Zuma voices. If Zuma fired them, they would turn against him. ANC factions have battled to replace candidates so unpopular they may not get re-elected with others who are less tainted but equally loyal.

On 12 April, the ANC leadership announced that it would not publicly declare its choices of mayoral candidates until after the councils had been elected. It said this was to prevent infighting but it outraged many supporters. 'We don't believe individual mayors [should be] the brand. The ANC is the brand,' declared Mantashe. 'When people go to vote, they vote ANC.' Political commentator **Adam Habib** of the University of Johannesburg observed that citizens who object to councillors and mayors whom the ANC foisted on them in the past may be angry when the party attempts to do the same thing again after the elections.

The ANC leadership's reasoning is clear. Across the country, drawing up ANC candidates' lists has sparked violence, court cases, threats of boycott and talk of rival candidates. In early April, angry members lodged an urgent application in the Mthatha High Court to reject the official candidates for the O.R. Tambo municipality. In four other court cases, Eastern Cape members dispute the party's nominees. On 6 April, members in Port Elizabeth stormed a lecture by the ANCYL's Malema to protest against the list for the area. Police have arrested two senior ANC members for allegedly manipulating a list of candidates and Eastern Cape detectives are investigating whether, in a dispute related to the elections, disgruntled party members conspired to assassinate five senior regional ANC leaders, including the Eastern Cape Provincial Secretary General, **Oscar Mabuyane**, and the Local Government provincial representative, **Mlibo Qoboshiyane**.

In the previous week in the Western Cape, more than 150 members from 16 branches marched to the ANC office and temporarily detained six members of its provincial executive. The protestors said candidates had been unfairly selected, while the ANC's provincial Secretary, **Songezo Mjongile**, said that the ANC would not be intimidated or succumb to anarchy. 'We call on the faceless leaders behind the rogue members who mustered, transported and fed these people so they could invade offices, attack people and vandalise property to come forward and reveal themselves. If not, the ANC will also take action against them.' **Maxon Ludidi**, ANC councillor for Ward 96 in the Western Cape, was bumped off the candidates' list; he later said it was because he did not support Zuma's re-election, we hear. He said branches and leaders who oppose the current leadership have been sidelined and that he may stand as an independent. Cosatu's Vavi said those who complained were right to be aggrieved and that popular candidates 'have fallen victim to the powerful cliques that have appointed themselves gatekeepers'.

Indeed, many Cosatu and SACP members are standing as ANC independents or have formed their own local parties. In the North West Province, SACP members have broken away to form their own 'Lebaleng Communist Party', led by **Oupa Maditjane**, which says the mainstream SACP under **Blade Nzimande** is too soft on Zuma. The Electoral Commission has accepted their candidates as legitimate. The SACP says it will fight this decision in the courts. SACP Spokesman Kaizer Mohau said: 'Though we are aware of problems emanating from the way in which the ANC is managing issues relating to [candidates'] lists in which a number of candidates who are SACP members have been removed, we do not think that stealing the SACP is a solution to this political problem.' In Limpopo Province, the SACP dissolved its provincial Executive Committee, which had opposed ANC municipal candidates who, it said, had been imposed by the Zuma faction and accepted by Nzimande and the national leadership. Before the dissolution, the SACP's Limpopo Secretary, **Soviet Lekganyane**, had resigned in anger. SACP National Spokesman **Malesela Maleka** says the Limpopo Executive was suspended because it was trying to dislodge Nzimande since he was 'too close to President Zuma'.

A large Cosatu affiliate, the SA Municipal Workers' Union, has reviewed its previous support for Zuma and for the ANC because it had 'failed to keep its promises to workers', is 'biased towards the interests of business' and had nominated discredited candidates. For weeks, SAMWU members have been on strike at Pikitup, Johannesburg's waste-management company, leaving the city littered with uncollected refuse. They accuse the city's ANC council, which has run up a debt of more than 2.8 billion rand (US\$421.08 mn.), of corruption and mismanagement.

SAMWU says it will call a national strike on 13 May, just before the polls that it intends to boycott. It wants Zuma to refuse to sign into law the Municipal Systems Amendment Bill, which is intended to depoliticise municipalities and ensure that

TOWNS AT RISK FOR THE ANC

- Port Elizabeth, Eastern Cape: the African National Congress (ANC) goes into the elections with a majority of only 50%.
- Kimberley, Northern Cape: vulnerable to the Democratic Alliance (DA), which has focussed on winning there.
- Bloemfontein, Free State Province: the capital of the nation's lawyers is a big focus for the DA and the stronghold of (**Patrick**) **Mosiua Lekota**, who leads one Congress of the People (Cope) faction.
- Johannesburg, Gauteng: **Amos Masondo**, the ANC Mayor, has run the city unimpressively, after being foisted on to local ANC members as their mayoral candidate last time (AC Vol 50 No 16). Yet the DA candidate is young and untried, and many ANC members are standing as independents.
- Pretoria, Gauteng: almost as incompetently run as Johannesburg; the DA has been advancing and hopes for at least a coalition government.
- Nelspruit, Mpumalanga: one of the worst-run towns, where the ANC is beset by infighting over government contracts. Neither Cope nor the DA is well organised and the main opposition comes from ANC independents.
- Polokwane, Limpopo: also badly run; disgruntled South African Communist Party (SACP) members have launched their own Communist Party and hope to take control.
- Pietermaritzburg, KwaZulu-Natal: the Inkatha Freedom Party (IFP), its breakaway National Freedom Party, the DA and several ANC independents are all hard at work.
- Midvaal, Gauteng: the only DA-controlled town in Gauteng is bitterly contested by the ANC. Yet **Winnie Madikizela-Mandela**, sent to campaign there, told ANC supporters that their party was beset by infighting and corruption. The DA sent **Helen Zille**, the party leader, and its Cape Town star, **Patricia de Lille**, to fight to retain the seat.
- Cape Town, Western Cape: the only DA-controlled big city. The contest between the DA's De Lille and the ANC's **Tony Ehrenreich**, imposed by the Congress of SA Trade Unions, is keenly watched. The ANC's **Kgalema Motlanthe**, the national Deputy President, seems to have given up hope of victory but Ehrenreich has working class appeal and may give De Lille a run for her money. ●

they appoint skilled people, and to fire the Minister in charge of local government, Shiceka, if corruption allegations against him are proved. The ANC's candidate for Mayor of Johannesburg, **Parks Tau**, accuses the union of holding the government to ransom. ANC Spokesman **Jackson Mthembu** says it is not in SAMWU's interest to go on strike just before the elections: 'They are part of the revolution and surely they don't want to see the ANC on the losing side.'

Cosatu's national leaders attack the ANC while urging members not to stand as independents. Vavi seemed conscious of the difficulty of his position in urging a vote for the ANC while being so critical. 'We are going to the elections, in fact, with our tails between our legs, with our backs against the wall, because 1.17 million jobs have disappeared,' he lamented. Inequality, he said, had become worse and corruption was getting out of hand everywhere.

NEW PARTIES TO SPLIT THE VOTE

Official preliminary figures show that 51,163 candidates will contest the elections on behalf of 121 parties, with 843 independent candidates, most of them in the Eastern and Limpopo provinces. In KwaZulu-Natal (KZN), independents will number 119, in Western Cape 95, Gauteng 86, North West 61, Mpumalanga 53, Free State 35 and the Northern Cape 30. Up to now, ANC members have generally preferred to abstain rather than vote for the opposition. This time, though, several new parties created specifically for the local elections, mostly by former ANC members, are standing, splitting the party's vote.

As a result, established opposition parties such as the DA may do better than usual. In the 2006 local elections, just over 48% of the electorate turned out to vote (compared to 76% for the 2004 general elections and 77% for the 2009 general elections). A low turnout combined with a split ANC vote could result in the opposition winning or the ANC needing coalition partners in order to form administrations. These are uncharted waters for South Africa.

The DA, which has its roots among white and Coloured Afrikaans-speakers, is running the most effective campaign. Previous campaigns have been interpreted, sometimes unfairly, as 'anti-black' but this time it is steering clear of shrill attacks on the ANC, telling traditional ANC supporters they should give the DA a chance because they have nothing to lose. The DA has the advantage of presenting the towns it runs, particularly Cape Town, as models of good governance and effective service provision. The long-term aim is to win more towns and use them as launch pads towards national representation in the 2014 parliamentary elections. In its Cape Town stronghold, the DA has nominated as its candidate **Patricia de Lille**, a former trades unionist and former leader of the Pan Africanist Congress of Azania.

The DA projects itself as the clean party with clean leaders, in stark contrast to Zuma and many other ANC top leaders around whose heads allegations of corruption continually swirl. DA leader **Helen Zille** has called the ANC 'a party in which politicians are prepared to kill each other for power and lucrative tenders'. The DA has fielded the politically inexperienced 30-year-old entrepreneur **Mmusi Maimane** as its candidate for Mayor of Johannesburg, where the ANC administration is widely seen as incompetent. Maimane grew up in Soweto and Zille describes him as a 'young, supremely talented individual' and 'a strong emerging leader'. For Tshwane, which includes Pretoria, the DA candidate is **Brandon Topham**, leader of the party's local caucus.

Other established opposition parties are in disarray. The Inkatha Freedom Party has split, with senior members in KZN complaining about long-time leader **Mangosuthu Buthelezi's** refusal to make way for new blood. Former Chairwoman **Zanele Magwaza-Msibi** formed her own National Freedom Party after she lost the leadership battle with Chief Buthelezi. When 40 councillors defected to the new party, Inkatha had trouble in replacing them. The leadership of the ANC breakaway, the

Congress of the People (Cope), is being disputed in the courts between (**Patrick Mosiuoa 'Terror' Lekota** and **Mbhazima Shilowa**, and it has decided not to fight the local elections. This leaves the DA as the only serious organised opposition force, along with the individual ANC independents and the breakaways. There is also a struggle going on within the ANC between those grappling for control of the campaign. General Secretary Mantashe and the Sports Minister, **Fikile Mbalula**, are fighting over who is in charge and this tussle is undermining their efforts. Formerly, Mbalula ran the campaigns for the party and was responsible for its election campaign in 2009. This time, Mantashe has replaced him with his close ally **Jessie Duarte**, as 'national elections coordinator'.

The ANCYL wants to push its former leader Mbalula in as General Secretary, replacing Mantashe in time for the next national campaign in 2012; if Mbalula led a successful local campaign, that would strengthen its hand. The Youth League believes that Zuma is behind Mantashe's new position. In last year's cabinet reshuffle, the President appointed Mbalula Sports Minister, hoping but failing to line him up behind his leadership. Mbalula supported Zuma's fight for the party leadership but allies say that was merely for 'tactical reasons'.

The team running the present campaign consists of Mantashe as political head and Duarte as coordinator, together with **Ngoako Ramatlhodi** (former Premier of Limpopo Province) and **Nomvula Mokonyane** (Gauteng Province Premier). Duarte, Ramatlhodi and Mokonyane are close allies of Zuma's. Mantashe is also SACP Chairman and a former General Secretary of the National Union of Mineworkers. He was initially supported by the ANC's left-wing partners, the SACP and Cosatu. Now he, too, is with the Zuma faction and trying to block efforts by his former friends to replace him in 2012.

The ANC's National Executive Committee cannot agree on what the focus of the campaign should be. Zuma's critics are 'appalled' that the committee running the campaign, dominated by his allies, are focussing on Zuma; posters, pamphlets and official messages all bear the President's face and voice, rather than those of individual candidates. Others think he is an electoral liability, surrounded by sexual shenanigans and accusations of indecisive leadership and corruption.

Mbalula and his anti-Zuma allies say these are the first post-apartheid elections where voters worry most about local issues and individuals, rather than national ones. They wanted a grassroots campaign focussing on local factors. Provincial party leaders have officially complained to Mantashe that they, 'with their ears to the ground', have not been consulted and they dislike being used as conveyor belts to 'put up posters and hand out flyers'. National leaders, such as Planning Minister **Trevor Manuel**, ANC Treasurer General **Mathews Phosa** and Mantashe himself have been campaigning door-to-door.

The ANC leadership's response to these challenges is little short of panic. On 12 April, General Secretary Mantashe, visibly strained, called the media the main opposition in these elections. He complained that Motlanthe had told supporters the ANC was unlikely to win back Cape Town or most of the Province's other towns.

Other politicians, however, have been reaching for dire threats against those who do not vote ANC. Back in February, Zuma told unhappy party supporters in the Eastern Cape of the dangers to their mortal soul of not voting ANC. 'When you don't vote for the ANC,' he declared, 'you should know that you are choosing that man who carries a fork...who cooks people.' Magic also haunted Malema's plea to voters. Unless members voted for the ANC, he said, ex-President **Nelson Mandela** could get sicker. Zuma's key Communist ally, Nzimande, summoned the dead. The legendary ANC martyr **Chris Hani** would 'turn in his grave' if ANC supporters did not vote for the party, he said. Vavi had the last word, riposting that Hani would turn in his grave if he could see how rotten the ANC had become. ●

New brooms, old handles

The President's purge on grand corruption has not yet touched many of the suspect associates

President **Jakaya Kikwete** has reshuffled the top levels of the governing *Chama Cha Mapinduzi*, in power now for 50 years, to forestall faction-fighting and prevent the party splitting apart. He is clearing the decks, moving old corrupt figures and others, in readiness for the 2015 general elections. He has been telling friends he believes the CCM is 'dying from inside', owing to the factional stresses. His problem is a big fall in popularity and authority for himself and the party, in spite of winning with 61% of the vote on 31 October 2010 (AC Vol 51 No 23). The win was commanding but the 42% turnout put a different complexion on the result, alerting Kikwete to the need to renew the party if apathy is not to turn into active opposition.

Critics say that the rot set in when Kikwete refused to appoint his old ally and campaign manager **Samuel Sitta** as prime minister after the 2005 parliamentary elections. Upset at being passed over, Sitta used his position as Speaker of Parliament to enable the enquiry into corruption about the US\$172.5 million Richmond Development Company generators project to go ahead. This saga has caused the CCM a lot of pain and party factions have grown since that time, we hear, as business executives with corrupt interests ally themselves to politicians who can secure them advantages. Party members have criticised Kikwete for not showing stronger leadership in managing the factions, even when ministers have publicly traded accusations of corruption.

The main leadership changes came during a CCM congress in Dodoma in mid-April. The Central Committee of the National Executive Committee (NEC) dropped **Rostam Aziz**, the businessman, member of parliament and former CCM Treasurer, and **Andrew Chenge**, the former CCM Ethics Committee Chairman and former Attorney General. Both were said to be implicated in the Richmond scandal, the Marconi radar system purchase (AC Vol 51 No 23) and illegal payments from the External Payment Arrears account at the central bank, Bank of Tanzania, none of which have been wholly resolved despite years of publicity.

Through its Publicity Secretary, the CCM has asked the *mafisadi* (Kiswahili for 'corrupt leaders') to assume the burden of the criticism and resign from other positions they hold in the party, while

keeping their positions as CCM members and MPs. Speculation surrounds **Edward Lowassa**, Kikwete's first Prime Minister who resigned in February 2008 over the Richmond affair. He is also said to be contemplating resigning from the NEC.

Others who have lost their positions in the party secretariat as 'friends of the corrupt' include CCM General Secretary **Yusuf Makamba**, who was replaced this month by **Wilson Mukama**. Kikwete blamed Makamba for the poor show in the polls and for a poor defence of the party in public. He was rumoured to have misused party funds. Yet Makamba, a nominated MP, will not lose his seat since Kikwete, who is allowed to nominate up to ten MPs, will use his allocation to give Mukama a seat. **Amos Makalla**, former Treasurer and a key ally of Aziz, also lost his job.

SITTA'S SITTING PRETTY

Previously thought to have been on the way out since his break with the leadership, Sitta made a surprise return to the NEC, thanks to an overwhelming vote from MPs. Seen as a public hero for his stance against corruption, he had nearly lost his party membership two years ago following accusations by stalwarts that he was using his position as Speaker to embarrass the government and the party, which, analysts say, is exactly what he was doing. Sitta's high public reputation would make him a tremendous catch for the opposition *Chama Cha Demokrasia na Maendeleo* (Chadema) and he may be holding the threat of his defection over CCM leaders so as to retain major influence within the party.

The CCM put 'dealing with graft' high on its agenda at its Dodoma meeting but analysts have noted only 'a mere recycling of faces', as one put it. The party has not changed its ideology, philosophy or structure. While Rostam and Chenge may no longer be in leadership posts, people with close ties to them remain. **Zakia Meghji**, a former Finance Minister and head of the party's campaign finance committee in the recent elections, and veteran presidential campaign manager **Abdulrahman Kinana** are both on the Central Committee. Insiders say that in the new Secretariat, only **Nape Nnauye**, the CCM Publicity Secretary, is hostile to the interests of Aziz and Chenge. Mukama is a close ally of outgoing Secretary General Makamba and his son **January**

Makamba, who is also close to Aziz.

Makamba Junior, now an MP for Bumbuli, heads the CCM Foreign Affairs Department and chairs the Parliamentary Committee on Energy and Minerals. He has come out in favour of resolving the Dowans saga by making a settlement with the company (AC Vol 52 No 6). However, after he announced that Dowans had agreed to negotiate a settlement with Tanzania Electricity Supply Company, which had the power generation contract with the mysterious Dowans, Tanesco denied all knowledge of it.

Persistent rumours say that Aziz has a financial interest in Dowans. Announcing the Central Committee members in Dodoma, Kikwete warned any people tainted by corruption to 'cleanse themselves' within three months or face punitive action. He did not explain why 'cleansing' should save any corrupt persons from prosecution. He has been promising to prosecute the corrupt for years (AC Vol 49 No 22). Meanwhile, the President has stayed silent about apparently grooming for high office his son **Ridhiwani**, who appears likely to be cutting his political teeth in the next round of leadership renewal before the 2015 parliamentary contest. Right now, he seems to have taken over as advisor to his father, a role that January Makamba recently held.

Kikwete Jr's presence spawns talk of a dynasty-in-the-making. Due to sharp divisions in both Parliament and the NEC, Kikwete had to rely on 'household resources' to meet influential people and talk to them personally in the last elections. Both Ridhiwani and First Lady **Salma Kikwete** rode in motorcades to the regions to assure local CCM leaders that Kikwete Senior was worth supporting. Ridhiwani became his father's finance manager and chief collector of contributions.

Ridhiwani has escaped the CCM's criticism of corrupt leaders because this would entail too direct an attack on his father. He has, however, been questioned about involvement in parastatal privatisation and rumours circulate. One newspaper interview with him was headlined: 'Ridhiwani – I am not corrupt'.

Lowassa remains a political force, especially because of support from the church, and he may continue to hold influence as an elder statesman or an 'honest broker' between Chadema and the CCM, or between the government and donors anxious about the impact of corruption on governance. At any rate, that will last as long as he keeps the loyalty of his constituents.

As long as the CCM can distance itself from issues of corruption or corrupt personalities, its only major issue is the country's economic difficulties, which Chadema so far has found difficult to exploit. ●

Opposition works the walk

Following Museveni's easy re-election, the security forces are making mass arrests and Kampala's streets resound with gunfire and tear gas

A series of 'Walk to Work' protests against escalating food and fuel prices has caught the public's imagination and the government is cracking down. Opposition leaders are under restrictions: **Kizza Besigye**, the Forum for Democratic Change (FDC) President who lost heavily in February's presidential election, was arrested for the fourth time in a fortnight on 21 April (AC Vol 52 No 5). The demonstrations started on a small scale and then grew. Party leaders, members of parliament and a few dozen supporters attempted to walk the main roads in solidarity with ordinary Ugandans priced out of the transport system.

The protest has hit a nerve, channelling disquiet over rampant inflation, which is climbing above 11%, with a sharp spike in March, and controversial government spending, including the allocation of US\$740 million to buy six **Russian** Sukhoi Su-30MK2 multi-role jet fighters. One defence blog called the purchase 'overkill'. Around \$1 mn. is being spent on President **Yoweri Kaguta Museveni's** swearing-in ceremony on 12 May.

The government reacted quickly. The first day of protests on 11 April saw Besigye's first arrest of the month. The second series of protest walks three days later brought chaotic scenes when Besigye's right hand was injured, probably by a rubber bullet from a military police unit riot gun. Protests spread to Mbarara, Masaka and Gulu and the government, anxious at the television coverage of beatings and tear gas clouds across several

Kampala suburbs, forced broadcasters to stop live transmissions from the streets.

On the next Monday, 18 April, small groups of opposition party leaders again tried to walk from homes in the capital. There were spontaneous similar attempts by party officials and council leaders across Uganda but police arrested them before larger crowds could gather. His arm in a sling, Besigye was hauled into Kasangati police station and charged with inciting violence. Army and police dispersed about 3,000 supporters surrounding the police station with tear gas and rubber bullets.

Two of this year's presidential candidates, Democratic Party (DP) leader **Norbert Mao** and **Olara Otunnu** of the Uganda Peoples Congress (UPC), led their own walks in Kampala and were detained. Mao refused to apply for bail after his court appearance and was remanded in prison until 2 May. Otunnu was charged with inciting violence and 'disobeying lawful orders'. There was a riot in Mao's stronghold of Gulu on 14 April after his first arrest and reports of at least three people shot dead. Across Kampala and other towns, youths and drivers of *boda boda* (pedal or motor-cycle taxis) clashed with army and military police, throwing stones and blocking roads with burning tyres. Both rubber and live bullets have been routinely fired, with at least four people killed and over 100 arrested.

The protests were initiated by 'Action for Change' (A4C), a new civil society coalition run by influential political figures in the Baganda establishment.

They include **Mathias Mpuuga**, a former Minister for Youth Affairs, at Mengo, and **Betty Namboze**, the popular DP member of parliament for Mukono North, who defeated Museveni's National Resistance Movement in a by-election in 2010 on a Baganda rights platform. (Mengo is the name of the administration of the Baganda monarch, the *Kabaka*, and the site of his palace.) Both politicians are also involved in *Ssuubi*, the pressure group established last year to mobilise support for election candidates sympathetic to Mengo. This Baganda involvement and the high level of cooperation between the main opposition parties that have taken on the Walk to Work message have ensured that protests are widespread, if still fragmented.

Many in the FDC have called for more confrontational tactics and for campaigns that focus on the economic problems, to make up for the opposition's disastrous showing in the presidential poll. The opposition claims the vote was rigged but most observers – including contributing countries which have asked for but not received any evidence – do not believe it. Some observers see the direct action by Besigye, who won a disappointing 26% on 18 February, as an attempt to regain some political credibility. His popularity tends to rise when he is attacked by the security services and April has been reminiscent of the heavy-handed repression of 2005/06, when he faced treason and rape charges. He may be a three-time loser of presidential elections, but Besigye is FDC President until at least 2014.

Mao, too, is under pressure from within the DP. Otunnu, who has not won over the UPC old guard since his return to Uganda in 2009, only took 1.6% of the vote. A call by the three main opposition leaders in February to protest against the election results went nowhere. Yet a focus on cost-of-living issues is improving their political fortunes, even if the civil unrest that could follow may prove hard to direct.

Museveni's use of heavy repression has played into the hands of his opponents and indicates that he has misread the public mood, not least by telling protestors to save money by not driving to their favourite bars. The government blocked Facebook and Twitter websites on 14 and 18 April. The Police Inspector General, Major General **Kale Kayihura**, who is close to the President, is the key organiser of the crackdown. Besigye has promised to continue the walks every Monday and Thursday but talk of emulating **Tunisia** and **Egypt** seems merely hopeful.

Tactical concessions to stop the unrest from spreading are still possible. On 18 April, **Kenya** announced cuts in diesel fuel duty to forestall similar protests in Nairobi, which increases the pressure to follow suit on Kampala. ●

TAXATION WITHOUT LEGAL REPRESENTATION

The disputes over the Lake Albert oil licences and taxes which oil companies owe the government show no sign of ending. Heritage Oil should have paid tax to the government when it sold its exploration blocks to Tullow Oil, says the government. When it didn't, Kampala sought the tax from Tullow (AC Vol 51 No 23). In March, Tullow finally agreed to pay Uganda US\$313 million, not in tax but as a 'security'. Tullow is going to the High Court in London to claim this back from Heritage, which said it would defend the action 'vigorously and robustly'. Whether tax or security, it seems the government needed money fast and it made Tullow pay.

The government also wants Tullow to pay capital gains tax of \$300 mn. on the sale of part of its holdings to **China** National Offshore Oil Corporation and Total. A further \$282 mn. remains in an escrow account, deposited by Heritage pending arbitration with the government over its sale to Tullow. Funds already received by Kampala, including over \$121 mn. from Heritage as a compromise deal at the end of 2010, have not been accounted for and revenue management legislation for the oil industry has yet to be introduced. If the High Court action goes ahead, many interesting details of Uganda's oil industry are likely to emerge (AC Vol 51 No 23). ●

Getting (not too) tough on corruption

British companies fear that more rigorous laws on bribery could undermine their efforts to compete with Asian and European rivals

After a long campaign, corporate lobbyists have succeeded in diluting Britain's Bribery Act, which won Royal Assent in April 2010 but comes into force only on 1 July. Their main target was to influence the prosecutorial 'guidance' on the Act, which may affect how judges assess corporate compliance with it. Before the latest changes, anti-corruption campaigners were heralding Britain's new laws on corruption as the West's toughest, going further than the **United States'** pioneering Foreign Corrupt Practices Act, passed in 1977 when many European governments allowed companies to write off bribes as a taxable expense.

British companies complained that the 2010 law was too inflexible, cutting their ability to compete with less scrupulous foreign firms. That led the Ministry of Justice, under veteran Conservative **Kenneth Clarke**, to issue guidelines that restrict the Act's scope (AC Vol 52 No 3). Last year's election of a coalition government led by the pro-business Conservative Party boosted the lobbying for a review. Clarke has already assured companies that the new guidance makes plain that they will not be penalised for offering hospitality to their customers.

The guidance looks at case studies and explains how prosecutors will apply the law. An earlier version asked tough questions about due diligence and preventive measures the companies had carried out to avoid corrupt transactions. The new guidance, however, takes a case where a company leaves everything to a foreign agent in a foreign jurisdiction and discusses what it must do to ensure the agent does not get it into trouble. Yet the burden of proof remains with the company to show that, when an employee is accused of bribery, it had taken all reasonable measures to prevent corruption.

Opinion is split on whether the softer guidance will affect prosecutors. The Serious Fraud Office and the Director of Public Prosecutions are the authors of the revised guidelines. They may be suggesting that they will interpret the Act generously, or so the more optimistic firms believe. An advisor at Transparency International said the guidance showed how to circumvent the Act, not to enforce it. Grey areas remain, such as whether foreign companies listed on the London Stock Exchange but having their principal business elsewhere would be covered. It was unclear whether the Act would affect

offshore subsidiaries of British companies.

The Organisation for Economic Cooperation and Development had criticised the delays in implementing the new Act but stayed silent when the guidance came out at the end of March. Britain ratified the OECD Convention on Bribery of Foreign Public Officials in International Business Transactions in 1998 but had lagged behind others in passing new anti-corruption laws.

In December, the OECD's Working Group on Bribery in International Business criticised the Act, pointing out where it differed from the OECD Convention. They included the failure to cover bribery by unincorporated trusts or charities, and failure to include cases where a firm fails to prevent bribery committed on its behalf by a second company, including a subsidiary. Global Witness argued that this allowed 'bribery through the back door'. The OECD also noted that the Act does not include entities in Crown Dependencies and Overseas Territories. While individuals associated with the entities fall under the Act, legal entities do not. A company registered in the British Virgin Islands, for example, and which did not carry on business in Britain, could pay bribes without fear of prosecution.

The UK expects criticism at the OECD-G-20 Anti-Corruption Conference in Paris on 27-28 April. Ahead of that, on 20 April OECD Secretary General **Angel Gurría** said, 'Despite some progress in the past year, we need to see clearer signs that all countries are committing the political leadership and resources that effective enforcement requires.' ●

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Morocco

CAMPAIGN TIMETABLE

■ King **Mohammed VI** ('M6') seems in little danger of losing his throne. However, the mainly peaceful protests for political change and social justice inspired by the Arab Spring uprisings in **Tunisia** and **Egypt** will continue at least until a commission he established presents its recommendations on constitutional reform on 16 June. The youth-led *Mouvement du 20 Février*, and more established opposition groups, including legal or tolerated Islamist parties, seek substantial concessions.

The 20 February Movement has announced three big protests, using Facebook (with over 49,000 members), texts and other media. As well as the national 20 February, 20 March and 24 April demos, there have been smaller protests nation-wide. Rabat protestors plan a picnic in the woods around the infamous Temara detention centre on 15 May. Despite a vaunted opening to the opposition, M6's security forces remain active.

Promises include higher pay, a more independent judiciary and a government answerable to Parliament, not the King (AC Vol 50 No 1). After peaceful 24 April protests across Morocco and talks with trades unions lobbying for political reform, officials said public sector wages would rise in May, but no budget has yet emerged.

On 14 April, 96 political prisoners were released under a royal pardon; 94 more had sentences reduced. A recent royal appointee, National Council for Human Rights head **Mohamed Sebbar**, welcomed a prelude to a review of political prisoners' cases. 'I would like to thank the youth of the 20 February Movement,' said **Mustapha Mouatassim**, head of the Islamist *Al Badil al Hadari*, on his release. Also released were anti-corruption activist **Chekib el Khiari** (given three years in 2009 after accusing senior officials of drug trafficking) and Salafist preachers **Mohamed Fizazi** and **Abdelkrim Chadli**. Convicted of inspiring twelve suicide bombers to kill 33 people in Casablanca in 2003, Fizazi got 30 years. Salafists have called for more releases.

Sudan

GOSH RETURNS TO THE SHADOWS

■ The 26 April dismissal of Lieutenant General **Salah Abdullah Mohamed 'Gosh'** as Presidential Security Advisor has raised hopes in Sudan of a split in the National Congress Party. The NCP (aka National Islamic Front) denied an 'internal rift': Salah Gosh was an 'effective' NCP member, said another Presidential Advisor, **Ghazi Salah el Din el Atabani**, and 'all the posts he has been holding...will remain effective'.

Gosh has spearheaded 'intelligence cooperation' with the **United States**. This raises the question of his position on **Israel's** airstrike aimed at Sudan's arms smugglers for the *Harakat al Muqawama al Islamiya* (Hamas; AC Vol 52 No 8). After initial denials, Khartoum admitted smuggling took place but said it had not known. Given the mighty security apparatus through which the NCP rules, Sudanese remain unconvinced. *Al Quds* says **Syrian** Hamas has asked to move its leaders to Sudan, which is discussing the request.

As head of the Presidential Security Advisory, Gosh was talking to the Umma and Democratic Unionist parties about a 'national government', a project the NCP has consistently touted and rejected. **Nafi'e Ali Nafi'e** said it was not sanctioned by the NCP which would not become 'a minority party'. This begs the question of whether President **Omer Hassan Ahmed el Beshir** had sided with Gosh or Nafi'e on the issue. The NCP has long used splits, real or imaginary, to confuse audiences at home and abroad on the 'good cop, bad cop' model. Rivalries abound, as do tactical disagreements, and the crisis of the South's impending independence and the NCP's consequent loss of face and revenue provide ample scope. This was a clash between the 'pragmatists' headed by Vice-President **Ali Osman Mohamed Taha** and Nafi'e's 'ideologues', an opposition leader told *Africa Confidential*. Ghazi and Gosh were in the first group, he said, with Omer el Beshir, **Ibrahim Ghandour** and Foreign Minister **Ali Ahmed Kurti** in the second.

There is crosscutting aplenty, though. For example, 'pragmatist' Gosh (still theoretically in charge of North-South border demarcation) has insisted Abyei is 'Northern', a refrain repeated by 'ideologue' Field Marshal Omer: 'Abyei...is part of this north Sudan land. We shall not let go of any inch,' he declared on 27 April.

Chad

DÉBY ON TOP

■ President **Idriss Déby Itno** has been winning presidential elections since December 1990 and the 25 April poll is likely to prove no exception. With the opposition boycott, turnout was expected to provide the only question mark: early results suggested less than 50% of the electorate had voted. Before the boycott, the only other serious candidates were Southern: Northern opposition leader **Ibni Oumar Mahamet Saleh** was assassinated in February 2008 (AC Vol 50 No 9). Oppositionists called the boycott because of fraud in February's general elections, which saw another huge victory for the presidential party, the *Mouvement populaire du salut*, and its allies.

The electorate does not expect to dislodge Déby at the ballot box and his January 2010 pact with **Sudan** has limited

rebel activity. In a capital often plunged into darkness (Presidency apart) and without drinking water in the poorer areas, survival is usually a greater concern than the corrupt elites on which the system of government is built. Yet **Libya's** rebellion could shake up Chad's politics. It has already disrupted the thriving unofficial trade with Chad and other countries, provoking price hikes and shortages, especially in Kanem, Batha, Ouaddaï and Borkou-Ennedi-Tibesti. Meanwhile, hundreds of Chadians who worked in Libya, sometimes for Colonel **Moammar el Gadaffi's** government, are flooding back home, raising the spectre of war breaking out again in the north.

Kenya

POLITICS OF PRICES

■ Civic activists and trades unionists are mobilising in Nairobi and Mombasa against skyrocketing food and fuel prices. The Central Organisation for Trades Unions demands a 60% increase in the minimum wage and threatens a national strike. Since January, maize meal has gone up by 24%, wheat flour by 38%, milk by 20%, tea by 33%. The cost of fuel has jumped despite December's price controls. Overall, inflation rose to 9.19% last month.

A smallish protest rally in Nairobi on 19 April was followed by a special session of Parliament the next day to discuss the crisis. Protestors criticised Vice-President **Stephen Kalonzo Musyoka's** expensive diplomacy at the International Criminal Court, adding that they wanted maize not condoms, which Kenya recently promised to import after a shortage. The Secretary General of the Consumer Federation of Kenya, **Stephen Mutoro**, reminded demonstrators of the still unsolved Triton oil scandal (AC Vol 51 No 4) while civil society groups criticised President **Mwai Kibaki** and Prime Minister **Raila Odinga** for not mentioning the price rises.

Member of parliament **Sally Kosgei** pointed out that global food prices have risen by 40%. MPs **Martha Karua** and **Paul Muite** blamed the fuel price rise on cartel-like behaviour in the oil sector and corruption in the Energy Regulatory Commission and National Oil Corporation, which failed to deliver a consignment on time in March. Managing Director **Summaya Athmani** said the NOC was seeking contracts with oil-producing states, and alternative sources, including biodiesel from **Brazil**. Muite noted that taxes made up to 55% of the pump price, claiming that December's decision to lower tax on kerosene by 30% and diesel by 20% would not help consumers.

Energy Minister **Kiraitu Murungi** blamed the Middle East crisis, global demand and the devaluation of the shilling to a record low of 85 to the US dollar. On 27 April, the government again cut taxes on kerosene, and on petrol, maize and wheat.

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NDC colleagues were openly criticising her failure to secure the conviction of any ministers suspected of corruption during the NPP's eight years in power.

NDC insiders believe FONKAR's real purpose is not the Rawlings family's campaign for probity, accountability and justice – for which Rawlings claims to have been fighting since 1979 – but the loss of its grip over the NDC party machine.

Yet the disparity in resources is striking. The launch of the FONKAR campaign on 4 May was well attended and the crowd was brought to its feet by Jerry Rawlings's promise to make another of his 'boom' speeches on 4 June, the anniversary of his 1979 coup d'état. Yet the launch on the following day of the Mills campaign caused gridlock in the capital, as thousands of party supporters marched through Accra to its offices.

FONKAR's main grievance is that Mills has brought back the very people it believes lost the NDC the election in December 2000, starting eight years in opposition. Jerry Rawlings has described these people as 'traitors'; followers of the opposition NPP flagbearer, **Nana Addo Dankwa Akufo-Addo**, are merely 'enemies'. One NDC insider tells us that the greatest resentment is aroused by the unofficial, largely unelected kitchen cabinet around Mills. **Ato Ahwoi** is the de facto prime minister; former security chiefs Captain (Retired) **Kojo Tsikata** and

Kofi Totobi Quakyi are trusted advisors; and **Kofi Nyidevu Awoonor**, another close advisor to Mills, is Chairman of the Council of State. Recent days have seen the semi-official rehabilitation of **Augustus Obuadum 'Goosie' Tanoh** in party circles. His defection from the NDC in 1998 – ironically, in protest at Rawlings naming Mills as his successor – led to the formation of the National Reform Party. Goosie won only about 1% of the vote when he stood for the presidency in 2000 but his defection exposed the NDC's divisions. Most of those in Mills's kitchen cabinet, and Mills himself, come from the Nkrumahist tradition to which Rawlings has always been opposed. Other FONKAR leaders, such as NDC elders **Cecilia Johnson**, **Hanny Sherry Ayittey** and **JH Owusu Acheampong**, were until this week regarded as Nana Rawlings-loyalists.

The NDC's internal quarrels make it difficult to predict the result of the Sunyani congress. Yet party executives from nine of Ghana's ten regions have declared their support for Mills. Many believe FONKAR's accusation that the Mills team has bought up local party leaders, by-passing the 'foot soldiers' (party cadres, local assembly members and party organisers) who formed the bedrock of the NDC's electoral victories in 1992 and 1996, when Jerry Rawlings was its flagbearer.

The confusion in the NDC's top ranks echoes that at the party congress in 2005, when Rawlings backed Mills, **Johnson Asiedu Nketiah** and **Kwabena Adjei** to eject his former Foreign Affairs and Justice Minister, **Obed Asamoah**, from the chair. A casualty of this internal coup was the party's then General Secretary, **Nii Armah Josiah Aryeh**, who was expelled after he was recorded accepting money from his NPP counterpart, **Stephen Ayesu Ntim**. Last week, he was a main speaker at the launch of Nana Rawlings's

campaign, along with **Sekou Nkrumah**, son of Ghana's Founding Father, **Kwame Nkrumah**. In 2008, Sekou abandoned his father's Convention People's Party and joined the NDC but he has since fallen out with Mills. Others who were expected to endorse Nana Rawlings's campaign because of close personal ties, such as former Deputy Defence Minister **J. Tony Aidoo**, have so far been noticeably silent. Mills gave Aidoo a top government post soon after taking office in January 2009.

Leading sources in both of the main parties believe the Rawlings's confrontational strategy will backfire, and that Nana Rawlings will be persuaded by her friends and supporters to pull out of the Sunyani contest at the last minute. This, the sources say, will partly restore the former First Family's heroic status among the party faithful. Die-hard NDC supporters from Akufo-Addo's Eastern Region say they may vote for him rather than Mills for parochial reasons if it comes to another straight fight between the two men. Yet they dismiss suggestions that the NDC will split. Despite all the bitter accusations, they believe the factions will come together to hold on to power.

Akufo-Addo's NPP camp looks on contentedly, following its own successful primaries to choose parliamentary candidates for the whole country. Party officials say that results in only two of the 230 seats are being challenged; in 2007, disputes between parliamentary aspirants and sitting members of parliament were commonplace. By halving the fees charged to women contesting party positions, the NPP has produced a new group of would-be female first-timers. They have already made an impact, including **Frances Essiam**, lawyer **Ursula Owusu**, former Kumasi Mayor **Patricia Appiah Agyei** and **Adwoa Safo**, who is expected to hold one of the safest seats in Accra next year. ●

SIERRA LEONE

Not so golden jubilee

Freetown's independence celebrations said much about the parlous state of the country and looming difficulties for the government

When Sierra Leone gained Independence from Britain in 1961, the event was so peaceful that one foreign observer described it as 'independence without pain'. On 27 April this year, the country marked its golden jubilee of independence with little celebration and much pain.

On the day of the festivities, long queues of vehicles could be seen at almost every petrol station in Freetown, waiting to buy petrol that was not available. The

government sent out text messages to all mobile telephone users assuring them that there was no scarcity and that all 'queues around petrol stations are created by unscrupulous people to create confusion'. It told the public that there was enough fuel in the country to last for three months.

The truth was more complicated. The fuel was there but petrol dealers were holding it back in anticipation of the government's 50% cut in the petrol subsidy from US\$50 million to \$25 mn.

on 1 May. This led instantly to a 30% rise in the price of fuel at the pump. \$25 mn. was, incidentally, the exact amount the corruption-riddled 50th Anniversary Committee that President **Ernest Bai Koroma** had budgeted for the event.

The first head of the Committee, **William Conteh**, was sacked and the Anti-Corruption Commission for fraud involving Committee funds is now investigating him. Another member, **Leonard Balogun 'Logus' Koroma** had already been sanctioned by the ACC when Koroma appointed him to the Committee. He, too, was sacked. A noted historian, Professor **Cecil Magbaily Fyle**, replaced Logus Koroma but millions were still wasted. Contractors received 200 mn. leones (\$45,700) to provide a three-course meal at a reception at State House – only

one course appeared – and Le2 billion (\$457,000) for supplying electricity for Freetown's beach front, Lumley Beach.

International Monetary Fund officials had privately grumbled about this extravagance and they have increased pressure on the government to repay the \$120 mn. it owes the IMF by the end of 2025. The country should pay \$5.3 mn. this year alone. The petrol subsidy cut was meant to finance the government's external debt obligations, not party dues.

The government tied itself in knots over the fuel price. It attempted to camouflage the increase by cutting the subsidy at the same time as replacing imperial measures with the metric system. Fuel-marketing companies set a new price for petrol of Le5,000 (\$1.14) per litre or Le22,750 (\$5.20) per gallon, compared to the previous price of Le17,500 (\$4). That, of course, fooled no one. Prices for local transport, rice and other essentials increased by 50% overnight. A 50-kilogramme bag of rice now costs Le180,000-190,000 (\$41-\$43), against Le60,000 (\$14) in 2007, when Koroma took over as President after a disputed poll (AC Vol 50 No 9). There has been no commensurate increase in salaries.

MISSING MOAMMAR

Four African Presidents attended the celebrations – **Liberia's Ellen Johnson Sirleaf**, **Guinea's** new President, **Alpha Condé**, President **Teodoro Obiang Nguema Mbasogo** of **Equatorial Guinea** and **Senegal's Abdoulaye Wade** – along with African Union Commission President **Jean Ping**. Wade is Koroma's newest friend. Senegal donated buses to the government a month before the anniversary and in return, Sierra Leone has announced it is opening a new embassy in Dakar. Previously, the Sierra Leonean Embassy in **Gambia** covered Senegal. Wade's donation was very timely. **Libya's** Colonel **Moammar el Gaddafi** had promised Freetown 24 new buses plus plenty of cash and, of course, his own presence for the celebrations. That was before other events curtailed his travel plans.

The anniversary was marked by the usual lantern masquerade and carnival shows, military and police parades, national awards, exhibitions, and a durbar in Bo, the second largest city. There, recreating the events of 50 years ago in the same place, Sierra Leone's 149 paramount chiefs were carried in hammocks to receive brand new gold-tipped staffs of office. This time, however, it was a greying President Koroma presiding, rather than a young Queen **Elizabeth II**.

Koroma has been desperately feting chiefs, particularly those in the south-east, the stronghold of the opposition Sierra Leone People's Party. Last year, after the candidate he supported in Koya Chiefdom

in the staunchly SLPP Kenema District lost, Koroma invited the winner, PCAM Kanneh, to see him and gave him \$5,000 and a four-wheel-drive vehicle.

The anniversary, however, showed that Koroma is yet to overcome one of the grosser tendencies of his government, ethnic favouritism. He gave over 80% of the national awards and recognition to people from his northern support base, particularly from his home town of Makeni. He posthumously honoured **Siaka Stevens**, the founder of Koroma's All Peoples' Congress (APC), for being 'the longest serving Head of State'. Stevens imposed a one-party state in 1978 and made himself Life President, values not in keeping with the multiparty democracy that brought Koroma to power.

Also posthumously honoured was Sir **Milton Margai**, the first Prime Minister, for leading Sierra Leone to Independence. Yet there was no one to collect the award on his behalf. Sir Milton married an Englishwoman while studying medicine in the UK. The couple had two daughters, neither of whom remained in Sierra Leone after his death. **Charles Margai**, a nephew and leader of the People's Movement for Democratic Change (PMDC), did not attend the awards ceremony. He had supported Koroma during the 2007 election run-off but has since fallen out with him. In addition, his own father, **Albert Margai**, Sierra Leone's second Prime Minister and a bitter rival of the APC, was not honoured.

A protocol breach prevented the SLPP Chairman, **John Oponjo Benjamin**, who could have accepted the Margai award on the party's behalf, from attending. All the front and second row seats at State House were taken, mainly by **Lebanese** businessmen representing obscure countries as consular officials. Even prominent diplomats, such as the Executive Representative of the United Nations Secretary General, the energetic **Michael von der Schulenburg**, had to scramble for seats at the back. Benjamin couldn't get a seat and stormed out.

Benjamin himself, though, is in trouble with his own party, weakening the SLPP's prospect of mounting a serious challenge to Koroma in elections to be held in the middle of 2012. The party has still not conducted elections for its presidential candidate, although 19 candidates have paid the mandatory Le50 mn. to qualify. One candidate, **Bu-buakei Jabbi**, a lawyer, has taken the party to court on grounds that its leadership cannot conduct the elections because its tenure has expired. The Supreme Court ruled in his favour.

Benjamin is in deeper trouble for his hostility to the leading candidate for his party's nomination, the former military leader Brigadier **Julius Maada Bio**. He was part of the junta that overthrew the

APC in 1992 and made Benjamin Chief Secretary of State. Bio, however, demoted Benjamin, and he also refused to support the National Unity Party (NUP), which Benjamin set up to contest the 1996 elections. The SLPP won and Bio handed power over to **Ahmad Tejan Kabbah**, to Benjamin's chagrin. Relations between the two have been frosty ever since and there have been reports of violence between their supporters.

For his part, Koroma remains largely popular in his strongholds and, before the fuel price increases, in Freetown as well. He is now largely unchallenged within his once-fractious APC. Although he has a reputation for indecisiveness in some matters, he can act swiftly if he sees evidence of presidential ambition among his ministers. So it was with former Attorney General **Abdul Serry-Kamal**.

KAMAL AND KANU

United States Embassy cables from Freetown, leaked by WikiLeaks, revealed that during the celebrated trial of cocaine dealers in 2008-09, Serry-Kamal had made a deal to release the South American men on trial in exchange for \$2.5 mn. US officials apprised Koroma of the putative deal, noting that with such funds Kamal, who has never made his presidential ambition secret and opposed Koroma as APC leader, could mount a successful challenge. Koroma immediately intervened, ensuring that the judicial proceedings went ahead. They concluded with the conviction of the dealers and the eventual transfer of some of them to the USA to serve their sentences. Last year, Koroma finally sacked Kamal.

The case of **Alpha Kanu**, the powerful former Minister of Mineral Resources and of Presidential Affairs, was similar. Kanu's corruption-ridden ministry was at the centre of controversy for over two years. Yet Koroma demoted him only last year after diplomats told him that Kanu was trying to raise funds from **Nigerian** businessmen for a presidential bid.

The cash-strapped government now pegs its hopes on future proceeds from the operations of **Vasile Frank Timis's** African Minerals Limited, which is set to begin export of iron ore in November this year (AC Vol 51 No 25). AML has told Koroma that his government should expect to earn \$1 billion in revenue from its operations by 2015. The IMF projects that the government may earn \$300-\$500 mn. per year in the next three years. The annual budget currently stands at a dismal \$500 mn., so this would be a phenomenal boost. Koroma's government, however, projects a much lower revenue from AML, \$50 mn. The reason for this apparent modesty is unclear, though Koroma will certainly need plenty of extra cash for the elections in 2012. ●

A revolution in the revolution

Activists want the transitional regime to purge the state apparatus and organise free elections this year, and tempers are fraying

After days of running clashes between police and protestors, Prime Minister **Béji Caïd Essebsi's** government announced a night-time curfew on 7 May. Along with the country's politics, the Tunis landscape is undergoing its own revolutionary changes. Just over 100 days after the Jasmine Revolution that saw President **Zine el Abidine Ben Ali** flee into exile in **Saudi Arabia**, the capital has been hosting a succession of political debating forums and demonstrations, which have sometimes escalated into violent confrontations (AC Vol 52 Nos 2 & 3).

In the centre of Tunis, one side of the majestic *Avenue Habib Bourguiba* is blocked off and a fleet of tanks stands guard outside the Ministry of Interior.

'We are breathing a new air of freedom,' a man brandishing a package of political pamphlets told *Africa Confidential*: 'However difficult, we believe these changes are needed and the process is just starting.'

Others talk of a need for a revolution in the revolution and are mobilising to pressure Caïd Essebsi's government to keep to its commitments on constitutional reform and free elections. Activists, pushing the government both on living standards and political reform, are revelling in the new found freedoms of expression and organisation. Over the past three months, the national daily *La Presse de Tunisie* has changed from a turgid recitation of the Ben Ali family's official engagements to a real paper reporting in depth the unfolding political changes. New newspapers and political pamphlets circulate freely, a sea-change from the days of ruling party dominance and overbearing censorship. Yet there are worries that the revolutionary momentum may be slipping, following the government's suggestion that elections for a constituent assembly, to reform the constitution, may be postponed from 24 July to later in the year.

Activists in the *Haute instance pour la réalisation des objectifs de la révolution* are pressing the government to exclude allies of Ben Ali in the former ruling party, the *Rassemblement constitutionnel démocratique*, from future elections and want more control over appointments to the electoral commission, the *Commission indépendante de contrôle des élections*. As these arguments intensify

between the revolutionaries and the transitional regime, many believe the main beneficiaries will be the Islamist *Hizb Ennahda* (Renaissance Party) and its leader, **Rachid Ghannouchi**, who returned from exile in January.

The revolutionaries, who say their cause is about human dignity and economic rights, have to maintain pressure on the transitional government against an increasingly harsh economic backdrop. The African Development Bank (AfDB), which temporarily moved its headquarters to Tunis in 2003 because of the civil war in **Côte d'Ivoire**, estimates the economy will grow at 1-1.5% this year after the downturn due to the revolution's disruption of investment and tourism. The war in neighbouring **Libya**, which was Tunisia's biggest regional trading partner, has forced over 50,000 relatively well paid Tunisian expatriates to return and produced chaos on the border, all of which added to investors' jitters about the region. Not only are smugglers and refugees crossing where they can, but volatility in the south is increasing: some communities there have closer links to Libya than to their own country.

The street battles in Tunis early this month saw hundreds of people arrested as protestors threw stones at police and set cars ablaze. Troops and security forces from the discredited Interior Ministry rounded up protestors. The army, led by General **Rachid Ammar**, emerged heroic after soldiers refused to shoot demonstrators in January.

MORE SECURE, BUT STILL UNEASY

The police and Interior Ministry were widely seen as the main vehicle for Ben Ali's repression and are targeted for a massive overhaul, which may create some jobs but will add to resentment among the ranks of the ex-President's footsoldiers. Although security has improved since the revolution's early days, there are still widespread concerns and senior army officers are said to be nervous about a political vacuum developing.

Recent rumours of coup-plotting may be overstated but point to a febrile atmosphere. Tunisian officials – as well as governments in Southern Europe – worry about the outcome of the constituent assembly elections, which could result in *Ennahda* winning enough votes to gain a block of seats, allowing

it to shape the country's future. Judge **Farhat Rajhi**, now President of the Higher Human Rights and Fundamental Liberties Authority, claimed Ammar was plotting a coup in that eventuality. This got octogenarian Premier Essebsi rushing to deny Rajhi's claims. Senior officials in Tunis say that while Essebsi has shown great energy in reaching out to a range of political figures, he is less able to get his message across in the media. In a 9 May television broadcast, Essebsi warned that elections scheduled for 24 July might have to be delayed if 'there are technical and logistical hitches'.

Tunisians, anxious for political change, are awaiting Essebsi's big commitment, constituent assembly elections that will lead to the presidential and legislative elections that most want to see later this year. The demands for '*débenalisation*' translate into pressure for the destruction of Ben Ali's electoral machine. That raises the question of how new political groups can organise and gather support rapidly.

Without the old Interior Ministry database to fall back on, electoral registration is proving extremely difficult. There are no laws on political parties or on their use of the media. Ghannouchi's well-organised *Ennahda* looks set to do well in an electoral contest involving some 50 new parties with no experience of organisation or campaigning.

People are divided over postponing the constituent assembly vote until October. Electoral experts working with the government say it makes sense because of the technical difficulties of organising credible polls but the population may not see it that way. At 84, Essebsi may not be interested in prolonging his stay in power but he may prove unable to assuage demands for rapid change.

Rajhi hit yet another nerve when he claimed a 'Sahelian clique' was preparing to buy votes to re-establish itself under the cover of new parties. Regional differences have always counted and the central coastal area of Sahel has featured strongly in decades of Tunisian power plays. Rajhi named entrepreneur **Kamel Ltaief** as a key player. Ltaief became estranged from Ben Ali, whose second wife, **Leila Trabelsi**, soaked up business that might have gone his way. Even though he was outside Ben Ali's circle, many Tunisians distrust such entrepreneurs and officials who were influential, if not directly implicated in the former regime's corruption.

Many people still support the transitional governments that have run Tunisia since Ben Ali's overthrow, despite growing distrust and persistent disorder. Long-standing Prime Minister **Mohammed Ghannouchi** stayed on to head the two initial administrations but his ties to the *ancien régime* were unacceptable and mass demonstrations

forced him out on 27 February.

His successor, Essebsi, benefits from his close association with the late **Habib Bourguiba**, who was removed from influence when Ben Ali overthrew the founding President on 7 November 1987, a date now expunged from the many streets named after it.

Essebsi's government is not very different from Ghannouchi's: he kept the Defence, Interior, Justice and Foreign Affairs ministers in place but he offered a commitment to implement key political and economic reforms, and appointed a new team of technocrats, rather than career politicians, who are forbidden from standing as candidates in future elections.

PROPPING UP THE ECONOMY

Seasoned international financial officials are led by Finance Minister **Jalloul Ayed**, who was called home from running Moroccan financier **Othmane Benjelloun's** *Medicapital* operation in London, and the Governor of the *Banque Centrale de Tunisie*, **Mustapha Kamel Nabli**, who joined the World Bank as a regional economist after falling out with Ben Ali. This has reassured markets and raised funds abroad. This is essential to prop up an economy where growth has stalled and the tourism industry is in crisis, with most mass tour operators continuing to stay away.

The need to meet economic needs is pressing. Ayed has secured major funding commitments of US\$500 million each from the World Bank and the AfDB but only a promise of 258 mn. euros (US\$367 mn.) over three years from the European Union. However, the London-based European Bank for Reconstruction and Development wants to expand its mandate across the Mediterranean to finance projects in North Africa: Tunisia and **Egypt** would be likely first beneficiaries.

France has responded with money and several official visits to Essebsi's ministers, reflecting President **Nicolas Sarkozy's** concern at being caught initially on the wrong side of the Jasmine Revolution. Paris sent antiriot equipment to Ben Ali's forces even as he was planning his departure, one of several scandals that forced French Foreign Minister **Michèle Alliot-Marie** to resign. Tunisian Foreign Minister **Mohammed Mouldi Kefi's** 9-10 May visit to Paris underlined French efforts to court the interim government.

Tunis wants to bolster established institutions to maintain stability, including the *Union générale des travailleurs tunisiens* (UGTT) labour movement, which Ben Ali's corporatist state did not entirely crush, and a radically overhauled employers' federation, the *Union tunisienne de l'industrie, du commerce et de l'artisanat* (UTICA), under **Wided Bouchamaoui**.

This year's elections will be a key test of Islamist sentiment with *Ennahda* looking well positioned. Its leaders say it is following the model of Turkey's *Adalet ve Kalkınma Partisi* (AKP, Justice and Development Party), which is incorporating 'moderate' Islamist values into an essentially secular state, with a strong constitution underwritten by the national army. After two decades in **Britain**, Rachid Ghannouchi provokes strong responses. On a visit to Sahel coastal resorts he was jeered and pelted with eggs in response to local fears that *Ennahda* will push for an alcohol ban, further undermining tourism.

Sitting with journalists in Tunis, he laments that Islam has become 'the symbol of anti-democracy, violence and terrorism' and opposition 'to art and beauty, and the rights of women.' How convincing Tunisians find his protestations may emerge in the constituent assembly polls. With Ben Ali's ruling RCD banned, *Ennahda* and its many rivals are jockeying to fill the vacuum. For both the government and the political groups competing, the elections have an importance far beyond Tunisia. If they allow the country to consolidate constitutional rule and an open political system, the economy could soon rebound. It would also send an encouraging message to other reform movements in the region that the Arab Spring is alive and well. ●

LIBYA

Chaos keeps Gadaffi in the game

A humanitarian disaster threatens as the regime struggles to survive

The prevailing chaos in Libya shows what can happen if a popular uprising goes wrong – and where **Egypt** and **Tunisia** could have ended up. The number of refugees surging across the Tunisian and Egyptian borders is rising, while Colonel **Moammar el Gadaffi's** troops are embroiled in a bloody campaign – dubbed 'ethnic cleansing' by a former regime insider – in the Jebel Nafousa mountain range, which is populated by Tunisian Berber people. The rebel movement controls the Dhuheiba border-crossing and old smuggling routes in the mountains, and it is in close touch with the Tunisian cousins.

So far, Tunisia and Egypt are judged to have performed well in welcoming Libyan refugees but the cost of accommodating their increasing numbers is a concern – especially as officials in the coalition led by the North Atlantic Treaty Organisation (NATO) say they fear a human disaster is

building as both sides run low on fuel and other basic supplies. It's a situation Gadaffi will seek to turn to his advantage.

An ever-widening number of sanctions on individuals and companies linked to the regime are adding to pressure on Gadaffi, whose youngest son, **Seif el Arab el Gadaffi** and three grandchildren died in a 30 April NATO air raid. UK Foreign Secretary **William Hague** is pushing other European Union members to approve more sanctions so as to maintain the momentum.

Yet with United States President **Barack Obama** halting manned US air strikes and other partners, such as **Italy**, mooting a military scaling down, coalition leaders **Britain** and **France** are under pressure to maintain the military momentum. Both have to face the limits of their air power. British planning initially envisaged a campaign of six months at most which, as all sides dig in, has moved

to a 'rolling basis'. The consensus among planners is that a successful strike that killed Gadaffi would speed a solution. They also say it is essential for the Free Libya forces to hold on to Misurata and Ajdabiya in order to avoid being militarily and politically outflanked.

The news on 11 May that opposition forces had seized Misurata airport could change the dynamics of the war, if they are able to consolidate their grip on it. For Gadaffi, a victory in Misurata would shown his ability to hang on and would reinforce his supporters in the African Union who are pressing it to back an immediate ceasefire, negotiations and a peace deal (AC Vol 52 No 8).

While many African leaders' patience with Gadaffi has run out, he has some friends in the AU and looks to the continent where he has meddled so often and splashed cash so liberally to help bale him out. In rebel-held Benghazi, all talk is of the new, Free Libya continuing with existing national boundaries. Were Gadaffi to hang on in a rump state based on Tripoli and Sirte, the threat of partition might eventually emerge. His many opponents hope and expect that his regime will run out of fuel, food and friends long before that. ●

Stabilisation now, reconciliation later

Ouattara is a strong Western ally but his national skills are more of an unknown quantity as he tries to reconcile his own fractious forces as well as Gbagbo's loyalists. With Gbagbo confined in the north under UN guard and his forces demoralised or captured, the new president has signalled his seriousness by not allowing his staff any time off, despite having spent four months trapped in the Golf Hotel.

ADO'S WOES

The difficulties facing President **Alassane Dramane Ouattara** ('ADO') in reconciling former enemies emerged again in the 6 May inauguration ceremony. In his acceptance speech, he praised the courage of the Constitutional Court, headed by a staunch loyalist of ex-President **Laurent Gbagbo**, **Paul Yao N'Dré**, in finally ratifying on 5 May his victory in last October's election. Back in November, N'Dré and the Court voided 500,000 votes in the north, thus laying the groundwork for Gbagbo's refusal to accept the result and the subsequent crisis and slaughter. If N'Dré was meeting Ouattara halfway, Ouattara was prepared to do the same.

That does not mean they had to like it. N'Dré was heckled when he called for a minute's silence as a mark of respect for those who had died and a gust of ironic laughter interrupted his comment that all Ivorians had a right to choose their own leader. The body language of Ouattara and his wife spoke of contempt for N'Dré but ADO nodded nonetheless as N'Dré, who is confined in a hotel guarded by French soldiers, pleaded for reconciliation. The political elite may find reconciliation harder than ordinary Ivorians, whose ethnic enmities tend to flare up only when stoked by politicians.

SORO'S CHALLENGES

The Prime Minister and former *Forces Nouvelles* (FN) leader, **Guillaume Soro**, controls the military side of the new government and considers the *Forces républicaines de la Côte d'Ivoire* to be his own. The FRCI is the new army created in March from deserters from the *Forces de défense et de sécurité* (FDS, the national army) and the FN. He is aware, however, that Ouattara gave the FRCI legitimacy and enabled it to receive foreign help. We understand **Burkina Faso**, **Nigeria** and possibly **Liberia** provided secret military assistance. Soro's authority was not absolute: he didn't prevent the massacres by FRCI or allied forces that occurred as they swept southwards and he knows this reflects badly on him.

Soro is a shrewd tactician whose presidential ambitions are clear. He is likely to bide his time, support Ouattara and try to create an image of an 'architect of peace'. There are five other FN commanders and none poses a danger to the President, at least not yet. However, the FN's 'Commandant Loss' (**Lossenia Fofona**, from the town of Man) is upset at the way the pro-Ouattara Commander **Ibrahim Coulibaly** ('IB') was killed (see Box). Another commander, **Issiaka 'Wattaou' Ouattara** (no relation to the President), is closest to Soro, who turns a blind eye to their highly indisciplined behaviour. This may soon no longer be his problem. It is possible Soro may have to give up being both Prime Minister and Defence Minister. He currently has the blessing of **Henri Konan Bédié's Parti démocratique de la Côte d'Ivoire** (PDCI), which was assigned Defence under the

coalition agreement before the election but that may not last.

PACIFYING GBAGBO'S PEOPLE

Dealing with Gbagbo's supporters presents a greater challenge. There is still much anger about the death of Gbagbo's Interior Minister, **Désiré Tagro**, during the storming of Gbagbo's bunker, especially as many of Gbagbo's supporters were anti-Ouattara rather than pro-Gbagbo. They will capitalise on French involvement in the violent endgame but are unlikely to gain much traction as the state mass media are firmly in Ouattara's grip.

Gbagbo's *Front populaire ivoirien* is on the verge of imploding. The FPI President, **Pascal Affi N'Guessan**, will probably receive a post in a government of national unity, leaving the northern moderate **Mamadou Coulibaly** to take over. A military source told *Africa Confidential* that **Charles Blé Goudé**, of the feared *Jeune Patriotes*, was dead but there is no confirmation and he was not in Gbagbo's bunker when it was taken.

The traditional forces of law and order have no real power. The head of the FDS, General **Philippe Mangou**, will remain a puppet Chief of Staff, as he was under Gbagbo. Although the FRCI is the de facto power, Ouattara's aides say it would be unwise to appoint someone from the FRCI to command the national army as this would seem too partisan. Although the police were effectively without authority during the fighting, most local police commanders are being allowed to continue in office. They have strong local connections and power which Ouattara is in no hurry to confront.

The national elite Republican Guard will remain. Like the FDS, its loyalty was divided between Gbagbo and Ouattara. Gbagbo reckoned he could only trust about half the 4,500 men in the force, something that Ouattara intends to build on. The Gbagbo-loyalists among them took refuge in the naval base in Youpougon, where the FRCI forces destroyed them in the first week of May.

The FRCI itself will become part of the new national army but problems loom. The first is that ordinary soldiers owe their loyalty to their own generals and there is much potential for disputes and tensions when the disparate armed units are brought together under a single command. Indiscipline is rife. Hundreds of armed men festoon the streets of Abidjan, in lorries, directing traffic or just eating by the side of the road. Since there is no accurate way of telling to whom they belong, there has been talk of issuing a new uniform so as to distinguish FRCI men from criminals or others posing as soldiers.

TROUBLE IN THE WEST

The west is the most serious security challenge, as it has been for the last decade and military officials familiar with the area say it is going to blow up sooner rather than later. It is run by militias loyal to Ouattara, while those supporting Gbagbo held sway before. As the rebels swept southwards, they deputised locals to 'control' the area, dishing out thousands of arms.

At least eleven pro-Gbagbo ethnic militias had previously held sway there and some sources say they may be about to launch revenge attacks for the massacres committed against the Guéré people during the advance southwards. The Guéré are native to the west and are aligned with Gbagbo's Bété. They are, traditionally, hostile to settlers from the northern tribes.

The FRCI is thin on the ground in the west and if it does not return to impose law and order the risk of bloodshed is high. Although many blame the FRCI for the massacres, the reality is not so clear. Ouattara has pledged to carry out a full enquiry in what will severely test his determination to see reconciliation through.

SECURITY IN ABIDJAN

Security in Abidjan has improved since Coulibaly was Skilled. Door-to-door searches are continuing in the Gbagbo stronghold of Youpougon to find any remaining supporters and some 2,000 alleged Gbagbo soldiers have been detained in the old rebel capital of Bouaké. Summary executions of those stopped at checkpoints who are found without correct papers and branded thieves have fallen since Soro made several direct appeals for the abuse to end. While the streets were filled with armed and hardened criminals from Maca gaol, many ordinary Abidjanais were not bothered. This is changing as peace takes hold.

As far as Gbagbo and his circle are concerned, the emerging consensus is that local prosecutors will charge them with 'normal' crimes, such as the burglary of the *Banque centrale des états de l'Afrique de l'ouest* (BCEAO) and killings at checkpoints, while the International Criminal Court considers prosecutions for war crimes and incitement to violence.

Gbagbo himself is under house arrest in the luxurious presidential palace at Korhogo, in the far north, and under United Nations guard, under a 1963 law that allows the President to hold without charge anyone considered a threat to national security. Ouattara will need to get on with prosecuting him soon. Gbagbo's lawyers are already contrasting his treatment with the fact that no one has been detained over the massacres in the west. Sources say he is continuing to claim he is the legitimate President but he is not allowed outside contact.

THE ECONOMY RECOVERS

Paperwork for restarting cocoa exports has now been completed. Exporters and customs authorities have agreed to payment by cheque. Companies have begun registering and depositing cheques for export duty with the customs. Two ships were loaded with beans on 8 May and more are coming. The small harvest is expected to produce 400,000 tonnes amid favourable weather.

The key problem with this pillar of the economy is that FRCI soldiers are demanding bribes from lorries heading out to the bush. Initially, they asked for 1 million CFA francs (US\$2,160) per lorry, then CFA500,000. The government is reluctant to crack down on this as local police chiefs have declared themselves powerless to stop the extortion, which is worst in the Soubre area. Beans are flowing eastwards to Ghana at an 'alarming' rate, according to one exporter.

Ouattara's aides say he won't blacklist

any cocoa companies for links to the Gbagbo regime, as he had threatened during the crisis, as this could further damage the economy. Bankers, idle since the closure of most financial institutions, sound hopeful about normal operations resuming soon and the government pulling in funds for national reconstruction. It will help, they say, to have a President who was formerly a Deputy Managing Director of the International Monetary Fund and knows French President **Nicolas Sarkozy**.

Although Ouattara's strong links to the West are well known, his ability to manage the fractious politics of a country emerging from a decade of conflict are untested. It's political skills such as these that will make all the difference. ●

COULIBALY: DEATH OF A REBEL

The death of **Ibrahim Coulibaly** ('IB'), a former commander with the *Forces Nouvelles*, points to the difficulties of establishing a new security order in Côte d'Ivoire. IB died in a firefight against his erstwhile comrades in Abidjan on 27 April. There is no question that Coulibaly's arrival in Abidjan last December and his command of clandestine military operations against the regime of **Laurent Gbagbo** helped turn events in favour of **Alassane Dramane Ouattara** (ADO).

Once the bodyguard of ADO's wife, **Dominique Ouattara**, Coulibaly was an inveterate coup-plotter and one of those behind the ructions that plunged the country into civil war in 2002. He was nonetheless a capable and charismatic officer. In December, with Ouattara's blessing and support, he slipped into the commercial capital bringing arms and a strong organising ability. This history of his last days has been compiled from Ivorian soldiers who fought against and with him, including one of his lieutenants.

As the violence increased, the neighbourhood of Abobo, which supported Ouattara, saw loose groups of young men, some of whom had fought in the 2002 civil war, defending their homes against persistent attack by Gbagbo's men. IB arrived to rally, organise and supply the neighbourhood men, bringing a few of his own fighters with him. At once, they began to try to take the pro-Gbagbo state television station, *Radio Télévision Ivoirienne*, which was broadcasting potent propaganda. Soon dubbed the 'Invisible Commandos', IB's men showed strong discipline and their well planned attacks seriously disconcerted Gbagbo's forces. Eventually, they took RTI from them.

At the same time, the *Forces républicaines de la Côte d'Ivoire* had begun the offensive thrust from their northern enclaves. This is where the real problems began. IB wanted to take credit for the fall of Abidjan, and felt the FRCI was stealing the limelight as it marched into town, even though most of those around him were delighted at the development and treated the FRCI as liberators.

Jealous of the FRCI's acclaim, a furious IB started to block the FRCI's passage into Abidjan. The Invisible Commandos had secured the routes into and around the city but now IB refused to let them act as guides to the newly arrived army. The FRCI also differed with IB on tactics. It wanted to capture Gbagbo but IB wanted to take RTI first. A stalemate ensued and communications broke down while IB's men, not unnaturally, began to drift to the ranks of the more numerous FRCI.

IB then caused Ouattara and **Guillaume Soro** to lose any remaining confidence in him by entering into negotiations with the **Liberian** mercenaries in Youpougon. He also broke into the notorious Maca prison, releasing all inmates and arming about 4,000 of them. Mass looting and rape ensued, which residents said had been rare from pro-Ouattara forces. Ouattara and Soro were particularly angry with IB for dealing with the pro-Gbagbo Liberian mercenaries, which Gbagbo's side saw as a lucky break. This, a source, said, sealed IB's fate.

Partly on the strength of this unexpected boost to morale, Gbagbo's Republican Guard was then able to push IB's men out of RTI. Yet because communications channels were not open between the FRCI and IB, the FRCI generals did not know that RTI was back under Gbagbo's control. They sent a column of men to the station, who were taken by surprise and mown down. RTI later broadcast graphic images of their casualties, further boosting the morale of Gbagbo's men.

It was then that **France** entered the fray and captured Gbagbo. Denied his prize, IB flew into a rage, demanding some CFA2 billion. He said he was owed and refusing three times to meet Ouattara. *Radio France Internationale* broadcast his complaint that he was under attack from Soro's men. It was then that Soro commanded a special group to 'capture or kill' the errant guerrilla commander. It chose the latter. ●

Why the Arab Spring worries Luanda

After 32 years in power, President Dos Santos presides over a fast growing economy which leaves most of his compatriots in dire poverty

The buzz word is 'opacity'. Elections are due by the end of 2012 but no one is certain who is standing. Angola has one of the strongest economies in Africa but the beneficiaries of the boom are hiding behind high walls and offshore bank accounts (AC Vol 52 No 8). This is the stuff of daily conversation on the streets of Luanda, Lobito and Huambo. With one of the best financed intelligence organisations in Africa, the government knows this all too well and that is why the spectre of an 'Arab Spring' looms large in Luanda (AC Vol 52 No 6).

For now, the government has little to fear. The opposition remains incoherent and has failed to produce a convincing and unifying leader. That may not last. Meanwhile, President **José Eduardo dos Santos** leaves Angolans guessing about whether he will stand in next year's presidential election. Previously, it was a cast-iron certainty that he would stand. Now, the political mood has changed.

Senior figures in the ruling *Movimento Popular de Libertação de Angola* say they are in 'pre-campaign' mode. Under the new constitution, the presidency will go to the candidate at the top of the list of the party receiving the highest number of votes. The MPLA normally dismisses external criticism but now seems much keener to secure greater legitimacy for its rule at home and abroad. That much

was evident at two recent but scarcely reported party meetings: an MPLA Central Committee meeting in Luanda on 15 April and an Extraordinary Congress (only the fourth in 54 years) there on 29-30 April.

The MPLA's patronage system and state-controlled media weaken the opposition's prospects. Although the party does not doubt it will win, it is desperate to make the victory convincing, being unusually wary of the 'street'. If Colonel **Moammar el Gadaffi** falls from power, Dos Santos will inherit the dubious mantle of longest-serving head of state in Africa. He acceded to power on 21 September, 1979, ten years after the **Libyan** leader.

CREATING CONFUSÃO

In recent months, demonstrations, albeit small ones, have rattled the government. There is a tide of change, fuelled by a new generation, many of whom have returned after studies abroad. The MPLA's blasé Spokesman, **Rui Falcão Pinto de Andrade**, told state-owned radio that the party was not worried. Yet this was belied by a bellicose speech to the Central Committee last month by Dos Santos, who used the trademark code-word *confusão* (confusion) to lash out at critics.

'These days, there is a certain amount of confusion in Africa and some people are trying to bring that confusion into Angola,' he said. 'We must remain attentive and we

must unmask the opportunists, those that thrive on intrigue, and the deceivers that want to mislead those that do not know the truth. We have to be more active than those people are so that we can win the battle for the truth,' he added. Dos Santos, who turns 69 in August, also blasted social networks, which are increasingly used in Angola to share information that does not appear in the pro-government media.

We hear that Dos Santos wrote this uncharacteristically aggressive speech himself, instead of using his usual speechwriter, **José Mena Abrantes**. He went on to deny internet rumours that he had US\$20 billion stashed in foreign bank accounts, pointing out that he had grown up in poverty and so knew what it was like. To respond directly to a rumour on the internet, said one observer, suggested some vulnerability in the presidential persona, rattled by the fall of fellow veterans such as **Tunisia's Zine el Abidine Ben Ali** and **Egypt's Mohamed Hosni Mubarak**. Unusually, the government has issued a statement denying any discrepancy in the national accounts. Usually, it simply ignores charges of corruption.

Two weeks after his outburst at the MPLA Central Committee, a calmer Dos Santos returned to the podium to face 2,000 party members at the Extraordinary Congress and set out his electoral strategy. He promised cash for the vulnerable, more credit for small businesses and called for patience. (A recent pledge spoke of a more 'equal distribution of riches'.) Everyone was talking about democracy but not MPLA personnel. Officials say the Central Committee will analyse the candidates' list and publish it 'before' December, when the party marks its 55th anniversary.

Despite Dos Santos's public praise for the MPLA's tolerance and freethinking, some activists complain of an oligarchy controlling party and regime. They reject the old-guard's grip on power and want more say in policy-making. Yet party veterans are fighting back with new laws to restrict internet access. Defining terrorism as 'the dissemination of information with the goal of damaging national integrity or independence, to destroy, alter or subvert state institutions through the use of information systems', the anti-internet bill would allow the authorities to block communications and make it illegal to use sound recording, video or photography without authorisation. After an initial vote in favour in the Assembly on 31 March, the bill is off the agenda after a major outcry by civil society and human rights groups.

Dos Santos has to keep both sides of his party happy while winning back favour from the electors. One plan is for him to commit to another term but to stand down after the election, earning kudos for a democratic gesture and retiring with a second electoral win under his belt. ●

SUCCESSION DISCUSSIONS

Taboo for years, the question of who will succeed President **José Eduardo dos Santos** has finally come into the open. The Spokesman for the ruling *Movimento Popular de Libertação de Angola* (MPLA), **Rui Falcão Pinto de Andrade**, said this had been under discussion for 'many years' but merely added that the candidate would be 'suitably qualified' with the 'ability to lead' and 'perfect morals and ethics'.

One favourite is the Chief Executive and President of the *Sociedade Nacional de Combustíveis de Angola*, **Manuel Vicente**, who says he is leaving Sonangol in October. It is unusual for top-level Angolans to announce their departure in advance. Vice-President **Fernando da Piedade Dias dos Santos 'Nando'** (no relation to José Eduardo) is a close presidential confidant and friend but lacks charisma and is less influential than ministers **Carlos Maria da Silva Feijó** and General **Manuel Hélder Vieira Dias Júnior 'Kopelipa'**.

The President's eldest son, **José Filomeno de Sousa dos Santos 'Zenu'**, was at the MPLA Extraordinary Congress at the end of April, sparking rumours he could be back in contention. He is involved in managing the Hong Kong-China-Sonangol joint venture and through that, oversees the plans for Luanda's new airport and other projects.

Further down the food chain, former Prime Minister and now National Assembly Chairman **António Paulo Kassoma** is eyeing the party vice-presidency. The suave but elderly incumbent, **Roberto António Victor Francisco de Almeida**, had been expected to announce his resignation at April's party Congress. ●

Shouting insults

As Eritrea looks forward to serious earnings from gold, the old quarrel with Ethiopia is heating up again

After more than a decade complaining that they are the wronged party, top Ethiopian officials busily explain their new campaign to overthrow the neighbouring regime of President **Issayas Afewerki** (AC Vol 52 No 7). After several broadsides, Prime Minister **Meles Zenawi** and his deputy and Foreign Minister, **Hailemariam Desalegn**, told journalists in Addis Ababa on 21 April that they were offering determined support to Eritrean opposition groups. Hailemariam repeated his conviction that Asmara's main aim was to destabilise Ethiopia.

Issayas' response, an indirect one, came in an interview on state television when, in a sweeping assessment of world politics, he accused Ethiopia of being hand in glove with the **United States**, which used Ethiopia as a tool of the 'Network of New World Order', a recurring refrain. He also complained about the impending independence of **Southern Sudan**, calling it a 'consequence of human-made mistakes'. **Somalia's** Ambassador to Ethiopia, **Said Yusuf Noor**, told Ethiopian media that the Eritrean government was the 'main peace spoiler' in Somalia, claiming to have 'credible evidence' for this charge, which is under investigation by the United Nations Monitoring Committee for Somalia.

Meles suggests that wealthy states financially reward Eritrea's efforts to destabilise the Horn, making it a 'conduit of money from some sources to the terrorists'. North Atlantic Treaty Organisation forces intercepted a small boatload of arms, en route to Eritrea from **North Korea**, in the Indian Ocean on 4 May. Ethiopian news sources claim that 15 tonnes of rockets, surface-to-air missiles and explosives were recovered. UN sanctions imposed in 2009 ban Eritrea from importing weapons. The Ethiopian government also offered its evidence of a foiled terrorist plot at the African Union's January summit. It claims that Asmara was behind the plan and has provided some relevant information to embassies in Addis Ababa.

Eritrea denies all accusations. Its Ambassador to the African Union, **Girma Asmerom**, told an AU meeting in Addis that Ethiopia's 'disinformation campaign' was 'patently baseless' and tantamount to a declaration of war. He called on the AU and the UN to quell, and 'all peace-loving governments and peoples of the world' to condemn, Ethiopia's aggression.

Meles told the Ethiopian Parliament at

the beginning of April that Ethiopia would be 'proactive about toppling Eritrea'. He openly supported the Eritrean opposition but ruled out 'jumping into their country'. Conveniently, on 20 April more than 1,000 members of the Eritrean Urban Refugees Association demonstrated in Addis and in refugee camps in the north against Issayas's government. Meles has hitherto insisted that he considers regime change in Asmara the prerogative of the Eritrean people and Addis Ababa hosts the Eritrean Democratic Alliance of 13 exiled opposition groups, which held a National Conference for Democratic Change last July. Its Chairman, **Tewelde Gebreselassie**, calls Ethiopia's change of policy 'a very good thing'.

FOOD PRICES AND SHORTAGES

Ethiopia's opposition parties say that Meles's fresh indignation about Eritrea is a ploy to distract from problems at home. Inflation was at 16.5% in February and 25% in March. Food prices are soaring, many areas are affected by shortages and shopkeepers are discouraged by government-imposed price ceilings. Meles says 'inefficiencies in the market' create artificial shortages of cooking oil and sugar. International bodies worry about food stability, in both the short and long term. Shortages are likely to worsen after poor rains in the belg season in the cereal-producing south and south-east.

Meles desperately wants to avoid North African-style demonstrations. Eritrea, the old enemy, is an easy rallying point. He also wants to promote nationalist pride in the new Ethiopian Renaissance Dam on the Blue Nile, hailed by his officials as a means to end power shortages. The dam is strongly opposed by the downstream countries, particularly **Egypt**, and Ethiopia has agreed to postpone ratification of the new Nile treaty until a new government has taken over there.

Ethiopia wants stronger UN sanctions against Eritrea, particularly since its potential mineral wealth has attracted new investors. A **Canadian** mining firm, **Nevsun Resources**, has poured the first gold in a large plant in Bisha, 150 kilometres from Asmara. The mine is thought to be rich in both precious and base metals and **Nevsun** hopes to produce as much as 100,000 ounces of gold per quarter. It works closely with the state-owned Eritrean National Mining Corporation and

some independent economists guess that the development could make Eritrea one of the world's fastest growing economies in 2011.

Ethiopia reckons that the more money Issayas has, the more he will make his presence felt and it wants sanctions that would dampen the revenue from this and other projects. It is also keen to share responsibility for chastising Eritrea as part of a regional problem, arguing that it interferes in Ethiopia, **Djibouti**, South Sudan, Somalia and **Uganda** by supporting opposition groups. This week's agreement between Khartoum and Eritrea to allow free travel across their border will reinforce such claims.

Meles claims that the recent shift in Eritrean strategy is forcing Ethiopia to move from 'passive defence' towards more pugnacious rhetoric and perhaps action. He argues that 'terrorist activity' by Asmara, previously directed at 'hard targets' (government or military), is now aimed at tourist and civilian targets. What he calls the attempted terrorist attack planned by the Asmara regime in January was particularly pernicious, as Eritrea had in public taken a conciliatory posture and was sending a delegation to the AU summit for the first time since the 1998 Ethio-Eritrean war.

Whether this charge is trumped up or legitimate, relations between the two have sunk to a new low, but a return to all-out war is not inevitable. Eritrea, however, remains a highly militarised state. Conscription is still in place and the two years of compulsory national service is in reality often far longer, with some conscripts still in uniform since 1998 (AC Vol 52 No 5). Ethiopia has maintained the Ethiopian National Defence Force at between 100,000-150,000 personnel; Eritrea has 200,000 odd regulars and 250,000 conscripts.

Conventional military warfare is unlikely, despite the bellicose rhetoric. Eritrea has not fully recovered its military strength since suffering heavy reverses against Ethiopia in 2000. In terms of population size, equipment, and financial capacity, it is very much the underdog, for now.

Expense is also a factor for Ethiopia. Meles is heavily focused on his ambitious growth and transformation plan and may be reluctant to enter into a costly war. Sponsoring irregular forces, as Ethiopia accuses Eritrea of doing, may be an option, though: Eritrean exiles in Ethiopia could be armed and sent home. Nevertheless, Meles is keen to preserve Ethiopia's reputation as a stable force in the Horn. A return to war would do Ethiopia no favours with international governments, and Addis would prefer to hold what it sees as the moral high ground against Eritrean intransigence. ●

Indicted war criminal fights election

Khartoum's ruling party tries to hold on to its base in Kordofan, a springboard for operations in Abyei and the South

It was clear that **Ahmed Mohamed Haroun** had lost his bid to be elected Governor of Southern Kordofan when the National Congress Party sent Presidential Assistant **Nafi'e Ali Nafi'e** to Kadugli on 8 May, the day the results were supposed to be announced. Nafi'e, a former chief of security for whom Ahmed Haroun once worked, told the State Election Commission to declare him winner, say opposition sources. The Commission's head, **Adam Abdin**, sought refuge with the United Nations Mission in Sudan (UNMIS). The results were rescheduled for 10 May and again delayed, as NCP operatives scrambled to produce new figures. Their methods included the invention of new polling stations: when challenged, the officials replied that voters had found it difficult to reach the other stations, a tactic used last year in Darfur.

Initial figures obtained by *Africa Confidential* showed Governor Ahmed's Deputy, **Abdel Aziz Adam el Hilu** of the

Sudan People's Liberation Movement, ahead by about 11,000 votes. His final lead was around 4,000, said an SPLM source on 11 May, claiming that the difference was largely due to NCP rigging. In elections for the South Kordofan State Assembly, the NCP had won 22 seats, the SPLM, 10, he said. The 40% of seats reserved for women and political parties were still being counted and some predict a hung parliament. The SPLM says privately that it accepts a degree of NCP malpractice but will not back down on the gubernatorial election. Some in the SPLM believe it can become a major party in Northern Sudan.

The National Election Commission said that the preliminary results could not be changed and the NCP slammed the SPLM 'adolescent mentality' for protesting. Northern opposition parties accused the NCP of fraud. The SPLM had been able to reduce fraud by training thousands of party observers to cover the vast territory which includes the Nuba Mountains (SPLM heartland) and the Missiriya

Arab lands to their west and east. Yet the elections, delayed from last year after the SPLM challenged the census figures, benefited from few external monitors, the only widespread and systematic presence being that of the Carter Center.

This looks like another mistake. The polls are crucial for several reasons. South Kordofan is the military backyard for Abyei (which has a special status within the state) and for Upper Nile, Northern Bahr el Ghazal and Unity states in the South, all of which it adjoins. 'We are especially concerned about the alarming situation in Abyei', said a 10 May statement by the Troika – **Britain, Norway, United States**. It called on the parties to 'work together' to tackle the 'rising tensions' in South Kordofan. As ever, it treated both parties even-handedly. The problem with that is obvious in Abyei, where the NCP has persistently reneged on agreements it has signed, exploiting international 'neutrality' to shift the situation to its advantage.

The NCP cannot afford to lose control in South Kordofan. State governors have great power, which is why they are normally party men. They chair the state's vital Security Committee. Several of the militias plaguing the South are based in South Kordofan (Meiram area) or in the northern part of Abyei, already ceded to the NCP by the 2009 Permanent Court of Arbitration ruling. They include those of **Abdel Bagi Ayii Akol Agany**, a tribal chief-turned-warlord from North Bahr el Ghazal; General **George Athor Deng**, now warlord-in-chief; and Gen. **Peter Gadet (Gatdet) Yaka**, absorbed into the SPLA in 2006 but now again on the rampage.

The NCP is not about to stop sponsoring militias in the South. If it is to supply its proxies, including the Missiriya militias, it cannot afford to lose either Abyei or South Kordofan (AC Vol 52 No 9). It could live with the SPLM/SPLA controlling large swathes of the Nuba Mountains before the 2005 Comprehensive Peace Agreement, since the rugged hills are discrete and isolated.

The Sudan savannah plains of the rest of Southern Kordofan are a different matter: they have long been the home of mechanised 'strip farming' by townsmen from further north. These plains are now politically and militarily critical to Khartoum's attempts to retain Abyei and to its intervention in the South.

By getting **Ahmed Mohamed Haroun** elected, the NCP also hoped to 'cleanse its crimes in Darfur', said an SPLM official: the former junior Interior Minister is wanted by the International Criminal Court on 51 counts of war crimes or crimes against humanity. The crimes have continued in Abyei. Four **Zambian** UNMIS soldiers were wounded near Goli this week and UNMIS privately blames the Sudan Armed Forces and their proxies. ●

USAMA'S QUIET FRIENDS IN KHARTOUM

The May Day killing of **Usama bin Laden** passed virtually unmentioned by a National Congress Party government that worked hand-in-glove with him when he lived in Sudan in 1991-95. The Speaker of the NCP-dominated National Assembly, **Ahmed Ibrahim el Tahir**, called him a 'Mujahid' and described the **United States'** 'war on terror' as a 'genocide against Muslims'. Lawyer Ahmed Ibrahim is remembered as an Assembly member for what was then the National Islamic Front who pushed for full *Sharia* long before the NIF seized power in June 1989.

NIF guru **Hassan Abdullah el Turabi**, who had already enforced a version of Islamic Law in September 1985, was typically ambivalent: Bin Laden 'had good intentions' but the 9-11 attacks were 'a mistake'. Turabi effectively headed the NIF regime which set up terrorist training camps with Bin Laden in the early 1990s. Then, the NIF was implicated in the often forgotten first World Trade Center bombing in 1993, which killed six people and injured over 1,000. The US Federal Bureau of Investigation said that it was meant to topple the Twin Towers and that 'Middle East terrorism had arrived on American soil'.

The regime's virtual public silence contrasts starkly with the fuss it made in the early 2000s, when its friends claimed that the NIF had tried in vain to hand over the *Al Qaida* leader to US President **Bill Clinton**. This improbable notion was widely taken up by retired US officials (usually politically hostile to Clinton) and Western journalists seeking new angles after the September 2001 attacks.

There was little debate over whether the NIF intended to or could afford to betray a man who was so fundamental a part of its ideology and system. Having kept him in reserve for this purpose, the NIF had sold **Illich Ramirez Sánchez (Carlos the Jackal)** to French intelligence in 1994 (AC Vol 35 No 17). The subterfuge worked and the analogy with 'Sheikh Usama' spread internationally. It helped form the foundation of 'intelligence cooperation' with the USA. **British** and US officials have described this shadowy arrangement, later spearheaded by security chief Lieutenant General **Salah Abdullah Mohamed 'Gosh'**, as saving Western lives. Today, the NCP no longer claims that it tried to hand over UBL to the USA. Indeed, many in Khartoum must be wondering whether they figure in the files seized by US special forces in Bin Laden's **Pakistani** home. ●

Old man out

The ruling party looks for a new leader, while the opposition wants fair elections

At 87 years old, President **Robert Mugabe** is indisputably slowing down. His party wanted elections this year without waiting for a new constitution. In the run-up, Mugabe was to fend off pressure for political reform from the Southern African Development Community (SADC).

Mugabe's Zimbabwean African National Union-Patriotic Front selected ex-military officers as parliamentary candidates and intended to win back many rural seats from the Movement for Democratic Change. This would have, ZANU-PF strategists insist, delivered victory and allowed Mugabe to stand down after the elections when the new ZANU-PF-dominated Parliament would have been able to choose a successor.

But in ZANU-PF's campaign, nothing went to plan. An anti-sanctions petition lacked credibility because many of its 2 million signatures had been forced; an empowerment programme was seen as a ruse to make rich chiefs super-rich. MDC leader **Morgan Tsvangirai** told *Africa Confidential* that his party supports more local ownership of companies and resources, as long as the process is fully accountable.

Premature elections would lack credibility without a road map agreed with SADC. A year's delay in polling could be problematic for Mugabe. The ZANU-supporting securocrats favour accepting the delay while the party builds up a new candidate to take over from Mugabe.

The two frontrunners are Vice-President **Joice Mujuru** and Defence Minister **Emmerson Mnangagwa**, neither with overwhelming support in Parliament or the party. Mujuru might be amenable to a deal with Tsvangirai to secure the presidency; Mnangagwa has close links to the securocrats. They are united in wishing to hold on to their accumulated assets but otherwise somewhat flexible.

The Commander of the armed forces, General **Constantine Chiwenga**, is close to Mujuru's husband, the immensely wealthy retired General **Solomon Mujuru**. The army Commander, Lieutenant Gen. **Philip Valerio Sibanda**, and the Director of the Central Intelligence Organisation (CIO), **Happyton Bonyongwe**, both seem to favour a less political role.

The hard-liners, Air Marshal **Perence Shiri** and Police Commissioner General **Augustine Chihuri**, may have been

weakened by the apparent retirement of Prisons Commissioner **Paradzai Zimondi**, and the sudden death of the ruthless CIO Deputy Director, **Menard Livingstone Muzariri**. The military struggles to revitalise ZANU-PF: retired officers or 'boys on leave' hold key positions nationwide. The effective director at ZANU-PF headquarters is retired Air Vice-Marshal **Henry Muchena**.

Primaries are due this month and delaying the elections gives deselected members of parliament a whole year to make trouble. In the Mujuru stronghold of Mashonaland East, **Tracy Mutinhiri**, the ZANU-PF MP for Marondera East, is accused by her agent of having voted MDC in the Speaker's election.

The initial meetings on SADC's election road map ran straight into trouble, with ZANU-PF insisting that sanctions be lifted and the MDC demanding an end to police harassment. Neither is likely. Police promptly tear-gassed a pray-for-peace church meeting in Harare, while an MDC minister and a Catholic priest, arrested at an April memorial service for slain MDC activists, appeared in court in leg-irons.

SADC undercut ZANU-PF's election strategy by offering to negotiate on sanctions with the European Union and others. The breakthrough of South African President (and SADC's mediator) **Jacob Zuma** will be tested at a SADC meeting on 20 May, where Mugabe will present his anti-sanctions petition and rebut Tsvangirai's dossier on violence. The latter is being prepared by the partisan Attorney General, **Johannes Tomana**. ●

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Zambia

GLENCORE CONNECTION

■ The serenity of Glencore's Initial Public Offering on the Hong Kong and London Stock Exchanges remains undisturbed by revelations of inflated costs and transfer-pricing by Zambia's Mopani Copper Mines. MCM is 73% owned by the Swiss mining and trading giant. Glencore is set to be valued at between US\$48 and \$58 billion after trading begins on 24 May. Yet in Lusaka, members of parliament and civil society organisations are claiming that MCM's donations to the governing Movement for Multiparty Democracy (MMD) explain its failure to take action against the company or collect more tax from it (AC Vol 52 No 6).

It was key foreign donors, led by Norway, that first suspected all was not well in MCM's financial reporting and called for an audit, completed in 2009. No action followed. Some estimates of lost tax revenue run as high as \$175 mn. between 2003 and 2008. Finance Minister **Situmbeko Musokotwane** has ignored calls for higher mine taxation and said the Zambia Revenue Authority would follow up on the matter and punish the company only 'if it will be necessary'.

'There is nothing this government can do about this audit because their hands are tied due to the dubious money they receive,' said **Mathias Mpande**, a respected Zambian mineral economist. MCM's Chief Executive Officer is **Emmanuel Mutati**, elder brother of Trade Minister **Felix Mutati**. Felix often welcomes the political advice of his brother and Emmanuel staunchly defends key government policies, we hear. Emmanuel is the force behind MCM's heavy financial donations to the MMD and key government officials often receive 'handsome' contracts to supply goods and services to MCM.

Congo-Kinshasa

ETHICAL SMELTING

■ The Katangese Mines Minister, **Juvénal Kitungwa Lugoma**, was in Paris on 5 May assuring nervous electronics and automotive company representatives that cassiterite and colombo-tantalite (coltan) from Katanga was 'conflict-free' (AC Vol 52 No 1). Kitungwa told his audience that Katangese mines were free from illegal armed groups, as well as the *Forces armées de la République démocratique du Congo* (FARDC), and under the control of the mines police.

The United States' Dodd-Frank Wall Street Reform and Consumer Protection Act, passed into law last year but not yet implemented, requires US-listed

companies to declare if they are sourcing minerals from conflict regions, that they are conflict-free and to disclose how they reached that finding. The Act defines conflict minerals as those produced in mines under the control of illegal armed groups or any organisation cited in US State Department reports as violating human rights. FARDC, Congo-K's national army, is regularly cited in these reports.

This puts Dodd-Frank at odds with US security sector reform policy in Congo-K, which involves working with FARDC to improve it. Yet the bigger issue for US-listed companies is their concern about reputational risk. Hewlett Packard, Apple and Nokia, together with car manufacturers such as Ford, have established a Conflict-Free Smelter (CFS) programme to avert the risk. CFS is an auditing mechanism to verify that tin and tantalum smelters in their supply chains have not refined any 'conflict minerals'.

The simplest way to be CFS-compliant is not to import from Congo-K but this has caused significant unemployment among artisanal miners, which concerns the Mining Ministry. Already, output from several tin mines in the province is being tagged at the point of production as part of a scheme run by ITRI, the international tin industry association. Now that Dodd-Frank's implementation has been delayed till August at least, the industry is implementing its voluntary scheme and hoping it will meet with the approval of the US Securities and Exchange Commission.

If CFS-compliant smelters can buy tagged minerals from Katanga, this will boost provincial revenue. What will happen to tin and coltan from the Kivu provinces is less clear. At present, output from these conflict-affected areas is unlikely to be allowed by smelters participating in the CFS programme. Other smelters, particularly in India and China, may not be so squeamish.

Uganda

TWO LEADERS, TWO PARTIES

■ President **Yoweri Kaguta Museveni** spent months – and US\$1.3 million – planning his inauguration on 12 May only for a gatecrasher to spoil the party. While fanfares sounded and banners flew at Kololo airstrip, with heads of state **Robert Mugabe**, **Goodluck Jonathan**, **Mwai Kibaki** and **Joseph Kabila** in attendance, a massive welcoming party was under way on the other side of town for **Kizza Besigye**. The leader of the opposition Forum for Democratic Change, had arrived back from Nairobi that morning. He had been treated in hospital there for eye injuries sustained after a state security man smashed his car window and sprayed pepper in his eyes during a 'Walk to Work' protest on 28 April (AC Vol 52 No 9). The opposition turnout for him, dubbed the 'people's inauguration',

feted Museveni was a serious blow for the government.

On 11 May, Besigye had been stopped from boarding a Kenya Airways flight but he tried again and landed the next morning in time to lead a convoy from Entebbe airport to central Kampala. What should have been a 45-minute drive took several hours, with thousands lining the route and a heavy police presence. Just as Museveni's VIPs on the north side of the city were filing away, clashes were breaking out in the centre as police tried to drive away the crowds from Besigye's route with tear gas. Museveni later promised to defeat the opposition's 'disruptive schemes'.

This opposition activism came a week after both Lieutenant General **David Tinnyefuza**, coordinator of the security services, and Gen. **Aronda Nyakairima**, Chief of Defence Forces, publicly criticised the government's heavy-handed approach to April's protests. Their criticism of front-line police may have been a way of directing blame away from Museveni and on to Maj. Gen. **Kale Kayihura**, Inspector General of Police, who has made his own concerns public. None of these senior officers has pointed to the role of the President's son, Lt. Colonel **Muhoozi Kainerugaba**, Commander of the Special Forces Group, who oversaw security in parts of Kampala during the crackdown and has been blamed for some of the excesses.

Tanzania

THE LOWASSA FIGHT BACK

■ Barons of the governing *Chama Cha Mapinduzi* accused of corruption are proving more resilient than expected (AC Vol 52 No 9). In March, the CCM announced it was dismissing members tainted by corruption accusations but the formal letters have not been sent, we hear. **Rostam Aziz** is no longer party Treasurer but former Attorney General **Andrew Chenge** and ex-Premier **Edward Lowassa** remain on the National Executive Committee. President **Jakaya Kikwete** invited Lowassa to State House for a private meeting to reassure him, we hear.

Lowassa resigned as Prime Minister in 2008 over the Richmond power generators scandal but says he is disappointed that CCM Publicity Secretary **Nape Nnauye** is accusing him of corruption. A fight may lie ahead: in late April, eleven CCM councillors in Lowassa's constituency met to help him prepare for a run at the presidency in 2015. An architect of Kikwete's successful election campaigns, Lowassa knows the party well enough to block any attempt to purge him and his supporters from its top ranks. In the end, he could appeal to the CCM's survival instincts, a former Central Committee member said: an intra-party feud would be madness at a time when the opposition **Chama cha Demokrasia na Maendeleo** is gaining ground nationally.

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moves that helped his party. He said corrupt or incompetent winners would be fired after the poll, allowing by-elections at which new ANC candidates could stand. Secondly, he promised the Confederation of South African Trade Unions (Cosatu) that he will be 'sympathetic' to their wage demands this year.

Campaigning by Cosatu's General Secretary **Zwelinzima Vavi** around Port Elizabeth is widely believed to have hurt the DA's prospects in the Eastern Cape. The South African Municipal Workers Union had threatened a national strike two days before the poll, but Cosatu leaders persuaded them to put the strike on hold, and did the same with other public sector unions. At the same time, Vavi is the bravest and most relentless critic of nepotism and corruption among the top ranks of the ANC, and doesn't spare Zuma's extended family.

The ANC has lost the votes of the minority communities, which now support the DA overall, and is becoming a predominantly black party. This is likely to strengthen the hands of the ANC's 'African nationalists', notably Malema and **Jimmy Manyi**, head of the Government Communication and Information Services (GCIS). Manyi deplores the high proportion of minorities in the ANC leadership and senior public service management, particularly in economic portfolios, for instance **Ebrahim Patel** (Economic Development Minister), **Pravin Gordhan** (Finance Minister), **Rob Davies** (Trade and Industry Minister) and **Gill Marcus** (Governor of the Reserve Bank).

Young people stayed away from the polls in droves, although accurate turnout figures were not available. Just over half of South Africans aged between 15 and 24 are unemployed, making them politically disillusioned and economically frustrated. Unemployment is highest among young black women, at 63%. Of all young black people, 57% are unemployed, as are 47% of coloured youths, 23% of Indian youths and 21% of white youths, according to the latest quarterly *Labour Force Survey*.

Zuma's main rivals – **Tokyo Sexwale**, Human Settlements Minister; **Kgalema Motlanthe**, the Deputy President; and **Mathews Phosa**, the ANC treasurer – annoyed his allies with their apparently lukewarm attitude during the campaign.

They had hoped that the ANC would do poorly, enabling Zuma's opponents to cast him as an electoral liability in 2014 (AC Vol 52 No 9). The ANC had increased its vote at every election since 1994, except in 2009 and 2011 under Zuma's leadership. His camp says he 'cannot be held personally responsible' for that.

Julius Malema campaigned vigorously, especially among the poor, unemployed and unskilled. His team claims that they got many reluctant supporters out to vote, and his bid for re-election as ANCYL President next month has been strengthened. He still insists that Zuma must go, however, and is outraged by Zuma's support for his opponent for the ANCYL leadership, **Lebogang Maile**.

Zuma strategists say that the President is preparing to move quickly to consolidate his position while the ANC election victory is still fresh. He is mulling over a cabinet reshuffle to show that he has 'listened' to ANC supporters' complaints about indecisiveness, incompetence and corruption, we hear. He plans to 'release' the Local Government Minister (now called Co-operative Governance Minister) **Sicelo Shiceka**, who has been ill. Instead of firing a powerful ally, Zuma will 'board him medically', with full benefits. A likely replacement is the Arts and Culture Minister, **Paul Mashatile**, from the Motlanthe faction, who is angry that Zuma demoted him from Premier of Gauteng, the financial heartland, to a cultural backwater. Mashatile wants Zuma to serve only one term. His appointment could neutralise a detractor and bring new energy to the local government job.

LEAGUE LEADERS

Zuma may also switch the Foreign and Defence portfolios to bring **Lindiwe Sisulu** closer, free her from battles with the military and beef up his much criticised foreign policy. Otherwise, Defence may be offered to Sports Minister **Fikile Mbalula**. Mbalula, the former ANCYL leader now pushed by the league for the post of ANC general secretary, is also against a second term for Zuma. At Defence, he might be laid low by the battles that have entangled Sisulu, leaving him little energy for an anti-Zuma campaign.

Public Services and Administration Minister **Richard Baloyi** may be redeployed, as may the Intelligence Minister, **Siyabonga Cwele**, whose wife **Sheryl** was sentenced to 12 years in gaol for drug trafficking on 6 May. If **Trevor Manuel**, the National Planning Minister, becomes the new head of the International Monetary Fund, Zuma could replace him with parliamentary Speaker **Max Sisulu**, a scion of the powerful Sisulu family, who missed out on a cabinet post after working hard to get Zuma elected. Another possibility would be to bring

Cosatu's Vavi into cabinet. Now the local elections are over, it appears that the fights between the ANC and its alliance partners, Cosatu and the South African Communist Party (SACP), will resume. The ANC was the only party that had not announced the names of their mayoral candidates before the elections, to much outrage from its supporters and alliance partners, who wanted to have a say. To appease the ANC's alliance partners over the ANC's candidates' selection, Zuma had promised them input in the final selection of mayoral candidates.

Now Cosatu says the ANC wants to 'impose' its candidates on the alliance partners, the local branches and the community at large. The party appointed the former Johannesburg Finance Director **Parks Tau** as the city's new mayor, in place of the ineffectual **Amos Masondo**. **Mondli Gungubele** becomes Mayor of Ekurhuleni, and **Kgosientsno Ramokgopa** Mayor of Tshwane/Pretoria. All are close allies of Zuma.

Cosatu, the SACP, and the SA National Civics Organisation say they were not consulted. The ANC Women's League complains that the target of 50% gender parity will not be met and the ANCYL complains not enough young people are represented. To probe possible irregularities in the selection of mayors, the party appointed a seven-member team led by **Nkosazana Dlamini-Zuma**, the Home Affairs Minister and Zuma's ex-wife. Again, Cosatu and the SACP say they were not consulted.

The ANC's promises on wage demands may have to be fulfilled soon, we hear. Public sector unions representing 1.3 million civil servants are considering strike action if they do not get an 11% pay increase as a reward for their support. The official offer is a 6.5% rise and an increase in housing allowance from R500 to R620 a month. **Mugwena Maluleke**, General Secretary of the SA Democratic Teachers' Union, says that if the government fails to give the public sector unions what they want, it would be 'shut down'. Cosatu unions in the private sector want double-digit pay increases and the National Union of Metalworkers wants 20%. Zuma promises to start reforming local governance by making his ally **Collins Chabane**, the Performance Monitoring and Evaluation Minister, monitor and evaluate, and by empowering the National Treasury to reallocate unspent budgets.

The ANC has won a huge victory despite strong fears that voters would punish it for its failures in government. Since they did not, it is unlikely the party will show great reforming zeal to correct past errors. Zuma told a crowd in Johannesburg: 'We have proved that we are in charge that we have better policies, programmes to change your quality of life.' ●

Fighting for Abyei

Bombing and looting on the North-South border this week may undermine Sudan's formal partition in July

The Khartoum regime's all-out military attack on and occupation of the strategic region of Abyei is part of its hardening policy in the lead-up to Southern Sudan's independence on 9 July. After Northern troops had burned down most of Abyei town and driven out over 20,000 people, President **Omer Hassan Ahmed el Beshir** insisted on 24 May that the Sudan Armed Forces (SAF) would not leave, in blatant contravention of 2005's Comprehensive Peace Agreement (CPA).

Khartoum's attack quickly followed the row over its claims of victory for **Ahmed Mohamed Haroun Adam** in the South Kordofan gubernatorial election. It did not want to allow time for legal challenges. Haroun is wanted by the International Criminal Court on 51 counts of war crimes and crimes against humanity in Darfur. The Sudan People's Liberation Movement (SPLM) and Northern opposition accused Khartoum of fraud (AC Vol 52 No 10). Abyei is part of Southern Kordofan State but has a separate status under the CPA, which ends on 9 July.

BOMBERS OVER THE SOUTH

The National Congress Party had to win S. Kordofan, the SAF's and their proxy militias' rearbase for Abyei and the South. **Peter Gatdet Yaka's** militia were reported fighting in Abyei this week. Antonov bombers have bombed Abyei and, say sources on the ground, been sighted over Warrap and Unity states in South Sudan. Abyei people believe the NCP has declared war, we hear, and wants to repopulate Abyei with Missiriya Arabs.

Some 5,000 troops attacked Abyei after a clash whose details remain unclear, partly due to the failure of the United Nations Mission in Sudan to investigate. As part of disbanding the Joint Integrated Units of SAF and Sudan People's Liberation Army at the end of the CPA, a convoy of some 200 SAF was moving near Abyei town, escorted by UNMIS. Nearby were South Sudan Police Service, and some SPLA troops also being deployed out of the JIU. All were there under January's Kadugli security agreement which stipulated that both Northern and Southern troops should leave Abyei Area.

An SPLA soldier fired first and the SAF responded with a rocket propelled grenade. Several SAF were killed and injured and one UNMIS soldier wounded. The National Intelligence and Security

Service's deputy head, Lieutenant General **Siddig Amir**, said on 20 May on state television that the SPLA had fired the RPG, causing 'a large number of martyrs'. When a journalist requested a death toll, the sound was cut. The Government of Southern Sudan (GOSS) Information Minister, SPLM veteran **Barnaba Marial Benjamin**, and the SPLA Spokesman, Colonel **Philip Aguer Panyang**, said they regretted any injuries to UNMIS staff 'if they had been caused by an SPLA JIU soldier but an investigation was needed. It didn't look like an attack planned by the SPLA High Command.

Khartoum moved quickly: 'SAF has been pushing against the SPLA all month, and I think they were hoping to provoke an incident that could be used to justify a military occupation,' said one Abyei specialist. The SAF attack did look well planned. 'It took less than 18 hours to

move all that infantry', bomb the town and drive out some 20,000 civilians, noted an SPLM supporter. 'They knew the SPLA was not in the area in any numbers and did not want war.'

Abyei is not the 'oil-rich' area of many news reports and most oil fields are in areas the Permanent Court of Arbitration reassigned to the NCP, though some speculate that Abyei is richer than the NCP has disclosed. It is most important strategically. 'Khartoum is piling the forces and the military were next to the border... near the [Southern] oil fields,' GOSS Agriculture Minister and SPLM Deputy Secretary General **Anne Itto Leonardo** told London's Chatham House on 23 May.

The NCP could also use Abyei as a lever in its faltering talks with the SPLM. 'We are not going to continue sharing the oil revenue' with Khartoum, said Itto, but building a pipeline to Kenya would need three years, so agreement was needed: Southern oil flows North. This means the NCP may end its occupation of Abyei. Yet its language is belligerent: top NCP officials talking of 'cleansing' Abyei and removing 'the enemy'. This further undermines negotiations with the SPLM, still formally the NCP's 'partner' in the Government of National Unity. The SPLM says it's unwilling to return to war.

LONG MEMORIES IN ABYEI

- 1820: Official start of Southern liberation struggle, as just proclaimed by Government of South Sudan (GOSS); shows how important history is in Sudan.
- 1821: The **Egyptian Khedive Mohamed Ali Pasha** came to Sudan in search of land, slaves and gold.
- 1905: The Anglo-Egyptian Condominium draws boundaries so that several Dinka groups are in Kordofan Province. Some were later returned to the South but the Ngok remain in Kordofan.
- Autumn 1955: The mutiny of Southern troops begins the North-South war.
- 1 January 1956: Sudanese Independence.
- February 1972: The Addis Ababa Accord ends war. The Ngok were promised a referendum on Abyei's status. It never happened; this is not forgotten.
- May 1983: Southern mutiny becomes Sudan People's Liberation Movement-Sudan People's Liberation Army. Ngok are prominent from start of SPLM-SPLA.
- May 2004: Abyei Protocol between National Congress Party and SPLM-SPLA schedules referendum in Abyei, at same time as the South's independence referendum, on whether to stay in North or join South. Protocol established Abyei Boundaries Commission (ABC) to define 1905 boundaries of the nine Ngok chiefdoms. There is no mention of votes for the Missiriya Humr, whose tribal lands are mainly in Western Kordofan.
- January 2005: Comprehensive Peace Agreement between NCP and SPLM-SPLA incorporates Abyei Protocol.
- July 2005: NCP rejects ABC findings, but the agreements make no provision for this.
- May 2008: NCP destroys Abyei town.
- July 2008: Case referred to Permanent Court of Arbitration (PCA), **Netherlands**.
- July 2009: PCA unexpectedly says ABC exceeded its mandate and hands a third of Abyei to the North. The NCP and SPLM accept.
- January 2011: Date of scheduled Abyei referendum passes. NCP refuses to form Abyei Referendum Commission, insisting the Missiriya have the right to vote. The ARC is supposed to define eligibility. SPLM and international community, including CPA guarantors **Britain, Norway** and the **United States**, didn't foresee this problem: the Missiriya were universally seen as non-resident seasonal pastoralists.
- 19-21 May 2011: NCP captures Abyei, dissolves its (SPLM-led) administration and destroys the town, again. GOSS protests to the United Nations Security Council. ●

Britain and the European Union declined to apportion blame for the crisis; France and the United States were more robust: Washington said 'normalisation' of relations with Khartoum could be jeopardised. The UN was ambiguous: 'UNMIS strongly condemns the burning

and looting currently being perpetrated by armed elements in Abyei town,' it said, without mentioning that the 'armed elements' were the SAF and its allies.

The UN Security Council – visiting Khartoum while government forces attacked Abyei – was tough and said that

UNMIS would be reinforced, following the recent quiet strengthening of its mandate from Chapter VI to Chapter VII. That means UN forces could intervene to protect civilians. The government attacks on Abyei will immediately put that mandate to the test. ●

CÔTE D'IVOIRE

Cocoa holds the key

President Ouattara needs to stop the smuggling and bring the soldiers under control

After his grand inauguration at Yamoussoukro on 21 May and pronouncements on the need for Ivorians to reconcile and rebuild the country, one of new President **Alassane Dramane Ouattara's** most urgent if more prosaic tasks is to reform the cocoa sector. Côte d'Ivoire's cocoa growers account for 38% of world supply of the commodity and generate about US\$1 billion in foreign exchange each year.

Foreign cocoa trading companies are asking about security. They do not want a repetition of the operation by rebel leader **Ibrahim 'IB' Coulibaly**, who broke into a warehouse belonging to the **United States** agri-giant Archer Daniels Midland on the northern outskirts of Abidjan last month and sent at least 3,000 tonnes of cocoa to **Ghana**, according to witnesses. Last month, President Ouattara's troops killed Coulibaly (AC Vol 52 No 10).

Helping to lift the fortunes of Côte d'Ivoire's ten million cocoa farmers and dependants is said to be a priority for Ouattara. His government will have to struggle hard to eradicate the corruption that runs through the industry and return funds to the growers.

The local cocoa industry is in tatters, and smuggling to Ghana has added an expected 30% to forecasts for the neighbouring state's production. Ghana's 'output' should reach a record high of 825,000 tonnes when the season ends on 1 October. Cocoa producers say around 70,000 tonnes went to Ghana during the three-month long embargo on bean exports declared by Ouattara when he was trying to pressure former President **Laurent Gbagbo** to quit. 'Trucks were coming all the way from San Pedro,' one exporter said, even though the port is in the west of Côte d'Ivoire, some 400 kilometres from the Ghanaian border.

The International Monetary Fund, of which Ouattara was formerly Deputy Managing Director, has linked future loans to reforms in the cocoa sector. Under

the respected former Finance Minister **Charles Koffi Diby** – whose home was ransacked after he fled to join Ouattara at the Hotel du Golf – some of those reforms were put in place. The cocoa authorities have set the main export tax for the 2010/11 season at 14.6% of world prices, the first time the levies have been set as a percentage. Ouattara has replaced the Gbagbo ally **Gilbert Anoh** as head of the *Bourse du Café et du Cacao* (BCC) with **Massandjé Touré**, who is now the interim President; **Eric Koffi** takes over as head of all other cocoa bodies.

The biggest planned reform was the creation of a stabilisation fund guaranteeing minimum prices to farmers and giving them some financial stability while world prices fluctuate. Ouattara has shelved the plan for now, although a leading cocoa official says delaying the stabilisation fund would 'basically cut off a lucrative revenue stream for the government'. However, Ouattara feared that setting up the fund this year would have proved too complex.

MEN IN THE MIDDLE

It was the World Bank that insisted in 1999 on abolishing the *Caisse de Stabilisation*. Since then the Bank and the IMF have recognised that over-enthusiastic liberalisation has allowed corrupt middlemen to interpose themselves between farmers and the export market. One particularly corrupt organisation is the highly profitable and dysfunctional BCC. Ouattara has set the minimum price paid to farmers at 50% of world prices. Such a price would allow the government to finance investment in the cocoa industry and other reconstruction.

Industry and government sources think that Ouattara will bend to pressure and raise the farmers' price. Farmers' representatives want at least 80% of the world price. Getting the balance right is critical: higher farm prices will reduce funds available to tackle the growing

threat to production from falling yields, ageing trees, outdated farming methods and disease-prone seed varieties.

The main cocoa crop for the coming year is projected to top 1.4 million tonnes, up from 1.2 mn. tn. last year. Soldiers from the newly formed *Forces républicaines de Côte d'Ivoire* who triumphed over Gbagbo have replaced his men at the roadblocks and are similarly demanding bribes from lorries heading out from the bush. Former Interior Minister **Desiré Tagro**, who was killed by troops storming Gbagbo's bunker, was accused of masterminding the looting of the cocoa trade, taking about CFA190 bn. (US\$41 mn.) annually.

Furious exporters have negotiated down extorted payments from CFA1mn. (\$2,100) per lorry to CFA300,000 (\$640) since Gbagbo was overthrown. Continued extortion raises questions about Ouattara's control over the forces which brought him to power. Ouattara's government has sent troops to the south-western cocoa belt of Bas-Sassandra, which includes the country's second port of San Pedro, to quell sporadic uprisings by pro-Gbagbo soldiers and **Liberian** mercenaries. However, the soldiers are also likely to extort charges from trucks along the main roads; some say they are now control all traffic at the port.

San Pedro port is loading two boats a day, and Abidjan only slightly more – not nearly enough to keep pace with demand. A fallout with the central bank, the *Banque Centrale des Etats de l'Afrique de L'Ouest*, is also slowing customs clearances and discouraging exporters. Instead, exporters are smuggling their beans to Ghana. Growers in the main eastern town of Abengourou say at the peak of the crisis up to 30 trucks, each loaded with 30 tn., were heading across the border. This is now down to about 10 trucks daily.

Another battle will be weeding out 'ghost' cocoa cooperatives. Only 500 or so of the 2,000 cooperatives registered with the ministry are legitimate; the others siphon off government funds. Yet co-operatives could ensure that producers receive fair prices and cut out the powerful, usually **Lebanese**, middlemen. 'It will be very, very difficult for Ouattara to change the practice of middlemen in the business. The Lebanese community wields incredible economic strength in the arena,' according to a multinational cocoa exporter. ●

Where the BEE sucks

A trial in June could mark the start of a reckoning for massive fraud in the public sector workers' pension fund

Black Economic Empowerment (BEE) company Avid Investments collapsed in 2004, losing 30 million Namibian dollars (US\$4.3 mn.) to the embezzlement of Social Security Commission (SSC) funds, but the matter will reach the High Court in Windhoek only on 1 June. The scandal has taken this long to come to court because it involves friends, relations and allies of founding President **Sam Nujoma**, say angry trades union officials and other activists (AC Vol 51 No 20).

The timing of the trial could hardly be worse for the embattled governing party, SWAPO (formerly the South West African People's Organisation), which is increasingly under fire from the firebrand trades unionist **Evilastus Kaaronda**, General Secretary of the National Union of Namibian workers (NUNW) for turning a blind eye to an even bigger scandal. This is the plunder of nearly US\$100 mn. from the civil servants' pension fund, the Government Institutions Pension Fund (GIPF), during Nujoma's third and last term in office, from 1999 to 2005. The NUNW stood in for SWAPO before its leaders could return to the country in 1989 and it has always had a political role.

Kaaronda's outspoken stand on the fraud is not popular with some union colleagues and he has faced down attempts from within the NUNW to silence his campaign on GIPF. He says his enemies mount these attacks 'because they are afraid of going to prison and being embarrassed in public' over the demands for an accounting for the looting of GIPF. **Adeline Black**, Spokeswoman for the 'Public Servants' Committee on the GIPF', an alliance of unions campaigning on the issue, has joined Kaaronda in saying trials have been delayed to protect powerful people close to Nujoma.

In March, she urged workers to stop their contributions to GIPF until **Peter Nevonga**, the President of the Namibian Public Workers' Union, was removed as a GIPF trustee. He did leave in mid-April but reluctantly, we hear, and other old-guard trustees under pressure to step down are digging in their heels, among them **Ranga Haikali**, former trades unionist and now a multimillionaire businessman.

Of the bad loans, 70% were to companies controlled by or closely associated with **Aaron Mushimba** and **David Imbili**, respectively Nujoma's brother-in-law and former son-in-law.

Other beneficiaries of the loans, issued between 1999 and 2001, were from the core group of Nujoma-loyalists generally referred to as the 'Omusati Clique', after Nujoma's home region. The majority of the loans dished out to BEE companies lacked the necessary paperwork, according to a 2007 forensic audit leaked late in 2010.

Another problem for SWAPO is that the Avid trial comes just as the debate about the succession to the presidency has restarted. The defendants in the trial are the former junior Works and Transport Minister, **Paulus Kapia**, and five associates, including the head of the military's commercial arm, the Chief Executive Officer of the August 26 (Pty) company, retired Brigadier **Mathias Shigwedha**. The charges include, among others, embezzlement.

Kapia, who was also leader of the SWAPO Party Youth League (SPYL) and a fiery populist like **South Africa's Julius Malema** of the African National Congress (ANC) Youth League, served as a minister for only three months. When the Avid scandal broke, President **Hifikepunye Pohamba** sacked him, effectively ending his political career, although he remains a member of parliament.

In 2005, the Avid insolvency inquest, held before Acting Judge **Raymond Heathcote**, won wall-to-wall coverage in the local media and ended on a sensational note when the chief protagonist, a bankrupt called **Lazarus Kandara**, died of a gunshot wound to the heart on the pavement in front of the Windhoek central police station. During the inquest, a former Avid manager testified that Kapia had told him that Nujoma, then President, was a secret shareholder in the company. A coroner's inquest ruled that Kandara had shot himself after, somewhat improbably, he had smuggled a gun past two police guards who took him home during the inquest. The physical evidence also seemed to conflict with the fact that Kandara was left-handed.

What the Avid case has so far revealed is a complex web of relationships involving the former SPYL leadership and Kandara, with insurers selling long-term policies to the SSC while kickbacks were laundered through lawyers' trust accounts.

The threat that the case potentially poses to the SWAPO leadership derives from the link to GIPF through the local insurance industry. Starting in 1996, the

Bank of Namibia began pushing for South African based insurance companies to invest a fixed portion of their premium income in Namibia in unlisted equities, typically BEE start-up companies looking to buy into other lucrative local businesses with cheap pension fund cash. However, with limited opportunities in Namibia's relatively small economy, this created a 'hothouse climate' for local shares. Dozens of new investment managers sprang up touting their BEE credentials, according to a former official of the Namibia Financial Institutions Supervisory Authority (Namfisa), the local regulator.

The South African insurance company Sanlam, which was formed in the 1950s by the apartheid era's mainly Afrikaner National Party to counter the influence of **British** business, then led the charge. In 1999, Sanlam introduced the BEE concept by offering shares to individuals well connected to the ANC. This, the firm believed, would help to protect it from political interference.

The embryonic Namibian financial industry adopted this idea with great enthusiasm and the launch of Sanlam Investment Management soon followed, a joint venture between the investment arms of the two largest trades unions, Labour Investment Holdings and Nam-Mic Holdings, along with a company called Tutunge Investments. This venture then landed the contract to manage GIPF's investments in unlisted equities as part of the Development Capital Portfolio (DCP). Their business friends in the Omusati Clique benefited handsomely from the loans to their businesses, which they largely failed to repay. Accumulated losses in GIPF amounted to an estimated N\$1.8 bn. (US\$260 mn.), of which N\$700 mn. was written off (AC Vol 51 No 20).

Conflicts of interest were rife. Two of Tutungwe's directors were also trustees of GIPF and several other trustees also held shares or paid directorships in companies that benefited from the DCP's lax lending practices. Three of them included current members of Namibia's judiciary: Judge **Nate Ndaudapo** and acting judges **Shafimana Uitele** and **Gerson Hinda**. All three were also significant players in the SSC-Avid Investments imbroglio, with Ndaudapo chairing disciplinary hearings at which whistle-blowing officials from the SSC and Namfisa lost their jobs.

Prime Minister **Nahas Angula** admitted earlier this year that Pohamba's 2005 government had not wanted to pursue the culprits for fear of being seen as persecuting Nujoma and his supporters. All Pohamba has done is to commission yet another audit of the GIPF and appoint a task force. By putting off dealing with the legacy of Nujoma's patronage, the scandals could cost him his reputation and status as the national figurehead. ●

Can the King stop the spring?

Astute reforms have held revolution at bay but the monarchy could be running out of time

So far, monarchies have proved more resilient to the democracy wave sweeping North Africa and the Middle East than the nationalist dictatorships, but in Morocco, some business and political insiders are beginning to revise that view. In a speech on 9 March, which we hear he largely wrote himself, King Mohammed VI's initial response to the calls for change showed a surer political touch than many of his counterparts in the region. With some justification, 'M6' could argue that he had launched constitutional reform long before the current wave of protests. Yet the question remains: will it be enough to head off growing unrest?

Morocco's monarch faces a similarly explosive cocktail of political and economic threats to neighbouring regimes: huge inequalities of wealth exacerbated by recession in Europe, the dominant trading

partner; a substantial Islamist opposition building momentum; young demonstrators marching for freedom (here, led by the 20 February Movement); and rising tension in Western Sahara, where the independence issue remains untackled and unresolved. These pressures pushed Mohammed VI to propose reforms that would surrender some of the monarch's still sweeping powers and strengthen judicial independence.

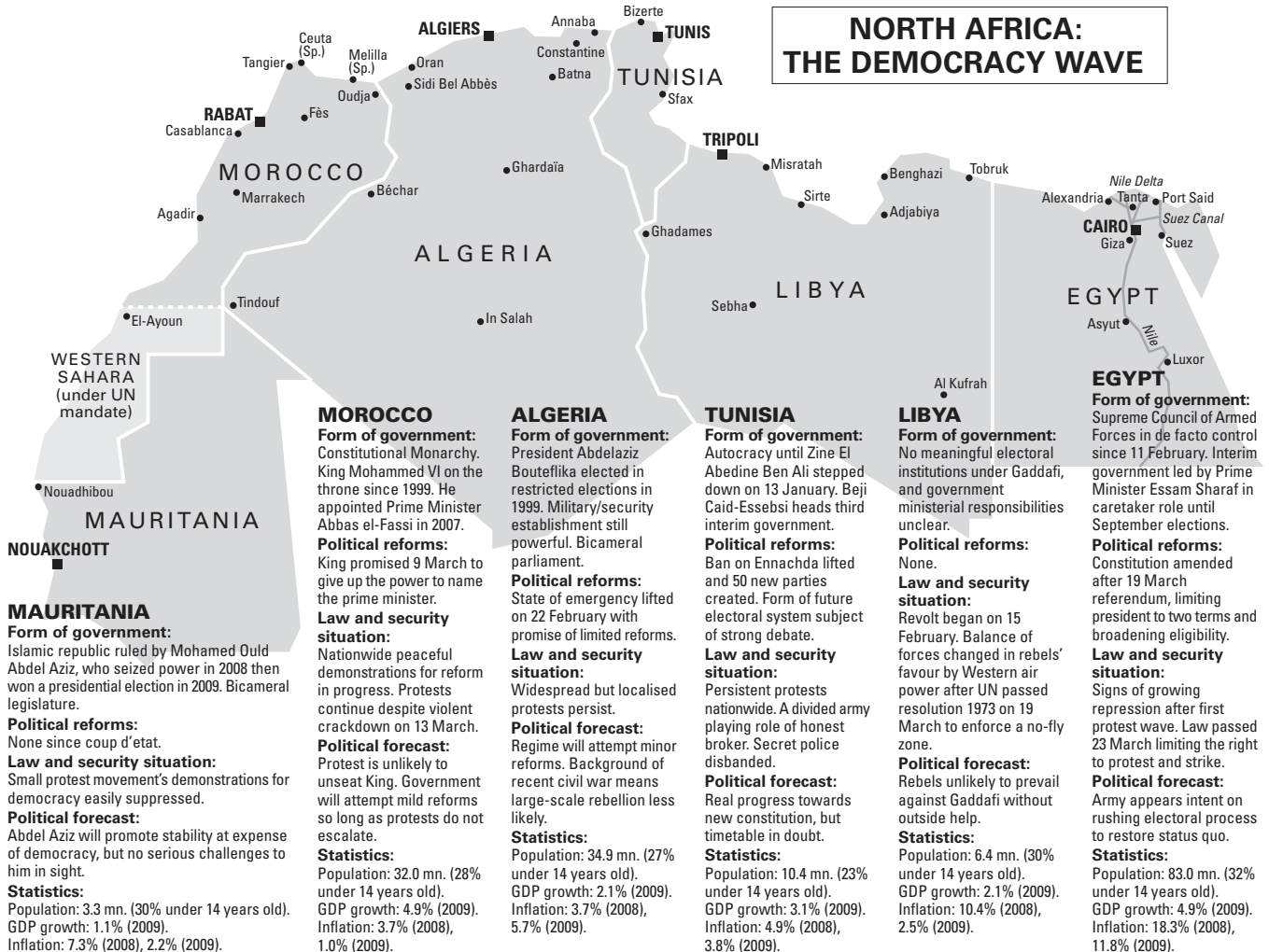
The *Mouvement du 20 Février* is named after the date of the first nationwide protests, which were followed by violence that left six people dead. They held three big protests in February, March and April, corraling supporters via Facebook, Twitter, the internet and mobile telephones. Smaller, localised demonstrations have taken place around the kingdom too, notably outside the notorious *Direction*

générale de la surveillance du territoire (DGST) detention centre at Temara on 15 May, where police dealt brutally with a peaceful protest, doing little for the authorities' attempts to forge a more tolerant image. The trial of *Al Massae* Editor Rachid Ninny did more damage.

The government headed by *Istiqlal* (Independence) party leader Abbas el Fassi will probably stay on until October. The commission the King established to propose constitutional reforms is to report to him on 16 June, after which the government is due to hold a referendum on the new constitution in July (AC Vol 52 No 9). If, as expected, this passes, there will be fresh elections. M6 has said that the party that gets most votes will choose the prime minister, which could be *Istiqlal*, the *Union socialiste des forces populaires* (USFP) or even the most active and best organised party in Parliament, the self-professed 'moderate Islamists' of the *Parti de la justice et du développement* (PJD).

The *Parti Authenticité et Modernité* was riding high a year ago but is now in crisis. Created in 2008 by the King's close friend Fouad Ali el Himma, PAM had emerged as a major force. Now it has imploded as political tensions rise in the country and El Himma has left the party. Like others in

NORTH AFRICA: THE DEMOCRACY WAVE



the inner circle, El Himma graduated from the *Collège Royal* founded by the late King **Hassan II** in Rabat to educate his sons alongside brilliant young students from all over Morocco. El Himma's resignation shows the growing pressures on the King. The business affairs and politicking of his inner circle are under heavy scrutiny, creating new problems for a sovereign whose rule has depended on the aid and advice of a small group of close friends and a wider circle of trusted aides.

The *Mouvement du 20 Février* and other critics point to the 'Benalisation' of business in Morocco, a reference to the requirement that **Tunisian** ex-President **Zine el Abidine Ben Ali** and his family to have a stake in every substantive business project. These complaints strike a chord with Morocco's growing middle class and even Casablanca business leaders. The **United States'** diplomatic cables published by WikiLeaks reported an ambassador's assessment of the 'appalling greed of those close' to the King. 'The 20 February is not really a mass movement, it brings only a few thousand on to the streets,' a local analyst told *Africa Confidential*. 'It's not Tahrir Square but what it has done is to spread a message and that message has been picked up by the middle classes. The King knows this and has reacted. His bottom line is to save the throne.'

The day after El Himma resigned on 17 May, he left for Paris. Shortly before, the most business-minded of the inner circle, the King's Private Secretary and emerging business magnate **Mohammed Mounir Majidi** decamped with his family to Florida, USA. People associated with him, such as the Chief Executive of the holding company *Société nationale d'investissement*

(SNI), **Hassan Bouhemou**, are losing their political protection and coming under a negative media spotlight.

TRANSITION CONTROL

Some in Rabat believe the King is getting more isolated. A few old friends remain, notably the competent and discreet director of his office, **Mohammed Rochdi Chraïbi**, and a few older generation advisors such as **André Azoulay** and **Bank al Maghrib** (central bank) Governor **Abdellatif Jouahri**. **Abdelaziz Meiziane Belfkih**, the technocratic advisor who built a substantial power base by overseeing royal appointments and the implementation of national development projects, died last year and has not yet been replaced. The political transition is under the King's control and he still has plenty of options left. However, the raising of public sector salaries and other expenditure in response to the unrest will add to the pressure on budgets.

An initiative for Morocco and **Jordan** to join the six-nation Gulf Cooperation Council (GCC), in which Jouahri and Foreign Minister **Taieb Fassi-Fihri** have played a role, will draw the King closer to the Arab monarchs' club, promising Arabian (Persian) Gulf money and oil to help to overcome problems. Critics fear it will slow the pace of political reform, as Gulf leaders exert greater influence.

Although urban professionals and workers are increasingly critical, the monarchy retains substantial support. The King is popular with many Moroccans, as is his wife Princess **Lalla Selma** (née **Benani**), mother of the eight-year-old Crown Prince **Moulay Hassan** and their three-year-old daughter, **Lalla Khadija**.

The King's status as national spiritual leader, *Al Amir al Mouminin* (Commander of the Faithful), has great resonance in the countryside especially – and among religious brotherhoods.

The royal family has responded to the challenge from the street by minimising internal divisions. The King's US-based cousin, the 'Red Prince' **Moulay Hicham**, who has long enjoyed strong support from Washington and Riyadh, has returned to politics following his illness, re-emerging in January as an exponent of change. Yet a visit from his powerful aunts and cousins earlier this year, insiders say, persuaded Hicham to soften his tone, even if he still has eyes on the throne. The King's brother **Moulay Rachid** is opposed to the reforms, we hear, but he is remote from politics and pursues a controversial playboy lifestyle.

Islamist groups want to exploit the *Mouvement du 20 Février* and Sheikh **Abdessalam Yassine's** not officially recognised *Al Adl wal Ihsane* (Justice and Charity) movement is taking to the streets to protest. Clashes are expected, again testing the authorities' new tolerance.

Despite internal differences, the PJD is building a power base among electors, working within the system. In government, it will push a 'social conservative' agenda. Ultra-radical groups which sprang up in the last decade are marginalised, despite the 28 April bomb that killed 16 people in the Argana Cafe in Marrakech's Djemaa el Fna square. By all accounts, the remote-controlled device was set off by a local Salafist cell. However, rumours of official involvement have gained traction in opposition circles and abroad, pointing to pervasive suspicion and a lack of trust in the King's commitment to reform. ●

MOZAMBIQUE

Coal train blues

Vast coal mines are ready to export millions of tonnes to Asia but disputes over transport and contracts are holding back the trade

Mining companies with a stake in Mozambique's 23 billion tonnes of coal reserves are seeking alternative export routes to Asia because of disputes between the government and **Indian** contractors over the railway line to Beira port. Opposition activists say the disputes point to a wider lack of accountability in contracts that benefit the government's business friends but produce little tax revenue.

In the short term, the lack of transport for bulk commodities could cause an export logjam. The delays are over technical, commercial and political issues. Some Mozambican companies, both state and private, hope

to earn large sums from the sale of the infrastructure companies running the export corridors, as well as from civil engineering contracts.

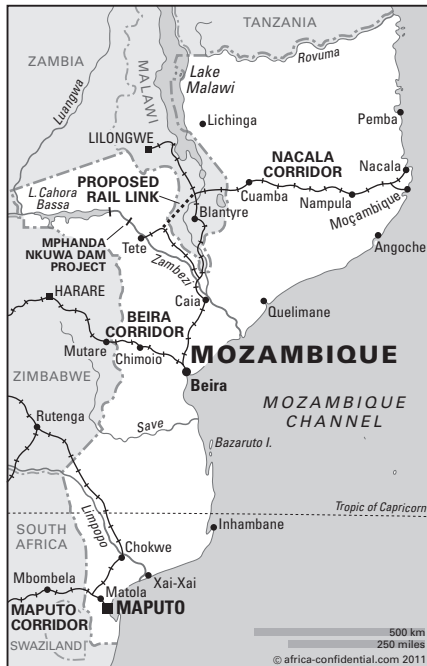
After its civil war ended in 1992, Mozambique tried to develop its mineral resources, including natural gas, mineral sands and phosphates, and massive coal reserves. The government offered generous tax rebates to foreign investors. It was criticised for focusing on projects that boost economic growth but create few jobs. The contract terms are secret, meaning that the taxation levels and incentives are unknown. Only in the case of Jindal Steel and Power, a branch of India's Jindal Group, which hopes to mine

coal on a massive scale in Tete Province, has the government revealed a schedule of rents and taxes.

Three corridors connect the Indian Ocean ports of Maputo, Beira and Nacala to Mozambique's landlocked neighbours, **Malawi**, **Swaziland**, **Zambia** and **Zimbabwe**. Most of the *Frente de Libertação de Moçambique* (Frelimo) government's efforts have centred on rebuilding the two most important routes for coal exports, in the centre and north to Beira and Nacala.

The Maputo corridor runs to Pretoria in **South Africa** and beyond, while the Beira corridor houses the Machipanda railway line to Zimbabwe and the Sena line to coal-rich Tete in the north-west. Rebels from the *Resistência Nacional Moçambicana* (Renamo) blew up the Sena, the only railway link between Tete and Beira 600 kilometres away, in 1983 at the height of the civil war.

It has taken years to rebuild. The Beira corridor is problematic for the Frelimo government because it is the only



city run by an opposition mayor, **Daviz Simango** of the *Movimento Democrático de Moçambique*.

The northern corridor runs from Nacala to the interior but the shortest route from Tete to Nacala runs across Malawi, where the country juts into Mozambique, and some 100 km. of track are needed to connect Tete to Malawi's Central East African Railway network. Recently, the **Brazilian** giant Vale acquired 51% of the concession of this *Corredor de Desenvolvimento do Norte* (CDN, Northern Development Corridor).

WHO'S IN CHARGE HERE?

Mozambique's relations with Malawi have been poor lately, so it has fallen to Vale itself to negotiate the building of the railway (AC Vol 52 No 5). Plans are still being drawn up but it is likely this will be a multipurpose line, rather than only for coal exports, and will offer benefits to Malawi.

So far, three large international mining companies have contracted to mine the coal in Tete, with Vale the first to break ground in early May. It hopes production will grow to an annual export rate of eleven million tonnes of coal, once at full capacity. **Australia's** Riversdale Mining (recently taken over by Rio Tinto) will start this year. Riversdale plans to produce 20 mn. tn. per year from Tete and is eyeing further concessions in the central province of Zambézia.

Jindal Steel and Power will start in 2012 and hopes to export 10 mn. tn. annually. Mozambique has published the rents and taxes expected from the Jindal project, a first step towards accountability. The Sena line, however, can carry only 6 mn. tn. per year. Vale and Riversdale are allocated 4 mn. tpy and 2 mn. tpy

respectively, meaning they are looking for other export avenues. Vale has set its sights on the CDN, while there are rumours that it could benefit from the current disputes over Sena.

Riversdale wants to send coal down the Zambezi River by barge to the Indian Ocean and this month released a feasibility study on the plan. Other officials and companies are sceptical about the plan, which involves the coal being moved from the barges on to ships from platforms in the open sea. Jindal is so far undecided about export avenues.

Currently, President **Armando Emílio Guebuza's** government is in dispute with India's Ricon consortium, which operates the Beira corridor railway. Ricon is owned by Indian state companies Rites and Ircon. In February, the national railway, *Caminhos de Ferro de Moçambique*, accused Ricon of breach of contract for poor construction and maintenance of the Machipanda and Sena lines.

'Not a single kilometre can meet the standards laid down in the contract,' declared CFM head **Rosário Mualeia**. He said that construction was a year behind schedule and would cost twice the initially projected US\$104.5 mn. estimate on which World Bank loans were based. The ballast on the permanent way was wrong for the line, meaning trains could derail, especially after heavy rain, and some stations hadn't been built, claimed CFM.

Ricon was given 30 days to correct the mistakes or forfeit the contract. The situation remains unclear, even after the expiry of the deadline. There is also confusion over who is in charge of the line and when it will be ready. CFM Executive Director **Cândido Jone** said in May that Ricon's contract was still in effect and that exports could start in August. Vale's then Chief Executive Officer, **Roger Agnelli**, declared that CFM had taken over the line and was confident that exports could start in July. Construction of the coal terminal at Beira port is incomplete. Resolving these issues is critical as coal exports need both a functioning railway line and a loading terminal.

Some independent observers are critical of Ricon's workmanship and maintenance on the line and say the government is not simply using the issues as a pretext to cancel Ricon's contract. However, pushing Ricon out would be convenient for Guebuza's officials. The government had never wanted to privatise the line in the first place and did so in 2002 only under heavy pressure from the World Bank. CFM wants to regain control of the main export routes which are key to the country's development.

In the north, Vale has gone to great lengths to secure an exclusive export avenue via Nacala, one of the best natural

deep-water ports on the eastern African seaboard. Yet in 2008, it exported only 850,000 tn. of cargo. Vale has bought a 51% share in the CDN, which includes the port, from Mozambique's Insittec Group.

Insittec, a holding company with interests in property, building and cement, has substantial shares in a major local bank, the *Banco Comercial e de Investimentos* (BCI), and the Mphanda Nkuwa dam project on the Zambezi. The company has received substantial privileges from the government and is linked to President Guebuza, we hear.

A **United States** Embassy cable written in 2009 and released by WikiLeaks last year claimed that Guebuza uses Insittec as a front company. According to **Joseph Hanlon**, a writer who specialises in Mozambique, there is no proof of Guebuza having a beneficial link to Insittec. Yet Insittec's Managing Director, **Celso Correia**, referred to as a '30-year-old pipsqueak' in the US cable, is a known protégé of Guebuza.

GOVERNMENT FAVOURITE

Some say Insittec plays a leading role in the government's development plans, which include a mixture of state sponsorship and private profit. Insittec benefits from special financing privileges and access to development projects, and is meant to ensure that national interests are represented in the projects.

However, it is clear that Insittec bought CDN without paying for it, kept it without investing any funds and has now sold it on at a massive profit. Shortly after the sale of 51% to Vale, Insittec announced the purchase of *Ceta-Construção e Serviços*, Mozambique's largest construction company, which operates mainly in the centre and north. This move will allow Insittec to benefit from the lucrative contracts likely to flow when Vale starts its upgrading work – worth as much as \$1.6 bn. – on the railway and port, as well as converting Nacala military aerodrome into an international airport.

Vale could turn the Nacala corridor into a regional export hub, Agnelli has claimed. 'The whole copper belt can export through the Nacala port,' he said at the opening of Vale's Moatize mine. South African billionaire **Patrice Motsepe**, who heads Vale's joint-venture partner in Zambian copper mining, African Rainbow Minerals, was standing beside him. Vale is aiming to double its investment with another \$2 bn. in the short term and is eyeing phosphate mining opportunities in the northern province of Nampula. There are also plans for an oil refinery in Tete.

The mining companies could profit greatly and Mozambican businesses are well positioned, but so far the benefits for the public and the state exchequer are much less clear. ●

Wade wants to stay on

Wade looks to farm prices and prestige for electoral success

Despite a growing sense that he is losing his political touch, President **Abdoulaye Wade** is determined to stand in February's presidential election, people close to him have told *Africa Confidential*. However, many people feel that the 85-year-old should retire and he faces a growing field of candidates. A widely respected top United Nations official and former minister, **Ibrahima Fall**, announced he was standing on 4 May, calling himself 'the solution for Senegal'. This blow to Wade was followed the very next day by the resignation of his Justice Minister, **Cheikh Tidiane Sy**. Wade may draw some comfort from the thought that Fall could take votes from the opposition as much as from him and that Sy was widely regarded as inept.

First, however, there is the matter of whether Wade may stand at all. This depends on how the courts interpret the 2001 constitution, which limits presidents to two successive five-year terms of office. Wade won the 2000 election, for a seven-year term, under the old constitution. He argues that the election he won in 2007 counts as his first term under the new constitution, which would give him the right to stand for a second in 2012. Most Dakar commentators believe that the courts will bend to government pressure and confirm his view.

Until mid-2010, observers wondered whether Wade would stand or hand the baton to his son, **Karim Wade** (AC Vol 51 No 15). In the wake of the Arab Spring, though, Karim has become convinced that the public would not accept a dynastic succession, say sources close to him.

The greatest risk for Wade Senior is not clearing 50% in the first round. An opposition united around a single candidate in the second round would stand a good chance of beating him, especially if the poll becomes a *de facto* referendum on his presidency. The causes of the current popular discontent are numerous: daily power cuts, few youth job opportunities, near permanent flooding in Dakar's sprawling poor districts of Pikine and Guédiawaye, an education system in tatters and spreading grand corruption, along with the rising visibility of conspicuous consumption by the wealthy.

Wade has increasingly staked the reputation of his presidency on one-off initiatives, such as the new international airport outside the capital, in preference

to long-term development strategy and poverty reduction. Donors are not pleased. Indeed, there is concern that despite a much higher per capita gross domestic product, Senegal might eventually be overtaken on key social indicators by countries such as **Burkina Faso** or **Mali**.

The government cut the share of the budget for health and education from 40% in 2010 to 35% this year, leaving almost no money for school buildings. Teachers' pay is delayed for up to seven months and their strikes cost the system half of all school days lost during 2008. Although 86% of children enrol in primary school, completion rates are much lower. Grandiose plans don't help. Even though 40% of all primary teachers have left school at 15, the government has just announced that all teachers must have the *baccalauréat* but without saying how it will fund this transformation.

The government wants to spend the money saved from education on ending urban power cuts. Wade Junior has launched the *Takkal* ('light yourself up') initiative to buy in short-term extra capacity before demand soars in the steamy summer wet season. The neglect of social priorities worries contributing countries. **Sweden** closed its main aid programme. The **Netherlands** has decided to focus its considerable spending power on 15

main recipients and Senegal is not one. Education policy contrasts strongly with the money spent on roads, the airport and the **North Korean**-built (and -styled), 49-metre African Renaissance monument.

All this fuels urban discontent and makes political progress harder for Karim Wade, whom the public identifies with grandiose projects. Many Senegalese believe the vacant vice-presidency has his name on it but they're not keen. Now, sources close to the leadership say, Karim has heeded the advice of his mother, **Viviane Wade**, and his sister **Sindiély** and has resigned himself to not getting the top job. The ignominy of **Egyptian** heir-apparent **Gamal Mubarak** after the fall of his father, President **Mohamed Hosni Mubarak**, has a chilling ring.

Wade Père refuses to see any downside to his own candidacy. Close associates report that he is utterly determined to stand unless the courts exclude him and considers his age irrelevant. He is much better known in the rural areas than his rivals and if he can get the vote out there, he could win. While basic rural services are meagre, he can claim real success for his campaign known as *Goana (Grande offensive agricole pour la nourriture et l'abondance)* to boost food output and farm incomes through subsidies.

There is also 'the street' to consider, though. Like their counterparts in Egypt and **Sudan**, hip-hop artists from poor Dakar districts have created a movement called '*Y'en a marre*' ('We've had enough!'). It uses social media and music to mobilise mass support among young people. Presidential strategists fear that if *Le Vieux* fails to win outright, he could well lose to the standard-bearer of a united 'All against Wade' opposition in the final run-off. ●

PEACE IN CÔTE D'IVOIRE, RELIEF FOR DAKAR

President **Abdoulaye Wade** warmly welcomed Ivorian President **Alassane Dramane Ouattara**'s victory at the polls. The two are politically close, which excluded Wade as a mediator during the subsequent unrest. Whatever Wade's other political difficulties, there is broad support in Dakar for his position on Côte d'Ivoire. When *Parti socialiste* leader **Ousmane Tanor Dieng** declared that **Laurent Gbagbo** was the true Ivorian President, political circles saw it as a serious blow to Dieng's credibility.

Foreign Minister **Madicke Niang** recently visited Abidjan, including the inner city Treichville district, as well as Yamoussoukro and Bouaké. 'The situation is beginning to normalise,' he said. He feels that the Economic Community of West African States handled the crisis well and helped to shape the United Nations Security Council's recognition of Ouattara. Niang, a lawyer, argues that the history of past violence in Côte d'Ivoire must be examined truthfully and thoroughly and only then should amnesties and pardons be considered. 'It's very important that reconciliation does not take the form of a kind of impunity,' he said. He refutes any suggestion that Gbagbo should escape trial.

Now Niang is turning his attentions to the threat which *Al Qaida* in the Islamic Maghreb poses in the Sahel. He wants a more coordinated regional stance, so that **Mali** and **Niger** are not left to stand in the front line alone against the jihadists. He has hinted, though, that aspects of **Algeria**'s approach risk alienating Sub-Saharan opinion. 'Unfortunately, Algeria is doing all it can to shut out **Morocco**,' he said. He thinks Algiers needs to accept that only a united front can successfully deal with the problem. Algeria has taken a commanding lead in joint regional policy on AQIM. ●

Prosperity and paranoia

Sinister rumours and grenade attacks coexist with the government's proud economic record

Weapons at the ready, soldiers and police line the main roads out of Kigali in the afternoons. Few of President **Paul Kagame's** critics speak out within Rwanda (AC Vol 52 No 3). Two of them, **René Mugenzi** and **Jonathan Musonera**, in exile in Britain since 1997 and 2001 respectively, were warned last

week by London's Metropolitan Police that their lives were in danger from the Rwandan government. Kigali dismisses the claims. Yet the incident signals new difficulties in relations between London and Kigali. We hear the British police who warned Mugenzi and Musonera were acting on a tip from France's external

security body, the *Direction générale de la sécurité extérieure*, which closely monitors Rwandan dissidents in France and Belgium. Growing security concerns in London have boosted scepticism towards Kagame among some British officials.

Yet the enthusiasm of British International Development Secretary **Andrew Mitchell**, a former Royal Tank Regiment officer, for Kagame's rule is undiminished and former Prime Minister **Tony Blair's** African Governance Initiative is still sending young British professionals to work in Rwanda's civil service. Mitchell's support is particularly important since DfID is cutting aid to other countries.

Certainly Kagame's regime has violent opponents. There have been several grenade attacks over the last two years. This year's deadliest, on 28 January in the Remera district near Kigali airport, came when a man on a motorcycle killed two people and injured about 30 others at a bus-stop. A similar attack on 1 March injured several people in Kigali's busy Nyamirambo area. Nearly 40 people have been arrested for involvement in the attacks. The authorities blame the *Forces démocratiques pour la libération du Rwanda* based in Congo-Kinshasa.

The FDLR is led by ex-officers of the former Rwandan army who, accused of the 1994 genocide of Tutsi and moderate Hutu, took refuge across the border. Others served in the *Interahamwe* militias under the former regime. Younger Rwandans have been raised and trained by them. In early May, the Intermediate Court of Huye issued an arrest warrant for **Lambert Havugintwari**, a Butare-based university professor, and an ambulance driver, **Alexandre Munyentwari**, accused of smuggling grenades from Burundi in an ambulance from Gakoma hospital.

The government aims to 'reintegrate' the exiles, 196 of whom completed an 'education session' on 12 May at the Mutobo demobilisation centre near Ruhengeri. One of them, former Colonel **Amour Bizimana**, says they took risks in returning home: if the FDLR's commanders discover their plan to defect, its special tribunals may execute or imprison them.

The grenade attacks help to explain the treatment of **Victoire Ingabire**, leader of the *Forces démocratiques unifiées-Inkigi* (FDU), whose trial was due to end on 20 June. The Kigali authorities have now given her another 35 days to prepare her defence. Her co-accused are former FDLR officers, Lieutenant Col. **Tharcisse Nditurande**, Lt. Col. **Noeli Habiyaemye**, Lt. **Jean-Marie Vianney Karuta** and Major **Vital Uwumuremyi**. They are charged with conspiring to create a military wing for the *Coalition des forces démocratiques*, seen by Kigali as close to the FDLR.

One of Ingabire's former aides, **Joseph Ntwangundi**, was sentenced to 19 years

BURUNDI: ALL THE WAY DOWN

Burundi has a few things in common with Rwanda. One is **United States'** gratitude for its soldiers' work in peacekeeping: Rwandans serve in Darfur, **Sudan**, and Burundians in the African Union Mission in **Somalia** (Amisom). Another is grenade attacks, far more of them in Burundi than in Rwanda. The big differences are corruption, feeble government and no investors. After visiting President **Paul Kagame**, General **Carter F. Ham**, head of the US Africa Command, went to Bujumbura on 11 May.

With the US Ambassador, **Pamela Slutz**, he thanked President **Pierre Nkurunziza** and his Defence Minister, Major General **Pontien Gacyubwenge**, for 1,000 extra troops sent in March, taking Amisom's strength to 9,000 men, half of them from Burundi. Forty have died there. The US Agency for International Development helps Burundi's coffee growers and traders to sell their produce. These deals have won Nkurunziza favours from Washington and other aid providers, says a Burundian former diplomat. The UN Special Representative in Burundi, **Karin Landgren**, congratulated the government on its progress in matters of justice. On 14 May, diplomats, including **Belgian** Ambassador **Joseph Smetz**, attended the opening of a new headquarters for the President's party, the *Conseil national pour la démocratie au Burundi-Forces pour la défense de la démocratie* (CNDD-FDD, AC Vol 52 No 3). It cost US\$15 million, about a fifth of the annual value of coffee exports, which bring in much of Burundi's foreign exchange.

Officially classed as a 'post-conflict' country, Burundi does not feel like that to its people. The rebel *Forces nationales de libération* (FNL), led by **Agathon Rwasa** rejected the municipal elections in June 2010 and then, with the other opposition parties, boycotted the presidential and parliamentary polls. Since then, things have gone downhill, as diplomats quietly acknowledge. The armies of both Burundi and **Congo-Kinshasa** have been mounting cross-border operations against the FNL in the Rukoko Forest, which straddles the frontier, according to a Burundi army source.

In April, 13 corpses, some in sacks, others marked by violence, were found in a riverbed, according to Aprodeh, a human-rights organisation. A defecting CNDD-FDD member of Parliament told *Africa Confidential* they were probably FNL fighters. They could have been from the CNDD-FDD. On 17 May, a grenade in a bar that its people use near Bujumbura killed two people and injured ten; nearby, shots were fired into some fuel tanks at a Bujumbura railway station. Fortunately, they did not explode. On 21 May, a body in a sack was found near the army camp at Bwiza, in the capital.

The official media usually fail to mention such incidents, saying that killings take place among hunters or fishermen. So fears and rumours spread. The Defence Ministry finally admitted that a rebellion was under way in an interview with the newspaper *Iwacu* on 13 May. The article accused Rwasa and **Léonard Nyangoma**, the original CNDD's former leader (now a fugitive), of being behind the trouble. Criticising the defence forces is not tolerated. For claiming that Burundi was too weak to resist a terrorist attack, **Jean-Claude Kavumbagu** of the Net Press agency was accused of treason, served six months in gaol and was released on 16 May. Opposition parties may be eliminated by a new law compelling them to have at least 1,700 members from each of Burundi's 17 provinces.

Coalitions are ruled out. Corruption finances luxury villas in Kigobe district, near Parliament, and the four-wheel-drives known as 'health centres', since they cost as much as a village dispensary. On 1 May, the trades unions protested against the requirement of a ruling-party card for a government job. As for the President, he spends a lot of time on provincial tours and on his bodybuilding in a stadium near the television station. ●

in gaol by a *Gacaca* (grassroots) court in 2010, for his part in a massacre of Tutsi at the Gitwe Agro-Veterinary Institute. Ingabire claimed that she was in Europe at the time but the Prosecutor General, **Martin Ngoga**, said he had proof that money was moved from FDU accounts in the **Netherlands**, where she then lived, to FDLR accounts in countries neighbouring Rwanda. The Defence Ministry claims to have documents proving the FDU-FDLR links. Telephone calls between Ingabire and FDLR commanders were described in a United Nations' report in late 2009.

Kagame and his team fear that his opponents are getting together. The Minister of Defence, General **James Kabarebe**, says he has proof of links between very different opposition groups. One consists of Tutsi senior officers who have fallen out with Kagame, notably Gen. **Faustin Kayumba Nyamwasa**, a former Chief of the General Staff and of Military Intelligence, and Col. **Patrick Karegeya**, now in **South Africa** – both associated with the Rwanda National Congress. Kabarebe accuses them of plotting with genocide suspects and *Mai-Mai* leaders in eastern Congo, to whom they are said to have sent couriers and logistical support. Kigali insists that these activists have agents shuttling between South Africa, Europe and the FDLR bases in Congo-K.

Sources in Goma, North Kivu, claim that the murder nearby in February of Col. **Emmanuel Nsengiyumva** was arranged by the Rwandan security services. The sources say the motive was Nsengiyumva's relationship with the Congolese Tutsi dissident, Gen. **Laurent Nkunda**, and

Gad Ngabo of the *Forces patriotiques pour la libération du Congo* (FPLC) militia, and the *Mai-Mai* group *Cheka*. The RNC leader, **Théogène Rudasingwa**, strongly denies collusion with the FDLR. Formerly Secretary General of Kagame's ruling *Front Patriotique Rwandais* (FPR), Rudasingwa has invited Kagame to 'stop throwing grenades at your own people'.

EXILES AND TAX DODGERS

Kayumba and Karegeya are admired by those senior officers and business people who dislike Kagame's anti-corruption campaign. They detest the Rwanda Revenue Authority, whose officials get bonuses for detecting tax fraud. Nor do they like finding their names in the pro-government daily *New Times*, which publishes regular lists of 'persons definitely convicted for corruption'. Punishments may involve fines of twice the detected bribe and up to seven years in prison.

Since Kagame's car was attacked in 2008, he is suspicious of Rwanda's elite, a diplomat tells us. For now, his critics are cautious because of the Military Intelligence department's spies. Others accept the status quo, fearing that undermining the regime could restart the instability that preceded the 1994 genocide. The ruling group will not relax its grip. It regards tight security as the precondition for the economic success which brought growth of 7.5% in 2010 and (according to the International Monetary Fund) made it one of the fastest growing economies in the world in 2001-10. In the region, the literacy rate of 70% is second only to Kenya's. Rwanda sees itself as a

regional hub. Within the *Communauté Economique des Pays des Grands Lacs*, it has offered engineers to help develop Congo's natural gas beneath Lake Kivu. Direct foreign investment doubled, to US\$380 million, between 2009 and 2010.

Broadband is about to spread from Kigali to Gisenyi, Butare and Gitarama. Kagame hopes to set up an information and communications technology centre with the **United States'** Carnegie Mellon University. Rwanda insists that it is Washington's most reliable regional ally; the Stars and Stripes flutters alongside the national flag on the Defence Ministry. On 11 May, the US Africa Command chief, Gen. **Carter F. Ham**, visited the Rwanda Defence Force and congratulated it on its peacekeeping in Darfur. The US expects Rwanda to help South Sudan build its new state. The US Army may help Kigali to set up a military academy and a training school for non-commissioned officers.

Yet the old friendship with France has been fading faster since February, when President **Nicolas Sarkozy** appointed **Alain Juppé** as Foreign Affairs Minister. Speaking to *Jeune Afrique*, a Paris weekly, Kagame said Juppé was not welcome in Rwanda. On 3 May, Juppé's Ministry told the French National Assembly's Foreign Affairs Commission that he wouldn't shake Kagame's hand until his government withdrew the Mucyo Commission's 2008 report, which accused France of playing a role in the 1994 genocide. At the time, Juppé had welcomed one genocide leader, Rwanda's then acting Foreign Minister, **Jérôme Bicomumpaka**, to the office of President Jacques Chirac. ●

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Djibouti/Sudan

SHAKY GUELLEH SNUBS ICC

■ In the face of growing internal opposition to his arbitrary rule and stolen elections, President **Ismail Omar Guelleh** has been strengthening relations with Sudan (AC Vol 52 No 7). He welcomed President **Omer Hassan Ahmed el Beshir** to Djibouti on 8 May for the inauguration ceremony for his third presidential term. The International Criminal Court has indicted Field Marshal Omer on charges of genocide, war crimes and crimes against humanity. Two years ago, though, Guelleh promised Khartoum he would not honour Djibouti's commitment to the ICC's Rome Statute, which it ratified in 2002 and which obliges it to hand Omer over to the Court.

The ICC has reported Djibouti to the United Nations Security Council (UNSC), so that it can 'take any measure they may deem appropriate'. European Union High Representative for Foreign Affairs and Security Policy **Catherine Ashton** issued a statement urging Djibouti to 'respect its obligations under international law to arrest and surrender those indicted by the ICC'. However, Prime Minister **Dileita Mohamed Dileita** told the **Qatari** newspaper *Al Sharq* that Djibouti would ignore the Court and demanded a 'halt to the arrest warrant against the Sudanese president' and support for peace in Sudan. In January, the African Union asked the Security Council to defer the indictment against Omer.

Since the ICC issued warrants for Omer in 2009 and 2010, he has visited two signatory countries: **Chad** in July 2010 and **Kenya** a month later. The UNSC took no action in either case, although it had initially ordered the ICC to investigate those responsible for the mass killing in Darfur and to issue indictments. Under pressure from internal opposition, Guelleh calculates that for the **United States** and **France**, which use Djibouti as a base for regional military operations, including anti-piracy and counter-terrorism, he is too useful an ally to undermine. At a time of radical change among bigger Western allies such as **Egypt**, his confidence could prove misplaced.

Ethiopia/Egypt

BLUE NILE BLUES

■ Egypt's revolution seems to have boosted prospects for a settlement with Ethiopia over the Nile waters dispute. Cairo's interim Prime Minister, **Essam Abdel Aziz Sharaf**, made a cordial visit to Addis Ababa on 16 May. The parties agreed on various joint commissions to allay Egypt's and **Sudan's** fears, which had increased in April when Prime Minister

Meles Zenawi relaunched the ambitious Renaissance Dam project.

Ethiopia wants the dam, which it says could generate 5,250 megawatts from the Blue Nile, to power the government's ambitious plans for commercial and industrial development. Meles says the dam could benefit Sudan and Egypt and has asked them to invest but they remain sceptical. Sharaf's approach, more conciliatory than ex-President **Hosni Mubarak's**, seemed to recognise that the 1929 and 1959 treaties, which give Egypt 85% of the water, were no longer tenable. However, Cairo worries about the growing demand on the river from other regional states. In May 2010, all the Nile Basin states except Egypt and Sudan signed the Cooperative Framework Agreement. This was a bid by **Burundi, Congo-Kinshasa, Ethiopia, Kenya, Rwanda, Tanzania and Uganda** to shift the balance of power southwards (AC Vol 51 No 17).

The Nile dominated meetings between Essam Sharaf's and Meles's teams. The two sides agreed that the Joint Ministerial Commission should be revamped to boost cooperation over the Nile. A committee of Egyptian, Ethiopian and Sudanese experts is to investigate the impact of the proposed dam. Addis has promised not to use it for irrigation: Egypt makes heavy use of the upstream Nile to irrigate its fields. Any new agreement will depend on what kind of government emerges from Egypt's parliamentary elections due in September and presidential poll in November.

Nigeria/Africa

THE FASTEST GROWING FAMILY

■ The United Nations' latest projection of world demographic trends predicts that Africa's population will reach 2.2 billion by 2050, 24% of the global population. Nigeria's population, according to the forecasts, will grow from its current 160 million to 230 million in 2025, 390 million in 2050 and then 730 million by 2100. Then it would become the world's third most populous country after **India** and **China**.

Beyond the politically charged issues of limiting population growth, the UN report predicts levels of pressure on the global ecosystem, which most government planners have yet to consider. Asia, whose fast-growing, land-hungry economies are already targeting Africa's natural resources, would still make up about 55% of the world's population by mid-century. Demographic forecasts are more reliable than other projections, mainly because of the data available on the next generation of mothers and the slow changes in life expectancy and mortality rates.

Fertility rates, the key variable, can change quickly as a function of state policy. Apart from **Afghanistan, Timor** and **Yemen**, the other countries where fertility rates exceed 4.5 children per woman are

in Africa. However, a suggestion by UN development advisor **Jeffrey Sachs** that Nigeria should limit families to a maximum of three children has won little support. Local officials dismiss it as 'impracticable'.

**World Population Prospects*, published by the United Nations Population Division, New York, 2011.

Kenya/Britain

BELLINGHAM BRINGS WARRANTS

■ Britain's Africa Minister **Henry Bellingham** was in Nairobi 'promoting British interests', officials said. However, few expected that to include delivering extradition warrants for two prominent Kenyans for fraud and money-laundering.

Bellingham met Attorney-General **Amos Wako** on 23 May to hand over the warrants from Jersey's prosecuting authorities, requiring that former Kenya Power and Lighting Company (KPLC) Managing Director **James Gichuru**, and **Chris Okemo**, a former holder of several ministerial portfolios, be extradited for trial in Jersey. If there is a *prima facie* case under Kenyan law against the men, the rules demand that the extraditions proceed.

The warrants charge the two with depositing proceeds of crimes in Jersey accounts in relation to commercial contracts, mainly in the energy sector, with the Kenyan government between 1997 and 2002. They also say the men inflated contract prices and that payments of £4.5 mn., 786,853 Danish kroner, and US\$3,207,360 went to accounts controlled by Gichuru and Okemo. The companies in question include **Finland's** Wärtsilä, the **United States'** Motorola, **Israel's** Coburg Investments, **Norway's** Kvaerner, British shipbuilder John Brown Engineering, **Spanish** power company *Union Fenosa* and Iberia Africa. Other companies named include Mott MacDonald, Ashdene, Ewbank Preece, Pauwels, Leopard Systems, Voith, Siemens, Gapco **Tanzania**, Genzl, W. Lucy (formerly Power Isolators 89), Cams International, JHR Consultants, South Wales Transformers, Capitan Europe, H Young and Intertec.

Gichuru ran KPLC from 1983 to 2003 and enjoyed close links with former President **Daniel arap Moi**. Both Gichuru and Okemo, the current Orange Democratic Movement MP for Nambale in Western Kenya and Chairman of the Parliamentary Finance Committee, were then prominent in the ruling Kenya African National Union party.

The pressure is on Amos Wako. As Attorney General when the contracts were approved, he gave both his signature and opinion on all bilateral contracts. No one in Nairobi's political circles believes that Gichuru or Okemo acted alone or that they were the sole beneficiaries of the contracts. The warrants indicate that the evidence against the men depends at least partly on statements by officials from the Western companies that made the payments.

[illegible]

failing to secure a Sudan Armed Forces (SAF) withdrawal from Abyei. Riek, who is believed to want to succeed Southern President **Salva Kiir Mayardit**, is building an international profile. He was an observer at May's Commonwealth meeting in Kuala Lumpur, indicating South Sudan's eagerness to rejoin the fold of Britain's ex-colonies, as well as **Malaysia's** importance to the South's oil sector.

With the SPLA, UN and interested governments seemingly powerless to reverse Khartoum's invasion of Abyei, in violation of 2005's Comprehensive Peace Agreement (CPA), the rapid militarisation of the border threatens Sudan's peaceful divorce, as do the Southern militias. Worryingly for the young Jubagovernment, not only did the UN's **Zambian** battalion perform lamentably in Abyei, the SPLA did too, as well as in confrontations with rebels in Unity, Jonglei and Upper Nile.

Khartoum has said it won't recognise the new nation unless the border is fully

demarcated and that UNMIS will no longer have a mandate north of the border. In London on 6 June, Foreign Minister **Ali Ahmed Kurti** insisted his government would recognise Southern Independence: such contradictions are regular NCP tactics. The Governor of Jonglei, **Kuol Manyang Juuk**, says Khartoum supports the rebels in the South, who now call themselves the South Sudan Liberation Army and are led by his former deputy, Lieutenant General **George Athor Deng**. He also says that defecting SPLA 4th Division commander **Peter Gatdet Yak** is bringing reinforcements directly from South Kordofan.

The defection of thousands of battle-hardened SPLA soldiers in April left a huge gap in the defences of the front-line state of Unity, with its vulnerable oil fields just south of the border. Local authorities turned to press-ganging recruits, scooping up schoolboys and UN and aid agency staff, including watchmen guarding a

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UN World Food Programme compound. Gatdet later claimed prisoners he had captured included young children.

Paradoxically, the SPLA is seriously overmanned. One senior staff officer told AC it needed to halve its numbers. In air power, armour and artillery, the SAF had a clear advantage, he confided, but in infantry, Khartoum couldn't compete. However, this meant the SPLA had to feed, equip and pay tens of thousands of troops that it couldn't deploy, which helps to explain why defence consumes over 40% of the budget. 'What can we do?' he said. 'If we try to dismiss them, they might be tempted to join the rebel militias.'

The SPLA has managed to quell at least one major insurgency: that of the former 'Northern' contingent of the Joint Integrated Unit under Maj. Gen. **Gabriel 'Tanginye' Gatwech Chan**, which comprises mainly former pro-Khartoum southern militia. They surrendered in Malakal on 25 April, easing tension in the Upper Nile capital. The SPLA also claims to have brought Murle militia leader **David Yauryau** back into line, reducing the threat to Jonglei. Yet the border remains a tinderbox. An attempt to free Tanginye from house arrest in Juba was foiled.

The militias' activity, and particularly their renewed use of land mines, is delaying emergency aid to the tens of thousands of people displaced into the South from Abyei, as well as the return of Southerners from the North. The militias are laying both anti-tank and antipersonnel mines, brand new and reportedly made in **Iran**. On 2 June, one exploded between Awila and Bon, in Unity, under a vehicle carrying supplies from Abiemnom to Mayom for an international non-governmental organisation. The driver and three passengers died, and a woman was seriously injured. Gatdet's people are angry, we hear, that the UN forces remove the mines as fast as they can lay them. There is suspicion that this particular mine was intended to stop UN 'interference', since UN cars are the main users of that stretch of road.

The 16 May festivities, anniversary of the foundation of the SPLM/SPLA, were symbolically held in Bor, capital of Jonglei and birthplace of the SPLM, and were intended as a dress rehearsal for the 9 July celebrations in Juba. ●

'FEAR... AND FICTION FROM CLOONEY'

Sudanese ministers are not used to being chased by protestors. Yet this is how Khartoum's Minister of Foreign Affairs **Ali Ahmed Kurti** left London's sedate St. James's Square on 6 June, his limousine pursued by some of the small band of demonstrators, from all over Sudan, gathered outside the Royal Institute of International Affairs. His on-the-record speech to a packed Chatham House was less energetic, as if he were weary of dealing with audiences ranging from the sceptical to the openly hostile.

The Foreign Minister avoided mentioning foreign affairs, including the United Nations Security Council's condemnation of his army's seizure of Abyei (see Feature). The UN is so rattled that it sent its Military Advisor for Peacekeeping Operations, Lieutenant General **Babacar Gaye**, to investigate UN troops' failure to protect Abyei's citizens. The NCP has said the UN Mission in Sudan (UNMIS) will be banned after 9 July.

Ali Kurti talked repeatedly about peace and about the 'sacrifice' his government had made to attain it. He assured listeners that the occupation of Abyei was not the 'last solution' and that the NCP would recognise the independent South.

The Deputy Representative of the Government of Southern Sudan, **Paul Malong Akaro**, accused the NCP of saying one thing and 'doing something completely different. This is totally unacceptable,' Ali replied: 'There are some people who are trying to spoil things in Abyei – it's not us.' A Southerner from the opposition United South Sudan Party wondered whether Abyei might justify Ali's indictment by the International Criminal Court. In fact, the Sudan People's Liberation Movement's **Luka Biong Deng**, who resigned as national Presidential Affairs Minister over the invasion of Abyei, his home, announced on 8 June that he would file a case against the federal government at the ICC. On 6 June, the Ngok chiefs appointed him their Special Advisor.

'No one was shot' in Abyei, said Ali, and no one 'chased out...It's only fear.' Photographs of burning homes were 'fiction from Clooney': **American** actor and journalist's son **George Clooney** has financed the Sentinel satellite project to monitor NCP military operations. However, UNMIS had also published photos of blazing huts, fleeing civilians and looted homesteads.

Ali Kurti blamed the SPLM and its inability to demobilise or regularise its 'guerrillas' (now forming the South's armed forces) for provoking the latest crisis. Yet he had his own 'guerrillas', having founded the People's Defence Force (PDF), deployed in various guises as proxy forces from the South to Darfur (including *Janjaweed*), from the Nuba Mountains to Abyei.

When *Africa Confidential* asked him whether he intended also to 'demobilise or regularise' these militia, he complained that the 'international community' had not helped with disarmament, demobilisation and reintegration as promised. The notion of foreign aid organisations trying to disarm the PDF is fairly surreal. The Northern DDR Commissioner is National Islamic Front veteran **Sulaf el Din Salih Mohamed Tahir**, former head of the *Muessessa Muwafag el Kheiriya* agency and later Humanitarian Affairs Commissioner. ●

Big cabinet, bigger problems

President Museveni's post-election reshuffle is more a political balancing act than a coherent response to unrest over high prices and shortages

President **Yoweri Kaguta Museveni** swore in a new cabinet on 6 June that seemed to be mainly about rewarding loyalists of the National Resistance Movement (NRM) rather than addressing growing economic problems. There was careful distribution of cabinet posts by region, but also a significant sacking, that of Vice-President **Gilbert Balibaseka Bukenya**. **Maria Kiwanuka** and **Irene Muloni** were surprise appointments at the ministries of Finance and Energy. One of the few leading players still to command Museveni's trust, **John Patrick Amama Mbabazi**, became Prime Minister, a reward for the successful management of the re-election campaign.

Bukenya faces a summons from the Anti-Corruption Court over a car-procurement scandal before the Commonwealth Heads of Government Meeting in 2007. He has been a marked man since his outspoken criticism of the NRM led to speculation that he harboured presidential ambitions. It was a question of when, not if, Museveni chose to allow the CHOGM charges to proceed (AC Vol 48 No 7). **Edward Kiwanuka Ssekandi**, who poses no political threat to Museveni, becomes the new Vice-President.

Sacrificing Bukenya might offer Museveni some relief from charges that he is failing to tackle corruption, although Mbabazi and Foreign Minister **Sam Kahamba Kutesa**, both of whom were accused with Bukenya, remain in place. Mbabazi loses a post for which he fought long and hard, NRM Secretary General. His style had alienated party rivals, not least his chief critic, Major General (Retired) **Kahinda Otafiire**, now Justice and Constitutional Affairs Minister.

The new government's first task is to repair a reputation battered by the brutal response of the police, army and security agencies to the Walk to Work protests (AC Vol 52 No 9). The protests stopped after the authorities tightened restrictions on **Kizza Besigye's** movements and are unlikely to resume soon. Drivers honked their horns instead. Besigye is in the **United States** receiving specialist eye treatment and is expected home later this month.

The protests gave **Kizza Besigye** a new lease of life after he lost the 18 February presidential election, leaving NRM extremists anxious to retaliate. Some in government circles want to resurrect the old treason allegations against him

but cooler heads favour isolating him by working with his members of parliament. Besigye has no seat in Parliament and his party has only 34.

Museveni has warned the media they could face restrictions over their coverage of the general crackdown and described journalists as 'enemies of Uganda's recovery'. He has also been conciliatory, though, giving over a dozen interviews and press conferences in the two weeks following his swearing-in on 12 May. He appointed his one-time spokeswoman, **Mary Karoro Okurut**, as Information Minister and asked her to streamline and centralise government communications.

Yet the protests have blown open the simmering tension within the security agencies. Inspector General of Police Maj. Gen. **Kale Kayihura** has fallen out with Defence Forces Chief Gen. **Henry Aronda Nyakairima** and General **David Tinyefuza**, coordinator of the security services. Nyakairima and Tinyefuza, both of whom once worked in the police, have publicly accused Kayihura of naivety in handling the protests (AC Vol 52 No 10).

MBABAZI'S PROMOTION

Since Kayihura's ally Mbabazi has been replaced at the Security Ministry by the returning but less influential **Willison Muruli Mukasa**, he has been seeking help from the President's half-brother, Gen. **Salim Saleh** (aka **Caleb Akandwanaho**), to whom Tinyefuza reports. There are other rivalries among the uniforms that are likely to worsen in the coming months. Nyakairima has also seen Museveni's Praetorian guard, the Special Forces Group commanded by Museveni's son, Lieutenant Colonel **Muhoozi Kainerugaba**, expand within the army, diminishing his influence.

Change was considered overdue in the security agencies, we hear, since they were caught napping by the *Al Shabaab* suicide bomb blasts on 11 July 2010. Lt. **Ronnie Balya**, who replaced **Amos Mukumbi** as head of the Internal Security Organisation, has brought some calm to the ISO. However, his counterpart at the External Security Organisation, **Robert Masolo**, does not see eye-to-eye with his deputy, **Emmy Allio**, who accuses Masolo of trying to kill him. In a sign of the residual dysfunction, Allio is apparently still in post but no longer working.

A former World Bank economist

and radio-station owner, new Finance Minister **Kiwanuka** inherits an unenviable situation. The next 2011/12 budget proposes cuts throughout the ministries. The International Monetary Fund is considering whether to approve Uganda's Policy Support Instrument, a key to lending, and will pronounce at the end of June. The Fund delayed the decision from February, when it criticised the government for supplementary spending before the election 'which put programme objectives at risk'.

Another newcomer in a key post is **Irene Muloni** at Energy, replacing **Hilary Onek**, who takes over at Internal Affairs. Onek's long-running rows with the Permanent Secretary at Energy, **Fred Kabagambe-Kaliisa**, has finally led to his removal. He was also unpopular with Tullow Oil following his outspoken criticism of the company in 2009 and 2010. Yet the Ministry is embroiled in new internal disputes, not least over the proposed US\$2 billion Karuma hydropower project.

Good news came on 31 May when **Britain** announced its aid to 2015 would total £390 million (US\$638.31 mn.), which it claimed was a 16% increase on previous years. Criticism from the **Netherlands**, and suspensions and cuts in aid earlier this year had suggested that contributing governments were taking a firmer line over fiscal indiscipline, corruption and human rights abuses. But the USA and UK are reluctant to push too hard.

The visiting UK Parliamentary Under-Secretary of State for Africa, **Henry Bellingham**, said in late May that Museveni should 'carry on the excellent work which he's doing in many ways in terms of the prosperity agenda [and] counter-terrorism'. Security remains high on the Western agenda. Museveni welcomed the International Contact Group on **Somalia** to Kampala on 2 June, with the Transitional Federal Government President, **Sharif Sheikh Ahmed**, in attendance (see *Somalia Feature*).

On the economy, Museveni hopes to square the circle with investments by Tullow, Total and the China National Offshore Oil Corporation in developing the oil industry, as well as from **Kenya** and new markets in South **Sudan**. Mbabazi, an effective administrator, is expected to oversee a big improvement in government efficiency, especially in the large public expenditure programmes on roads, agriculture and electricity. Parliament, where the NRM has a two-thirds majority, has been expanded to 375 members. The government has ballooned to 76 (26 full ministers and 44 state ministers) and districts to 118 (twice the figure of ten years ago). This gives Museveni a large network of political appointments with which to reward supporters and suffocate the cash-strapped opposition. ●

Attacks cause new crisis

With SADC leaders set to condemn the latest round of political attacks, the prospect of credible elections recedes into the distance again

The Southern African Development Community (SADC) was to discuss the Zimbabwe question in **South Africa** on 11 June, to the probable strong displeasure of President **Robert Mugabe** and his delegation. The talks, which focus on political violence and the partisan behaviour of the security forces, have been given an extra edge by the death in the weekend of 4-5 June of a police inspector, the bombing of the house of Finance Minister **Tendai Biti** and the serious injury of another policeman in a fracas outside a nightclub in the Harare township of Glen View.

South African President **Jacob Zuma's** report to the March SADC Troika – the presidents of **Mozambique**, **Namibia** and **Zambia** – blamed the violence on all the parties. That outraged Mugabe. His Zimbabwe African National Union-Patriotic Front (ZANU-PF) desperately wants the report withdrawn, but attempts to counter the damage by smearing Zuma backfired, as did efforts to question his appointment of **Lindiwe Zulu** to oversee the SADC 'road map'.

The state media's bid to brand ZANU-PF's partner in the Government of National Unity, the Movement for Democratic Change, as a violent party even included a vicious attack on **Kenya's** Prime Minister **Raila Amolo Odinga** as a 'man of violence' when he opened the MDC congress in May. Brigadier General **Douglas Nyikayaramba**, commander of the brigade overseeing the Manicaland diamond field, gave a media interview in which he trashed the MDC as an 'alien' force and predicted an overwhelming ZANU-PF election victory. Mugabe, he said, should remain President for life.

The circumstances of the Glen View fracas are still not clear. The dead police officer and his colleague were from upmarket Borrowdale on the other side of the city, rather than from the Support Unit that usually handles demonstrations. It is unclear whether they were even on duty but within hours of the violence, police had rounded up at least 15 Glen View MDC activists, regardless of whether they had been on the scene, and held them incommunicado. Official statements included calls to the allegedly lenient judiciary to hang the MDC culprits.

Police violence amply predates Independence in 1980 and a good beating is often seen as the quickest route to a

confession, even for non-political crimes. Yet over recent decades, routine violence has taken root at all levels of political life, not only between rival parties but between party factions.

The old magnates used patronage to keep the party faithful and the masses in line. Disputes centred on personalities, rather than national ideologies or factions. The magnates' local power has faded since 2000 and the rise of the MDC. In 2008, ZANU-PF lost every urban council in the country and the patronage that went with it. The centre's response has been to allow or encourage the growth of parallel structures alongside party ones and that normally means more violence.

In Manicaland, the old magnate **Didymus Noel Edwin Mutasa** is trying to regain face lost in his botched 2010 attempt to become National Chairman of ZANU-PF. Party structures are weak and the army is filling the gap. Brig. Gen **Nyikayaramba**, an uncompromising ZANU-PF hardliner, says he intends to ensure that ZANU-PF candidates are ex-army people or 'war veterans'. In Nyanga North, the MDC's **Douglas Mwonzora** and his supporters were arrested and gaoled after a violent clash with those of **Hubert Nyanhongo**, a former colonel anxious to relocate from Harare South, where he is the city's only ZANU-PF member of parliament. The ZANU-PF officeholders, Governor **Luke Mushore** and Chairman **Munacho Mutezo**, object to being bypassed.

EXPULSION AND CONFUSION

In Masvingo, war veterans' leader **Jabulani Sibanda** is back on the campaign trail, having been run out of Manicaland by the army. The MDC has also physically expelled him from several districts it controls, while ZANU-PF leaders led by **Stan Mudenge** complain at his attempts to impose candidates without authority.

In the Midlands, **Emmerson Dambudzo Mnangagwa's** home province, the naming of Air Vice-Marshal **Henry Muchena** in the succession stakes will create confusion (AC Vol 52 No 10). The Gweru police resuscitated a 2002 homicide case against five ZANU-PF activists, who have been gaoled for three years each. Police had the evidence for years but chose to sit on it.

In Mashonaland Central in 2008, the **Mujuru** faction complained that much

of the violence was directed against its supporters, until the alleged instigator, **Elliot Manyika**, died in one of those accidents that have plagued rising stars. Next to break cover could be the ambitious Youth and Indigenisation Minister, **Saviour Kasukuwere**, a former Central Intelligence Organisation officer who, as a ZANU-PF candidate in 2000, was implicated in the ambush of an MDC convoy and the fatal shooting of five MDC activists.

Joice and **Solomon Mujuru's** other stronghold of Mashonaland East has been relatively calm but the attempt to unseat **Tracy Mutinhiri** could alter that. Brigadier Gen. (Rtd.) **Ambrose Mutinhiri**, her estranged husband and fellow MP, has called on supporters to burn the cars of MDC members or independent journalists if they venture into his constituency. A formerly respected Governor and wealthy property developer, **Ray Kaukonde**, is trying to claw his way into favour and 15 of his supporters were arrested for violence against those of a sitting ZANU-PF MP.

Another would-be comeback is that of the Affirmative Action mogul **Phillip Chiyangwa**, who was Mashonaland West ZANU-PF Chairman until 2008. He hopes to be nominated for Chinoyi, then to bid again for the chair. His loyalty is in question, though, and Mugabe is blocking him, even though he is a relative. Since he leans towards Mnangagwa, hot contests are expected. The Matebeleland provinces are out of bounds for the ZANU-PF factions but **Paul Siwela** has been languishing in gaol on a charge of advocating secession via the Mthwakazi Liberation Front.

Premier **Morgan Tsvangirai's** faction, MDC-T, has similar problems. Its national congress in April was relatively successful, despite the emergence of factions that violently battled it out in the preceding provincial congresses, particularly in Masvingo and Bulawayo. Tsvangirai will not be unhappy with the outcome, although he had to cobble together a messy compromise to ensure that his man **Gordon Moyo**, the State Enterprises Minister, was installed in Bulawayo as provincial Chairman of an executive dominated by his rival. In the middle ranks, there was much horse-trading and vote-buying, which is bound to continue until the election.

At the subsequent MDC Youth Assembly, Tsvangirai struggled to neutralise calls by activists for revenge against ZANU-PF. **Nelson Chamisa**, the darling of Congress after his performances with the Youth and Women's leagues, went on to overwhelm the incumbent **Elias Mudzuri** as Organising Secretary and will have his work cut out to keep the lid on. The pre-election period promises to be bumpy, with both parties blaming their factional fights on the other. ●

The view and the cash from Arabia

The cash that Arab states are offering Somali politicians is doing little for regional stability

Mogadishu's troubled Transitional Federal Government (TFG) has taken another knock with a report by the head of the Public Finance Management Unit, **Abdirazak Fartaag**, revealing that at least US\$72 million in cash donations from Arab countries to Somali politicians had not been audited. The report detailed cash donations of over \$75 mn. to government politicians in 2009-10. Only \$2.8 mn. went into an audited account. **Libya** was the top donor, with \$26 mn. According to the report, **Sudan** gave \$21 mn., the **United Arab Emirates** \$21 mn. and **Oman** \$3 mn. 'If the government says I am lying, let them open their records,' Fartaag told reporters. The United Nations' mandate for Somalia's weak government expires in August, although some leaders may be forced out before that if the row is not resolved (AC Vol 52 No 1).

Fartaag says he based his findings on interviews with politicians who had knowledge of the cash, although the payments could be even greater than those he has uncovered so far. One Arab diplomat told *Africa Confidential* that **Saudi Arabia** used to give Somali President **Sharif Sheikh Ahmed** \$250,000 a month in cash to cover his office's operating expenses, as well as other occasional payments. Parliamentarians say they received cash-stuffed envelopes to encourage them to vote in line with presidential wishes; one said the payments were essential to the political process. 'We are not paid regularly but we have to sleep in hotels that are secure because our lives are in danger from *Al Shabaab*. How are we supposed to survive?' he asked.

Prime Minister **Mohamed Abdullah Mohamed**, who is a **United States** citizen, acknowledges that his government received money but is vague about the details and reluctant to provide records. The government had received nearly \$2 mn. from **Sudan** (allegedly cash-strapped) and \$10 mn. from the **UAE** this year alone, we hear. Mohamed says it makes sense for regional powers to support him. Gulf states worry that the Islamist fighters of *Haraka al Shabaab al Mujahideen* could take power and threaten their own regimes. **Saudi Arabia** would like the 600,000 Somali refugees it is hosting to go home. Fartaag also believes that Arab regimes want to

dilute Western influence on the TFG and Somalia more widely.

The government denied the wrongdoing claimed in Fartaag's report and said it would sue journalists who printed details from it. Information Minister **Abdulkareem Jama** claimed Fartaag had been fired in January but there is documented evidence of his presence on a diplomatic mission in February. Fartaag said he had heard nothing from the government since his report was revealed.

MONEY FUELS THE CONFLICT

The report and the government denials haven't excited Western diplomats, most of whom argue that the unwillingness of politicians to give up their positions and their access to money has fuelled the conflict. 'They know they're not going to be in power for ever, so they just steal as much as they can as fast as possible,' said one Western official, adding that the government would have to create public financial records 'at the very minimum' if it wanted more financial support. Arab regimes generally manage their countries' treasuries with little public scrutiny, although pressure for change is clearly mounting. None are prepared to disclose how much or to whom they make payments in Somalia.

Premier Mohamed says he has embarked on a programme of reform: there are new street lights in Mogadishu and some civil servants have been paid. He has been calling for more foreign aid for months, arguing his government has not got enough to fund the reforms. To help his case in Washington, he has retained the services of US former Senator **Alfonse Marcello D'Amato's** lobby firm, Park Strategies, for \$20,000 a month. The recent road repairs, encouraging to some, seem to many to be an attempt to justify past aid flows. Many services which the government claims to have funded, such as road-mending around the K4 roundabout or rubbish collection, were in fact paid for by Western aid funds.

The USA and European Union do not make payments to the TFG because of the lack of accountability. Western officials want the government to release its financial records and are trying to get Arab financiers to put their money into a special account set up and audited by *PriceWaterhouseCoopers*. Around

\$2.8 mn. from **Rwanda**, **Libya**, **China** and the **USA** went into that fund last year. **Norway** tried to finance some small projects directly through the government but had to give up after accounting procedures weren't followed. Experienced aid officials are sceptical about the government's claims of a lack of accounting skills, given the sophistication of some schemes to divert official funds for private gain.

Most of the \$1 billion that Western nations spend annually in Somalia goes to aid agencies or the African Union Mission in Somalia (Amisom), the 9,000-strong peacekeeping force that now holds about half of the capital on behalf of the government and is slowly surrounding the city's commercial heart, the Bakara Market, which is in insurgent hands.

Italy and the **USA** also pay Somali government forces but give the money directly to the men, so that their commanders don't steal it. A recent refurbishment of the government's main military camp, *Al Jazira*, funded by the **USA**, suffered a setback when Somali generals looted 41 containers of their contents of new equipment, including bathroom fittings. Fartaag's report came two months after the looting, on the same day that the UN Security Council delegation arrived in **Kenya** to deliver an unusually blunt message to the Somali government – to stop bickering and start working.

There is open hostility between President Sharif, a former geography teacher and Islamist rebel, later of the Islamist Courts Union, and the Speaker of Parliament, **Sharif Hassan Sheikh Adan**, an illiterate but shrewd businessman. Sharif Hassan has **Ethiopian** support and presidential ambitions of his own. Ethiopia, which shares a long and porous border with Somalia, is uneasy about the President's Islamist sympathies but also fears *Al Shabaab's* attempts to spread insurgency in the region.

The politicians may find the cash useful if Somalia tries to hold elections. The mandate of Sheikh Sharif's government was due to expire in August but Parliament unilaterally gave itself another three years in power, despite international opposition. Then, the cabinet announced it was extending its term for a year. The UN, EU and USA criticised the move, but regional governments have been more supportive.

Somali politicians say that is because some of the missing millions found their way into the presidential campaign funds in the recent elections in **Djibouti** and **Uganda**. Both governments are strong supporters of the TFG, Djibouti because it emphasises its own strategic importance to Western states and Uganda because there are diplomatic dividends to be

earned from providing the military backbone of the Amisom force. Foreign diplomats have little leverage and are wary of taking action against corrupt Somali politicians. The government knows Western governments and the AU would rather tolerate corruption than allow the regime to collapse and the country to fall to *Al Shabaab*.

Yet there is talk of expanding the mandate of a UN monitoring group to include recommendations for asset freezes and travel bans. US citizens could be investigated and charged by the Federal Bureau of Investigation. A Somali home linked to other corruption allegations was recently raided in Washington.

Abu Dhabi, frustrated that its cash donations kept disappearing, recently

tried to give aid in kind by endowing a private security firm, Saracen International (AC Vol 51 No 25). That backfired when the project fell foul of UN arms sanctions and links were revealed to Blackwater founder **Erik Prince** and his new company, Reflex Resources. The outcry forced Saracen, which has links to Ugandan President **Yoweri Kaguta Museveni's** half-brother General **Salim Saleh**, to cancel its plans in Mogadishu. However, its staff are still in Puntland, going around the drought-stricken region with water trucks on an intensive public relations offensive (AC Vol 52 No 9). The camp there has recently added an airstrip, we hear.

Back in Mogadishu, a few members of the bloated and inefficient Parliament are

asking questions. They want to summon the Prime Minister, Finance Minister **Hussein Abdi Halane** and the Auditor General before Parliament to answer questions on the missing millions before the end of June.

Legislators say that if the ministers won't open up the books, they will subject them to a vote of 'no confidence' and subsequent dismissal. Yet it's unclear how much support they will get from their Speaker, Sharif Hassan. He may want the presidency but he was also Finance Minister during much of the time documented in Fartaag's report, when his practice of taking a cut from every deal was so notorious that he earned the nickname 'Razorblade Sharif'. ●

NORTH AFRICA/SAHEL

Revolts change regional alliances

Incumbent regimes are reshaping their strategies to address the democracy wave and to maintain their anti-terror posture

As the 'Arab Spring' plays out across North Africa and the Middle East, the national uprisings are not only arousing new fear among ruling elites but also changing the shape of regional rivalries and alliances. The **Algerian** government, in particular, claims that the **Libyan** conflict has strengthened *Al Qaida* in the Islamic Maghreb, with Islamist networks in eastern Libya providing AQIM with men and weapons – just one reason why Algiers fears the consequences of the fall of **Moammar el Gadafi**. **Morocco**, meanwhile, claims that hundreds of Polisario Front fighters from the disputed Western Sahara have left to fight for the Libyan leader. A former **United States** Ambassador to Morocco, **Edward Gabriel**, has supported this claim.

French forces have lined up with **Mauritanian** troops against AQIM in **Mali**, raising issues of sovereignty. All North African governments are hoping that Europe will give them extra help, to cooperate in restricting the surge of illegal migrants seeking to cross the Mediterranean into the European Union.

Algeria and Morocco might reopen their land border, closed since 1994, which would give a fillip to the moribund five-nation Arab Maghreb Union. It is known by its French acronym, UMA (*Union du Maghreb Arabe*), and was set up in 1989 by Algeria, Libya, Mauritania, Morocco and **Tunisia** but has been ineffective ever since because of various bilateral disputes.

There is room for new friendships and the remaking of some alliances, says a

senior official of one UMA government: 'Regional unity is a popular subject.' Yet he conceded that King **Mohammed VI** ('M6') of Morocco would not give up his claim to the Western Sahara and that Algeria was highly unlikely to give up backing Polisario, at least while President **Abdelaziz Bouteflika** was around.

A NEW DYNAMIC

Talk of a rapprochement between the old rivals surfaced in March when one of M6's favourites, **Amina Benkhadra**, the Minister of Energy, Mines, Water and the Environment, visited Algeria. She raised the prospect of buying gas from a new pipeline from national oil company Sonatrach's giant Hassi R'Mel gas field, which she visited with her Algerian counterpart, **Youssef Yousfi**. Morocco has long refused to buy Algerian gas beyond the fairly small quantity from the Maghreb-Europe gasline that is used to fuel a power plant.

Larger purchases would be cheaper than importing liquefied natural gas but would add to Morocco's strategic dependence on its neighbour and regional rival. A few days later, Algeria's usually restrained Foreign Affairs Minister, **Mourad Medelci** (one of Bouteflika's old allies), declared that reopening the border was 'not the order of the day and we haven't mandated anyone to discuss it'.

Nevertheless, senior diplomats in both Algiers and Rabat told *Africa Confidential*, a new dynamic is in place. Senior Algerian officials have indicated that reopening

the land border is on the table (there have always been daily flights between Algiers and Casablanca). So is wider security cooperation and a cross-border crackdown on drug-trafficking, illegal immigration and smuggling. Algiers strongly condemned the 28 April bomb attack on the *Café Argane* in Marrakech (AC Vol 52 No 11).

Bouteflika, who was Foreign Minister in 1965-78, while the conflict over the former **Spanish Sahara** was unfolding, now sounds more mollified than usual. 'The Western Sahara problem is a UN problem,' he said. He called Morocco 'a neighbourly, brotherly country', adding that 'we have to cooperate'. In late April, Algeria welcomed 'with satisfaction' the United Nations Security Council's unanimous renewal for another year of the mandate of the costly UN ceasefire-monitoring group, the *Mission des Nations Unies pour l'organisation d'un Référendum au Sahara Occidental* (Minurso).

The resolution repeated the UN's call for negotiation between Polisario and Morocco but that did not go far enough for Polisario, which demands a clear UN-led mechanism to 'monitor human rights violations'. One European ambassador in Algiers thinks that younger Algerian politicians may wish to move on: 'A new Algerian approach to the Sahara will have to wait for after Bouteflika.' Meanwhile, 'continued personal problems between the two leaders may hold things back', said a senior diplomat in Rabat.

Algeria's relations with its eastern neighbour, Colonel Gadafi, were always troubled but Bouteflika's team is highly concerned that the Libyan leader's overthrow would boost the movement for radical change in Algeria, we hear. Algeria has supported the African Union's initiative, which would involve negotiating with Gadafi.

Official neutrality allows Algiers to avoid annoying **Britain**, **France** and the

USA. Many believe that Algiers provides covert support for Tripoli.

Mustafa Mohamed Abdel Jalil, head of Libya's opposition Interim Transitional National Council (ITNC) in Benghazi, has claimed that Algeria supplied military aircraft to transport arms and 'African mercenaries' to Gadaffi. There are also persistent reports that Algeria has sent fuel and hundreds of vehicles to the Tripoli government's forces, impossible though such convoys would be to mask from aerial surveillance of the desert frontier region. Algerian Interior Minister **Daho Ould-Kablia** dismissed claims that Polisario fighters were transiting Algeria to fight in Libya as 'pure lies', signalling that relations with Libya would deteriorate if the ITNC came to power. Senior officers, including the *Gendarmerie Nationale* Commander, Major General **Ahmed Bousteila**, have been beefing up border security in anticipation.

The Algiers establishment believes, unambiguously, that Gadaffi's collapse could be disastrous for the wider security of the Sahel and it hammered home the message when Ambassador **Daniel Benjamin**, the US State Department Counter-Terrorism Coordinator, came to Algiers. With **Usama bin Laden** gone, Algeria has told whoever will listen, the risk of *Al Qaida* establishing itself in northern Africa has become much greater. The US security establishment remains preoccupied with *Al Qaida* in the region but some are sceptical. 'Radical Islam no longer seems to be the central game,' one European government security analyst told *Africa Confidential*.

Algerian security sources have leaked documents backing Gadaffi's own claim that fighters from AQIM are taking part in the fighting in Libya, alongside militants returned from **Afghanistan** and **Pakistan**, and home-grown jihadists. A document circulated to Malian, Mauritanian and **Nigerien** top brass called on Sahel states to stem the flow of arms from Libya. Otherwise, AQIM might become 'the region's premier army', it warned. Leaks from the Malian security services, reported in the Algerian press, say that by March, AQIM had already acquired SAM-7 anti-aircraft missiles from Libyan sources.

ALGIERS WOOS SAHEL SPOOKS

The Algerian security establishment wants tighter counter-terrorism cooperation among the Sahel states, where Maj. Gen. **Mohammed 'Tewfik' Medienne**'s *Département du Renseignement et de la Sécurité* (DRS) has long wielded great power. It exerts pressure on governments such as Mali's and penetrates Islamist/criminal groups such as the AQIM cell led by former special forces soldier **Amari Saïfi** (alias **Abdel Razak le Para**, AC Vol 45 No 8), who is believed to be one of the AQIM leaders now held by the Algerian authorities in unclear circumstances.

In Algeria, AQIM is still able to pull off ambushes and kidnapping in its mountainous heartland but the group is believed to be heavily infiltrated and murderously divided. These divisions may have pushed **Abdelmalek Droukdel** (alias **Abou Moussab Abdel Wadoud**) from the top, to be replaced by **Yazid M'barek** (alias **Abou Obeida Youcef** or **Abou Youcef el**

Annabi). AQIM claimed responsibility for the suicide bomb attack on 8 March on an army barracks in western Niger but denied involvement in the *Café Argane* bombing, which would undermine its residual support in Morocco.

Morocco has been the only North African state openly involved in talks with Western powers over the Libyan crisis, attending coalition meetings in France, Britain and **Qatar**. Its ever-active Foreign Minister, **Taieb Fassi-Fihri**, met the Libyan Deputy Foreign Minister for Arab relations, **Omran Boukraa**, in Rabat on 19 April. Yet Rabat has since hosted ITNC members and may recognise the Council as Libya's legitimate government, effectively ruling out further negotiations.

Meanwhile, Morocco is remaking its wider alliances with the move to join, along with **Jordan**, the Gulf Cooperation Council (GCC), which could enable the kingdom to find the finance to help buy off the 20 February movement (AC Vol 52 No 11). Many Moroccans welcome the move as an appeal to national pride and a counterweight to Western influence.

Within the actual Gulf, Morocco's admission to the GCC was pushed by **Saudi Arabia** and Abu Dhabi. In Qatar, though, the ruling **Al Thani** family feel their role as privileged interlocutors with Western governments might be weakened by partnership with Jordan and Morocco, with their dense diplomatic and commercial ties to the West. Part of the deal, Moroccan sources told *Africa Confidential*, was that Rabat would get huge new funds but must let the Al Thanis continue with their grandstanding. ●

KENYA

Ocampo tries to protect the evidence

The Hague is set to hear the case against the Ocampo Six as attention shifts to disclosure of evidence to the defence

The trials of high-level Kenyans accused of crimes against humanity during the post-election violence of 2007-08 are set to go ahead, despite their government's efforts to protect them (AC Vol 52 No 6). On 30 May, the Pre-Trial Chamber (PTC) of the International Criminal Court in The Hague rejected the Kenyan government's claim that the cases were not admissible because it was pursuing prosecution at home. The ICC saw no evidence of this and rejected the application. Attorney General **Amos Wako** immediately appealed but few observers believe that he has any chance of success.

Attention is now shifting to the protection of witnesses and whether the hearings can be held in Kenya. On

3 June, the PTC gave the Prosecutor, the defence and the victims ten days to comment on the 'desirability and feasibility' of conducting its next hearings in Kenya. That prospect alarms those who understand the full reach of Kenya's security apparatus.

The issue of disclosing prosecution evidence to the defence has also come up. The Rome Statute says that the ICC 'may' share evidence with states or international organisations but is not required to do so. ICC Prosecutor **Luis Moreno Ocampo** does not want to do it, especially since the high-level suspects are still in power. Ocampo cited the disappearance of several witnesses in a case against the former minister **William**

Ruto as well as the murder on 27 April of the former Deputy Commissioner of Police, **Bernard Kimeli**, who was thought to have evidence concerning the post-election violence. Ocampo has been trying to keep disclosure of evidence to the defence to a minimum but the PTC ruled that he must release his evidence, subject to redactions intended to protect the identity of the witnesses.

Ocampo argued unsuccessfully that disclosure now would damage his case and force him to protect witnesses prematurely. The defence challenged the requests for redaction, prompting Ocampo to ask, 'Is the government of Kenya protecting witnesses or protecting the suspects from investigation?' He claimed that Kenya was not cooperating with the ICC, which the government denied.

ICC official **Phakiso Mochochoko** declared on 9 June that all the prosecution witnesses were now out of Kenya and under ICC protection. He also warned that the ICC was investigating reports that suspects were harassing witnesses, and said that the PTC could issue warrants in such cases. ●

Banda brothers on the attack

President Banda remains favourite to win the elections but the ructions caused by his sons' activism are chipping away at that margin of victory

President **Rupiah Banda's** dismissal of his friend and campaign manager, **Vernon Johnson Mwaanga**, at the urging of his sons **James** and **Henry**, demonstrates their growing political weight in Lusaka (AC Vol 50 No 25). Mwaanga, a political ally of Banda's for some 50 years, has been the main strategist behind all his electoral victories so far. Now, a new, First Family coterie is taking charge of the campaign for the presidency in October, even though friends and enemies alike think that will weaken Banda's electoral appeal.

Mwaanga really annoyed President Banda at a Kabwe conference of the governing Movement for Multiparty Democracy, by nominating two individuals for key party posts in preference to two others Banda favoured. When Mwaanga's candidates won, Banda sacked him as campaign manager and put in **Boniface Kawimbe**, a Deputy Education Minister and MMD founder. James and Henry Banda, however, had been gunning for Mwaanga for some time and we hear that Kawimbe, widely seen as a lightweight, may be acting as a front for the brothers.

In public, Mwaanga reacted calmly to the dismissal and refused to take offence or criticise President or party. Mwaanga is the most prominent victim of the growing

influence of the First Family. He was the head of the intelligence services under Founding President **Kenneth Kaunda** and key to MMD election wins since 1991. His enemies dubbed him 'MMD chief-rigger'. He has always parried by describing himself as an 'election strategist'. Opposition candidates accuse intelligence officers of having stuffed ballot boxes and altered counts in Banda's favour.

JEALOUS OF VERNON

Sources close to the presidency say Henry and James Banda have been jealous of Mwaanga's influence and want to handle the election funds themselves. They expect a large influx of cash. High copper prices have helped to boost the economy and observers believe that MMD finances are bound to follow suit, with **Chinese** and other mine-owners contributing lavishly to the party's campaign to encourage the continuation of their considerable incentives and generous taxation.

James and Henry Banda have been involved in several controversial government contracts and procurement deals, ranging from maize to road contracts. In July 2010, the state sold 75% of the telecommunications company Zamtel to **Libya's** LAP Green Networks for US\$257 million, a deal which key

stake holders and oppositionists strongly criticised. LAP is part of the Libyan African Investment Portfolio, which comes under the Libyan Investment Authority, the country's sovereign wealth fund. LAP controls telephone networks in **Côte d'Ivoire**, **Niger**, **Rwanda**, **Sierra Leone**, **South Sudan**, **Togo** and **Uganda**. Some financial experts link one of the Banda sons to RP Capital, a company that is believed to have earned nearly \$13 mn. for acting as valuers and advisors to the government on the Zamtel sale.

James Banda is viewed as the strongest voice in the family circle of advisors. His 74-year-old father has been ignoring counsel from the intelligence service suggesting that his children's behaviour was damaging his image. Former Defence Minister **George Mpombo** on 6 May told the *Zambian press* that when he was in office, President Banda had attempted to get him to influence a proposed \$100 mn. defence procurement on which James Banda would earn a 10% commission. The deal did not go ahead and from that point on, Mpombo said, his relations with the President went into free-fall.

Mpombo has also claimed that the tender processes of the Zambia Public Procurement Authority are under the control of friends of the Banda sons. He declared that the tender board system was 'a pure camouflage of illegal activities'. Mpombo has been a thorn in Banda's side since resigning in 2009, when he accused the President of abandoning the fight against corruption (AC Vol 51 No 9). On 5 May, Mpombo had pleaded not guilty to charges of theft and forgery which many believe are politically motivated.

A **British** public relations agency, Bell Pottinger, is acting for Banda in the election. As in previous polls, there is a strong move towards carrying out parallel vote tabulation, a method of using volunteer monitors at polling stations to help to prevent fraud. The government strongly opposes that and Banda has threatened such advocates with arrest.

Senior MMD members expressed surprise and disappointment that Banda should abandon a trusty, loyal ally like Mwaanga, calling it 'a risky, suicidal gamble'. Mpombo remarked that Banda had 'shot himself in the foot' and would not be able to replace Mwaanga's expertise. Several founder members and veterans have switched their loyalty to opposition leader **Michael Sata**, among them **Mbita Chitala**, **Bob Sichinga**, and **Mike Isaiiah Mulongoti**, the recently sacked Minister of Works and Supply. They calculate that Banda's reluctance to accept friendly criticism or block highhandedness by his family will cost the MMD dear. Banda's business allies, who relied on their connection to Mwaanga to win contracts, are frustrated by the new order. ●

SATA RISES IN THE WEST

The electoral fortunes of **Michael Sata** are improving, in what has become a two-horse presidential race. The conventional wisdom had been that Sata could not defeat President **Rupiah Banda** unless he was the joint nominee of his Patriotic Front (PF) and the United Party for National Development. 'If elections were held today, the President would definitely lose,' an intelligence officer told *Africa Confidential*. He claimed recent polling put Sata some 3 percentage points ahead of Banda; others question that.

However, Banda does still face serious problems in the western provinces, where secessionists are trying to build support for their campaign. The brutal handling of January's riots have fuelled opposition. Sata vowed to restore the Barotseland Agreement of 1964, if elected, during tours of the western Mongu and Senanga towns in late May in which he drew huge crowds. That Agreement granted important regional powers to the *Litunga* (king) of Barotseland, which were removed shortly after Independence in 1964.

Banda has warned his ministers that if the Movement for Multiparty Democracy lost power, a vengeful Sata would see them all gaoled. Sata accused Banda of being on a 'looting mission' on 28 May. 'At the rate we are going,' he said, 'if Zambians make a mistake of giving him [Banda] a second term or he gives himself a second term crookedly, I can assure you that [ex-President **Frederick**] **Chiluba's** corruption will look like a child's picnic by the time Rupiah leaves office.' Banda's concern is showing through increased expenditure on amenities in the slums, strongholds for Sata and the PF, and development projects. On 18 May Banda commissioned works costing one trillion kwacha (US\$208.77 million) on selected urban roads in the Copperbelt. Road repairs in Lusaka province worth K300 billion are also under way. None were in the 2011 budget. ●

Generating power and cash

The Richmond-Dowans scandal shows no sign of fading away but a US company is starting to provide electricity

Much of Tanzania struggles with power cuts lasting 16 hours a day while the government tries to deal with the mess created by the scandal over the overpriced Richmond generators (AC Vol 52 No 9). The **United States'** energy company Symbion Power has now bought the generators which have been idle since August 2008. Their combined potential output is 120 megawatts and Tanzania is short of an estimated 350MW.

Tanzanians are suspicious about the power shortages and reluctant to accept the official explanation, blaming turbine maintenance at power plants operated by the Songas facility, especially as water levels are currently high at the hydroelectric plants. Symbion Power did not reveal how much it had paid for the plant at Ubungu but energy sources said it was worth around US\$70 million. Symbion already has a presence in Tanzania installing electricity distribution systems, much of it financed by Millennium Challenge Corporation funds from the USA.

The Chief Executive Officer of Symbion, **Paul Hinks**, described the negotiations with Dowans as 'challenging' and admitted that past reports had prompted Symbion to carry out 'extensive due diligence' before proceeding. US former Ambassador **Joseph Wilson** who, with his wife, former US Central Intelligence Agency officer **Valerie Plame Wilson**, is portrayed in a Hollywood film about their political battles with US former Vice-President **Dick Cheney**, brings some added flair to Symbion as Chairman of Symbion Power Africa. Wilson is also a director of Jarch Capital, which is controversially busy leasing land in Southern Sudan.

We hear that the Tanzania Electricity Supply Company (Tanesco) had wanted to buy the generators but the government blocked that for reasons yet to be explained. The US Ambassador, Major General (Retired) **Alfonso E. Lenhardt**, endorsed the deal. Symbion has reported that the generating plant is in good condition, despite having been idle for so long, and has offered free electricity to Tanesco while it goes through the process of starting up operations and linking the power to the national grid.

Tanesco controversially assigned an emergency generating contract to Richmond in 2006 after drought had led to shortages in hydroelectric supply and then, when Richmond was found

incapable of providing power, passed it to Dowans Holdings on the insistence of ministers. Richmond sold its interest to Dowans, whose principal shareholder is **Omani Brigadier Gen. (Rtd.) Sulaiman Mohammed Yahya al Adawi**. Prime Minister **Edward Lowassa** and two cabinet ministers resigned in January 2008 (AC Vol 51 No 4) following revelations about their roles in awarding the contract in a parliamentary enquiry.

Richmond had won the contract against competition from established power companies, despite having neither valid registration as a business nor any experience in power generation. The parliamentary enquiry stated that Richmond had won the contract because of 'unrelenting favouritism by senior Government leaders'.

NO PROSECUTIONS

After Symbion's deal to get the generators working, questions are still being raised about why so few of the 23 recommendations of the Parliamentary Select Committee report on the Richmond affair, endorsed by Parliament, have been implemented. They included that the government review all contracts between Tanesco and Richmond-Dowans, Independent Power Tanzania Limited, Alstom Power Rentals, Songas and Agrekkio. It also recommended prosecution of Richmond and its owners for stealing from the government. None of them, including **Naeem Gire**, who signed the contract with Tanesco, has been charged.

The Select Committee's findings revealed that Tanesco was obliged by its contracts with the power companies to bear the costs of their repairs, maintenance, insurance, tax, legal services and more, regardless of whether or not they were supplying power to the grid. This cost Tanesco, the report said, an average of \$1.3 mn. per company per month.

Sources within the governing party, *Chama cha Mapinduzi*, said that although the report was highly damning, it did not hurt the CCM so long as the President was there to prevent any follow-up action and hinder any prosecutions. The enquiry was far from welcome, nonetheless, to the CCM leadership and rumours questioning the good faith of the parliamentary investigators circulated. They said that the Speaker, **Samuel John Sitta**, and Select Committee Chairman **Harrison**

Mwakyembe were intent on establishing a new political party and had slanted the report to help their cause. Both, however, are still in the CCM. Sitta and Mwakyembe considered changing allegiance but only after the CCM leaders, including President **Jakaya Kikwete**, tried to punish them for allowing the enquiry to go ahead.

The report also recommended that Tanesco should immediately terminate the contract with Dowans. It did so in August 2008 but the dispute then went to arbitration at the International Chamber of Commerce, which ruled in favour of Dowans in November and ordered the government to pay \$65 mn. for breach of contract. Now that the ICC judgement has been legally recorded in Tanzania, Parliament is not allowed to discuss the matter. The way is clear, we understand, for the principals in the Richmond-Dowans affair to leave the stage fully compensated and satisfied, and for the government to try and get past the issue.

A former CCM Treasurer and long-standing political ally of the President **Rostam Abdulrasul Aziz** is widely believed to have been the beneficial owner of Richmond and it is unclear if he has any interest in Dowans. Al Adawi said in February that Aziz was not the company's shareholder and that Al Adawi had granted him power of attorney in 2005 to act on Dowans's behalf because he was his 'friend of many years and had sufficient authority to represent my company.'

Despite countrywide protests, the government will pay the compensation to Dowans, CCM sources say, using the ICC judgement to claim that no other course was open to it. The Controller and Auditor General, **Ludovick Utouh**, told the media the government should take full responsibility for the pay out 'after interfering in Tanesco's contract mandate and obligations.'

Battles between the CCM leadership and Sitta and Mwakyembe continue. CCM sources insist that the two men acted unethically by championing state bodies against private enterprises that have benefitted CCM financially and cannot expect thanks for trying to kill the goose laying CCM's golden egg. There is speculation that some of the money from the ICC award may go into CCM coffers to finance the 2015 election campaign.

Similar allegations over the CCM campaign in the 2005 polls surround the \$116 mn. that was misappropriated in the External Payment Arrears scam, a major fraud perpetrated on the central bank, the Bank of Tanzania (AC Vol 49 No 22). Rostam Aziz's name also came up in that affair. Tanesco and its parliamentary supporters insist that it has been a political pawn and that all the actions for which it has been criticised proceed from direct orders it received from the cabinet. ●

Fuel crisis endangers regimes

Anger in the region at overpriced and scarce fuel is growing in the face of official complicity in a distribution corrupt system

High world fuel prices are stoking unrest and inflation in many developing economies but the situation in East Africa is spinning out of control due to a corrupt and chronically mismanaged distribution system. None of the regional governments can agree on the necessary reforms so the current system, much favoured by speculators, stays in place, causing perennial fuel shortages and skyrocketing prices.

Like the theoretical butterfly flapping its wings in **Brazil** and causing a tornado in Texas, a delayed shipment of petroleum products to the **Kenyan** port of Mombasa in April and a stuttering refinery unable to meet regional demand pushed up fuel prices and set the stage for weeks of street demonstrations across **Uganda**. This triggered a police and military crackdown from President **Yoweri Museveni's** government, whose re-election in April was strongly contested by opposition parties. Running battles left scores of people dead, and hundreds injured and gaoled (AC Vol 52 No 5).

ALL THAT GLITTERS...

In Kenya, long queues at petrol stations in early May provoked a public outcry, exposing the already unpopular coalition government to media ridicule. Kenyans have long suspected that the Ministry of Energy was favouring oil traders whose market presence was little more than a government licence over established companies with outlets across the country and beyond. A case in point is the unfolding saga of Black Gold Limited, which is at the centre of accusations of market manipulation and skewed procurement policies that have caused both shortages of petroleum products and sky-high fuel prices across East Africa.



In February, Black Gold was awarded the second highest quota to sell petrol products in Uganda. The allocation of 2.7 million litres was granted in Nairobi at the monthly petroleum auction, known as the Open Tender System (OTS), a process through which refined petroleum imports are distributed amongst East African oil marketing companies. The allocations are meant for 'ullage', the industry term for storage quotas (i.e. unfilled spaces) at the Kenya Pipeline Company's storage facilities in Kipevu, Mombasa. Those facilities are key to fuel distribution: they receive and hold the vast majority of petroleum products imported for all member countries of the East African Community and beyond.

The problem is that Black Gold Ltd. does not exist. It is registered in neither Kenya nor Uganda, where it purportedly distributed its products. Questions from local companies about Black Gold elicited a set of baffling responses from ministry officials in both capitals. Up to 7 June, officials at Uganda's Ministry of Energy claimed to have no knowledge of the existence of Black Gold. Efforts to trace the company's certificate of incorporation and its tax history at the Uganda Revenue Authority proved fruitless.

An exchange of letters between the Kenya's Energy Ministry and Kenol Kobil Ltd., a major industry player which has long criticised the government's procurement policies, reveals another surprise: although Black Gold was not on the government's list of registered marketers, it was an affiliate of a company known as Royal Energy Kenya Ltd.

Like **Burundi**, eastern **Congo-Kinshasa**, **Rwanda** and South **Sudan**, Uganda imports all its petroleum through the port of Mombasa, effectively exposing itself to the vagaries of Kenya's procurement process and putting fuel supplies in the hands of speculators. In October last year, the Ugandan government formally presented a list of companies nominated to Kenya's OTS, through which they would be allocated storage space at Kipevu.

There was a scramble for licences to secure a share of Uganda's market of some 110 mn. litres a month. Many companies suspect that politicians and their business allies pressured the licensing authorities to nominate companies they owned. The nominated companies would then have to partner Kenyan firms approved to bid

at the monthly petroleum auction. In a letter of 8 June, the Permanent Secretary in Kenya's Ministry of Energy, **Patrick Nyoike**, told Kenol Kobil's Chairman and Managing Director, **Jacob Segman**: 'I have established that [the February allocation] was allocated to Royal Energy Kenya as a transit cargo destined to Uganda for Nile Energy and Prime Petroleum [oil marketers registered in Uganda]. You may wish to ascertain that Royal Energy was allocated the subject volume through OTS.'

Nyoike reported that he had asked Royal Energy to explain its relationship with Black Gold, 'its alleged collateral financier'. Although Royal Energy Kenya Ltd. is a registered company, it has no known petroleum marketing outlets in Kenya. Nor does the Nyoike's explanation shed any light on why Black Gold was listed among its 46 petroleum marketers; under the rules of the auction, only approved marketers and suppliers, not their financiers, are recognised.

Kenya's Energy Ministry claims its liberal petroleum regime is designed to discourage speculators: licences are given only once there is proof of market presence and lines of international credit have been secured. Yet many of the companies routinely transfer their petroleum allocations among themselves, in contravention of Ministry regulations.

GHOST COMPANIES

As the Black Gold saga unfolded, **Frederick Kabagambe-Kaliisa**, the recently removed Permanent Secretary in Uganda's Ministry of Energy, revealed that a further six 'ghost companies' had been authorised in May 2011 to import 7.2 mn. litres of fuel from Kenya. 'There are companies that do not have a market share in Uganda that are getting petroleum products from Kenya (in our name),' Kabagambe-Kaliisa told the *Kampala Daily Monitor*, explaining that it was illegal for companies not registered in Uganda to trade there.

The result of all these illegal deals is that the region is now vulnerable to a prolonged season of market failures that have caused, and will continue to cause, chronic fuel shortages, pushing up the retail price of fuel and all the foodstuffs and other products transported around the region. There are systemic problems in East Africa's supply and distribution chain. The refinery in Mombasa, which desperately needs upgrading; a pipeline unable to pump fuel fast enough from Mombasa to the East African hinterland, despite a US\$100 mn. upgrade a few years ago; and the fact that Nairobi's six petroleum depots are privately owned and do not have sufficient haulage facilities. Combined with the marketing shenanigans, these exacerbate the fuel distribution crisis in East Africa as a

whole. 'The Kenya Petroleum Refinery is the biggest supply bottleneck in the distribution chain. It's like a cow with a very big stomach and very little flesh,' says one industry veteran. Now jointly owned by the government and Essar Ltd., an **Indian** conglomerate, the 48-year-old refinery at Changamwe in Mombasa supplies just under half of Kenya's petroleum needs. However, it is operating at only 40% capacity, is plagued by delays due to frequent power cuts and is designed to process only more expensive light crude.

Built in 1963 by Shell Oil, which took an equity stake in the refinery, along with seven other oil multinationals operating in Kenya. This gave those multinationals a dominant role in the region's oil marketing and distribution networks: in the 1960s, government policy was to import 70% of the region's required crude oil through the state regulated channels while allowing multinationals to import 30% through their individual distribution chains.

REFINERY POLITICS

When President **Daniel Toroitich arap Moi's** government liberalised the oil sector in 1994, the refinery served as a barrier to other smaller companies trying to enter the market. 'If the Refinery were to close today, pump prices would immediately fall by between 5 Kenya shillings (US\$0.12) and Ksh8 per litre. The decision to close the Refinery is political. The cabinet has said that it wants to keep it open and upgrade it. Economically, it wouldn't last a day,' says an industry source.

Two years ago, the government went into partnership with Essar, with a plan finally to upgrade the refinery. Initially, offering a 50% share ownership of the plant at \$30 mn., the government was forced to cut the price dramatically when Essar discovered a massive stock shortfall. The Indian company successfully negotiated the price down to \$5 mn.

Although the government insists that, two years later, it has finally persuaded Essar to proceed with the upgrade, some companies are sceptical. Many believe that Essar would prefer to turn the 300-acre (121.41 hectare) plot on which the refinery stands into a strategic storage facility in the near future. Given that regional demand continues to outstrip supply, if Essar were able to build such a massive storage facility, it would have huge commercial power as a gatekeeper for the region's fuel supplies.

Perhaps Essar could build its storage facility and back the refinery upgrade as well. According to Nyoike, it will cost \$1.1 billion and four years to upgrade the refinery. He adds that Stanchart PLC and Citibank Kenya Ltd. are to lead the financing arrangements for the project.

The rise of small independent firms, which have been allowed to compete for business as the government tries to cut its dependence on multinational companies, has also complicated the commercial and regulatory arrangements. In its efforts to liberalise imports and bring down prices, the government started to use 'spot-tendering', a procurement policy under which several different suppliers can compete for a contract to import

petroleum. This system frustrated the multinational companies and many closed their operations in East Africa. The problem with spot-tendering is that it promotes competition which can favour trading companies as opposed to major oil production companies, sometimes at the expense of guaranteed supplies delivered on time.

'Under the Open Tender System, what possibilities of long-term relationships with merchant oil refineries in the Indian Ocean Rim were replaced by spot acquisitions, thus allowing big international oil and commodity trading companies such as Trafigura to become the main oil suppliers for the country and the region?' asks an industry specialist.

NO STRATEGY

There is no grand national, let alone regional, strategy to address this dysfunctional and politically dangerous system of fuel distribution in East Africa. Although some are pressing for radical reform of the regional governments' fuel procurement policies to promote efficiency and more accountability, ministry officials prefer to talk about 'upgrades' and 'tweaks' rather than radical reform. They insist the system is not broken.

Many in East Africa differ from that view, arguing that the current system causes chronic shortages and drives up fuel prices as social discontent rises. Last month, there was fighting on the streets of Kampala; later this year, there could be bigger trouble still in other cities in the region. ●

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Namibia

TRIAL BY PROCRASTINATION

■ Due to open on 1 June, the long-awaited Avid Investment Corporation trial, involving claims over the embezzlement of 30 million Namibian dollars (US\$4.3 mn.), has been postponed yet again. It will probably not happen until next year.

The trial was to have seen seven defendants connected to senior members of the governing SWAPO (formerly South West African People's Organisation) prosecuted for fraud and Companies Act offences. Four of the accused then raised a constitutional challenge on which the Supreme Court must rule before the trial can proceed (AC Vol 52 No 11). The appeal is against two sections of the Criminal Procedure Act that put the onus on a defendant to prove that he or she did not deliberately mislead others about key issues in the case.

Three people accused in the Teko Trio case of skimming off US\$13 mn. from a \$55 mn. deal are making similar appeals that will cause further delays. In this case, the name of Chinese President **Hu Jintao's** son **Hu Haifeng** emerged amid the legal argument (AC Vol 50 No 16). At the centre of the case is the legitimacy of a payment arrangement between China and SWAPO for the supply of industrial scanners.

The political stakes are high: in the Avid case, directors named former President **Sam Nujoma** as a silent shareholder in their company to help convince the Social Security Commission to hand over N\$30 mn. for investment. The case is now listed for 28 July but defence lawyer **Sisa Namandje** has indicated he would not now be available until next year.

Central African Republic

RITUAL KILLINGS SPARK RIOTS

■ Three days of clashes in Bangui sparked by the discovery of the corpses of two young boys on 31 May, believed to have been ritually murdered, show the growing fragility of the regime of President **François Bozizé**. His security forces killed at least twelve people and wounded a dozen others as mayhem broke out in the capital. This will only strengthen opposition to President Bozizé.

Rumours spread about foreigners using sorcery, and rioters set fire to mosques and looted shops, venting their anger on popular local targets – **Nigerians**, **Chadian** traders and Muslims. The army imposed curfews for several days. The poor of Bangui sometimes resent Muslims, who are more numerous among traders and shopkeepers, because they seem better off and often do not speak

Sango, the main language of most of CAR. Muslims generally hail from the isolated north and north-eastern parts of CAR.

This notion is exacerbated by a popular view that the government of Chad is the main prop of President Bozizé who, although elected in January 2011, is unpopular in many quarters and whose election was widely believed to be unfair. Chadian mercenaries were critical to his seizure of power in March 2003 and some remain in the Presidential Guard. Popular resentment grows when, as frequently occurs in Bangui, Chadian traders involved in disputes with local people benefit from the support of their armed countrymen in uniform.

To many, the recent unrest was long expected, as the ethnic enmity merged with a post-election let-down. Many of the poor expected change, only to find political power monopolised by Bozizé's relatives, their wives and mistresses, while the daily grind of poverty takes its toll. This view was on show, peacefully, at the funeral on 21 May of the former President, **Ange-Félix Patassé**, when mourners abused and heckled Bozizé several times. Yet in early June, his enemies felt no need to exercise the restraint they showed at the cemetery.

South Africa

MALEMA AND ZUMA FOR BREAKFAST

■ The African National Congress Youth League's 24th annual conference convenes on 16 June with a new feature, the 'Business Networking Lounge'. Under the rubric of 'Youth Action For Economic Freedom In Our Lifetime', business people can share a bacon and egg breakfast with ANCYL leader **Julius Malema** and President **Jacob Zuma** for up to R50,000 (US\$7,400) per person (guests may opt for the halal, kosher or vegetarian option instead).

The ANCYL describes all this as not a compromise of its often-radical political agenda, but a chance to 'mobilise business behind our ideals'. In exchange for their cash, business people will also be allowed free rein throughout the three-day conference and may sit in on closed sessions, where the media are excluded, and where, League Treasurer **Pule Mabe** says, 'history will be made'. The **Anton Lembede** 'Founders' Package will set you back R50,000 per person, with the **Oliver Tambo** 'Homecoming' Package admitting two for R80,000, while the **Nelson Mandela** 'Volunteers' Package gets you three tickets for R120,000, and the de luxe **Walter Sisulu** 'Recruiters' Package welcomes a delegation of five for R180,000 (US\$26,700).

Mabe, the ANCYL Treasurer, said that the more you pay the better your access. 'If you take the more expensive packages it will influence where you sit during the breakfast. You will sit in a much more

prominent place and won't be stuck in a corner,' according to the local *Mail & Guardian*. The conference is at the large Gallagher Convention Centre in Midrand, a venue more accustomed to hosting events like Pumps, Valves & Pipes Africa 2011, Professional Beauty 2011, The World of Dogs and Cats and Pet Expo 2011, or even Sexpo, the Health, Sexuality & Lifestyle Expo. The Convention Centre did not find space on its website to list the ANCYL conference among its upcoming events.

Full and partial nationalisation of key parts of the economy, chiefly mining, are high on the ANCYL agenda. That could make for interesting conversation between captains of industry and leaders of revolutionary youth over the corn flakes.

Sudan

KHARTOUM'S DEBT THREAT

■ The Khartoum regime will face growing financial pressure after the formal split with the South on 9 July. That is partly why its Finance Minister, **Ali Mahmoud Abdel Rasul**, chose to step up its appeal for debt relief at the annual meeting of the African Development Bank (AfDB) in Lisbon, **Portugal**, on 9-10 June.

The Minister, a Rizeigat Arab from Darfur (AC Vol 51 No 13), presented Khartoum's 'zero option' for a debt deal: that it would agree to take on all Sudan's foreign debt of around US\$38 billion on condition that it was able to secure substantial debt relief from the main multilateral and bilateral creditors and commercial banks. About one-third is owed to Western governments which are members of the Paris Club of official creditors.

A technical committee of economists from the AfDB and the World Bank has already started work on a framework for restructuring Sudan's debt. However, this would depend critically on the ruling National Congress Party regime reaching a political accommodation with the European Union and especially the **United States**. The NCP (previously, National Islamic Front) government remains on Washington's list of terrorism-supporting states and is therefore excluded from economic assistance programmes.

However, if its bid for debt relief fails, the Khartoum government says that it will abandon the 'zero option' and insist that the massive \$38 bn. debt liabilities are equally shared between the new Northern and Southern Sudan states after 9 July (Khartoum also insists that the North will still be called 'Sudan').

Given that much of that debt was money borrowed by the Khartoum regime to buy weapons to attack the South and given that the South will be one of the poorest countries on the planet, there seems little prospect that the Southern President, **Salva Kiir Mayardit**, will agree to such a proposal.

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President Jonathan's election victory on 16 April over three northern candidates, including opposition frontrunner General **Muhammadu Buhari**, prompted widespread clashes in Kaduna, Kano and Bauchi states. Students and unemployed youths were at the forefront of the protests, which targeted traditional symbols of authority in the north: the palace of the Sultan of Sokoto and the homes of several other Emirs and prominent northerners seen as having backed Jonathan's campaign and sold out their own people. Islamist groups such as *Boko Haram* and *Hijrah* concentrated on disrupting the elections by attacking registration centres and polling stations. They can now exploit the discontent in the aftermath of voting.

It seems their tactics are working: security sources speak of training camps of Hausa-speaking Nigerians in **Burkina Faso** and **Niger** as well as a wave of new recruits to *Boko Haram* across northern Nigeria. It's harder to trace the international links, but some officials are

taking seriously claims from *Boko Haram* that their militants, including bomb-makers, have been training in **Somalia** alongside *Al Shabaab* and *Al Qaida* operatives. There are also small, highly mobile affiliates of *Al Qaida* in the Islamic Maghreb across the Sahel, which could provide the training and the materiel to launch the type of bombings and guerrilla attacks that *Boko Haram* favours.

Much has been made of the claim that the Abuja bombing was a suicide attack but the evidence of that is inconclusive. It looks more likely that the car bomb was either detonated externally or on a timing device and the driver failed to escape in time. Whatever the degree of outside backing for it, *Boko Haram's* attack on police headquarters has prompted government to rank it as a bigger threat than the militants of the Niger Delta (see Box). Unlike the Delta crisis, there is little sign that the government has a political strategy to tackle *Boko Haram*, whose operations are linked to growing alienation in the north.

The new Governor of Borno State, **Kashim Shettima**, has tried to talk to *Boko Haram*, which states that its preconditions for negotiation are the release of all its members from police custody, the implementation of *Sharia* in all states where Muslims are in the majority, the prosecution of all police officers involved in the killing of Mohammed Yusuf, and the release of a report on human rights abuses in Borno State in 2009 (written

by a committee headed by the former National Security Advisor, Major Gen. [Retired] **Abdullahi Sarki Mukhtar**).

Jonathan's inner circle of veterans of the Niger Delta may see the benefits of pursuing a political track alongside the security organisations' efforts to stop *Boko Haram*. Tactics such as offering contracts and other commercial inducements, which have sometimes proved effective in the Delta, would be much harder to employ in the north, where economic opportunities are at a premium. Nor can Jonathan be complacent about security in the oil-producing areas; some groups have called on Delta militants 'to protect' southern interests against attack in the north.

Other Delta militant factions want to resume the fight against the Abuja government. Writing from the **Jomo Gbomo** e-mail account on 6 June, the Movement for the Emancipation of the Niger Delta (MEND) announced a resumption of hostilities, naming the Italian oil giant ENI as a target. 'ENI and its subsidiaries are simply thieves and cheap opportunists,' wrote Jomo. The resumption of an oil war would mark the latest public split among militant leaders.

It is said that the Okah family has detested Jonathan ever since he worked for the late President **Umaru Musa Yar'Adua**, visiting MEND leader **Henry Okah** in **South Africa** to urge him into the official amnesty programme in July 2009 only months before his arrest in **Angola** on arms-trafficking charges. The Okahs also seem to be on a collision course with the majority of gang bosses who declared support for Jonathan after his election.

In support of Jonathan, **High Chief Government Ekpemupolo ('Tompolo')** finds his power growing daily. A few years ago, the Joint Military Task Force in the Delta deployed most of its strength to reduce his base in Gbaramatu to ashes (AC Vol 50 No 11) but left the High Chief alive. Now he is accused of going over the heads of Jonathan's ministers. One source said Tompolo had backed the award of the Kurutie Land project to El Markem Ventures, his preferred bidder; the former Minister for the Niger Delta, **Ufot Ekaette**, had initially awarded the contract to a rival company.

Chief **Mike Johnny** complains that Tompolo and his set get the most lucrative contracts in the Gbaramatu kingdom, the heartland of the Ijaw, the Delta's largest minority group. Ijaw elders opted to award the Bomadi Foreshore Protection contract to another favoured Tompolo company. Johnny has petitioned Chief **Edwin Kiagbodo Clark**, Chief **Bare Etolo** and Elder **Godsday Orubebe**, who took over the Niger Delta ministry from Ekaette. Disputes over infrastructure contracts could disrupt the relative calm in the Delta and security officials know it. ●

POWER TO THE PEOPLE, PROFITS TO THE CHIEFS

Community control of oil can worsen local strife, to judge by the experience of the Neconde Group, which won the bid for Shell's 45% of Operations Management Licence (OML) 42. Shell, the dominant oil company in the Niger Delta since 1959, has this year been moving quietly offshore, having auctioned its stakes in four oil mining leases in the Western Niger Delta. The leaked WAC Services report of 2004 predicted that security on land would make onshore production unviable (AC Vol 45 No 13).

Neconde, which has acquired OML 42, includes Kulczyk Oil Ventures, owned by the Polish billionaire **Jan Kulczyk**, which as a technical partner will hold 20% of Neconde's equity. The Neconde Group also includes the Nigerian firm Nestoil and a community-backed company, Nocode. This fact, significantly, was announced by **Miabiye Kuromiema**, President of the Ijaw Youth Council (IYC), the Delta's largest community organisation, which has been resisting the central government for the last decade.

Among the militant leaders, a fight is brewing over the presidency of the powerful IYC, with President **Goodluck Jonathan's** amnesty boss, **Kingsley Kuku**, acting as kingmaker. The last such manoeuvre, when **Peter Odili** as Rivers State Governor attempted to place **Mujahid Dokubo-Asari** at the head of an 'official' takeover of the IYC, produced Asari's Niger Delta People's Volunteer Force and, in turn, the Movement for the Emancipation of the Niger Delta. Asari has declined to accept a government position and, while praising his friend Kuku, the President's Special Advisor on Niger Delta Affairs, is ambiguous about a new phase of armed violence.

With the risk of new attacks on oil infrastructure, community disputes turning ugly and Delta militants acting as irregular forces to keep Jonathan in office, criminal activity may be forced offshore, threatening international shipping in the Gulf of Guinea. On 20 June, two patrol policemen were shot by suspected pirates in the Swali waterways off Yenagoa. Hours earlier, Rear Admiral **Emmanuel Ogbor** had completed *Operation Waegbe*, an exercise along the Delta coastline with two warships, and reassured foreign investors that 'normalcy, peace and security had returned to the hitherto crisis-ravaged region'. ●

Blood and oil

Khartoum has intensified its war in central Sudan to crush its Nuba opponents and keep control of oil exports before partition

After launching another war against his opponents and threatening to cut off South Sudan's oil, President **Omer Hassan Ahmed el Beshir** will meet top officials in **China** next week in his first trip outside Africa and the Middle East as an indicted war criminal. With Southern Independence on 9 July, Beijing worries about its oil supplies as the confrontation between Khartoum and Juba edges towards outright war (AC Vol 52 No 12). Meanwhile, the ruling National Congress Party (NCP) worries it will lose most of its oil revenue, the buttress of its political control. Omer could return with a Chinese proposal.

African Union officials led by **South African** former President **Thabo Mbeki** made a deal on 20 June to send **Ethiopian** peacekeepers into Abyei Administrative Area. That may keep Khartoum's and Juba's armies apart and even out of Abyei but it won't stop the fighting in the rest of South Kordofan. This could become a much wider war for control of the North-South border hinterland.

As the Sudan Armed Forces have already achieved the NCP's aim of driving the Ngok Dinka (over 100,000 of them) out of Abyei, the deal frees the SAF to concentrate on attacking the Nuba peoples, as it has done since 6 June. SAF has warned that it will continue what South Kordofan Governor **Ahmed Mohamed**

Haroun Adam called 'combing'. Chillingly, Lieutenant General Omer on 19 June threatened: 'I swear by God that your brothers in the armed forces... will cut off the fingers of those who stretch them towards our country and torch the eyes of those who look at it.'

Heart-rending appeals trickle out of the besieged Nuba Mountains. 'Once again we are facing the nightmare of genocide of our people in a final attempt to erase our culture and society from the face of the earth,' warned the Episcopal Bishop of Kadugli, **Andudu Adam Elnail**, on 21 June. The 'once again' refers mainly to ethnic cleansing from 1992 by the National Islamic Front (now NCP). Nuba people see **Ahmed Haroun** (since indicted by the International Criminal Court for war crimes in Darfur) as leader of what was officially called a 'jihad'. That's why many question the credibility of his election as Governor in April (AC Vol 52 No 10).

After the United Nations Mission in Sudan failed to protect Abyei civilians, its **Egyptian** contingent has done likewise in Nuba. Civilians were killed at the gates of an UNMIS compound and on 20 June, security officials donned Sudan Red Crescent aprons and took away civilians sheltering in a UN Protection Perimeter, a UN internal report said. The Ethiopian armoured brigade in Abyei is expected to be more robust, though Addis Ababa will

count on neither SAF nor Sudan People's Liberation Army (SPLA) challenging it; it's on good terms with both governments.

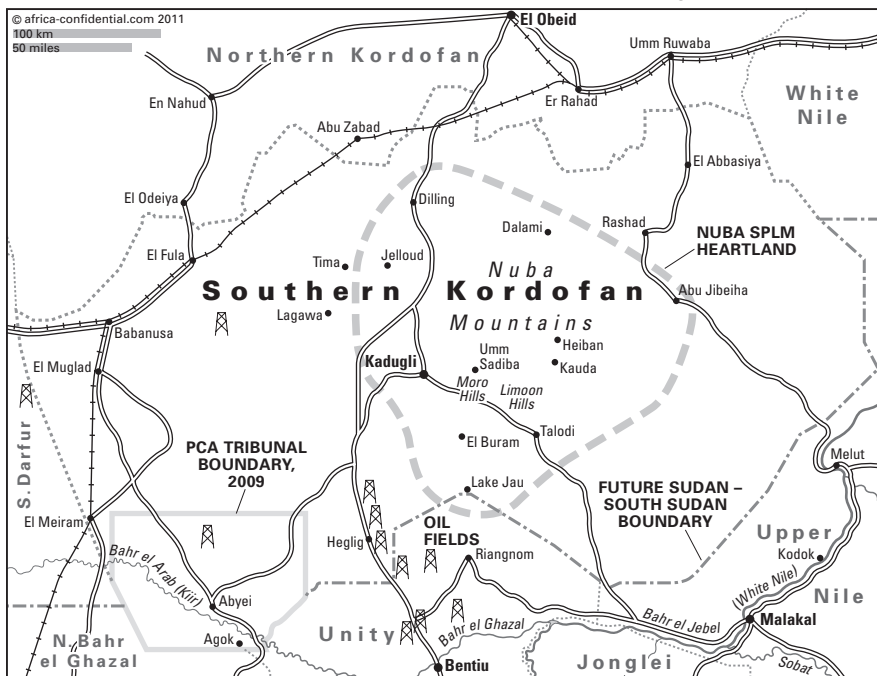
The NCP thinks it can win. In Abyei, it convinced the world that the SPLA had ambushed a SAF/UN convoy because the Government of South Sudan (GOSS) wanted war over Abyei. We hear that UN internal reports say the SPLA did not plan a clash. Khartoum wanted to pressure the GOSS over oil, offering three choices: pay extra charges to use the export pipeline; agree a 50-50 share of revenue for seven years (by which time, the Southern fields would be depleted) or face a shutdown of the pipeline. When the Sudan People's Liberation Movement (SPLM) rejected these, the SAF seized Abyei.

The governments 'guaranteeing' 2005's Comprehensive Peace Agreement (notably **Britain, United States, Norway, Kenya**) seem to have forgotten the SPLM-Northern Sector's armed forces. The CPA wanted them disarmed or absorbed but little was done. Some 40,000-45,000 Nuba SPLA are in Kordofan and, some estimate, another 50,000 Nuba and other Northern fighters in the South.

The late SPLM leader, Colonel **John Garang de Mabior**, believed the Nuba people symbolised the politically secularist 'New Sudan' which would liberate all 'marginalised peoples' – thus the recent call by Commander **Abdel Aziz Adam el Hilu** to overthrow the NCP. The former South Kordofan Deputy Governor had tried to work closely with **Ahmed Haroun**, sources close to him say, but SAF's attacks on civilians were a concession too far.

The Northern SPLM is implicitly acknowledged in the 20 June 'Temporary Arrangements of the Administration and Security of the Abyei Area', signed in Addis between the Government of Sudan and the SPLM (not the GOSS). Such a rapid accord suggests diplomatic pressure. Ethiopian Premier **Meles Zenawi** attended on behalf of the Inter-Governmental Authority on Development and everything went through his office, not the Foreign Ministry, we hear. A **Ugandan** state-owned paper later said Uganda had also been approached for troops.

Ethiopia demanded full military control of the Interim Security Force for Abyei with participation conditional on UN Security Council acceptance. The force is under the UN flag and is UN-financed. Its mandate is 'monitoring, verification, protection of monitoring teams; protection of borders from incursions by unauthorised elements; support and capacity building of Abyei Police Service; facilitation and protection of human assistance; protection of civilians under imminent threat'. This cannot be changed without approval from all parties. The NCP quickly announced that the UN was not in charge: it wants to get UNMIS out of the North by 9 July. ●



The trouble with Tobiko

Under the new constitution, the DPP should be independent of the executive but the nomination of Keriako Tobiko prompts questions from MPs

President Mwai Kibaki swore in **Keriako Tobiko** as Director of Public Prosecutions (DPP) on 20 June following an acrimonious vetting last week. Members of Parliament on the Constitution Implementation Oversight Committee (CIOC) had accused him of corruption and conflicts of interest. Tobiko, an accomplished lawyer, denies any wrongdoing. After horse-trading between the parties and ethnic factions, the Committee confirmed Tobiko's nomination and ignored recommendations for an investigation into the accusations that had been presented to the vetting panel.

Keriako Tobiko, 47, served for five years as DPP under long-serving Attorney General **Amos Shitswila Wako**, 64 (AC Vol 52 No 12). Previously, Tobiko and his predecessors had to work under the guidance of the Attorney General. Now Tobiko will be the first independent DPP. He will sit alongside the new Chief Justice, **Willy Mutungu**, 65, and Deputy Chief Justice **Nancy Baraza**, 52, and the five appointed members of the new Supreme Court, as symbols of government efforts to reform the judiciary.

As DPP with security of tenure and expected to serve an eight-year term, Tobiko has the power to choose which cases to prosecute. In the past, prosecutors, including Tobiko, have been reluctant to pursue the grand corruption cases. Tobiko's career is intertwined with that of Amos Wako, whom a **United States** diplomat described as the 'lynchpin of impunity'. Tobiko has plenty of political allies. He represented a former Permanent Secretary of Internal Affairs (and President **Daniel arap Moi's** one-time security chief), **Zakayo Cheruiyot**, in the Anglo-Leasing case, having opposed proponents of reform in the 1990s at the height of the agitation for a new constitution.

Most controversially, Tobiko represented former Internal Security Minister **Julius Lekany ole Sunkuli**, now Ambassador to **China**, at the inquest on an American Catholic priest, **John Kaiser** (AC Vol 44 No 22). Father Kaiser had helped two women who had accused Sunkuli of rape and then was discovered dead shortly afterwards, in August 2000. An investigation by the US Federal Bureau of Investigation initially concluded that Kaiser, a vehement critic of **Moi's** rule who had campaigned against ethnic

massacres, had committed suicide: many activists rejected that view. The two women dropped their rape complaint against Sunkuli shortly afterwards.

Tobiko's appointment is a test for the new constitution. Earlier this year, President Kibaki tried to push through his appointees for Chief Justice, DPP and Attorney General but was forced into a climbdown. Then MPs and others insisted on a new round of vetting by two independent public bodies, broadcast on national television. Mutunga and Baraza passed, although church representatives questioned their perceived liberalism.

Mutunga, who wears an earring and has been running the Ford Foundation's office in Nairobi, faced questions about his support for gay and lesbian activist groups funded by the Foundation. Baraza, who previously worked with a women's rights lobby, is a divorcee and doing her doctoral thesis on gay and lesbian activism in Kenya. She convinced the CIOC that she would separate her politics from her judicial responsibility.

KIBAKI, ODINGA AND SAITOTI

Tobiko's interview generated the most heat. Questions had been raised about the way in which he had been nominated. The President and the Prime Minister, **Raila Amolo Odinga**, had set up a closed nomination panel, breaking the new constitution's rules which call for a publicly accountable process. Some insiders see the hand of former Finance Minister **George Saitoti** in Tobiko's nomination: it would have done no harm to Saitoti's efforts to build a support base among his Maasai people. In the event, Tobiko was given a 92% pass and emerged as the only candidate for the DPP's post.

Technically, Tobiko's qualifications can hardly be questioned: he was the best law student in his year at the University of Nairobi and the winner of a scholarship to Cambridge. Yet his political and business associations continue to haunt him. **Sammy Kirui**, a suspended Permanent Secretary in the Ministry of Local Government who faces corruption charges, accused Tobiko of soliciting a 5 million Kenya shilling (US\$54,770) bribe in exchange for bringing a lesser charge against Kirui. Tobiko denies the charge. Text messages which Kirui presented as evidence had not been investigated by the time the Committee was writing its report.

Justice **Mojo ole Keiwua**, an Appeal Court judge, accused Tobiko of working to have him wrongfully suspended from the Judiciary, partly with the aim of influencing a land case in the Maasai Mara in which he had a personal interest. Tobiko denied all those allegations.

Specifically, Tobiko's law firm was accused of taking an affidavit from a six-year-old girl who had been listed as a shareholder with an identity card. Although he confirmed that his firm had handled the case, he insisted that he was not directly involved in managing the witnesses. The CIOC criticised Tobiko for this but stopped short of indicting him. We hear that a National Security Intelligence report lambasted Tobiko's prosecutorial score rate. An Orange Democratic Movement (ODM) MP, **Elizabeth Ongoro**, asked Tobiko to explain why his office had a 95% failure rate on prosecutions and could not list a single high-profile case that it had successfully prosecuted.

After vetting, the 23-member CIOC was evenly split: the one abstaining member, nominated MP **Rachel Shebesh**, later spoke in Parliament opposing Tobiko's nomination. The Committee's report conditionally approved his nomination but recommended that the accusations against him required further investigation.

Before the debate in Parliament, the ODM's Chief Whip, **Jakoyo Washington Midiwo**, promised to oppose Tobiko's nomination. Odinga's advisors suggested to journalists that he had told his MPs to oppose the nomination. Yet strangely, none of Odinga's MPs objected to Tobiko in Parliament and his Administrative Permanent Secretary, **Caroli Omondi**, gave Tobiko a 92% pass when he was up before the nominating committee.

The Committee accused Tobiko of mishandling a corruption case involving Higher Education Minister **William Ruto** (currently suspended on other charges). The case was dismissed for lack of evidence, with the judge accusing the prosecution of incompetence. When asked why the prosecution had failed to call an important witness, Tobiko blamed the police, arguing that their lack of credible investigations and evidence had undermined the prosecutor's case.

The Maasai leader and senior ODM man **William ole Ntimama** played the ethnic card, accusing opponents of Tobiko (also Maasai) of 'big tribe' arrogance. Perhaps Ntimama's veiled threat that the Maasai would reconsider their vote in the 2012 elections panicked the ODM high command. Within days, another senior ODM politician, **Charity Kaluki Ngilu**, publicly backed Tobiko, leaving the ODM strategy in disarray. For the ODM, increasingly unpopular in the Rift Valley, the loss of another voting bloc in the region would spell disaster. The Tobiko

case raises the central issue of how past corruption will be prosecuted under the new constitution. Voting in Parliament seems unevenly divided between politicians who have pending corruption cases and a minority who chose to stand on principle.

'So many people in power have pending cases. They need a DPP in office who will

protect their interests,' says a constitutional lawyer involved in one of the complaints against Tobiko. 'Tobiko is a useful ally for them especially when you consider that the provisions regarding the Executive under the old constitution remain in force until the end of the next general elections... They need a DPP in office for at least eight years who will ensure that their cases are

not prosecuted.'

This points to an important victory for the establishment. Activists hope they can still push their objections to Tobiko's appointment: the CIOC report on the judicial nominations was adopted in full, so there is a slim possibility that the accusations against Tobiko could still be investigated. ●

ZIMBABWE

Regional leaders take on the President

President Mugabe's men misjudged the mood of the summit in South Africa: they lost yet more political ground in the negotiations

The performance of President **Robert Mugabe's** team at the 11-12 June Southern African Development Community (SADC) summit in Sandton, Johannesburg, was little short of disastrous. They failed to secure the withdrawal of a critical report, tabled at March's Troika meeting in Livingstone, **Zambia**, about the lack of political progress and continuing violence of the Zimbabwe African National Union-Patriotic Front (ZANU-PF, AC Vol 52 No 12).

The summit communiqué 'noted' **South African** President **Jacob Zuma's** report to the Livingstone meeting and 'noted' the Troika's response to Zuma's report and mandated it to continue helping Zimbabwe to implement the Global Political Agreement (which founded the coalition government in 2008) towards free and fair elections. Although this did no more than restate the previous position, the government spun it as a victory. Foreign Minister **Simbarashe Simbaneduku Mumbengegwi**, a practised cheerleader for Mugabe, summoned African and Asian officials to tell them that in the language of diplomacy, 'noting' the Troika report was akin to rejecting it – therefore another triumph for Mugabe.

Zimbabwe's state media reiterated Mumbengegwi's message dismissing alternative interpretations by the independent press. Yet the stock of ZANU-PF spin doctor Professor **Jonathan Moyo** is again falling: his tactics in Livingstone proved catastrophic. Moyo overstepped the mark with a vituperative personal attack on Zuma, arguing that he had been suborned by the Western imperialist advocates for regime change and the election 'road map' had been foisted on regional leaders by a **British** spy.

Mumbengegwi tried damage control, getting Harare's envoys to explain that Moyo's views didn't reflect those of the government. Some assumed that Moyo had had his wings clipped. Not so: as the

Sandton summit neared, Moyo headed to South Africa to give pre-summit briefings and he restarted the attacks on Zuma. 'It doesn't help to have this bunch of lunatics running around badmouthing our President, when all he is doing is trying to help,' sighed one exasperated South African official.

Most heads of government stayed away, sending deputies or ministers. As **Botswana's** Vice-President, **Mompoti Merhafhe**, put it, 'Some of us are now consumed by fatigue over Zimbabwe, which has kept the region in crisis mode.' Mugabe's arrival did little to restore his waning prestige although he was in better physical shape than in Livingstone (see Pointer). He had some sharp exchanges with Zuma (whom on occasion he inadvertently referred to as '**Mandela**'). Zuma said that he had not invented his reports on Zimbabwe.

The most problematic issues for Mugabe are the electoral road map and the secondment of three SADC representatives,

led by Zuma's outspoken foreign policy advisor, **Lindiwe Zulu**, to assist the Joint Monitoring and Implementation Committee (Jomic). Mugabe will also be furious at Jomic's scrutiny of the political behaviour of his security forces. The Sandton resolutions rule out elections this year: that is unacceptable to Mugabe and ZANU-PF, who fear that waiting too long would undermine their political position.

In his *Sunday Mail* column on 19 June, Moyo insisted that elections would be held this year. Ominously, he ended: 'If things continue the way they are going... what is currently a political process will become a national security matter. If that happens all hell will break loose. Yet that is avoidable but only if rationality can be restored to stop the road map nonsense.'

The long-serving Registrar General, **Tobaiwa Mudede** (a staunch ZANU-PF man), briefed the press that the electoral register was in impeccable order for an election at any time. He waved aside the anomaly that almost 17,000 electors were registered with 1 January 1900 as their birth date, saying that people remained on the register until they asked to be removed. The road map requires a credible electoral register on which to base constituency boundaries and to correct the under-representation of the urban seats, where the Movement for Democratic Change is strongest. Conspiracy theories abound: some believe that Moyo's gaffes are a deliberate plot to discredit Mugabe. ●

REPORTS OF MUGABE'S DEMISE

Opposition politicians insist that President **Robert Mugabe** will retire before the end of 2011, which may be one reason why they want to delay the polls. The 87-year-old Mugabe had looked frail at the regional Troika meeting in **Zambia** on 31 March but observers said he made a dramatic recovery before the 10-11 June summit in Sandton, **South Africa**.

After that, he went to **Malaysia** for the annual Langkawi International Dialogue with a 100-member delegation, probably visiting his doctor in **Singapore**, where he has been five times in as many months. The trip cost some US\$7 million. In April and May, Mugabe had flown to Singapore, ostensibly to comfort his ailing wife **Grace**, and then to the beatification ceremonies in Rome for the late Pope **John Paul II**. After a stopover in Harare, he flew to **Namibia** for the Southern African Development Community summit. He then went to **Uganda** President **Yoweri Museveni's** contested inauguration and also took in **Nigerian** President **Goodluck Jonathan's** in Abuja.

Still a deft politician, Mugabe returned to Harare to outflank both the faction leaders of his Zimbabwe African National Union-Patriotic Front and the securocrats by allowing his allies to float stories that his chosen successors might include Security Minister **Sidney Sekeramayi** or retired Air Vice-Marshal **Henry Muchena**, the election supremo at ZANU-PF headquarters. Days later, Mugabe dismissed all such speculation as irrelevant as he had no intention of retiring, felt half his age and hoped to live to 100. ●

Election express

The government's determination to push through the heavily contested national elections by December is raising concern about their credibility

Regional antagonisms and logistical problems are overshadowing presidential and parliamentary elections due on 28 November. After much delay and after constitutional reform pushed through by the presidency, the reformed *Commission nationale électorale indépendante* is grappling with a near impossible timetable. The CENI has to review all the complaints about the electoral register, vet the candidates, hold elections and ensure the new president is sworn in by 6 December.

Congo-Kinshasa faces a harsh choice: should the CENI organise elections at breakneck speed to meet December's constitutional deadline or should President **Joseph Kabila's** government try to find majority support in Parliament to back an extension of his mandate? It seems that the fast pace suits President Kabila more than the opposition parties, which look even less well prepared for electoral battle than the governing *Union pour la majorité présidentielle* (UMP) coalition. Officials at CENI predict that there will be at least 29 million names on the electoral register, 4 million more than at the 2006 elections. This year, the government is paying 60% of the cost of the polls, estimated at some US\$620 million. In 2006, other governments paid most of the cost and exerted more influence.

Political feeling has shifted strongly against Kabila since 2006. His support in the eastern Kivu provinces has evaporated and hostility in the Kasai provinces has grown too, as it has in traditional opposition bastions, such as Bas-Congo and Equateur. That will make the residual support for him in mineral-rich Katanga – birthplace of his assassinated father, President **Laurent-Désiré Kabila** – all the more important. 'Kabila will lose but the opposition cannot win,' was how one veteran Kinshasa commentator summed up the electoral prospects. The commentator also predicted a dangerous electoral-constitutional crisis in November, unless stronger mechanisms are deployed to promote accountability at the polling stations, the count and the announcement of the results. The rush to meet the December deadline makes such provisions unlikely.

The 2006 elections were meant to turn the military battles of the previous decade into a more manageable contest between political parties. Tragically, the

fighting, usually over mineral riches and political power bases, has continued. Now the armed struggle is run mainly by local militia groups (on the orders of their national and foreign sponsors). The main political parties are confining their own battles to the campaign trail and Parliament. However, that doesn't preclude serious violence breaking out if the elections look blatantly fraudulent. Already, the campaign rhetoric is turning fairly poisonous.

People in Kasai are increasingly feeling excluded from national power and frustrated by decades of looting of their country's diamond riches by a succession of Kinshasa-based and foreign companies. The veteran oppositionist **Etienne Tshisekedi wa Mulumba**, the 78-year-old President of the *Union pour la démocratie et le progrès social* (UDPS), is seen as the Kasai leader. In Kasai, there is talk of revenge against Katangese politicians and especially against the President of Katanga's Provincial Assembly, **Gabriel Kyungu wa Kumwanza**. They hold him responsible for the massacre in 1992-93 of about 8,000 Baluba of Kasaian origin, several hundred thousand of whom had sought refuge in Eastern Kasai.

STOPPING TSHISEKEDI

Such talk is staining Tshisekedi's campaign. Early this month, various blogs and websites purporting to speak for the UDPS grassroots (but largely written in Belgium, such as *Forum UDPS Benelux*, *la Voix de la démocratie congolaise*) were claiming that 'Kyungu wants to repeat the ethnic cleansing of Kasaian'. At successive meetings in late May, at Kamina, Mudiayi and Manono, Kyungu told militias of his *Union nationale des fédéralistes du Congo* (Unafec) to be ready for the 'final assault'. He is also said to have advised Kasaian living in Katanga to register to vote in Kasai, declaring that Tshisekedi must not set foot in Katanga and that only Unafec and its ally, Kabila's *Parti du peuple pour la reconstruction et le développement* (PPRD), should be allowed to campaign there.

Even moderate politicians in the Copperbelt of southern Katanga, the old separatist heartland, have been saying that their province would have to secede from Congo if Tshisekedi won the presidency. The background to this bitterness is Katanga's recent rapid economic growth. As world mineral prices have soared

over the past year, the province's copper production rose to nearly 500,000 tonnes, 60% up on the 2009 total and level with the record figures of the 1980s. Production of cobalt, at 97,000 tn., was higher than ever before and 73.7% up on 2009. Many Katangese feel they have not been fairly rewarded for their efforts. Central government has failed to implement the article in the 2006 constitution which entitles provincial governments to 40% of the taxes they collect.

This failure to deliver is the reason why **Moïse Katumbi Chapwe**, Katanga's flamboyant Governor and owner of star football team TP Mazembe, says he will resign from political life when his term of office runs out in 2012. He complains that he has been able to implement only 10% of his programme, although he has been a popular and charismatic leader, increased local revenue, improved the roads and street-lighting, and resisted the central tax authorities, whose machinations obstruct local businesses and citizens. Katumbi's modernising, consensual voice may now be replaced by Kyungu's radical, xenophobic and secessionist language.

A problem for Kabila is that the loss of Katumbi, who is also popular in relatively prosperous provinces such as Bas-Congo, which are also anxious to get their hands on that 40% of tax revenue, coincides with the defection to the opposition of **Vital Kamerhe**, the former parliamentary Speaker. Kamerhe won the provinces of North and South Kivu for Kabila in 2006. Kabila then sacked him as Speaker in March 2009 (AC Vol 50 No 6) and he founded his own *Union nationale congolaise* in December 2010. Kabila is losing two of his greatest vote-winners.

The collapse of Kabila's support in the Kivus became apparent in April during a trip there by Kamerhe's successor as National Assembly President, **Evariste Boshab**, say sources in Goma. When Boshab turned up in Goma, he was unpleasantly surprised to find no welcoming party from the President's PPRD. Kabila tried to compensate for the absence of supporters there by inviting the traditional chiefs of Bushi, South Kivu, to Kinshasa but that won't be enough to repair the damage.

There is deep discontent in the Kivus. There was the mining freeze from September 2010 to March 2011, low metal prices, the threat to exports from the coming **United States** ban on importing 'conflict minerals' and a heavy tax on mineral production. Above all, there is the biggest defeat for Kabila's government and for the United Nations – the failure to bring about peace.

On 7 May, the Minister of Higher Education, **Léonard Mashako Mamba**, was ambushed by fighters of the *Forces démocratiques pour la libération du*

Rwanda (FDLR) and two of his escort were killed. More recently, inhabitants of the town of Rutshuru, where the ambush took place, attacked UN and government troops in protest against their failure to bring peace. On 26 May, FDLR fighters had killed six people 22 kilometres from Kiwanja town, which they then looted.

To complicate matters, local people accuse both 'bandits' and government soldiers of masquerading as FDLR men to do some looting of their own. On 6 June in Walungu, in South Kivu, local people organised a march in protest against the lack of security. Some Goma intellectuals predict that the Kivus might turn secessionist and split off from Kinshasa, although this seems unlikely since there is strong anti-Rwandan feeling in Bukavu, the capital of South Kivu.

A VICTORY FOR THE MLC

So Kabila is by no means confident of re-election. In January, his allies changed the constitution to abolish the second round of voting and give the victory to whomever wins most votes (AC Vol 52 No 2). On 13 June, though, he faced a fresh setback, when Parliament rejected the system of proportional representation he had introduced in 2006.

Also rejected was the government's proposal to set a 10% share of the vote as the minimum requirement for parties to win representation in Parliament on the proportional representation system. This was a victory for the main opposition party, the *Mouvement de libération du Congo* (MLC), along with the small parties and the independents who, between them, have almost as many Assembly members as the PPRD. With the second-highest number of members of parliament, the MLC struggles with its own divisions. Its Secretary General, **François Mwamba Tshishimbi**, wants to take over the leadership from **Jean-Pierre Bemba**, whose war crimes trial drags on in the Hague. Tshishimbi is now suing some of Bemba's supporters.

The UDPS is also divided. In late May, Tshisekedi, its leader, made a trip to Europe to seek the backing of the *Socialist International*, which has some influence among French-speaking politicians. One of his former lieutenants, **François-Xavier Belchika**, who led his own UDPS faction, declared on 1 June that he was setting up his own *Congrès des démocrates pour le progrès social* (CDPS), claiming that the mainstream UDPS was lethargic and paralysed. The inaugural meeting on 3 July in Kinshasa of the '*Dynamique Tshisekedi Président*' movement may show whether the people of the capital want to follow the old Kasai leader on his promised path towards democracy. Whether his dynamism, as he nears the age of 80, will be up to it is the big question. ●

AFRICAN DEVELOPMENT BANK

The rise of Team Kaberuka

Outpacing the World Bank's operations on the continent, the African Development Bank is winning greater international attention

A year into his second term as President of the African Development Bank, **Donald Kaberuka** was cheering on North Africa's revolutions at the AfDB's annual meeting in **Portugal** on 9-10 June. Kaberuka, a technocrat, eschews politics but deftly maintains credibility with anxious African officials, hard-headed European bankers and envoys from Asia's hyper-economies alike.

Research by the AfDB and the Organisation for Economic Cooperation and Development, released at the Lisbon meeting, showed that trade with emerging economies (Asian, Latin American and intra-African) was now 39% of all Africa's trade, compared to 23% in 2001. That has made Kaberuka's job more demanding and increased the scope for raising finance for big projects in Africa. His predecessor, **Morocco's Omar Kabbaj** (now an economic advisor to King **Mohammed VI**), stabilised the AfDB's balance sheet, allowing Kaberuka to expand loans to governments and private companies. AfDB Group operations almost quadrupled in the four years, peaking at US\$12.5 billion in 2009. Kaberuka expects lending to

hit another high this year in response to growing demand from post-revolutionary **Egypt and Tunisia**.

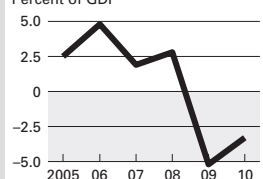
After admitting that most international financial institutions (including his own) had failed to see the warning signs in the rising levels of corruption and economic distortions in North Africa, Kaberuka was quick to get AfDB Board approval for massive loans to Tunisia (\$1.1 bn. this year) and Egypt (\$1.5 bn.). The AfDB is now encouraging others such as the more hesitant Group of Eight and European Union to step up credit and investment in Egypt and Tunisia. 'The speed of recovery will depend on the quality of transition and degree of external support,' Kaberuka argued. Serious falls in growth are forecast in both countries, given the falling revenue due to disrupted production and higher spending to meet social demands.

For now, the AfDB will remain in Tunisia but it will return to its permanent headquarters in Abidjan, **Côte d'Ivoire**, once security conditions permit. The main building in Plateau district needs repairs and a new campus will be built in Riviera suburb (AC Vol 52 No 12). ●

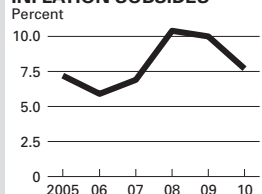
AFRICA'S ECONOMIC PERFORMANCE

Source: African Development Bank Group Financial Presentation 2011

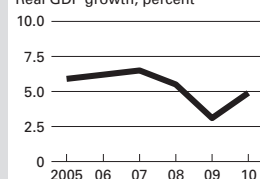
FISCAL BALANCE IMPROVES



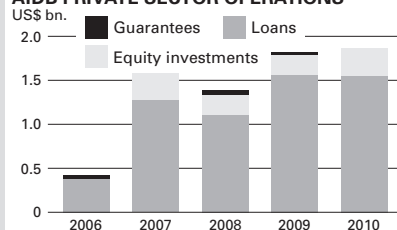
INFLATION SUBSIDES



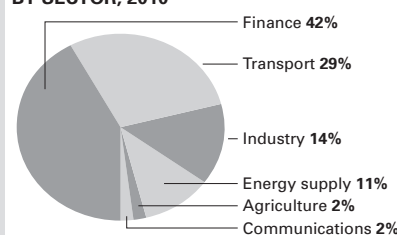
GROWTH RESUMES



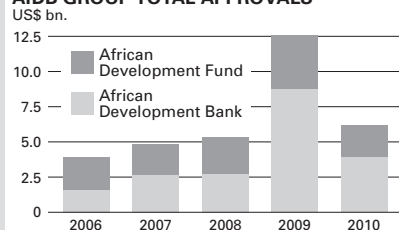
AFDB PRIVATE SECTOR OPERATIONS



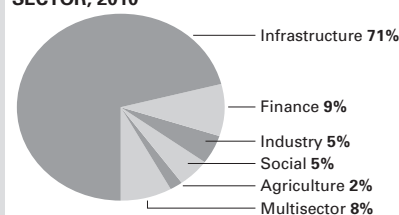
BY SECTOR, 2010



AFDB GROUP TOTAL APPROVALS



LOAN AND GRANT APPROVALS BY SECTOR, 2010



The battle to succeed Kikwete

Internal divisions are deepening within the governing party over corruption and political ambition

Ructions in the *Chama cha Mapinduzi* over corruption and the succession to President **Jakaya Kikwete** are intensifying, while the party dithers over the expulsion of some senior members (AC Vol 52 No 9). CCM is riven into factions. On the one side are the businessman and former CCM Treasurer **Rostam Abdulrasul Aziz**, former Attorney General **Andrew Chenge** and former Prime Minister **Edward Lowassa** and their supporters. On the other are the reformers or 'conservatives' led by **Samuel Sitta**, former Speaker of the National Assembly and current Minister for East African Cooperation.

In April, Sitta and his supporters scored a victory when the three men were removed from their CCM posts, although they remained party members. The Sitta faction also succeeded in ousting as party Secretary General **Yusuf Makamba**, widely seen as a die-hard ally of Aziz and Lowassa. Many saw this as revenge for Sitta's removal from the post of Speaker of the National Assembly by party bigwigs after October's general elections. The Sitta faction's victory over Makamba, however, was only tactical while Lowassa and his allies have maintained strong support in the party.

Sitta's faction includes **Harrison Mwakyembe**, Chairman of the Select Committee which issued the damning report on the Richmond/Dowans affair, along with **Christopher Ole Sendeka**, member of parliament for Simanjiro, Kahama MP **James Lembeli** and **Anne Kilango Malecela**, MP for Same East (AC Vol 52 No 12). Some said that Sitta and Mwakyembe were considering defecting to other parties, possibly the *Chama cha Demokrasia na Maendeleo* (Chadema), when they believed the pro-Lowassa elements in the party might succeed in deselecting them as parliamentary candidates. They abandoned these plans when they kept their seats. However, the party bigwigs targeted other supporters, including **William Shelukindo**, **Lucas Selelii** of Nzega and **Fredrick Mpendazoe** of Kishapu, and they lost their CCM nominations.

As well as the lingering Richmond/Dowans affair, the Sitta faction wants certain party members to be prosecuted over their role in the External Payment Arrears scandal, in which the central bank, the Bank of Tanzania, was

defrauded of US\$40 mn. in 2005. The influence of both factions ebbs and flows within the party. Intra-party sanctions against the Lowassa faction appear to have stalled. Deputy Secretary General (Mainland) **John Chiligati** and CCM Publicity Secretary **Nape Nnauye** have said that Lowassa, Aziz and Chenge were given a deadline to leave the party voluntarily but party Secretary General **Wilson Mukama** denied all knowledge of this to journalists. His secretariat seems as divided as his predecessor's but he has not publicly supported Lowassa and the others, as Makamba did when the Richmond scandal broke in 2008. 'We have no list of grand corruption suspects at CCM and no one was given a period of 60 days to leave the party. It's media stories,' Mukama told editors. Yet at the same meeting, Nnauye contradicted him, saying the suspects had been discussed during National Executive Committee (NEC) meetings.

There are claims that Lowassa has a verbal agreement with Kikwete, who is also the CCM's National Chairman, to take over from him when he retires in 2015. Lowassa has accused Sitta of naked ambition and jealousy after the failure of his bid to become Kikwete's prime minister after the 2005 elections. Sitta did not have a great reputation for generous public service at the time and we hear that he tried to acquire a 250 million Tanzania shilling (\$157,000), bullet-proof Mercedes and a permanent office as Speaker at his Urambo constituency, which annoyed many in the party.

'CLEAN LEADERSHIP'

Some suggest that Sitta's reforming zeal coincided with his sidelining into the post of Speaker and that it's hard to understand why, as a senior party official, he was unaware of irregularities in CCM fund-raising in a campaign. His response is that he and his supporters want to restore 'clean leadership' to the party, in the manner of its Founding President, **Julius Nyerere**.

Although Sitta's clique within the party is big, most NEC members are allies of Lowassa and Aziz, who sponsored many women and youth MPs who are still in office, while the former was Premier and the latter Treasurer. They include the cabinet ministers **William Ngeleja**, Minister for Energy and Mineral Resources; the influential NEC member **Lawrence**

Masha; Deputy Labour and Employment Minister **Milton Makongoro Mahanga**, and District and Regional Commissioners. Sitta's strength, on the other hand, lies with the rank and file, who ultimately choose the party's presidential candidate in a secret ballot. CCM has over three million registered members.

Kikwete has time to address these dilemmas before the next election but that won't make the choices any easier. If he says that Lowassa could become the next presidential candidate, he risks causing a split in the party, with the Sitta faction decamping to the opposition and possibly claiming the presidential prize in 2015. Yet Kikwete owes much to Aziz and Lowassa and is reluctant to move against them.

BILAL MAY RUN

One option being talked about is for Vice-President **Mohamed Gharib Bilal** to lead the ticket in 2015, with Lowassa as his running mate. Kikwete might support such an arrangement, which would benefit Lowassa: Bilal will be over 70 in 2015 and may serve only one term. He is already a close ally of Aziz and Lowassa. The vice-presidential press unit recently recruited two new staff from Aziz's New Habari Corporation media company. Bilal's office sent back the long-serving Press Secretary, **Saidi Amir**, and others to the Department of Information Services at the Ministry of Information, Culture and Broadcast, replacing them with people such as **Boniface Makene**, an Aziz protégé.

Bilal's Zanzibari origins would help his candidacy since the last two presidents, Kikwete and **Benjamin Mkapa**, both came from the Mainland, but his links to Aziz and Lowassa may attract the active opposition of Sitta and his allies. The Sitta camp is likely to respond to a presidential bid by Bilal by putting forward youthful candidates such as **Shamsi Vuai Nahodha**, Home Affairs Minister and former Zanzibar Chief Minister, or Ambassador **Ali Abeid Karume** (brother of the former Zanzibar President, **Amani Abeid Karume**), whose presidential bids failed in 1995 and 2010 (AC Vol 46 No 7).

Other hats heading for the presidential ring include the Works Minister, **John Magufuli**; former Prime Minister **Frederick Sumaye**, who could count on the support of both CCM factions; and Information, Youth and Sports Minister **Emmanuel Nchimbi**. William Ngeleja, the Energy and Mineral Resources Minister who was Company Secretary of Vodacom Tanzania when Aziz owned 16% of the company, would find support in Lowassa's camp. The bigger risk for the CCM is that its squabbling will pave the way for the opposition Chadema and its popular Secretary General, **Willibrod Peter Slaa**, to win the 2015 elections from the CCM – split or whole. ●

The devil you know

The European Union backs a fraudulently elected President because it fears the consequences of his fall

President **François Bozizé** emerged strengthened from an aid-pledging conference in Brussels on 16-17 June when European Union states promised more than 400 billion CFA francs (US\$870 million) for 2011-14. This follows aid pledges of some CFA300 bn. in 2007. Much more welcome to Bozizé, however, was the tact shown by European officials who declined to repeat their condemnation of the electoral rigging that saw him return to office after the January and March elections. Then, with the support of his superiors, the EU Ambassador to the Central African Republic, **Guy Samzung**, said: 'There has been a democratic regression, compared to the 2005 elections.' This month, EU officials merely mused that in fragile states elections are often imperfect.

French policy is mainly responsible for this view, amid an increasingly tense regional situation and the astute willingness of Bozizé's new cabinet to show it is ready for change. The French Ambassador to Bangui, **Jean-Pierre Vidon**, is one of Bozizé's staunchest backers and key to maintaining French support, although he is well aware of the presidential team's many weaknesses.

Accompanied by the **United States** Ambassador, **Laurence D. Wohlers**, Vidon attended the inauguration ceremony for the President's third term on 15 March, even though that was also the anniversary of the coup that brought him to power. Bozizé has strong personal connections to France, starting with a friend of President **Nicolas Sarkozy's**, member of parliament **Patrick Balkany**, as well as with French business. The French, majority state-owned nuclear giant **Areva** complained of bureaucratic obstruction delaying the opening of its **Bakouma** mine until just before the elections.

The rigged elections brought into parliament members of Bozizé's extended family and its '*Deuxième Bureau*' (mistresses; literally Second Office, the old name for French military intelligence). In 2005, the presidential party, *Kwa na Kwa*, built a coalition against the opposition led by **Martin Ziguélé**. This time, **KNK** paid no attention to its former allies and Bozizé imposed his own candidates against the will of party cadres.

Many of those candidates had strong ties to Bozizé and their rivals caused trouble. Even under the late President

Ange-Félix Patassé, close relatives never played such a big role. Leaders of Bozizé's Gbaya ethnic group are worried, since the nepotism threatens to deepen ethnic tension. The favouritism is greater even than during the era of President **André Kolingba** (1981-93), when those he preferred had at least a modicum of expertise. This time the Gbaya are not benefitting but they are taking the blame.

Bozizé was not indifferent to this growing discontent. First, he completed his control of state resources. He gave the Finance Ministry to the ambitious and predatory **Sylvain Ngoutingaï**, his nephew and electoral campaign manager, who retains, as he has for many years, tight control of the Ministry of Mining, Energy and Water. This move also brought revenue collection agencies, such as the Civil Aviation authorities, under the President's control.

COOPTING THE OPPOSITION

Then Bozizé co-opted a few opposition figures, using a tactic out of Sarkozy's playbook. **Jean-Michel Mandaba**, General Secretary of the main opposition party, the *Mouvement de Libération du Peuple Centrafricain*, became Minister of Public Health and was promptly expelled from his own party. **Abdoul Karim Meckassoua**, a respected former Minister of Foreign Affairs, got the portfolio for Posts, Telecommunications and New Technology.

This inclusiveness was deceptive. The presidency assigned senior officials to the ministries held by former oppositionists in order to exert ultimate control. The Constitutional Court reviewed some election results and its decisions affected nearly a quarter of MPs, nine of whom lost their seats even though the Electoral Commission had already endorsed their election. The results for 13 other seats were annulled. Throughout the election period and for no clear reason, opposition figures such as **Nicolas Tiangaye**, **Martin Ziguélé** and **Ange-Félix Patassé**, who died in April, were not allowed to leave the country.

In the weeks before the aid conference in Brussels, Bozizé tried to show signs of improvement. **Ngoutingaï** organised a meeting with the private sector and talked about a partnership between business and the state to cut corruption in the

police and customs. Stalled for months, the Disarmament, Demobilisation and Reintegration programme for resettling former fighters was to start in June with promises of food rations for the ex-rebels. The government had signed several peace agreements with northern rebel movements, which then split. The guerrilla commanders often quarrelled over the cash.

Bozizé had wanted to allay fears in Brussels that he and his relations have taken over the state. Yet he is also prepared to change the constitution to reinforce his grip on power. He hopes investment from **China** will help his position: Chinese oil exploration started last year in the **Vakaga** region in north-eastern CAR.

FUNERAL ROWS

Ordinary people showed little interest in the elections but were shocked by the way in which Bozizé's family had taken over the government. The funeral of the former President, **Patassé**, in May turned into a protest against the current one. The crowds heckled Bozizé, accusing him of not allowing his former rival access to medical treatment.

At the airport, **Patassé's** relatives insulted Bozizé. Throughout the funeral, people shouted at Bozizé, telling him he would go to hell for killing his rival. Bozizé, a Christian pastor, had to respond and took an oath of innocence, declaring that he would be cursed if he had been personally involved in **Patassé's** death. He was furious but unconvincing; in the funeral procession, women bared their breasts to damn him again and again.

The riots that followed the killing of two boys in early June followed the same pattern but then there were echoes within the army (AC Vol 52 No 12). People attacked **Chadian** traders not only because they were assumed to be Muslim but also because Bozizé depends on his **Chadian** bodyguard for survival.

It is the essential weakness of Bozizé's regime that has encouraged France and the EU to back him. African Union Commission Chairman **Jean Ping** made the same point at this month's aid meeting. The region is a tinderbox. There is a growing risk of conflict in South **Sudan** and **Khartoum** may be planning large-scale military operations in southern **Darfur**. The impact of **Libya's** crisis could cause further regional instability.

A tripartite summit of CAR, Chad and Sudan in **Khartoum** last month focused on security concerns in the area where their three borders meet. Once again, north-eastern CAR seems doomed to play unwilling host to the manoeuvres of the region's armies. This time, Bozizé looks less likely to benefit from that instability than he did after his previous election in 2006. ●

Feast ore famine

The Tonkolili iron-ore mine looks set to make a billionaire of Frank Timis but the dividend for the nation is less sure

Sierra Leone will start earning hundreds of millions of dollars from taxes when iron-ore production begins in November. At least that is what the controversial **British**-based mining entrepreneur **Vasile Frank Timis**, owner of African Minerals Limited (AML), told the Sierra Leonean government. Prospects for the mine have improved now that **China's** Shandong Iron and Steel Group (SISG), whose involvement was still uncertain, announced on 1 June that it was finalising terms on its US\$1.5 billion investment (AC Vol 51 No 25).

At about the same time, Britain's *Sunday Times* newspaper named Timis as the wealthiest **Australian** in the UK, estimating his fortune at just over \$1 bn., up from about half that the year before. Since 15 March 2010, when AML announced the discovery of a deposit of an estimated 10 bn. tonnes of iron ore at an average grade of 29.9%, the sleepy town of Ferengbeya, in Tonkolili district, has been transformed.

The road, though still bad, is now metalled and dozens of vehicles ply it every day. AML and its Chinese partners, SISG and China Railway Materials Commercial Corporation, have rehabilitated the railway, disused since the early 1970s.

In September 2010, amidst boisterous celebrations attended by President **Ernest Bai Koroma**, AML unveiled a 50-tonne railway locomotive it had shipped into the country, which will be used to transport raw iron ore mined at the Tonkolili site. The ore will go by rail through Marampa, to the port at Pepel, and then to China.

Investors had been puzzled by the length of SISG's due diligence enquiries but these may have been a blind for an attempt by the Chinese company to negotiate a takeover of the mine from AML. SISG sent at least two delegations to the government with the aim of removing Frank Timis from the picture. They failed. Timis had invested heavily in the good will of President Koroma's government and it paid off.

Shortly after Koroma took office, Timis provided close to \$2 million to refurbish the Presidential Lodge in Freetown. The contract went to a building company owned by Koroma's old friend, **Siray Timbo**. Shortly afterwards, Timbo became Chairman of the Board of the National Telecommunications Commission (Natcom), which regulates

the country's telecoms. In 2010, AML provided tens of thousands of dollars to the government for the 49th Independence anniversary celebrations and Timis flew in the **American-Senegalese** rap singer, **Akon**, for the occasion. Timis and Akon appeared with President Koroma at a public function. Timis had made his own aircraft available to fly Koroma to the United Nations summit in New York in September 2010 and AML pledged \$500,000 towards the 50th Independence anniversary this April (AC Vol 52 No 10).

AML then presented a cheque for \$10 mn. in payment of the expatriate tax, a government levy on foreign staff, to Koroma at an extravagant ceremony at State House on 23 February. President Koroma gushed that 'everybody is happy' with what AML was doing to promote his 'Agenda for Change' and that 'even if you are blind, you will feel it.'

Like everyone else, SISG got the message. The news that the parties were finalising terms followed. The Tonkolili project, along with Sierra Leone mineral rights, is now the only activity listed by AML. On its website, AML hails **Gibril Bangura** as one of the founders, as well as 'an Executive Director of the Company' and General Manager of AML's operations in the country. Like President Koroma, he is said to hail from Makeni. Previously, AML's key local interlocutor was **Moseray Fadika**, a Mandingo who was close to the previous government of **Ahmad Tejan Kabbah** and has claimed responsibility for interesting Timis in Tonkolili.

The word in Freetown is that Bangura is acting as a front for Fadika, who wants to be Koroma's vice-presidential running mate in the 2012 election. Koroma's current Vice-President, **Samuel Tamba Sam-Sumana**, appears to have fallen out of favour.

DIAMOND DIVIDENDS

Timis's Sierra Leonean operations began in 2005 after he bought a 30% stake in the Sierra Leone Diamond Company through a **Bermuda**-registered firm. SLDC had been granted about 57% of the country's land for reconnaissance and exploration. After this investment, Timis became Executive Chairman of the company and soon increased his shareholding to 34.6%, in September 2006. By February 2009, the entire company was worth £45 mn. (\$65 mn.). In July 2009, it raised in excess

of \$100 mn. from institutional investors.

On 16 August 2007, SLDC was renamed African Minerals Ltd. to reflect the many other mineral interests and rights, including iron ore, bauxite and gold, that the SLDC had held. In 2005, SLDC embarked on alluvial diamond mining, but in January 2010 AML sold its diamond operations. At about the same time, Timis sold his mining interests at Marampa, in the north, to Cape Lambert.

SLDC immediately sacked hundreds of young diamond miners in Kono, significantly adding to the huge unemployment and social problems in the desperately poor district. In its Annual Report for 2009, AML claimed to have spent \$300,000 on community benefit schemes in the area, including providing scholarships to students, building a market and a community centre, and a host of other activities in its areas of operation. There was scant sign of this in Kono when *Africa Confidential* visited.

For much of 2008–2009, AML was involved in a dispute with London Mining Ltd. over an alleged encroachment on 30% of London Mining's lease area at Marampa, in which it had acquired an interest in 2006. The dispute was settled in AML's favour after **Alpha Kanu**, former Minister of Mineral Resources, intervened on behalf of Timis.

AML's activity in Tonkolili has caused considerable disruption to local people, with violent incidents occurring, but the area is a stronghold of Koroma's All People's Congress and this helped in the restoration of relative calm. However, little benefit has yet accrued to the local community in employment terms. Most of the company employees, even cooks, are expatriates, and a **Ghanaian** heads its Human Resources department. Local people complain that many of the jobs done by the numerous **Filipinos** and Europeans visible on the site could just as well be done by them.

The Attorney General and Minister of Justice, **Frank Kargbo**, a former human rights activist who worked for Amnesty International, has vowed to push for a review of all the contracts of the main mining companies and he is no great fan of AML, we hear. A review of the lease held by the main kimberlite miner, the **Beny Steinmetz**-owned Koidu Holdings Ltd., resulted in new terms that were more favourable to Sierra Leone. AML was next in line but the review was inexplicably postponed.

The government is set to review the contract with Sierra Leone Rutile, a British-Australian titanium miner. Sierra Leone has the world's largest deposit of titanium. Whether Kargbo can get his way with respect to AML, given its intimate ties to Koroma, is an open question. ●

Parallel lines

As the political stars hit the campaign trail a year early, they start a national debate about the economy

So far the election season is a three-cornered contest with a lively battle for the leadership of the governing National Democratic Congress, which has prompted the leader of the main opposition party to join battle. On 8-9 July, the special conference of the governing National Democratic Congress in Sunyani will choose its presidential candidate for the 2012 elections. The conference pits former first lady **Nana Konadu Agyeman Rawlings** against President **John Evans Atta Mills**.

As the incumbent, with ministers rallying to his cause, Mills remains the clear favourite. An amenable tax lawyer turned politician, Mills has been touring and talking to farmers, trades unionists and women activists. That has played to the NDC's strengths in Northern Ghana and the Volta Region.

Nana Rawlings's campaign centres on her leadership of the 31 December Women's Movement and her family's standing: her husband and former President, Flight Lieutenant **Jerry John Rawlings**, is recognised as the founder of the NDC. She insists it was her own decision to stand, but the two share the same critique of Mills: that his presidency

lacks dynamism, is losing touch with the grassroots and has failed to hold corrupt officials to account.

This week former President **John Kufuor** was announced joint-winner of the World Food Prize (launched by green revolution pioneer **Norman Borlaug**) along with **Brazil's** former President **Luiz Inácio Lula da Silva**. Weeks earlier, at a rally in Kumasi celebrating the revolution of 4 June, 1979, Rawlings said that Kufuor had presided over financial irresponsibility and corruption.

Nana Addo Dankwa Akufo-Addo, the presidential candidate of the main opposition New Patriotic Party and former ally of Kufuor's, has hit the campaign trail as well. He addressed Ghanaians in **Germany** and **Britain**, focussing on exporters and small businesses, as well as to reform the education system, which he said was failing badly.

He cited a new Education Ministry report that some 64% of secondary school pupils go onto the job market without functional literacy. Earlier **Akufo-Addo** lamented the pressure of rising food and fuel prices; his colleagues have questioned the accuracy of official statistics recording a slowing of the inflation rate for three

successive months to 9%. **Akufo-Addo** also tried to fire up NDC rivalries by referring to Mills, a former professor, as 'Doctor Dolittle'.

Beyond local badinage, some serious questions are emerging about economic policy. This week, **Alison Evans**, Director of Britain's Overseas Development Institute visited Accra and ranked Ghana as a 'development star' alongside **Costa Rica, Thailand, Vietnam** and **Mauritius**.

After a lengthy analysis, ODI experts concluded: 'With agricultural growth averaging above 5% a year during the past 25 years, Ghana is now ranked among the five top performers in the world. This has coincided with the country's unprecedented poverty reduction making Ghana broadly self-sufficient in staple foods, particularly roots and tubers. Child malnutrition incidence has almost halved since the end of the 1980s.'

Just Ghana's reclassification as a middle-income country last year provoked local skepticism; ODI's assessments of a booming farm sector and World Bank projections ranking Ghana as one of the world's fastest-growing economies this year as oil production starts all show a dissonance between street realities and the economists' world's-eye view.

Such ODI and World Bank reports will be rolled out relentlessly by President Mills's campaign team in the months ahead. It will be up to all his opponents to prove that the assessments are wrong and why. Given its record of holding credible elections, Ghana could now organise a well-informed one. ●

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Congo-Kinshasa

CALL BACK

■ A United Nations group of experts on Congo-Kinshasa broke new ground in its twice-yearly report of 7 June by offering those it criticises the right to reply. In 2008, the group accused a **Rwandan** businessman, **Tribert Rujugiro**, of supporting the Tutsi rebel General **Laurent Nkunda**, which Rujugiro strongly denied. A 2009 report alleged that the **Tanzanian**-based Brothers of Charity had helped Rwandan rebels to transfer money, while a 2010 report said that **Aloys Tegera**, Director of the Goma-based Pole Institute, had been in a land dispute which resulted in human rights violations. A 2008 report claimed a Congolese businessman, **Victor Ngezayo**, was linked to an Ituri militia.

The UN group admits it was wrong about Ngezayo, who may have been in contact with the militia but was by no means its 'political leader', but it stands by its statements about Rujugiro. It says the 2010 report did not accuse Tegera of human rights violations, merely naming him 'as the reported owner of the disputed land'. The Brothers of Charity say they no longer provide money transfer services.

Previously, people or companies with a grievance could complain to the UN Secretariat but they would then be told that the report was by independent experts. If they complained to the expert group itself, they would be told the allegations had been made by a previous body of experts, meaning the current team was not accountable for them.

The experts have introduced another innovation by publishing a 'Where are they now?' for all individuals and entities currently under UN sanctions in Congo-K. The main effect is to show how ineffective sanctions usually are. The group recommends that the UN Security Council Sanctions Committee 'review, revise and update' it, to provide some credibility. UN sanctions are meant to be corrective, not punitive, according to the Committee, but it seems inordinately difficult to have them lifted, even if the reasons for which they were imposed have fallen away.

Malawi

ONLY A MIRACLE

■ President **Bingu wa Mutharika** is ploughing ahead with an optimistic 'zero-deficit' budget despite the fact that most of the aid that supports 40% of that budget is missing. Western governments have frozen funds over concern about human rights and poor governance.

Most of the missing aid is the **British** contribution, suspended since Mutharika

expelled the British High Commissioner over remarks about authoritarianism and intolerance in a leaked cable (AC 52 No 9). The bilateral sums themselves are 'under review' in Whitehall but total UK official aid was £77 mn. (US\$122.78 mn.) in 2009/10.

In a mid-June, the Common Approach to Budget Support group, which represents **Germany**, **Norway**, the European Union, African Development Bank, World Bank and International Monetary Fund, 'noted with great concern' that the IMF had not been able to review progress under the three-year, \$80 mn. Extended Credit Facility or to endorse the budget. They raised questions about minority rights, democracy, media freedom and governance. The statement prioritised economic issues over human rights in an attempt to address complaints about Western political interference.

The zero-deficit budget is Mutharika's defiant response. Malawi will either raise more taxes to meet the aid shortfall or postpone planned expenditure. The 2011/12 budget projects spending at \$2 bn.; the government expects to raise \$1.6 bn. in taxes, leaving \$600 mn. (21%) to come from grants. Value-added tax at 16.5% is to be extended to some previously exempt commodities and new taxes for motorists will come in. Observers struggle to see how these measures could bridge the gap. Critics suggest that another miracle, the term Mutharika used to describe Malawi's economic growth last year, is due.

Morocco

REFORM DILEMMA

■ Traditional constituencies linked into the *Makhzen* system will probably swing the 1 July referendum in favour of King **Mohammed VI's** proposed constitutional reforms. *Makhzen* means that palace and local elites, along with 'loyalist' political parties, control swathes of Morocco's political, social and economic life. Yet the reforms weaken the King's powerbase and will not appease his critics. With recent spending commitments leaving a gaping hole in any incoming government's budget, the Arab Spring may yet catch up with 'M6' (AC Vol 52 No 11).

The King's status as *Al Amir al Mouminin* ('Commander of the Faithful') confers a degree of legitimacy which other North African leaders can only dream of. Yet M6 is not taking any chances and is raiding already depleted state coffers to buy support. The bill for increasing public sector salaries and food and energy subsidies is 45 billion dirhams (US\$5.7 bn.) and the state-owned *Crédit Agricole du Maroc* is cancelling 765 million dirhams of debt owed by 80,000 farmers and rescheduling the repayments of thousands more. As the late **French** academic **Rémy Leveau** said, the 'Moroccan peasant [is the] defender of the throne'.

The referendum is still likely to prove

an uncomfortable experience for M6, with the urban populace complaining that his reforms do not amount to a genuine democratic transition. He would remain in charge of security, the army and religion, and will continue to exert considerable influence over sectors of public life.

Insiders say he is increasingly prone to dark moods. With several close associates exiled from the political scene after public criticism of their business interests, he looks isolated. In mid-June, thousands of protestors took to the streets of Casablanca's poorer neighbourhood, defying recent violent police activity designed to discourage protest. A pro-monarchist demonstration – itself a novelty – gathered only a fraction of the turnout.

Senegal

ONE DAY, SON

■ On 22 June, President **Abdoulaye Wade** – officially 84 but probably nearer 90 – was about to propose a constitutional amendment to secure a guaranteed third term in February's elections and a legal means to leave the presidency to his son **Karim** if he dies in office. Wade wanted to lower the threshold for victory in the first round of the presidential election (due in February) from over 50% to over 25%, fearing that if he does not clear 50% in the first round, the opposition will unite around a single candidate and beat him.

Civic and opposition activists quickly organised protests that escalated into running battles with the police around the presidency in Dakar. A nervous government backed down: Spokesman **Serigne Mbacke Ndiaye** said they had listened to the 'Senegalese people, development partners and religious leaders'. For now, the government will keep to the old rules. However, the President still believes he will win and still wants to bequeath his job to his son, who seems to be much more popular outside Senegal than at home.

Many Senegalese were angry when they saw television footage of **French** President **Nicolas Sarkozy** introducing Karim to **United States** President **Barack Obama** at the Group of Eight meeting in Deauville, **France**, on 26-27 May. Most thought Karim had lost interest in the top job after he failed to win the race for Mayor of Dakar in 2009 (AC Vol 50 No 8).

Yet it seems his ambition had not dimmed after all. Many wondered how Karim could legally inherit the presidency, even if his father wins the election. There is no Vice-President in Senegal; if the President dies in office the President of the National Assembly assumes the role until new elections can be held. All that changed on 21 June, when Wade's party used its 131 seats in the 150-seat parliament to push through a law creating the Vice-Presidency. No prizes for guessing whom *Wade Père* will name as his running mate.

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South Sudan are of particular interest to neighbours, especially Ethiopia, Kenya and Uganda, which have all flooded Juba with labour, skilled and unskilled, and business people, especially in service industries. They provide the shops, restaurants and hotels that an aid boom-town requires but which an isolated town in a war-torn country with a minimal cash economy never needed. Goods also flow in, at least to Juba, which although supposedly a temporary capital is acquiring a sense of permanence with newly paved roads and permanent buildings it previously lacked.

Preparations have been frenetic, especially for the main ceremony at the Dr John Garang de Mabior Mausoleum in Juba. Much attention has been paid to the new national anthem, a challenge for the many who do not speak English, especially returnees from the North who speak Arabic and may have lost their tribal language. In Lankien, the authorities installed speakers throughout the town to blare out, repeatedly, the inevitably optimistic stanzas: 'And sing songs of freedom with joy, For justice, liberty and prosperity shall for ever reign'.

Expectations are indeed high but the tough security measures, especially

in Juba, reflected the depth of concern that, as they have in South Kordofan and Abyei, rebel militias and the NCP might move to spoil the South's big day, shared by 30 heads of state and the United Nations Secretary General. 'I have to say the situation is grieving me a lot, so much so that I can hardly share the joy of all the Southerners,' said one non-Sudanese source in Juba. 'Juba is on edge...weapons searches, check points, riot police on the streets already, practising sitting in the sun in full gear all day long.'

The Sudan People's Liberation Army has been raiding for illegal arms and reportedly found hundreds. The SPLA was also raiding places popular with Kenyans and Ugandans, said an aid worker, 'using this opportunity to get rid of African migrants who don't have work permits'. There were reports of people being beaten up. 'This is a very ill-disciplined military,' said United Nations Deputy High Commissioner for Human Rights Kang Kyung-wha on 29 June. Human Rights Watch and Amnesty International issued a joint statement with recommendations.

CLEANING FRENZY

A happier note was struck by a frenzy of town cleaning. Many of the old trees lining Juba's main streets had already been felled to make safer, though not shadier, pavements for pedestrians but remaining city-centre trees have been painted white – an environmentally uncertain ceremonial habit shared with Northern Sudan. 'If it remains clean, that would be fine,' one Southern official told us. A health worker was sceptical: 'The city will look just as crap in a few weeks and there will be no longer-term benefits for the people.' Clean water and sanitation are among the most desperate needs and would help to reduce the prevalence of many killer diseases.

Crime, including violent crime, has soared and much is linked to drink. In a city where many inhabitants have only recently discovered commercially produced alcohol, thanks to SABMiller's new Juba Brewery, a healthier note was struck by the Deputy Mayor, David Lokonga Moses, previously the Yei County Commissioner: 'Don't be drunk when you are seeing something good, when you are celebrating, don't be drunk – you need to be sober, you need to hear. Don't move unnecessarily at night please.'

When the party is over, the challenges will increase: many critics have been holding back, so as not to be accused of spoiling the celebrations. Reports abound of disagreements within the Government of South Sudan. The NCP seized on an unedifying public quarrel between SPLM Secretary General Pa'gan Amum Okiech, the Minister of Peace and CPA Implementation, and Lual Achuek Lual Deng, federal Oil Minister and an SPLM

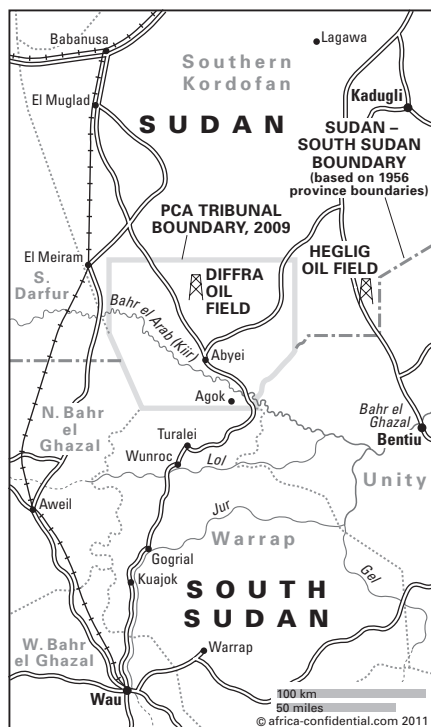
appointee. There is speculation about conflict between party barons Nhial Deng Nhial and Kuol Manyang Juuk. All this will test President Salva Kiir Mayardit's powers of reconciliation.

Outside his already large tent, a divided and disorganised opposition is lying in wait. Lieutenant General Kiir's pardon last week for rebel David Yauyau may help to bring peace but it will not reassure those oppositionists whose main goal seems also to be a seat in the tent. There is little talk about policy and programmes, much more about regionalism and ethnicity. 'They won't talk to us!' one oppositionist told AC. 'Didn't you walk out of discussions?' 'Yes! They disagreed with us!' There is a long way to go in governance and civic education. The fact that over 20 opposition parties exist for an electorate of some 4.5 million reflects much of the problem.

Discontent focused on the draft constitution (which passed into law on 6 July): complaints abound that it was designed to suit the ruling party and should have had an independent review. Many fear that the SPLM could establish a *de facto* one-party state. Some counterbalance is found in a strengthening civil society, which is expanding beyond the traditional church stalwarts. The incisive Episcopal Archbishop of Sudan, Daniel Deng Bul, said on 4 July that the church would have liked to be involved in constitutional consultations. 'We don't need a dictatorship again.' He offered church mediation with rebels such as George Athor Deng, Peter Gatdet Yaka and Abdel Bagi Ayii Akol Agany. These are all warlords backed by Khartoum and the GOSS waits to see whether Khartoum ratchets up this support.

As an independent country, the South would be much better placed to withstand Khartoum's assaults, one SPLM activist told AC. The robust military response of the SPLM-Northern Sector to NCP attacks on villages in Kordofan suggests a nod from Juba. SPLM and NCP have agreed to go on talking after 9 July. Major 'post-referendum issues' have still to be resolved but delay suits the NCP more than the SPLM – indeed, it constitutes NCP tactics.

Oil is the most urgent issue, since South Sudan and North Sudan will remain tied by their common dependence on export revenue and the pipeline that runs north from the oil fields in the South to Port Sudan. Stopping the flow risks serious damage to the wells. Juba may have most of the oil (75%) but it has little else: oil is 98% of its budget. 'The North has actual management control, whatever the agreement reached,' said an oil analyst, noting that Khartoum still has about 115,000 barrels a day from Northern fields. This may give the NCP the edge over the South but may not be enough to buy off discontent in the North. ●



Abyei in limbo

Ethiopia's peacekeepers will face heavy scrutiny as Khartoum and Juba differ over Abyei and the still undemarcated border

The Abyei Agreement signed by the Khartoum regime and the Sudan People's Liberation Movement (SPLM) in Addis Ababa on 20 June offers no respite for the more than 150,000 people chased from their homes by Northern troops and allied militias six weeks ago. The agreement certainly offers no resolution to the final status of the Abyei area (AC Vol 52 No 13). Instead, it lays down yet another set of security arrangements, adding an Abyei Joint Oversight Committee to an Abyei Protocol framework. It took the United Nations Security Council a week to establish, on 27 June, the UN Interim Security Force for Abyei (UNISFA), which will be staffed by **Ethiopian** troops.

Most of the displaced people were Dinka Ngok, who are now scattered around Agok (inside Abyei as defined by the Permanent Court of Arbitration, PCA, in 2009 but south of the strategic River Kiir/Bahr el Arab) as well as in towns in the South, such as Wunroc, Turalei and Wau. On 25 June, the forces of militia leader **Peter Gatdet (Gadet)** **Yaka** attacked Turalei, forcing many of the displaced to run yet again and fuelling the belief that the rebels were working with Khartoum to assist the Sudan Armed Forces (SAF) to advance further south through Abyei Area.

Meanwhile, Ngok members of the former SPLM-led Abyei Administration, along with Paramount Chief **Kuol Deng Kuol** and other Ngok elders, wait in Agok, issue appeals for international help and dream of moving their people back home soon. An advance deployment, drawn from the total of 4,200 soldiers, was due in Abyei to relieve the UN's **Zambian** contingent (who were visibly eager to go home) before 9 July, the end of the Comprehensive Peace Agreement (CPA) implementation period (though not of its implementation) and of the mandate of the UN Mission in Sudan (UNMIS).

The 29 June border agreement between Khartoum and the SPLM may dilute the impact of the Ethiopian forces in Abyei. This security agreement proposes a demilitarised buffer zone 20 kilometres wide along a border which is still not demarcated in sensitive areas, due mainly to delaying tactics by the North's ruling National Congress Party. Both NCP and SPLM asked for UNISFA troops additionally to provide force protection for border monitoring. This is unrealistic on

a 2,000 km. border where many fear an imminent war.

UNISFA's Chapter VII mandate is not radically different from that given to UNMIS, besides internal security responsibilities. These include 'repelling unauthorised forces', which is in the 20 June accord. The Ethiopian troops face heavy responsibilities and can expect close scrutiny of their efforts on the ground by both North and South.

The SPLM argued against Ethiopian troops falling under UN command, saying that they should have a separate and independent command without being stifled by UN rules and regulations. These, however, are the price of UN funding and a UN flag. Both the Khartoum and Juba governments seem confident that their friendly and burgeoning relations with Ethiopian Premier **Meles Zenawi's** government will give them the edge in the Abyei deployment.

AGREEMENTS DISHONoured

The Ngok, who have seen the Abyei Protocol, the Abyei Boundaries Commission, PCA, Kadugli Agreement and numerous others go unimplemented, are wary of yet another international agreement. The to-do list is full of difficulties which Khartoum could exploit. It will be a formidable challenge to move hundreds of thousands of displaced residents and peacekeepers around the area during the rainy season; the first task is to move in the Ethiopian soldiers.

The SAF and the Sudan People's Liberation Army (SPLA) are both supposed to withdraw outside Abyei Area. The Missiriya pastoralists' seasonal migration will begin again in October-November and, if SAF withdraws, the displaced Ngok people could also return.

Moving the SAF and its allied militia out of Abyei may be harder in practice than on paper. Hardline elements among the Missiriya, including **Fakir el Din Abdullah**, a youth leader in Diffra, and some in Khartoum's Ministry of Defence reportedly wanted to 'finish the job' and head further south to claim all of Abyei Area, including the part expected to join South Sudan if the referendum on the territory's future – which was part of the CPA – is to be held. If the SAF withdraws, after capturing all areas up to the Kiir River, many Missiriya will feel betrayed.

Soon after the SAF had captured

Abyei, a delegation from Khartoum's Humanitarian Affairs Commission (which is key to ruling party strategy across the country) was shown on government-controlled Sudan television arriving in Abyei.

Ngok say that a SAF withdrawal will not mean that Khartoum has given up plans to control the area by force. International aid organisations fear that, under the new Agreement, Abyei will become a militarised zone with the referendum, peace building, development and indeed Abyei's future indefinitely put on hold. Displaced people will need huge support once they return home. However, security concerns have kept many non-governmental organisations away from Abyei since 2008, when Khartoum's troops first razed the town.

The handover by UNMIS to UNISFA and the new UN Mission in South Sudan has been complicated by the violence in South Kordofan and poor UN planning and leadership. We hear that Foreign Minister **Ali Ahmed Kurti** surprised the UN Department of Peace-Keeping Operations in New York when he told UNMIS that it should leave the North by 9 July.

Hopes are not high for the successor UN Mission in the South, notwithstanding the appointment of **Hilde Frafjord Johnson** as Special Representative of the Secretary General, **Ban Ki-moon**. Johnson, who has worked at the African Development Bank and latterly as Deputy Executive Director of the UN Children's Fund, played a large role in the CPA when she was **Norway's** International Development Minister.

The new Mission will face tight budget constraints. In London last month to launch her book *'Waging Peace in Sudan: Past, Present and Future'*, Johnson strongly criticised the lack of coordination of international aid in South Sudan, a refrain often heard from Sudanese and foreign aid workers alike.

As Abyei nears the date of what might have been its return to South Sudan, Missiriya militiamen are still looting and burning villages on a grand scale and watched by Khartoum's soldiers. Sudanese and international human rights organisations, as well as the **United States** government, have loudly called for the UN to investigate events in Abyei and Southern Kordofan. The UNSC's Resolution 1990, which set up the Abyei force, also requested human rights monitoring and reporting on Abyei. It is unclear how it will react if – as expected – Khartoum bars its experts from the area. ●

CORRECTION: In AC Vol 52 No 13, we unintentionally demoted President **Omer Hassan Ahmed el Beshir** to Lieutenant General. Since seizing power 22 years ago, the Brigadier General has of course promoted himself and is now Field Marshal.

The usual suspects

Jonathan's new cabinet repays old favours and special interests with no concessions to a restive north

President Goodluck Jonathan shows little desire to impose himself on the country as the 36 state governors and the National Assembly jockey to push their nominees into the cabinet. He seems willing to reward all those who helped him to the highest office, hence the slowness of cabinet formation. Optimists point to signs that Jonathan is preparing for a second term, during which he may become his own man.

Many in the twelve mainly Muslim and Hausa-speaking states of the north, home to 53 million people, feel left out and resentful. Radical Islamist sects, most notably *Boko Haram*, have drawn strength from massive youth unemployment and a perception of the north's political and economic marginalisation (AC Vol 52 No 13). There was a 'queue of people waiting to join *Boko Haram*', observed one police officer, mirroring the Niger Delta armed movements which mobilised against the northern-dominated political system in the 1990s. Delta politicians coopted the southern militants after the restoration of civilian rule in 1999 but when the elections were over, they dropped them, leaving them to go freelance and engage in extortion against the oil industry.

Sabotage, murder and kidnapping cut oil production at one point by 600,000 barrels per day. Likewise, one Governor of Borno State, on the border with Chad, **Ali Modu Sherriff**, similarly used Muslim fundamentalists to win elections before reneging on his promises. In late January, Sherriff reaped the whirlwind when *Boko Haram* shot dead **Modu Fannami Gubio**, the man expected to succeed him as Governor, Sherriff's younger brother **Goni Modu Sherriff** and five others.

Conscious of *Boko Haram*'s growing strength, its Spokesman 'Abu Zaid' demanded apologies from northern politicians like Sherriff, **Isa Yuguda** of Bauchi State and **Danjuma Goje** of Gombe State – and got them. The last to fall into line was Sherriff, who asked the group on 6 July to forgive him 'and any other group I might have offended in the course of discharging my duties'. Many northern personalities favour negotiations with *Boko Haram* and there is talk of an amnesty, as in the Delta. The group is starting to resemble a parallel government, with top Abuja government officials sending it secret messages by night.

Boko Haram wants secular Nigeria

to become a *Sharia* state. Its activities surged after Jonathan decided to contest the presidency. He broke the unwritten north-south presidential power-sharing agreement, after more than 30 years of northern domination. Yet the north suffered economic and educational stagnation, regardless of who ruled in Abuja. The perception of discrimination plus the economic slump in the north is the real problem, say local analysts.

Inspector General of Police **Hafiz Ringim** was nearly killed by the car bomb at police headquarters in Abuja on 16 June. Since then, he has been in Washington asking for help from the Federal Bureau of Investigation and counter-insurgency specialists. We hear there are tensions between him and the National Security Advisor, General **Andrew Owoeye Azazi**, and that the Governors' Forum, the national grouping of state governors, is plotting Ringim's downfall.

The police rank and file believe Ringim is a placeman for the President. Jonathan is making no concessions to northern dissidents through cabinet appointments and is so far treating *Boko Haram* as purely a security issue. So strong is northern opinion against the government that mainstream northern politicians are nervous about joining it. ●

MINISTERS OLD AND NEW

President **Goodluck Jonathan**'s cabinet was not complete when we went to press. Here are some key appointments and some of those tipped for appointment soon.

● **Ngozi Okonjo-Iweala** (Rivers): Government Reform/'Super' Ministry of Finance.

The mission of the much admired former Finance Minister is to restrain government spending, an awkward task when 25% of current expenditure is on running the National Assembly. At Senate hearings on 6 July, she said the government must concentrate on capital investment in power and other public services and find ways to cut the ballooning recurrent spending. Now a World Bank Managing Director, she would give Jonathan's team much-needed credibility but will encounter strong resistance to her reform plans.

● Captain (Retired) **Caleb Olubolade**: Minister of State, Federal Capital Territory. A People's Democratic Party stalwart from Ekiti State, an old friend of the President and the first Governor of Bayelsa State when it was created by the late Gen. **Sani Abacha**.

● **Amal Pepple** (Rivers): A former head of the federal civil service, regarded by many as another establishment person due for retirement from the public service.

● Chief **Edem Duke** (Calabar).

● **Diezani Allison-Madueke** (Bayelsa): A former Petroleum Minister, previously a Director of Shell, from Jonathan's home state. She has a special rapport with the President. She told Senate hearings there would be no more imports of refined petroleum products by 2014, when all four refineries would be working. Few believed her.

● **Shamsudeen Usman** (Kano): National Planning. Retained in his old job at the Planning Ministry, which Okonjo-Iweala hoped to merge with the Finance Ministry. The blue-blooded Usman is said to be uncomfortable working with Okonjo-Iweala.

● **Bolaji Abdullahi** (Kwara): nominated by **Bukola Saraki**, showing that Saraki is firmly in the control of the party in his state and has presidential ambitions for 2015.

● Elder **Peter Godsdan Orubebe** (Bayelsa): Minister for the Niger Delta. From Jonathan's state and a close member of his think-tank.

● **Mohammed Bello Adoke** (Kogi): Still Minister of Justice and Attorney General and an ally of his predecessor, the controversial **Michael Aondoakaa**.

● **Bartholomew Nnaji**: probable Minister of Power.

● **Stella Oduah-Ogiemwonyi** (Anambra): Kept the accounts for Jonathan's campaign organisation and owns Sea Petroleum and Gas.

● **Olusegun Aganga** (Lagos): The former Finance Minister has no ministry. Once a Goldman Sachs director.

● **Jumoke Akinjide** (Oyo): Daughter of former Attorney General and Justice Minister Chief **Richard Akinjide** but lacks his popularity.

● **Omobola Johnson Olubushola** (Ondo): Independent director of Diamond Bank. Former colleagues regard her highly.

● **Tonye Cole** (Rivers): Co-founder of Sahara Energy Group, close to senior oil officials.

● Senator **Bala Abdulkadir Mohammed** (Bauchi): Ex-Federal Capital Territory Minister; power politician and President's point man in Bauchi.

● **Viola Onwuliri** (Imo): Former biochemistry lecturer, University of Jos.

● **Reuben Abati**: Incisive political columnist; Chairman, *The Guardian* editorial board, named Senior Special Advisor on Media. ●

Power cuts without responsibility

Chaotic energy policy causes lengthy power cuts – and urban unrest

It is a symbol of the politics behind Senegal's energy crisis. The North Korean-built African Renaissance monument on the hill above the darkened capital was bathed in light. Below it, as a power cut reigned on the night of 27 June, activists in Dakar set up burning barricades, overturned vehicles belonging to the state electricity board, the *Société nationale d'électricité du Sénégal*, and wrecked Sénélec's offices.

According to Sénélec, Senegal has a power-generation deficit of 164 megawatts. Power cuts of up to 20 hours a day are commonplace and the resentment that boiled over into violence last week will influence national elections next February. During the clashes in Dakar and other towns, angry crowds also set fire to buses and ransacked the home of presidential spokesman **Serigne Mbacke Ndiaye**, a friend of presidential son **Karim Wade**. Unprecedented in Senegal's recent past, the violence prompted the government to call out the army in armoured personnel carriers and even a helicopter gunship.

The energy sector has been hit by expensive imports, underinvestment, mismanagement and corruption. Karim Wade, whose ministerial portfolios include Energy, said on 28 June that industrial action by workers in the *Syndicat unique des travailleurs de l'électricité* (Sutélec) trades union had caused a shortage of fuel for the power plant and thus the outages. The union denied this; the next day, Karim's deputy, **Ibrahima Sar**, said Sutélec was not to blame after all. Sénélec then released a statement saying the fuel shortages were due to breakdowns at the power plant and contractual difficulties in fuel supply. The government is reluctant to admit it lacks the money to buy fuel abroad after it spent so much on the African Renaissance statue and the new US\$500 million international airport.

The government resolved the supply shortage by using money from the new *Fonds de soutien de l'énergie* (Energy Support Fund), a 450 billion CFA franc (US\$992.16 mn.) fund intended to support the sector through import taxes, telecommunications levies and other taxes. The FSE is part of the government's *Plan Takkal*, approved by the International Monetary Fund and announced by Wade Junior in January. Short-term problems of electricity supply are to be solved by spending money on importing fuel and

leasing generating capacity until a new coal-fired electricity plant starts up in 2014 (AC Vol 52 No 11).

Karim Wade announced that the FSE funds had financed a contract with International Trading Oil and Commodities to buy 33,000 tonnes of diesel per month for its generators for July, August and September. ITOC won against eight companies, including Trafigura, Dax and Total. ITOC is a Senegalese trading company that belongs to the reclusive businessman **Abdoulaye ('Baba') Diaw**, who runs it with **Moustapha Niasse**, one-time Prime Minister and now sworn enemy of President **Abdoulaye Wade** and leader of the *Alliance des forces de progrès*.

BIG BILLS FOR BAD SERVICE

ITOC won the contract by guaranteeing to supply fuel oil at \$32.5 a tonne instead of the previous price it had been charging Senegal of \$97/tn. This will allow the government to save up to CFA15 bn. a year, although there have been persistent questions as to why the previous price was so high. ITOC has done well from providing oil despite payment arrears. According to Deputy Minister of Energy Sar, Sénélec owes ITOC CFA20 bn. and, says one energy insider, has a global debt of CFA286 bn. A Sénélec official said this was exaggerated. Sénélec says it is losing CFA150 mn. a day, in spite of bills for large consumers having increased by 85% between 2005 and 2010 and by 49% for small consumers.

Some of Sénélec's problems are caused by the high prices it was paying ITOC, with

the government having paid up to CFA40 bn., over and above the usual price in 2010. ITOC's defenders say that it charged a premium to cover the delays in payment. Yet economist **Mamadou Aliou Diop** said that Diaw had Senegal 'held hostage' and ITOC had won 'tenders of convenience'. The new ITOC deal may help to soothe a public frustrated by power cuts and staggered that an estimated CFA800 bn. of public money has gone to Sénélec since 2003 with so little to show for it.

Senegal's energy woes go deeper than Sénélec. The country spends CFA780 bn. a year on importing crude oil, which it refines and then burns to produce electricity, and a further CFA220 bn. a year on importing refined products. The refining is done at the part-state-owned, 50-year-old refinery, the *Société africaine de raffinage* (SAR), which cannot provide all the oil products that the country needs. The government is privatising SAR to raise finance to expand its refining capacity and its storage facilities. In 2009, the **Saudi Binladen Group** (SBG) signed a memorandum of understanding in which it agreed to buy a majority share. The deal was signed between SBG and Karim Wade, before he was Energy Minister, and without any competitive bidding process, a common feature of the government's past energy deals.

In April 2010, SBG paid the government \$37 mn. for a 34% stake in SAR, dwarfing Total's 20% share. The rehabilitation of the refinery is meant to take its capacity from 25,000 barrels per day to 180,000 bpd, offering the eventual possibility of exporting oil products to the region.

This April, SBG appointed **Omar Kassou**, a Moroccan, as Director General to run the refinery and oversee a modernisation programme at SAR costing some \$1.4 bn. Some link the refinery deal to SBG's winning the 2007 contract to build the Blaise Diagne International airport at Dakar, a contract valued at CFA230 bn. ●

REFINERIES AND RIVALRIES

The Chairman of the Board of the *Société africaine de raffinage* (SAR) is **Serigne Mboup**, a one-time ally of former Prime Minister **Macky Sall**, who is expected to challenge President **Abdoulaye Wade** at the next election. When Macky Sall was Prime Minister, from 2004 to 2007, he appointed his friend Serigne Mboup to head the state petroleum company, the *Société des pétroles du Sénégal* (Pétrosen). Wade then fell out with Sall and sacked him, making him instead President of the National Assembly, a post he promptly lost when he asked **Karim Wade** to explain the lavish spending on Dakar's hosting of the Organisation of the Islamic Conference summit in 2008.

Having rid the government of Sall, the Wades wanted to remove those loyal to Sall too, as they had done with **Idrissa Seck**, a former Wade loyalist who stood against him in the 2007 election and won 15% of the vote. The government transferred Mboup from Pétrosen and appointed him Chairman of SAR. The appointment, we hear, was Mboup's reward for disassociating himself from Sall, who looks an increasingly credible challenger to the Wades, both father and son. ●

Rebels edge closer to Tripoli

Running out of options, Gadaffi declared in his birthday speech on 7 June that he would choose 'death before surrender'

As the rebel war to drive Colonel **Moammar el Gadaffi** from power stretches out, public support for the North Atlantic Treaty Organisation's intervention is weakening. However, NATO governments cannot afford to abandon their campaign and will keep up the bombing of Gadaffi's military assets and boost diplomatic and material support to the increasingly buoyant Transitional National Council in Benghazi. The Gadaffi regime tries to weaken NATO's resolve, offering the prospect of negotiations using the African Union as a broker. Those who know Gadaffi dismiss any possibility of him quitting power but his clan seem to believe that AU negotiations could leave him and his son **Seif el Islam el Gadaffi** with a share of power.

This looks like wishful thinking from a regime whose firepower, finances and fuel dwindle by the day, as air strikes shake its confidence. The 20 June bombing of a villa in Serman failed to kill Gadaffi's close aide General **Khweildi el Humaidi** but relatives of the veteran commander died. An unexpectedly intense rebel campaign has emerged in Jebel Nafousa, the mountainous Berber heartland of the west. Amid continual defections from Gadaffi's camp, rebel military advisors give more bullish briefings than much of the recent news flow might suggest.

After the early months when the eastern front dominated the conflict, western Libya is now the critical arena. This is forcing Gadaffi's forces to cover a second front in addition to Misurata to protect the capital from a rebel force that would not have far to travel if it broke through to join up with resistance fighters within Tripoli. Western strategists say Brega and Misurata no longer hold the key to Gadaffi's downfall, as they seemed to when the United Nations Security Council voted for a no-fly zone in March. The front line has moved to Gharian, still under Gadaffi's control as *Africa Confidential* went to press, as rebels in Jebel Nafousa – now backed by Western arms – have steadily advanced in the last two months.

The western rebellion also restricts the regime's fuel supplies and ability to police the porous borders with **Algeria** and **Tunisia**. In June, rebels cut the pipeline which had been sending 40,000 barrels of crude oil per day from the El Sharara field to Tripoli's main source of fuel, the Zawiyah refinery. Other oil and

gas infrastructure has also been attacked, leaving the city starved of fuel. Reporters there have seen drivers not deemed useful to the regime queuing for days for fuel.

More former Gadaffi-loyalists have trickled out of Tripoli. The most prominent energy official (and ex-Premier), former National Oil Corporation Chairman **Shukri Ghanem**, defected in May and re-emerged in Rome in June saying he intended to help the rebels (many of whom are less than grateful; AC Vol 44 No 16). His replacement at the NOC is the former Utilities Secretary and General Electric Company of Libya Chairman, **Omran Abu Kraa**, a regime stalwart with a reputation for being ineffectual, though he was allowed to attend the Organisation of Petroleum Exporting Countries' ministerial meeting in Vienna on 7 June.

One senior Berber commander, Gen. **Mohamed Ali Dhech**, has gone to Jebel Nafousa, helping to organise what is now the rebels' most effective fighting force, which has extended beyond hilltop redoubts to liberated Berber towns and villages, including Yafran and Rujban. The Nafousa rebels are benefiting strongly from foreign arms supplies. In late June, the French Defence Ministry admitted it had dropped weapons and ammunition into Nafousa. Amid reports of generous supplies, it said the 'equipment [was only] allowing them to defend themselves'.

The TNC's other main European ally, **Britain**, denies providing military equipment. But it has supplied body-armour, uniforms and other non-lethal materiel to the civilian police in Benghazi, Foreign and Commonwealth Secretary **William Hague** said in the rebel capital on 30 June. UK military trainers have formed a team among the 50-plus staff now at the British delegation, led by a Foreign and Commonwealth Office high-flyer, **John Jenkins**, an Arabist and former Ambassador to **Syria** and latterly **Iraq**.

The TNC's main Arab backers, **Qatar** and the **United Arab Emirates**, are also providing military equipment. Doha has played an important role in the revolution. More significant than deploying three Mirage jet-fighters on NATO missions has been its role in overcoming the TNC's lack of finance and fuel. Qatar Petroleum shipped four tankers of gasoline, diesel and other refined fuels to Benghazi in May and June, keeping eastern Libya's electricity generators and vehicles running.

South African President **Jacob Zuma**'s intervention on behalf of the African Union was seen as ineffective but South Africa could yet play a role in an AU-negotiated settlement, if such a thing is possible. Western leaders have long considered South Africa as a possible refuge for Gadaffi. Unlike Tunisia's ex-President **Zine el Abidine Ben Ali**, Gadaffi cannot take the traditional route of exile to Saudi Arabia, as he is widely believed once to have been behind a plot to assassinate King **Abdullah bin Abdul Aziz al Saud**. Other African leaders might offer a channel to Gadaffi, such as **Uganda's** President **Yoweri Museveni**, but some old beneficiaries of Gadaffi's investment and largesse have declared for the revolution. These include **Senegal's** President **Abdoulaye Wade**, who in June became the first African leader to visit the TNC in Benghazi. Gadaffi promptly threatened to support Casamance rebels.

Eager to present itself as an international mediator, **Turkey** maintains relations with all sides. This makes the TNC deeply suspicious, as did Ankara's initial reluctance over NATO's intervention. The TNC even suspects Ankara of helping Tripoli to secure fuel and other essentials. Turkish contractors and suppliers enjoyed huge success in Gadaffi's Libya and the regime's collapse has put billions of dollars' worth of business in jeopardy.

Turkish diplomats are serving as a bridge between the regime and the governments ranged against it. When Gadaffi's forces captured a group of journalists – South African photographer **Anton Hammerl**, Americans **Clare Morgana Gillis** and **James Foley**, Spanish photographer **Manuel Varela de Seijas Brabo** – on 5 April, Turkish good offices put them in touch with their families and governments, leading to the release of the three survivors on 18 May. South African diplomats had been unable to locate the group; Hammerl, it emerged, had been killed when the group was captured.

Communication with governments and intellectuals – and even, some say, senior defectors – will continue for as long as Gadaffi is in Tripoli and a negotiated exit seems possible. The AU is persisting in its efforts and Libyan ministers have met exiles and foreign envoys on the Tunisian island of Djerba. Madrid said it had received a proposal from Gadaffi's Prime Minister, **El Baghdadi Ali el Mahmoudi**, asking for a ceasefire shortly before it decided to recognise the TNC.

Never bright, hopes of a negotiated breakthrough seem dimmer after the International Criminal Court's call for the arrest of Gadaffi, Seif el Islam and security chief **Abdullah Senoussi**. In Benghazi, the only breakthrough envisaged is through Gadaffi's army's front lines on the road to Tripoli. ●

Strategic electoral alliances

With four months to go to the presidential election, the atmosphere grows more tense

The starting gun for Liberia's second free presidential election since the civil war was officially fired on 5 July. Early indications for October's poll show that President **Ellen Johnson Sirleaf** faces a tough and close contest to retain power. **George Oppong Weah**, who finished second in the 2005 presidential contest, will not stand in his own right but as the vice-presidential running mate of a former United Nations envoy to **Somalia** and scion of the Americo-Liberian elite, **Winston A. Tubman**.

Tubman, a lawyer, is the nephew of **William Vacanarat Shadrach Tubman**, President of Liberia in 1944-71. He came fourth in the first round in 2005 before switching his support in the second to football star George Weah, whom many in the political elite looked down on as a secondary school dropout without the intellect to lead a nation recovering from 14 years of civil conflict (AC Vol 46 No 19). Voters finally narrowly decided in favour of the Harvard-educated banker Johnson Sirleaf. Tubman also went to Harvard and several other universities.

Most opposition parties have chosen running mates to improve their chances in particular counties, signalling the importance of regional politics. The Liberty Party presidential candidate, **Charles Walker Brumskine**, once one of Weah's suitors and like Johnson Sirleaf and Tubman an Americo-Liberian, has selected Bong County's **Franklin O. Siakor**, who sits in the Senate as an independent. Bong has the third-largest population in Liberia, behind Nimba County and Montserrado, site of the capital city.

Former warlord and current Senator **Prince Yormie Johnson** of the National Union for Democratic Progress, from Nimba County, named as his vice-presidential running mate **James Laveli Supuwood**, one of former leader **Charles Ghankay Taylor**'s defence lawyers at his war crimes trial at the Special Court for **Sierra Leone** in the Hague. Supuwood is highly influential in Lofa County and hails from the Lorma, the region's largest ethnic group. Johnson Sirleaf has kept her Vice-President, **Joseph Nyumah Boakai**, for the election and he, too, is from Lofa.

Taylor awaits his verdict and sentence in the **Netherlands**. He commands the loyalty of thousands of Liberians even now and has wealthy supporters. A word from him could crucially affect the

outcome of the poll, though he will not be able to issue pronouncements from his prison cell. Johnson Sirleaf was obliged to seek support from Taylor-loyalists in the second round in 2005 as she struggled for an edge over Weah. She promised, we hear, to try and keep Taylor in **Nigeria**, where he was under house arrest before being taken to the Hague, and went to the United Nations Security Council to argue against travel bans on Taylor-loyalists.

Dew Tuan Wreh Mayson, whose alliance of opposition parties, the National Democratic Coalition (NDC), is dominated by former leaders of Taylor's National Patriotic Party, is undecided on whom to select as his running mate but most of his supporters favour Taylor's former wife, **Jewel Howard-Taylor**, who is now a Senator for Bong (AC Vol 52 No 1). Mayson is keener on **Joseph Korto**, who was instrumental in mobilising votes for Johnson Sirleaf in Nimba in the 2005 run-off. She rewarded him with the job of Education Minister in 2006-2010 but sacked him for not doing more to refurbish primary and secondary schools. NPP insiders told *Africa Confidential* that they had threatened to pull out of the coalition and switch their considerable support to the Tubman-Weah ticket if Mayson decided to run with Korto.

Mayson is very close to Nigerian former military ruler General **Ibrahim Badamasi Babangida**, who local reports said helped to finance Johnson Sirleaf's 2005 campaign. She promised Mayson the foreign minister's post before the election, we understand, but he never got the job.

Johnson Sirleaf's campaign, led by **Varney Sherman**, is well endowed and is using hundreds of campaign vehicles to mobilise supporters and persuade voters to switch sides. The campaign team reserves important roles for former opposition figures from the Congress for Democratic Change, Weah's vehicle in 2005, and seems to be actively seeking opposition figures to poach.

One prize catch was the former CDC Secretary General, **Lenn Eugene Nagbe**, who will now serve as NUP Deputy Campaign Manager. Weah's 2005 Campaign Manager, **Jacob Kabakollie**, and close friend **Samuel Wlue** will be on the advisory board of Johnson Sirleaf's campaign committee. Major allies of the CDC in 2005, such as the 'Intellectual Committee' and the 'Free-Thinkers', who

helped to mobilise students and youth support for Weah, have all endorsed Johnson Sirleaf. Another convert was former student leader **Samuel Kofi Woods II**, now Public Works Minister.

Prince Johnson criticised the 38-member campaign team, which includes the ministers of Finance, Public Works, Planning and Economic Affairs, as vulnerable to corruption. The ministers, he charged, would use state resources to campaign, which would be a violation of electoral law. There is suspicion that political motives may underlie a possible criminal prosecution of Tubman. The Justice Ministry has announced that it is looking into a report from the Ministry of Foreign Affairs on the sale of the Paris Embassy during the 1990s.

'Mr Winston Tubman, who signed the purported "title of transfer"', Justice Minister **Christiana Tah** declared, 'did not have the requisite *indicia* of authority to transfer a good, clear and free title of any property belonging to the Government and people of Liberia, particularly the property located on 8 Rue Jacques Bingen, Paris 75017 **France**. So the purported transfer is illegal and null and *void ab initio*.' No one who is not a properly constituted government minister is permitted to dispose of government property and that is the essence of the charge.

Tubman, who is not accused of personally benefiting from the sale, has said he was merely following the orders of the legal government of the time. Members of his party, many of whom are former fighters in the civil war, said they would resist any attempt to prosecute their leader, calling the allegation a political witch-hunt. The government has not announced when he would be charged or tried. Weah, who is the face of the CDC, said he would campaign to make sure Tubman won the election. Weah has tried to overcome any view of him as uneducated by obtaining a degree in Business Management from DeVry University, Florida, **United States**.

The prospects of one of the newest presidential candidates, **Simeon Freeman** of the Movement for Progressive Change, do not look good after a woman accused him of failing to give her a promised US\$250 after they slept together. He has been critical of the government's fight against corruption, a point on which Johnson Sirleaf is thought to be vulnerable, and its economic policies. Police are investigating him on a possible criminal charge. He blamed the government for masterminding the scandal, which the government has denied.

The conventional wisdom is that if Johnson Sirleaf does win, it will be down to incumbency, the immense resources her campaign is bringing to bear and the inability of the opposition to unite around a single candidate in the second round. ●

Condé drives a hard bargain

Before parliamentary elections in November, the government is rewriting the mining code and reviewing contracts

Beyond the bonhomie and the stream of foreign dignitaries trooping to see President **Alpha Condé** in Conakry, evidence is emerging of grand corruption in public works and mining contracts under the previous, military regimes (AC Vol 52 No 8). How these cases are handled will affect both new investment and the jockeying in the lead up to November's elections. Condé says he will renegotiate unfavourable contracts and take a hard line on malefactors, both political and corporate. His ministers say the government is committed to meeting the terms of the Extractive Industries Transparency Initiative and some companies fear they will be squeezed out.

Everyone wants to know what this will mean for business and governance. Among the visitors last month were **British** former Prime Minister **Tony Blair** and a 35-strong delegation from a **French** business lobby, the *Mouvement des Entreprises de France* (Medef), as well as several guests of Guinean entrepreneur **Aboubacar Danfakha**, head of the local concern *Groupe Tifa-Guinée*.

Condé narrowly won the second round of the presidential election last November, promising economic development and an end to ethnic conflict and extreme corruption (AC Vol 51 No 23). Of the US\$21 billion **Chinese** investment announced by Prime Minister **Lansana Kouyaté** (in office February 2007-May 2008), less than \$100 million has arrived. Negotiations have been complex and slow.

A confidential audit for the government points to disastrous economic management under Captain **Moussa Dadis Camara**, the leader of the 2008 military coup, and his successor, General **Sekouba Konaté**, who organised the transition to democracy. The public sector made 85 procurement deals worth \$1.5 bn. but only three tenders followed legal procedure. According to the audit, the junta handed procurement over to private operators, notably to **Kerfalla Person Camara**, the head of the building conglomerate Guicopress. It won 43% of all public tenders.

The audit also revealed extraordinary overcharging. Cars were acquired at three times the list price for the basic model, at over 1 bn. Guinean francs (US\$150,000) each, and delivered before the award of the tender. One contract priced 112 flats for customs officers at GF1.72 bn. each. Computers and printers cost two or three

times the regular price. Other surprises include an order for 50,000 military medals and uniforms for \$39 mn.

Condé is also determined to review major mining contracts and establish new ground rules for future investment. Companies complain about the Mines Ministry's plans to reform the mining code. The billionaire philanthropist **George Soros** said in March that he was helping the government to draw up a new mining code and groups such as the Revenue Watch Institute have been helping to devise new measures.

NEW CODE COLLYWOBBLES

A senior advisor to Mines Minister **Mohamed Lamine Fofana** admits to delays in the long negotiations over the new mining code that is supposed to replace the 1995 code. The mining companies complain about two main areas: the management of title to the mines and plans to increase the state's equity in joint-venture companies to around 30%. Western companies are also uneasy about Condé's decision to apply the new mining code retrospectively but the government says it will take a tough line with Asian companies as well.

When Chinese Foreign Affairs Minister **Yang Jiechi** visited in February, Condé said he was not ready to hand over mining rights in exchange for infrastructure investment, as envisaged in the barter arrangements, and he could promise nothing until the mining code was complete. China International Fund (CIF), a Chinese-owned and -operated company based in Hong Kong and **Singapore**, had promised to invest \$7 bn. in infrastructure in return for mining and petroleum concessions. Condé says the terms agreed in 2009 no longer apply.

We hear that CIF, which had lodged a deposit of \$100 mn. with the *Banque Centrale de la République de Guinée* as a 'guarantee', asked in September 2010 for the return of \$45 mn., leaving \$50 mn. for use by the government, though that sum has not yet been accounted for. This would leave only \$5 mn. in CIF's BCRG account. CIF made a joint-venture agreement with the **Australian** company Bellzone, which has discovered an enormous iron-ore deposit at Kalia in central Guinea. The country's mining promotion agency puts the deposit at about 10 bn. tonnes. Bellzone is offering to spend about \$4.5

bn. on developing the mine, with an associated railway and coastal port, but has not explained how it will raise the money.

Joint-venture partners in Guinea, including Global Alumina, Anglogold Ashanti, Rouski Alumini (Rusal) and others, are shortly to face the Guinean negotiators who forced Rio Tinto to make payments of \$700 mn. to regularise its exploration concessions in the Simandou iron ore reserves, among the biggest in the world. On top of that payment, Guinea will have 51% ownership of the infrastructure and its share in the project will increase from 15% to 35%.

The Rio Tinto deal has encouraged Conakry in its tough stance with investors, officials told *Africa Confidential*, and it offers the chance of replenishing state coffers emptied by the military government. Yet government sources are divided on the meaning of the deal. Some say Rio Tinto expects to get its money back because Guinea has agreed to contribute 51% of the finance for Simandou's mine, railway and port.

Some of the government's statements on renegotiating mining deals may be linked to November's parliamentary polls. Administration and Political Affairs Minister **Alhassane Condé** proposes that a census for a new electoral register be held before polling. This is opposed by the main opposition parties: the *Union des forces démocratiques de Guinée*, led by **Cellou Dalein Diallo**, who came second in the presidential poll, and the *Union des forces républicaines* (UFR) of former Prime Minister **Sidya Touré**, who came third.

They claim the census would be fixed in favour of President Condé and his *Rassemblement du peuple de Guinée* (RPG), who did badly in the first round of the presidential election, with just 18% of the vote, against Diallo's 43%. Condé won the second round by making alliances across the board. The *Commission électorale nationale indépendante* has seen bitter disagreements over the registration project. Government officials say there were 'anomalies' in about 500,000 names at the 2010 presidential poll, when about 4.3 million people were registered to vote. Alhassane Condé told journalists that this was sufficient reason for a new register. The state has already spent 20.5 mn. euros (\$29.65 mn.) on preparations and ordered 2,000 of the necessary registration kits.

The opposition may manage to stop the census. Diallo's UFR argues that when Condé criticises the procedure that got him elected, he is effectively acknowledging that his election was not transparent. The European Union has promised to unblock Guinea's grant funds if it holds the National Assembly elections, but first the EU will have to decide whether they will be legitimate. ●

How honesty can cost jobs

Local officials and Western companies argue about new regulations on conflict minerals which they say could worsen economic hardship

Unemployment among artisanal miners is rising as nervous electronics manufacturers, such as Apple and Intel, source fewer imports from them. Many companies are acting on a precautionary basis as guidelines on 'conflict minerals' from the **United States** Dodd-Frank Wall Street Reform and Consumer Protection Act and the Organisation for Economic Cooperation and Development (OECD) come into force (AC Vol 52 No 10). Yet while mining houses and non-governmental organisations generally agree on the goal of preventing bloodthirsty militias profiting from mineral exports, some are trading insults and questioning each other's motives.

Minerals such as cassiterite (the primary ore of tin), columbo-tantalite (coltan, for mobile telephones and other electronics), wolframite and gold have enriched militias controlling illegal mining in areas in eastern Congo-K.

The most notorious groups include the *Forces démocratiques de libération du Rwanda* (FDLR), originally formed by Hutu soldiers from Rwanda's former government, and the *Conseil national pour la défense des peuples*, a regional Tutsi movement now led by General **Bosco Ntaganda** (aka **Terminator**). The worldwide campaign by NGOs has won strong legislative measures against the illicit trade, including section 1502 of the Dodd-Frank Act (AC Vol 51 No 16). It requires companies publicly quoted in the USA to certify that their imported minerals are conflict-free and to produce documentary evidence that they have carried out due diligence.

At the same time, the ITRI, the tin industry association, has been trying to set up a certification system – 'bagging and tagging' – in conflict-ridden areas of eastern Congo that could satisfy the demands of Dodd-Frank. ITRI has been working with the OECD to come up with a workable code, and on 25 May the OECD's Investment and Development Assistance committees adopted the OECD guidelines for its 42 member and observer countries.

Although the OECD guidelines are voluntary, in the USA they will form the basis of enforcement of the Dodd-Frank Act by the US Securities and Exchange Commission (SEC) for all US publicly quoted companies. The final guidelines are not expected to be in place before the end of 2011 but US public companies that

adhere to the guidelines can be confident, an OECD representative said, that they will stay on the right side of the law.

For suppliers, however, 'due diligence' costs money and US companies that want to avoid any complications whatsoever may choose to buy in **Australia** or **Brazil**. **China**, **Russia** and **Canada** mine tungsten and Congo's troubles benefit coltan miners in **Mozambique**, where Noventa hopes to triple production from its Marropino site to an annual 600,000 pounds by the end of the year.

Coltan is relatively scarce and increased supply lowers prices. This has caused some to question the motives of those backing strict controls on or boycotts of conflict minerals. A **Belgian** researcher, **Raf Custers**, has alleged that Commerce Resources, a Canadian company intent on opening a coltan mine on the Blue River in British Columbia, and other North American companies with coltan interests, are pushing for a ban on Congolese coltan to bolster their own commercial prospects. Commerce representative **Chris Grove** fiercely rejects the charge, saying Commerce has been supporting the campaign against importing conflict minerals only because of the disastrous humanitarian situation in Congo-K. He says Commerce backs the ITRI scheme and the OECD due diligence guidelines but with the added proviso that the certification be backed by independent third-party verification. Provision for that is already in the OECD guidelines.

ETHICAL ALTERNATIVES

Commerce has sponsored **Ron MacDonald**, believed to be a public relations professional, to appear at OECD and other events where he has argued against companies importing conflict minerals from Congo-K since 2009. Grove says Commerce has always been open about this and makes no apologies for wanting companies to source coltan ethically, nor about how Commerce's proposed Canadian mine could be 'an ethical alternative' to Congolese minerals. For many, however, the sight of a commercial mining enterprise sponsoring humanitarian initiatives out of altruism has been hard to credit. Grove insists there are no ulterior motives.

In turn, Grove accuses Custers of acting as a front for Belgian mineral trading interests which benefit financially

from eastern Congo minerals, which Custers formally denies. Custers also brackets Enough, a US NGO which has been very active against the trade in conflict minerals from eastern Congo-K, with Commerce, calling it the 'North American lobby against the Congo'.

Enough denied receiving or seeking funds from Commerce and does not support a boycott of Congolese minerals. Enough told *Africa Confidential* that it supports the certification of minerals to enable responsible sourcing and wants US companies to monitor the situation by enabling the International Conference on the Great Lakes Region (ICGLR) Independent Mineral Chain Auditor to have a monitoring team and to penalise those not complying. Even though some companies have stopped buying minerals in Congo-K and some unemployment among miners has resulted, Enough says, there have also been good results, with some militia commanders being unable to sell any minerals and others abandoning mines they previously controlled.

Supporters of the legislation say it is inevitable that there will be some loss of jobs resulting from the drive to source materials ethically, but the alternative is to do nothing and allow the militias to prosper alongside legitimate miners. In North Kivu, most mines closed down after 1 April and the production of cassiterite, coltan, wolframite and gold has slumped, said **Aloys Tegera**, a researcher at the Pole Institute in Goma, the province capital. An industry which recently exported minerals worth about US\$90 million a year (not including gold) is paralysed. President **Joseph Kabila**'s government had already banned mining in the province from September 2010 to March 2011. Tegera says that the mining hold-up may reduce the province's tax receipts by two-thirds.

Since minerals are easily transported over borders, Congo-K is not the only country affected. Africa Primary Tungsten (APT), controlled by **Jean-Paul Higiro**, who is also Chairman of the *Association des mineurs du Rwanda*, sells all the 400 tonnes of wolframite he produces to **China** and 30% of that came from small-scale diggers and cooperatives in Congo until he stopped buying altogether.

Rwanda's own producers and exporters complain that traceability and certification is expensive at \$300 per tonne for wolframite, \$500 per tonne for cassiterite and \$2.50 per pound for coltan. As for **Burundi**, it is unprepared for the impact of the US law. Its 50,000 artisanal miners do not belong to organised cooperatives and they risk losing their jobs, according to **Jean Habonimana**, who deals in cassiterite and wolframite in Bujumbura. In May, dealers in Burundi were selling their minerals at a 30% discount outside the reach of Dodd-Frank. ●

Zuma and the securocrats

Loyalists in crucial security positions are key to Zuma's bid for a second term in office

President **Jacob Zuma's** intention to stand for a second presidential term next year has divided the ramshackle coalition which controls the governing African National Congress. Since the coalition no longer shares what previously united it – dislike of former President **Thabo Mbeki** – it threatens to splinter in all directions. However, few of Zuma's opponents and would-be rivals have reckoned on the value to him of the organs of state security. This is a key realm for him to maintain influence over, especially if, as many ANC members say, one of Zuma's main purposes in seeking a second term is to make sure he will face no criminal charges when he leaves office.

The battle among Zuma's supporters over whether he should stay on for a second term as leader of the ANC has engulfed the state's intelligence, military and security sectors, affecting them just as it has affected much of South African life. The State Security Minister is Zuma's

ally, **Siyabonga Cwele**. His wife, **Sheryl Cwele**, was convicted of drug-trafficking on 6 May and is appealing against her twelve-year sentence, although she continues to draw her salary as Director of Health and Community Services in the Hibiscus Coast municipality in KwaZulu-Natal (AC Vol 52 No 11). Her husband, meanwhile, is making difficulties for the Director General of the National Intelligence Agency, **Gibson Njenje**, now that he apparently opposes Zuma's second term. Njenje had resigned from the NIA in 2005 after he was accused of using NIA resources in support of Zuma's presidential campaign against Mbeki (AC Vol 51 No 1). Njenje's appointment to the director generalship was a reward for his loyalty, analysts say.

The head of the South African Secret Service (which is responsible for external intelligence, while the NIA is domestic) is Zuma's close ally and strategist **Riaz 'Mo' Shaik**. Zuma replaced **Jackie**

Selebi, Mbeki's appointee as Police Commissioner who has been convicted of corruption (AC Vol 50 No 23), with another close ally, **Bheki Cele**. He is potentially in trouble because Public Protector **Thuli Madonsela** is about to release a report on the questionable leasing of a Durban police building, involving one of Cele's friends.

The man who heads the National Prosecuting Authority is Zuma-supporter **Menzi Simelane**, who proposes to restructure the NPA to strengthen his control of its different units. Critics charge that this is a blind to cover the demotion of prosecutors who were involved in pursuing the rape and corruption charges against Zuma, on which he was cleared in 2005 and 2009 respectively. The Scorpions, the elite anti-corruption team, have been closed down and replaced by the Hawks, who have slimmer resources and less sting. Zuma's ally **Anwa Dramat** leads the Hawks. **Schabir Shaik**, Mo Shaik's brother sentenced to 15 years' gaol for corruption in arms deals, obtained early release after two years on widely questioned health grounds (AC Vol 52 No 7).

SAAB STORY

Lieutenant General Dramat says he has assigned one investigator, **Johan du Plooy**, to follow up a slew of further allegations of dodgy arms deals and denies that there has been 'any pressure or undue influence' on him by Zuma to stop investigations. However, the issue flared up again in mid-June when the head of the Swedish defence group Saab, **Hakan Bushke**, admitted that 24 million rand (US\$3.57 mn.) had been paid by **Britain's** BAE Systems to South African officials on its behalf but without its knowledge. Dramat says the Hawks are 'aware' of all that and will 'assess' the claims. BAE says it has no case to answer as it falls under the deal made with the UK Serious Fraud Office in 2010 under which it would face no further charges.

A source in Zuma's camp told *Africa Confidential* that one reason why the President wants to stand for another term is that he fears his political enemies, especially associates of former President Mbeki, will seek revenge for the ousting of his predecessor by pursuing criminal charges against him. Many of Zuma's detractors in the ANC are eager to pursue the arms deal corruption allegations, and he fears they will make their bid when he has left the presidency.

Politics and crime haunt other parts of the security establishment and not always to Zuma's benefit. Lt. Gen. **Richard Mdluli**, head of crime intelligence, is on bail until September in the case of a love-triangle murder committed in 1999. He claims that his arrest was part of a political conspiracy by his opponents within the ANC, the

POLICE POWERS SET TO EXPAND

The security forces have gained extra powers under President **Jacob Zuma** and some fear that these could be used to curb political opposition. The police are certainly tough enough already. In the twelve months to March last year, the Independent Complaints Directorate recorded five complaints of torture against the police and 920 of assault with intent to cause grievous bodily harm. Seven of the 294 deaths in custody were linked to torture and 90 others to 'injuries sustained in custody'. The ICD also investigated 24 complaints of rape by police officers.

Proposed changes to the Criminal Procedures Act will allow police to use deadly force against a suspect resisting or fleeing arrest where they believe there is a risk of 'future death' if the suspect escapes. The draft law also proposes setting up a Media Appeals Tribunal, whose apparent purpose would be to curb the press, and a Protection of Information Bill which would severely restrict press freedom, according to local journalists and other organisations such as the Committee to Protect Journalists. Last year, police arrested a *Sunday Times* journalist, **Mzilikazi wa Afrika**, after his reports on an alleged hit squad implicated senior Limpopo provincial government members (AC Vol 51 No 19).

In March, Public Protector **Thuli Madonsela** published a report saying that Police Minister **Bheki Cele** had improperly arranged a 500-million-rand (US\$74.45 mn.) lease on a new police headquarters from a friend of his. The Office of the Public Protector is meant to be a constitutionally protected, independent, public watchdog against official abuse. However, shortly after Madonsela issued her report, police officers raided her office to search for documents related to it. Cele denied having given permission for the raid.

On 6 July, several media reported that Madonsela was about to be arrested for fraud concerning work she had done three years ago as a commissioner of the South African Law Reform Commission. She categorically refuted the allegations, telling the *Mail & Guardian*, 'These reports seem to be trying to distract the work that me and my office are doing to further the Constitution, and the timing of their release is also questionable' – a clear reference to her report on Cele. ●

forces aligned against Zuma. Last year, Mdluli submitted a report in his personal capacity to Zuma alleging that Human Settlements Minister **Tokyo Sexwale** was conspiring to remove Zuma at the ANC's National Conference in 2012.

The report says Tokyo Sexwale had formed an anti-Zuma alliance comprising KwaZulu Natal Premier **Zweli Mkhize**, ANC Youth League (ANCYL) President **Julius Malema**, ANC Treasurer **Mathews Phosa**, Sports Minister **Fikile Mbalula**, Justice Minister **Jeffery Thamsanqa Radebe**, National Executive member **Tony Yengeni** and ANC provincial leaders **David Mabuza** and **Cassel Mathale**. All deny involvement. Sexwale has threatened to sue Mdluli. Zuma, after sitting on the report for six months, has complained to the party's National Executive Committee about the alleged plot.

These are deep waters. Malema recently claimed that Zuma's government 'deliberately exposed him to death' by withdrawing his personal security guards for 'political reasons'. (Unpredictably, he has also described his old foe Mbeki as the 'cleverest ANC President ever', but this was intended mainly as an attack on Zuma.) The disgraced former police chief Selebi, now appealing against his conviction for corruption, also says he is a victim of a political conspiracy in the ANC.

The latest ANC chief to come out against Zuma is its Deputy President, **Kgalema Motlanthe**, who describes himself as a loyal and disciplined member of the party, who 'has not spoken to anyone about his future role in the ANC'. However, he is

VETERANS WITH INFLUENCE

Veterans of the African National Congress's former military wing, *Umkhonto we Sizwe* (MK), helped **Jacob Zuma** to get elected ANC leader in 2007 and he wants their support again for a second term. Last time, he is believed to have struck a deal: the veterans would support him against **Thabo Mbeki** and he would give them a military grant.

Now, the MK Military Veterans Association appears split between factions for and against Zuma. In March, a meeting of MKMVA leaders ended in chaos, with charges by pro-Zuma members that **Tokyo Sexwale** had sponsored the meeting to plot against Zuma's presidency. Chairman **Kebby Maphatsoe** boycotted the meeting and persuaded Zuma not to attend, after first trying to cancel the event (AC Vol 52 No 7). Among the organisers was the Association's Secretary General, **Ayanda Dlodlo**. Maphatsoe's salary is paid by the **Gupta** family, business associates of the Zuma family (AC Vol 52 No 5).

In June, Parliament adopted a Military Veterans Bill tabled by its Committee on Defence and Military Veterans. The total package offers generous provision of R1.6 billion for the 56,000 registered veterans. The Treasury was not consulted, in spite of the fact that the law states that proposed legislation must be accompanied by its financial implications. Deputy Defence Minister **Thabang Makwetla** told members of parliament that failure to secure the money could lead to instability, as the veterans could make the country ungovernable. Their discontent could also derail Zuma's bid for a second term, and even a possible presidential bid by the Defence Minister, **Lindiwe Sisulu**. ●

the first choice of the ANCYL, which has given him an ultimatum to accept possible nomination for the ANC presidency or leave the way open for other candidates, *Africa Confidential* understands. His allies say he has enough other backers to prevent him becoming too beholden to the Youth League on contentious issues such as nationalisation. Some of Motlanthe's supporters worry that he may miss his chance by hesitating.

Supporters of Defence Minister **Lindiwe Nonceba Sisulu** have urged Zuma to nominate her as his candidate if he does not stand himself and have

promised him protection against future prosecution. Sisulu's supporters want Zuma to declare early, to give her time to build a campaign: they argue that backing a female candidate could give Zuma the political redemption that eludes him. Zuma, characteristically, may delay, hoping that the Confederation of South African Trade Unions, the SA Communist Party and ANCYL fail to get their acts together. Their rows, and the President's appointees in the security services, could get him re-elected as ANC President in 2012, with the national presidency a virtually certain prospect thereafter. ●

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Zimbabwe

DURBAR WITHOUT ELEPHANTS

■ The swelling procession of senior figures from the Zimbabwe African National Union-Patriotic Front (ZANU-PF) snaking through the Harare divorce courts alongside wronged spouses clutching inventories of great wealth is turning into a Durbar without the elephants. The allegations tend to be financial rather than salacious but the wealth displayed in court for division between the parties is often substantial, making for fine tabloid copy.

President **Robert Mugabe** is alarmed at the damaging publicity (AC Vol 52 No 13) and the latest unhappy couple, **Sylvester Nguni** and his wife, **Tsitsi Mabukuchena**, have been ordered to sort out the matrimonial portion before they come to open court. Nguni's wealth is at least based on his business activities before he took up full-time politics. Others, such as Mugabe's relatives **Leo Mugabe** and **Bright Matonga**, have no such explanation for the huge sums on which the courts adjudicated. In contrast, ZANU-PF Chairman **Simon Khaya Moyo's** divorce contest was over the ownership of a relatively modest fuel-distributor and a farm.

Forthcoming divorce suits which may be subject to Mugabe's edict include those of Defence Force chief General **Constantine Chiwenga** and his assertive wife, **Jocelyn** (who graced the press conference of international football supremo **Sepp Blatter** on 4 July), and presidential Spokesman **George Charamba** and his wife, **Rudo**.

For acrimonious court battles, the prize goes to Local Government Minister **Ignatius Chombo** and his wife, **Marian**, whose contest is in its fourth year of litigation. She is claiming a share of a vast property and agricultural portfolio, which he insists is exaggerated. Some of the urban properties were acquired from councils overseen by his Ministry.

After the Movement for Democratic Change's first-round win in 2008, Chombo was reported to have spent considerable time at the Deeds Registry transferring property out of his name. Marian has now briefed feisty civil rights lawyer **Beatrice Mtetwa**. Chombo, meanwhile, is applying to have the case heard *in camera*, claiming that he has a right to privacy and the inflated claim has caused him much public embarrassment. Mtetwa is having none of it, riposting that as a public figure, he should be subject to public scrutiny. Chombo's problems are multiplying, too: the MDC-dominated Elected Councillors' Association of Zimbabwe has called for his arrest for illegally acquiring state land, citing a municipal land audit this year.

Angola/Congo-Kinshasa

CABINDA MAN ARRESTED

■ The latest twist in the long dispute between Angola and Congo-Kinshasa came with the arrest in Kinshasa of Cabindan human rights activist **Agostinho Chicaia** in late June. Tension has been rising between the two neighbours, with a dispute over maritime oil blocks simmering as Angola depots growing numbers of Congolese from the north, aggravated by beatings and sexual assaults (AC Vol 51 No 22). There is speculation that the seizure of Chicaia is a gesture by President **Joseph Kabila** to appease Luanda. Angola denies ordering the arrest.

Although Chicaia had been on an Angolan 'most-wanted' list for supposed links to the separatist movement, the *Frente para a Libertação do Enclave de Cabinda* (FLEC), he had made regular trips to Congo-K without incident from his base in Pointe Noire, **Congo-Brazzaville**, where he works for the United Nations' Mayombe Forest Transboundary Initiative. Chicaia's detention is all the more surprising in that he visited Luanda in March without problem, meeting ministers and governors in the course of his UN work. The arrest came three days before Congo-Kinshasa's Prime Minister **Adolphe Muzito** went to Luanda to discuss 'bilateral relations'.

In Luanda, Muzito told reporters that the maritime oil dispute was only, in fact, 'misinformation' due to 'poor reporting by the press'. Few take this seriously and analysts say the expulsions are linked to the oil issue. The deportation of Congolese has increased substantially, with 15,000 people sent back in April-May, says the non-governmental organisation *Comitato Internazionale per lo Sviluppo dei Popoli*, which monitors the border area. The Congolese were deported despite a March visit to Luanda by the UN Assistant Secretary General for Disaster Risk Reduction, **Margareta Wahlström**.

Kenya

CHECKPOINT NAIROBI

■ The Kenyan at the centre of the Triton Oil scandal, **Yagnesh Devani**, argues his case against extradition to Kenya on charges of fraud worth \$38 mn. in London on 11 July (AC Vol 51 No 4). On the same day, Kenyan politicians **James Gichuru** and **Chris Okemo** will be arguing in Nairobi against their extradition to **Britain** on fraud and money-laundering charges. The timing of the court hearings may be coincidental, but most observers are sure that the cases are linked.

Devani left Kenya in December 2008 in a big hurry, having emptied all his Kenyan bank accounts, after Triton suddenly went bankrupt owing billions of shillings. Devani had links to Gichuru, a top Kenya African National Union politician and attended functions with President **Mwai Kibaki** and

Prime Minister **Raila Odinga**. On 26 May this year the Metropolitan Police arrested Devani on an extradition warrant from Kenya.

Only three days before, Britain served the same for the extradition of Gichuru and Okemo (AC Vol 52 No 11). Many suspect a political deal between the British and Kenyan governments swapping Devani in return for the two politicians, almost like a Cold War spy exchange in Berlin.

Ghana

OIL AND REALITY

■ The most obvious beneficiaries of Ghana's oil boom so far have been the shareholders of the international companies operating there. Both **Ireland's** Tullow Oil, listed on the London Stock Exchange, and the **United States' Kosmos Energy**, listed in New York, are to release a small number of shares on the Ghana Stock Exchange.

Tullow expects to post record revenues of US\$1.05 billion for the first half of 2011 as it boosts output and forecasts higher earnings in the second half of the year, due to its Ghana production. Its market value on 4 July was £11.2 billion (\$17.9 bn.), up from under £1 bn. in 2005. An upbeat report by Credit Suisse on 20 June argues that Kosmos's earnings will grow further, based on the value of Ghana's reserves and future production – and the beneficial operating terms it agreed with President **John Agyekum Kufuor's** New Patriotic Party (NPP) government in 2005. After a rocky start, relations between Kosmos and President **John Atta Mills's** government have improved.

The next big test will be on 22 July when Kosmos's exploration permits on West Cape Three Points expire. It has been discussing an extension but some officials want to bring in new companies. This may be a ploy to increase Accra's leverage over the tax and royalty negotiations or it may be a sign that earlier disputes remain unresolved. A Justice Ministry official said last month that the prosecution of Kosmos's erstwhile partner and country director, **George Owusu**, will go ahead but declined to give a date. Last year the US Department of Justice decided to drop its investigation into Owusu and Kosmos's operations in Ghana since it had found no basis to prosecute.

This latest announcement may jeopardise the planned deal in which Owusu would sell his stake (his EO Group was a partner of Kosmos) in the Jubilee field in exchange for about \$300 million in shares in Tullow. The mooted arrangement was that Owusu not be allowed ownership of the share certificates until after the 2012 election. That clause was to allay government concerns that Owusu, a strong NPP supporter, might use his winnings to back the opposition's campaign.

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as his putative successor, she went back to opposition politics and has decided to make her own bid for the presidency.

She is unlikely to succeed but may well go into a last-minute alliance with Odinga, her old antipathy for him perhaps tempered by her experience at the hands of the Kikuyu patriarchy. Her anti-Uhuru counterpart in Central Province is **Peter Kenneth**, a dapper, moderate politician whose quiet, grassroots development record began to attract notice a few years ago. Although he has yet to formally announce his candidature, his supporters recently took all the council seats in his Gatanga constituency in the face of an onslaught by Kenyatta-supporters.

GROUP OF SEVEN

For two years, Kenyatta and Ruto have attempted to forge an alliance that could compete with Odinga and the ODM, the dominant party in Parliament. The latest, dubbed the Group of Seven, is a coalition of regional ethnic kingpins, all of whom have gravitated around the duo, mostly out of a sense of grievance against Odinga.

Regardless of the favourable polls, the Odinga camp has to contend with considerable challenges. The first is the curse of incumbency. While as Prime Minister, Odinga has successfully secured his image as a nationalist figure and a unifying force, staring down a series of ethnic challengers, but there is a sense of unmet expectations, especially in his

Luoland and outlying ODM strongholds in western Kenya and the Rift Valley.

In fact, it is precisely these expectations, generated almost hysterically during the 2007 campaigns, that have been used against him by his main detractors. When, soon after the formation of the coalition government, it became clear that there was no real ideological common ground between himself and Ruto, who had secured for Odinga the populous Rift Valley Kalenjin vote, the ODM began to haemorrhage support. Now, having effectively lost the Rift Valley, Odinga faces the real problem of how to rebuild party structures and support around the country without playing the divisive anti-Kikuyu ethnic card that was so effective for the ODM in the 2007 campaigns.

Related to this is the problem of his running mate, **Wycliffe Musalia Mudavadi**, who won the western Kenya Luhya vote for the ODM and became the party's second-in-command. Now, however, support is growing in western Kenya for **Eugene Wamalwa**, the younger brother of Kibaki's former Vice-President, the late **Michael Kijana Wamalwa**.

Eugene has gravitated to the Ruto camp and many believe his political star could rise as part of a Ruto move to split the Luhya vote, the second biggest ethnic voting bloc. An impression that Musalia Mudavadi's influence might be waning seemed to be confirmed when the ODM lost a crucial by-election to an ally of Wamalwa in April.

The ODM's biggest headache remains Ruto himself. While he has long announced that he will be defecting to the United Democratic Movement (UDM), a party he set up in the late-1990s, he has not gone over yet. The ODM leadership has not moved decisively against him, leaving his disruptive influence to hurt the party and to prevent it from renewing its support base among the Kalenjin.

Neither Ruto nor his supporters want to risk defecting and thus forcing expensive by-elections which they are

not guaranteed to win. However, by delaying his defection, Ruto runs fatal risks. The new electoral laws stipulate that candidates can run only on a party ticket after they have been members of that party for at least six months. In other words, they need to get moving. However, the UDM's current Chairman is allied to the Prime Minister and is in no hurry to accommodate the Ruto newcomers.

CONSTITUTION DELAYED

Behind the personality politics, however, much more fundamental issues are at play. The new constitution, which was to have exorcised the nation of the ghosts of post-election violence, is running far behind schedule. Parliament has passed into law only a handful of implementation bills. With a month left before the statutory limit that would fully establish the key pillars of the constitution, there are still 20 bills outstanding – and Parliament is about to go on its three-month summer recess.

None of the underlying issues that triggered the post-election violence has been fully addressed and the rhetoric of reform is masking deep national divisions. Both the parliamentary oversight body, the Commission for the Implementation of the Constitution, and the independent Constitution Implementation Commission are describing the situation as a crisis and calling for emergency measures. There was talk in mid-July that Parliament would be forced to lump together all the pending bills and pass them in a last-gasp session, sowing the seeds of future recrimination and discord when they are properly examined later.

The situation may appear chaotic but this legislative paralysis has been deliberately orchestrated, many analysts believe, by Kenya's securocrats – powerful conservatives within the civil service, army and police who, with their friends in the G-7 alliance, fear a constitution that could open up their collectively dubious pasts to public and judicial scrutiny. ●

KENYA/UNITED STATES

Nairobi needs its fix

Politicians and police show no signs of investigating two people named as 'drugs kingpins' by the US government

Although the United States named **John Harun Mwau** and **Naima Mohamed Nyakiniywa** 'drugs kingpins' and froze their assets in the USA on 1 June, Mwau is conducting a vigorous campaign to clear his name and may well avoid a serious investigation, let alone prosecution, in Kenya. The designation by

the US Treasury's Office of Foreign Assets Control (OFAC) came after a campaign by US diplomats in Kenya to force action on drugs-trafficking which was laid bare when WikiLeaks published US State Department cables on the issue from 2006 to 2008. Mwau, an Orange Democratic Movement member of parliament and

owner of the Nakumatt supermarket chain, was asked to resign his post as Assistant Trade Minister in December over previous drugs allegations. Many of those named in the cables as unwilling to act against him and others in the drugs trade are still in office (AC Vol 52 No 13).

Mwau began his career in 1968 in the police, where he still has influence, and in 1997 he headed the Kenya Anti-Corruption Commission (KACC) for six months before being dismissed by President **Daniel arap Moi**. Mwau owned Charterhouse, the bank used to launder money in the Anglo-Leasing scandal (AC Vol 27 No 21).

Nyakiniywa, born in the Nairobi slum of Majengo and well known there as

'Mama Leila', among other aliases, has extensive property in Nairobi, Mombasa and Dar es Salaam. Her multiple passports include ones from Kenya and Tanzania, where she is now detained on drug-trafficking charges after a police raid which seemed timed to coincide with the US announcement of her listing as a 'kingpin'.

Police in Dar es Salaam seized her along with a number of associates, reportedly finding five kilogrammes of cocaine. Nyakiniywa is also reported to be the owner of heroin worth US\$1 million, which was intercepted by the Kenyan anti-narcotics squad at Nairobi airport in January 2010. As *Africa Confidential* went to press, rumours were swirling around Dar es Salaam about the possibility of Nyakiniywa undergoing 'rendition' to the USA.

SEIZURES AND PLOTS

OFAC Director **Adam J. Szubin** said that Mwau was 'one of the more powerful drug traffickers in the region', while Nyakiniywa headed a network with links to Europe, Asia and the USA, supplying cocaine and heroin. Szubin said Mwau was definitely the intended recipient of 1.1 tonnes of cocaine seized at Malindi in 2004. Assets held by persons designated under the 1999 Foreign Narcotics Kingpin Designation Act are frozen and US citizens forbidden to deal with the individuals.

Mwau, who ran unsuccessfully for president in 1997 on the Party of Independent Candidates of Kenya (PICK) ticket, claims the USA designated him a 'drugs kingpin' as part of a plot to assassinate him over what he called his \$750 mn. business empire in the USA. Aides of his presented a bullet-riddled Range Rover four-by-four in evidence but the Commissioner of Police, **Mathew Iteere**, declared the incident stage-managed and recommended the prosecution of the aides for making false reports. The family of Corporal **Gerald Wasike Wanyama**, a police officer who investigated the alleged shooting and died shortly after leaving the scene, told the press they suspected foul play. Wanyama had reportedly been involved in the 2004 seizure of the cocaine which Washington alleges belonged to Mwau.

Mwau has hit out in several directions, suing former US Ambassador to Kenya **Michael E. Ranneberger**, writing to US Secretary of State **Hillary Rodham Clinton**, staging demonstrations and e-mail campaigns in his favour and producing an affidavit from a Deputy Police Commissioner, **Julius K. Ndegwa**, declaring that there is no evidence against him of any crime.

In December 2010, Ranneberger had confidentially given the Kenyan government a report on drug traffickers

that listed Mwau and others. When one of them, **Ali Hassan Joho**, complained of police harassment and demanded an explanation from Interior Minister **George Saitoti**, he revealed that the reason was the American report and he read out the names in it. The others named were MPs **William Kabogo Gitau** and flamboyant bling-boasting **Gidion Kioko Mbuvi** (aka 'Sonko'), **Ali Joho** and Mombasa tycoon **Ali Punjani**. Saitoti called for an investigation which, to no one's surprise, cleared them all. In March, Police Commissioner Iteere had complained that his force was being intimidated, threatened and bribed by powerful drug cartels.

Many of those named in the cables as unwilling to act or offering weak excuses for inaction are still in office (AC Vol 52 No 13). Mwau's affidavit from Ndegwa also exonerated **William Kabogo Gitau** of contract killings and **Debra Sanaipei**, daughter of Culture Minister **William Ole Ntimama**, of being a drugs courier.

All this follows the pattern described in the US cables. In November 2008, a cable from Ranneberger noted that police officers who made drug-related arrests were often thwarted by corrupt members of their own departments, while the government 'appears to lack political will to address the subject' and the police 'often lack the capacity and training to interdict illegal drugs'. He was worried that better training for the police 'may have the perverse effect of assisting traffickers to refine their methods to better avoid detection and prosecution' and noted that the United Nations Office on Drugs and Crime claims that most traffickers 'pay local officials for protection'.

In February 2006, the then US Ambassador, **William Bellamy**, reported on a meeting (in company with the then British High Commissioner, **Adam Wood**) with Attorney General **Amos Wako** and the Director of Public Prosecutions, **Keriako Tobiko**, in which he found Wako offering 'inconsistent and unconvincing explanations on why one ton of cocaine held by the Government of Kenya for over a year cannot yet be destroyed.' Bellamy and others thought that Wako was the 'main obstacle to successful prosecutions of any kind in Kenya'. (The cocaine in question appears, from the context, to be the same consignment that OFAC's Szubin claimed in his statements of June 2011 was the property of Mwau.)

The British and US envoys were threatening to go public about their concern unless the cocaine was destroyed. Wood remarked that several shipments had arrived in London on Kenya Airways flights since that seizure, perhaps implying that they may have been part of the haul that was supposed to be in custody. Wako refused to seal the seized cocaine or have it examined by experts, claiming that

the defence counsel in the criminal cases needed access to it.

In July 2006, a cable from US Embassy official **John F. Hoover** discussed information given to him by the Auditor for the Charterhouse Bank, **Peter Odhiambo**, concerning 'massive money laundering and tax evasion... by a group of major companies partly owned by notorious businessman John Mwau and MP William Kabogo'. Odhiambo had taken his information to the Kenya Revenue Authority, which passed it on to the Central Bank of Kenya, which formed a task force that included the KACC.

Odhiambo then received threats, he thinks as a result of a leak from the KACC, while the then CBK Governor, **Andrew Kavulya Mullei**, was charged 'with four counts of abuse of office, apparently in retaliation for his effort to indict Charterhouse'. Odhiambo feared for his life. The cable added, 'Odhiambo fears Mwau, Kabogo and others involved will kill him or make him disappear both to retaliate and to deter other potential whistleblowers. He does not believe any GOK [government of Kenya] official will protect him effectively.' The USA granted him asylum.

DEATH OF AN INVESTIGATOR

Hoover also said the USA thought Kabogo was a 'ruthless businessman' who had got rich through smuggling and 'is believed by many to be behind the New Years Eve murder' in 2005 of **Hassan Abdillahi**, the Port Criminal Investigations police officer 'investigating smuggling there'. More recently, Kabogo has been questioned about the mysterious death in June of **Mercy Keino**, a postgraduate student who was at a party which Kabogo and his bodyguards attended and some think may have involved drugs.

The US cable stated that 'thugs working for John Harun Mwau and his accomplices' could kill even though they said they could not 'rule out that corrupt police or security officers would do the job', adding that 'Odhiambo cannot expect GOK [Government of Kenya] protection given the strong ties we believe Mwau enjoys at all level of the Kenyan government'.

Even if these latest US accusations have forced Mwau out of front-line politics, he is unlikely to face any effective prosecutorial action. Deep-rooted corruption in the judicial system and the police, together with the involvement of prominent and powerful Kenyans in the drugs trade, militate against prosecution. Even after the US announcement on 1 June naming Mwau as a drugs kingpin, many MPs seemed more concerned to provide him with state protection, after he had said he was being followed, than to investigate the charges against him. ●

Spinning out of control

Four spin doctors vie for coverage on behalf of President Mugabe and his party as the battle over the next elections heats up

The official line from President **Robert Gabriel Mugabe** and the highest policy-making body of his Zimbabwe African National Union-Patriotic Front, the Politburo, is that elections must be held this year. That is the message that has gone out to ZANU-PF's grassroots supporters. The dominant party's problem is that its own negotiators, **Patrick Chinamasa** and **Nicholas Tasunungurwa Goche**, have agreed with the other member of the coalition government, the Movement for Democratic Change, a list of political and constitutional reforms essential to credible elections. Regional mediators from the Southern African Development Community (SADC), who keep a close eye on the negotiations, insist that they

will not endorse any election unless there is agreement between ZANU-PF and the MDC on the ground rules.

Such details are held back as ZANU-PF's spin doctors try to rally the troops and fight their own corner within the faction-ridden party. The affable spokesman for ZANU-PF's Politburo, **Rugare Gumbo**, has reprimanded Politburo member **Jonathan Moyo** for implying he speaks for the party: 'If he wants to be Spokesman, he should wait for the next party congress to chose him.' Gumbo has also warned the outspoken Third Brigade Commander, Brigadier General **Douglas Nyikayaramba** that he doesn't speak for ZANU-PF either: earlier this month, Nyikayaramba said that MDC leader and

Prime Minister **Morgan Tsvangirai** was a 'national security threat' and would never be accepted as president.

Aware of Mugabe's regard for the pair, presidential Spokesman **George Charamba** has also issued more cautious reprimands. Information Minister **Webster Shamu** seems relegated to the shadows. The Zimbabwe Republic Police team, led by Assistant Commissioner **Wayne Bvudzijena**, gives its own version of the rising tide of political violence in Masvingo and other areas.

On 6 July, Chinamasa and Goche signed an agreement with the MDC for an electoral schedule delaying elections until 2012 at the earliest. At the weekly Politburo meeting on 13 July, ZANU-PF leaders criticised some of the detail but accepted that next year would be the earliest. On the next day, Mugabe told ZANU-PF's Central Committee that elections would still be held this year.

MOYO TELLS ZULU TO SHUT UP

Moyo argued in the state-owned *Sunday Mail* that the negotiators could agree only non-binding recommendations – so the Politburo had a veto. He dismissed the electoral roadmap, endorsed by SADC, as threatening national security. **South Africa** was the villain of the piece, according to Moyo. The article was headed, '**Lindiwe Zulu** should just shut up'. Zulu is South African President **Jacob Zuma**'s international affairs advisor, seconded to bolster the Joint Monitoring and Implementation Committee (Jomic), which is meant to check that the power-sharing government of ZANU-PF and MDC keeps to the agreement both signed in 2009 (AC Vol 52 No 12 and Vol 50 No 4). Zulu had objected to last week's 'arrest' of **Welshman Ncube**, who leads MDC-Ncube, and several ministers on the campaign trail in Matebeleland North.

Moyo, who wields great influence in the state media, also called for the arrest of Tsvangirai's aide **Jameson Timba** after a South African report suggested that Mugabe was a liar. Timba spent a weekend in gaol before his lawyers tracked him down with a court order to the police for his release. Moyo has direct access to Police Commissioner General **Augustine Chihuri**, Attorney General **Johannes Tomana** and the top military officers who like his robust style. Although he was parachuted on to the Politburo at December's party congress as a partisan of Defence Minister **Emmerson Dambudzo Mnangagwa**'s faction of ZANU-PF, many think Moyo may be seeking new patrons.

Party insiders say that Mnangagwa, like his rival **Joice Mujuru**, has been having clandestine meetings with Tsvangirai and other senior MDC figures about how to handle post-Mugabe politics. Neither Mnangagwa nor Mujuru relishes

UNRELIABLE ECONOMIC BAROMETER

The launch of the US\$9.2 billion Medium Term Plan at Harare's International Conference Centre on 7 July did not go according to plan. Although President **Robert Mugabe** and Prime Minister **Morgan Tsvangirai** were billed to preside over the launch, that honour was left to Planning Minister **Tapiwa Mashakada** (AC Vol 41 No 19).

Some ministers in the power-sharing government talk of fresh elections in a matter of months, others say elections will be next year (see Feature). Mashakada's plan stretches out to 2015. It is meant to replace the Short Term Emergency Recovery Programme which brought down hyper-inflation to single figures (having temporarily replaced the Zimbabwe dollar with the **United States** dollar and the **South African** rand), boosted manufacturing, mining operations and foreign trade. Yet few businesses think the medium-term plan will enjoy the same success. Its key targets are:

- average gross domestic product growth of 7.1% a year;
- single digit inflation;
- interest rates to stimulate a savings ratio of 20% of GDP by 2015;
- reducing the current account deficit to below 5% of GDP;
- building up foreign reserves to 3 months' import cover;
- poverty reduction to meet Millennium Development Goals targets;
- reducing sovereign debt to 60% of GDP.

The problems with these ambitious targets are more political than technical. The lack of political stability and respect for property rights makes such policies extremely difficult to implement. Whichever party wins the next elections will be faced with mass discontent in a polarised political system. If it's the Zimbabwe African National Union-Patriotic Front, the uncertainties of the Mugabe succession will undermine it. If it's the Movement for Democratic Change, its ministers will struggle to work with the recalcitrant security forces and a bureaucracy dominated by ZANU-PF appointees.

Foreign companies are puzzling over how the proposed indigenisation and empowerment policies will affect their operations. Many say the proposals for a minimum stake of 51% for indigenous Zimbabweans in all joint venture companies would drive them away. Significantly, **Chinese** investors have pulled out of a \$10 million rehabilitation project for the Manicaland Board and Paper Mills because they cannot get guarantees that the forests will be free from land invasion.

The restoration of liquidity in the money markets is essential to provide working capital across the economy. Foreign borrowing depends on restoring credit worthiness with international banks and institutions and honouring commitments, such as the torn up Bilateral Investment Protection and Promotion agreements and international and regional court rulings. ●

the prospect of inheriting from Mugabe a country with a crippled economy, diplomatically isolated from its neighbours and beholden to its military. A deal with the MDC factions would be anathema to the securocrats, so the generals are now promoting a third ZANU-PF faction led by Gen. **Constantine Chiwenga** as a serious candidate to succeed Mugabe.

At the last Central Committee meeting, Mugabe warned outsiders not to interfere with 'my generals'. Ever pragmatic, Moyo might be tempted to become the securocrats' new spin doctor. Meanwhile, he is trying to assert copyright in the courts to stop the independent media reprinting articles he wrote two decades ago which were venomously critical of Mugabe. Also haunting him are unresolved financial difficulties with the Ford Foundation and Witwatersrand University.

Moyo's ally, Attorney General Tomana, had asked the police to investigate Energy Minister **Elton Mangoma**. This follows a report, drawn from WikiLeaks cables, that Mangoma had suggested to **United States** diplomats in October 2009 that a trust fund be established to ease senior officers into retirement as they were 'a major obstacle to political progress and reform' and that 'a number of ZANU-PF insiders had stolen and invested wisely while the service chiefs were poor.' It is unclear whether Mangoma's offence was to brand the officers as poor or question their ability

to seize strategic and tactical advantage. Most senior officers did extremely well out of land reform.

Mangoma was recently exonerated of trumped-up corruption charges over an emergency fuel procurement deal. The judge said he found it difficult to believe that the Permanent Secretary in the Energy Ministry would have been unaware of the provisions in the Act authorising Mangoma to procure supplies to ease the fuel crisis.

This underscores just how difficult it would be were the MDC to win elections but find a bureaucracy still dominated by ZANU-PF placemen. That is why the MDC is talking to some of the more reform-minded elements in ZANU-PF about some form of historic compromise ahead of the next elections. Neither Tsvangirai nor Ncube would be drawn on the details of such a deal but both told *Africa Confidential* that there were serious talks about 'transitional arrangements'.

BITI, GHOSTS AND WITCHES

Meanwhile, the current state media campaign against Finance Minister **Tendai Biti**, one of the MDC's brightest stars, continues. Not only is there a prurient attempt to implicate him in an office romance, the police have attempted to force the handover of his mobile telephone records, which he is now contesting in court. 'Persons unknown'

set off a bomb outside his home and so-called war veterans have invaded his office several times, ostensibly to protest against the government's failure to raise civil servants' salaries.

Biti says no cash is available for the increase until revenue from the Marange diamond fields (AC Vol 52 No 5) flows into the Treasury. He also insists that the 75,000 ghost or non-functioning workers on the state payroll be removed, following a detailed audit of the status of the 200,000-strong public sector workforce.

As most of the ghost workers are linked to ZANU-PF, its ministers are reluctant to cut off this patronage before elections. In the state daily *The Herald*, Presidential Spokesman Charamba stoked up the crisis with his **Manheru** column: entitled 'Goaded the Masses, Cuddling the IMF', Charamba argued that Biti had been ingratiating himself with the International Monetary Fund and other Western paymasters, provoking mass unrest and undermining Prime Minister Tsvangirai, his leader.

Still more bizarrely, a senior police officer in Mrewa (east of Harare) told traditional leaders that if the police were corrupt, it was because of Biti's stinginess and that they should summon their traditional powers to generate lightning bolts to eliminate him. A prosecution under the Suppression of Witchcraft Act is not anticipated. ●

NIGERIA

Maiduguri's terror crisis

Styling themselves defenders of President Jonathan, Niger Delta militants are threatening to take on Boko Haram

Thousands are fleeing Maiduguri, Borno State, where attacks by the Islamist militia *Boko Haram* and clashes with the army's Joint Task Force have left scores of people dead (AC Vol 52 No 13). Some militant groups from the Niger Delta now say they will launch their own war against *Boko Haram*, which could trigger far worse conflict.

Heavy-handed army operations against *Boko Haram* in the north are causing fears that some senior officers (many of whom are northern and Muslim) may try to overthrow the government. Some claim northern business people and politicians, indignant at the election of southern President **Goodluck Jonathan**, are exploiting the crisis. *Boko Haram* is not an organised revolt against Jonathan's government by northern opposition parties or from within his (mostly northern) People's Democratic Party but

some opportunist northern politicians see it as a means to advance their cause.

Unrest in the north upsets the Delta oil-producing states, which have been celebrating the first election of a president from their region. The Movement for the Emancipation of the Niger Delta, which had half-heartedly accepted an amnesty for its militants who surrendered their arms, now threatens to pick them up again if *Boko Haram* is offered the same deal.

Nelly Emma, Secretary General of the obscure Niger Delta Indigenous Movement (NDIM), told journalists, '*Boko Haram* must give peace a chance, stop disturbing one of our own, President Jonathan, as we are not going to take it easy with anybody or [any] group of persons trying to make the country ungovernable for the president.' NDIM apparently believes the hasty arraignment of 17 policemen before a federal high court in Abuja over the

murder in 2009 of the *Boko Haram* leader **Mohammed Yusuf** and two others was an attempt to appease the Islamists.

The big northern concern is that Jonathan will ignore the growing economic and social crisis in the area and divert resources to his own region. *Boko Haram* targets northern leaders it sees as having aided Jonathan's rise: Vice-President **Namadi Sambo**, Governors **Sule Lamido** (Jigawa) and **Mu'azu Babangida Aliyu** (Niger) and ex-Governor **Ibrahim Shekarau**. The group has threatened to bomb the presidential villa at Aso Rock.

There are divisions among officials, too. Police chief **Hafiz Ringim** has difficulty working with the National Security Advisor, former army chief General (Retired) **Owoye Andrew Azazi**, who wants him sacked to restructure the police force. Others want to deal decisively with *Boko Haram* first.

Nigeria's divisions along regional and religious lines require some economic support to bring succour to the impoverished north. That will diminish the appeal of Islamism for some northern youths. Covert talks are going on but *Boko Haram* says it will not negotiate unless the army leaves Maiduguri. A political system based on buying off trouble is facing a new enemy that will not be bought off in the same way as the Delta militants. ●

From autonomy to sovereignty

South Sudanese have made history; now they have to make a future

Tens of thousands of jubilant and weeping people cheered South Sudan's new flag at the **John Garang** Mausoleum in Juba on Independence Day, 9 July. Then, instead of presenting the lowered Sudanese flag to Northern President **Omer Hassan Ahmed el Beshir**, as protocol dictated, Southern President **Salva Kiir Mayardit** held it back for the Southern heritage museum. This was depicted as a recognition of 'shared history' but was, observed one eyewitness, 'a major diplomatic snub'. The message was that Sudanese history was not shared on equal grounds and included decades of war and discrimination.

The crowds had been asked to give Field Marshal Omer a special welcome and most did. It was a courteous and impassive silence, interspersed with sarcasm and occasional banners such as 'Farewell to darkness', a reference to a popular Arabic song. And the National Congress Party (NCP) had tried to spoil the party on the critical day: Omer arrived late, contributing to a delay of several hours as people waited patiently without shelter in the scorching sun.

EVENT OF THE YEAR

Leaders from some 72 countries arrived in the rush for seats. 'Some people just invited themselves!' said one Sudan People's Liberation Movement (SPLM) activist present. Sudan People's Liberation Army (SPLA) veterans were asked to give up their seats and even elderly or disabled soldiers did so without complaint. Many protocol-conscious governments had sent the replies to their invitations to the Ministry of Foreign Affairs in Khartoum, we understand, which then neglected to forward them in time.

SPLM sources say a little local difficulty nearly scuppered the event. A Southern architect commissioned to design the venue was accused of siphoning off money and was arrested. This triggered public fury, along with a more rudimentary emergency plan. It also cast a shadow over World Bank plans to encourage Southern entrepreneurs. Nevertheless, the ceremony went, as one bystander put it, 'almost without a hiccup'.

Others who put on the pressure included **Kenyan** President **Mwai Kibaki** and Premier **Raila Odinga**, who each brought delegations of 50 or so, **Ugandan** President **Yoweri Kaguta Museveni**, who

brought what a witness described as 'an outrageous convoy, including a private ambulance that looked armoured', and **South African** President **Jacob Zuma**, whose armoured personnel carriers had to be moved on by the SPLA because they were blocking the way for everybody else.

Northern politicians, including **El Sadig Sadeeg el Mahdi** and his brother-in-law, **Hassan Abdullah el Turabi**, could hardly compete. It was a long time in Sudanese politics since El Turabi was sidelined in 1999-2000 for signing a deal with the SPLM or since El Sadig was persuaded to join, reluctantly, the Koka Dam agreement, which foresaw a united, politically secular Sudan but was destroyed by the National Islamic Front seizing power in 1989.

Southerners, though, are more likely to remember El Sadig as the Premier at the time of the Wau Massacre in 1995 or El Turabi as the man who presided over the NIF regime during some of its most brutal atrocities, especially in Juba, in the early 1990s. Southerners were still determined to celebrate the new realities (AC Vol 52 No 14).

After the celebration comes the hard work, meeting challenges that are mainly local (water and food, governance and corruption, employment and infrastructure) but also include many outstanding disputes with Khartoum. The former 'partners' still have to sort out oil arrangements, the border, Abyei, nationality, residence and debt, amid a climate where warnings of war grow ever louder.

In some ways, the SPLM, the southern governing party, is more at home confronting Khartoum, which it has done since 1983, than dealing with the multiple demands of civil administration. In the past, critics used to say that the SPLM was really the SPLA because there was no Movement. Now that Movement is taking time to grow into civilian life.

The NCP regime in Khartoum, which has long used military action as a strategy for rule (in the South, Darfur, Nuba Mountains, Abyei) and for neutralising political opposition in the North, is facing unprecedented pressure after the South's independence. It looks set to continue confronting the SPLA on the border and other unresolved issues.

Another source of conflict is the

currency. New bank notes bearing the image of the late SPLM-SPLA Chairman, John Garang de Mabior, appeared on 19 July, with the Central Bank of South Sudan exchanging the South Sudan pound one-for-one with the old Sudan pound. This enraged Khartoum, which hasn't yet got its new currency ready, and the NCP government accused Juba of plotting to undermine the North.

Talks between the two continue in Addis Ababa under African Union auspices but the NCP is still blocking issues that were due to be settled before 9 July. Now that the deadline has passed and external sponsors may see their work as completed, there is less pressure on Juba, as well as Khartoum. Juba has now got what it wanted – Independence – and that also means sovereignty in its dealings with other governments, including Khartoum. As the SPLM-Northern Sector grows ever more robust in its responses to Khartoum, especially in Southern Kordofan and Blue Nile, it looks as if the remaining 'post-referendum arrangements' will be further delayed (see Box).

BUILDING FROM SCRATCH

'Southern Sudan is literally being built from scratch', says the the Government of South Sudan website. The GOSS will hope for a breathing space to get on with the building. The unavoidable requirement of a new (and reduced) government has rather diluted post-Independence momentum, though. The GOSS was 'wholly consumed with jockeying for position', noted one aid worker, while a journalist commented that ministers 'worried about who was going to be in government, so lots of blank faces at demands for info about anything'.

This paralysing uncertainty catalysed SPLM Secretary General **Pa'gan Amum Okiech** (himself the subject of much speculation about his future) to berate South Sudan Legislative Assembly (SSLA) members: 'For God's sake... they all want to be ministers... All our doctors... want to be ministers... and there is only one minister of health.' He complained that 500 senior people were in Juba seeking 25-27 ministerial positions and said they should do something else useful for their country. An SPLM activist agreed: 'I was very disappointed to hear so many people complaining and moaning about not being picked for the few available government posts, even as the flag was being raised.'

No one has forgotten that the bloody rebellion by General **George Athor Deng** sprang from his failure to wrest the Jonglei State governor's post from Lieutenant Gen. **Kuol Manyang Juuk**. The sense of exclusion felt by many individuals, ethnic groups, political parties or people who did not join the liberation struggle constitutes one of the SPLM government's greatest

political challenges. President Kiir has tackled this through his famous skills in reconciling enemies.

This has caused problems, though. Not only has it burdened the South with thousands of former rebel militiamen it cannot afford, it has fuelled a sense of exclusion within the governing party itself. 'It is good to see that there is an attempt now to regalanise the SPLM as a party; to try to regain its core values as there has been fear in the rank and file that the party was being watered down and its direction compromised under the weight of the huge recent influx – in the name of national reconciliation – of its former enemies from other South Sudanese parties,' said one activist.

CHALLENGES OF DEMOCRACY

Some among the score of opposition groups are seen as enemies because they fought the SPLM in the past, often a very recent past. Their voices will now grow louder and fuel the debate about the dangers of a one-party state. Just before Independence, security men beat up several opposition politicians, including the leader of the tiny opposition contingent in the SSLA, **Onyoti Adigo Nyikwech**. They had stuck up posters calling for human rights. Onyoti's bigger crime perhaps was to represent the SPLM-Democratic Change, the party of **Lam Akol Ajawin**, widely seen as too close to Khartoum for Southern comfort.

The opposition is still grumbling about the Transitional Constitution, which the Assembly passed into law (by 140 to 4, with 5 absentees) after a marathon debate on 7 July. Members will surge as they voted to expand the Assembly to 350, including 99 Southern members from the National Assembly in Khartoum and over 60 to be appointed by the President.

Other facets of presidential power include the right (debated and voted) to sack the governors and assemblies of the ten states. Also debated and passed was the decentralised (as opposed to federal) system of government, a major difference being whether states can control their own police and judiciary (they can't). The debate over the Anti-Corruption Commission, however, took power away from cabinet, as the ACC was given prosecutorial rights, previously vested in the Attorney General/Legal Affairs Minister.

This does not mean that the GOSS can always control the rest of the vast and war-damaged country. Things are particularly violent in Jonglei State, where June cattle raids around Pibor Post by armed young Murle men have triggered even more violent responses from Nuer and sometimes Dinka, amid claims of government complicity: local

leaders made no attempt to nip the conflict in the bud, say sources.

As the conflict escalated, Governor Kuol ordered the parties to stop but the Nuer raiders, well equipped with guns and coordinating via satellite telephones, we hear, refused. Numbers were too great for police or SPLA to stop them. By the time Independence arrived, celebrations in Pibor town were almost stymied after soldiers, literally drunk on the arrival of two months' overdue salaries, had a fire fight near the market and sent residents fleeing in panic.

Some of these residents were new arrivals, having come on foot or by boat after their homes were burned and cattle stolen in the massive raiding campaign. This year has already been the deadliest

year in the South since the North-South war ended in 2005. The United Nations' **Lise Grande** told *Africa Confidential* last week that nearly 2,400 people had been killed since January, with several hundred deaths occurring in the weeks before Independence in Pibor County.

On 18 July, the GOSS signed a peace deal with rebel militia leader **Gatlwak (Galwak) Gai Deng** in Unity State. Colonel Gatlwak had surrendered after Salva Kiir announced another amnesty at the Independence Day celebrations. This will help. However, the challenge now for the GOSS is to look outside the 'Juba bubble' and provide enough services and training to the rural millions to convince them that their dreams of a better future are not in vain. ●

HOW THE SOUTH MOVES NORTH

As **Ethiopian** peacekeepers deploy in the contested Abyei Area, Khartoum's strategy to keep it in the North grows starker. Northern opposition to the ruling National Congress Party is getting more robust, particularly from the 'marginalised areas' of Blue Nile, Southern Kordofan and, the 14 July peace agreement notwithstanding, Darfur. The Sudan People's Liberation Movement-Northern Sector (SPLM-North), Justice and Equality Movement (JEM) and Sudan Liberation Movement-Abdel Wahed (SLM-AW) are all using or threatening force against Khartoum.

The United Nations Interim Security Force for Abyei operates under a 20 June agreement between Khartoum and the Sudan People's Liberation Movement, which dominates the Southern Government. SPLM Secretary General **Pa'gan Amum Okiech** signed for the SPLM, which may help to explain current speculation about him.

With the SPLM focussed on Independence, Khartoum seized the opportunity to declare that Abyei is Northern, including its main inhabitants, the Ngok Dinka (most of whom fled southwards when the army seized Abyei in May). The NCP says it wants them to return: the promise of Northern nationality may deter them, since they are expected to vote to join **South Sudan** – if the NCP ever allows the delayed referendum that was due on 9 January.

June's accord says Abyei is in the North: it previously had a distinct status under the national (now Northern) Presidency – to which Southern President **Salva Kiir Mayardit** no longer belongs. Few seem to have noticed that, under the accord, Abyei's southern border is, since 9 July, an international border, technically putting places such as Agok in the North. This means Khartoum may harass the UN and non-governmental agencies which are feeding over 100,000 displaced people in the southern part of Abyei Area.

The NCP's veteran Abyei supremo, Ambassador **El Dirdiri Mohamed Ahmed**, sounds even more confident than usual: 'First and foremost, for us, is that Abyei is still a part of north Sudan, being north of the 1956 border, which makes the SPLA claims on Abyei being in south Sudan baseless,' he said after the accord. This means trouble. The SPLM-South is again claiming Abyei as Southern, as the new constitution declares, while SPLM-North is threatening war in the shape of **Abdel Aziz Adam el Hilu**, the former Deputy Governor of Southern Kordofan, ousted in May by indicted war crimes suspect **Ahmed Mohamed Haroun Adam**, who remains Governor.

SPLM-N leader and Blue Nile State Governor **Malik Agar Eyre** this week protested against an NCP law aimed at stifling the 'popular consultations' due in Blue Nile and Southern Kordofan under 2005's Comprehensive Peace Agreement. He asked people to 'resist the unjust and oppressive law which was passed by a single party that represents no one but itself'. Malik, a popular veteran commander, had already warned that 'a wider war could erupt' if Southern Kordofan issues were not settled.

Meanwhile, Darfur's Justice and Equality Movement said that it fought alongside the SPLM for the first time in the recent battles against Khartoum's army and militias in Kordofan. It is talking to the SLM-AW but called the Liberation and Justice Movement – which signed a deal in Doha, **Qatar**, with the NCP on 14 July – 'a cat's paw', a view held far beyond the Islamist-led JEM. Flag-waving SLM members were much in evidence at the Independence celebrations in Juba. ●

Bad fences, bad neighbours

Disputes over politics, oil and diamonds are dividing the two neighbouring governments

Relations between Luanda and Kinshasa could deteriorate sharply after a series of disputes. Angolan border police expelled about 15,000 Congolese in April and May after rounding them up across the north of Angola, according to figures from the aid agency *Comitato Internazionale per lo Sviluppo dei Popoli*. Since early 2011, the expulsions, frequently accompanied by gang rape and other sexual assaults, have increased steeply (AC Vol 51 No 22).

People on both sides of the border are mainly Bakongo, and speak Lingala or Kikongo; police tell them apart by their vaccination scars (on opposite arms) and often deport the Congolese even if their papers are in order. The Angolan authorities have also been detaining Congolese in bad conditions with little or no food for prolonged periods, according to aid agencies and witnesses. The mass deportation of Congolese immigrants from the northern provinces of Zaire, Uige and Lunda Norte has been going on since 2004 in what one observer described as 'a cruel symptom of faltering relations between the once firm allies'. Nevertheless, the latest surge is significant.

Angolan police are rounding up Congolese from the diamond fields but also from other places in what appears to be a coordinated campaign. The raids occur along the border right up to the coast near Cabinda and are made by different arms of security: the *Forças Armadas Angolanas* (FAA), *Polícia de Guarda Fronteira*, *Polícia Nacional*, *Serviço de Migração e Estrangeiros de Angola* and the *Polícia de Intervenção Rápida*, also known as the 'Ninjas'. We hear the FAA has been sending hundreds of soldiers at a time into Congo-Kinshasa, sometimes making thousands of people homeless. Although the FAA claims the incursions aim to track rebels of the Cabindan separatist group, the *Frente para a Libertação do Enclave de Cabinda* (FLEC), many question this.

In mid-July, the Angolan newspaper *Semanário Factual*, which has links to military sources in the Presidency, reported a mass deployment of troops along the border near the Congolese town of Bandundu. This was, it reported, a response to exercises by Congolese soldiers under the direction of their Rwandan military advisors. The evidence of Angola's anger towards its neighbour and former ally is clear, the motives less

so. Angola helped the late **Laurent-Désiré Kabila** to power in Kinshasa in 1997 and then supported his son, President **Joseph Kabila**, against his rival **Jean-Pierre Bemba** in 2007. Now many claim that Luanda is financing Kabila's opponents in the presidential election.

Luanda is said to favour **Vital Kamerhe**, a former ally of Joseph Kabila's and the Honorary President of the National Assembly, founder and leader of the *Union pour la nation congolaise*, who served under the late President **Mobutu Sese Seko** and Laurent Kabila. Others link former Prime Minister **Léon Lobitsch Kengo wa Dondo** to Luanda's largesse. Some even link Luanda to the attack on Kabila's residence which left 19 people dead in February (AC Vol 52 No 6).

Angolan President **José Eduardo dos Santos's** government is unhappy with Kinshasa's rapprochement with Kigali in 2009 and angered by Kabila's apparent favouring of the Great Lakes region as a trading partner in preference to its Atlantic neighbour. Some say that Dos Santos regards Kabila as an ingrate who could have bolstered Angola's ambitions as a regional power but has now turned his back on Luanda.

The two countries are also in dispute over diamonds and oil. Congolese *garimpeiros* (unlicensed alluvial miners) have long worked in Angola's diamond-rich Lunda Norte Province. In the west, at the mouth of the Congo River in Angola's Zaire Province, where Bas-Congo divides Angola from Cabinda, it is about oil.

Kinshasa believes Angola has changed the borders and wants to renegotiate them and consider shared oil revenue. Angola is unwilling to review the borders, especially those bordering oil blocks, which include Chevron's Block 0 and Block 14 and Exxon's Block 15, some of its most productive, pumping some 1.2 million barrels a day. Citing the United Nations Convention on the Law of the Sea, Kinshasa claims its territorial waters extend 350 miles (563 kilometres) out into the Atlantic Ocean, which would give it rights to half of Blocks 14 and 15. Appeals to Washington to intervene have fallen on deaf ears, and Chevron and Exxon will not be interested in provoking Angolan ire by broaching the issue.

Kinshasa has postponed a formal legal challenge until 2014 and after the elections. Some in the ruling *Parti*

du peuple pour la reconstruction et la démocratie want Kabila to push harder on the oil border issue, given the economic rewards at stake. In a particularly puzzling twist, Kinshasa arrested (and detained for 17 days) **Agostinho Chicaia**, an Angolan human rights activist with links to FLEC, apparently on Luanda's orders (AC Vol 52 No 14). His name was on an international arrest warrant issued by Angolan police, handed to foreign embassies in Luanda last year and seen by *Africa Confidential*.

Angola denies this and is now blaming Congo for arresting one of its citizens with a valid visa and also violating his UN diplomatic immunity. 'The relationship between Kinshasa and Luanda is very, very strange and it is being made more so because of the upcoming elections,' said **Thierry Vircoulon**, Project Director for Central Africa of the International Crisis Group. 'Angola has the ability to change the course of the elections in Congo-K, by giving financial backing to one or several candidates, and Kabila is acutely aware of this.' One formerly Kinshasa-based international journalist said, 'What is so sad is that neither country cares about the migrants. They are being used and abused like pawns in this conflict.' An aid worker added: 'This part of Congo is so underdeveloped that these people have no choice but to go across the border to Angola to find work.'

Voices within the UN have been complaining about the violent deportations for many years but Angola, which has little UN funding and pays little attention to Geneva and New York, has carried on regardless. The potential for the issue to grow followed the visit in 2009 by US Secretary of State **Hillary Clinton** to eastern Congo, the subsequent UN campaign against sexual violence and the increase in funding by international donors. The UN Office for the Coordination of Humanitarian Affairs has allocated US\$2.8 mn. to a group of UN agencies and local non-governmental organisations for a nine-month project to monitor the deportations.

Almost every 'border violation' gets a reference in the country's only daily newspaper and government mouthpiece, the *Jornal de Angola*, with no mention of the claims that Angolan forces were using violence. The paper also carries regular interviews with immigration chiefs talking about 'silent invasions' and 'criminal gangs' stealing jobs and 'undermining sovereignty'. In recent months, there have been media reports warning of an 'invasion from the sea' and uniformed officers often appear on television urging Angolans to be vigilant and protect their sovereignty. A new wave of arrests at sea has seen Congolese fishermen being detained for allegedly entering Angolan waters. ●

Honesty – not the easiest policy

As elections near, politicians in the President's party are undermining her efforts to clean up government

More than any previous leader in Liberia, President **Ellen Johnson Sirleaf** has worked to break the grip of corruption on business and politics. She has pressed multinational mining companies to renegotiate contracts which offered the country little benefit, backed the establishment of an independent Liberia Anti-Corruption Commission and sacked those ministers (including former allies) which the LACC claimed were corrupt (AC Vol 52 No 14).

The anti-corruption institutions, the General Auditing Commission (GAC) and the LACC, are well intentioned but the elections and the need to close ranks are strengthening the hand of some members of the governing Unity Party (UP) who want to weaken the anti-graft offensive. Meanwhile, none of the senior politicians sacked has been prosecuted.

Few politicians want to talk about corruption but the veteran **Togba-Nah Tipoteh**, a presidential candidate in 2005, has persistently criticised the LACC over the Western Cluster iron ore contract, which went to the **Israeli** firm Elenilto Minerals and Mining in January 2011 after talks lasting two years. Headed by **Amir Nagammy**, Elenilto is a subsidiary of Israeli **Jacob Engel's** Engelinvest company. It won a 25-year lease on the estimated 1.1 billion tonne iron ore deposit in a deal worth about US\$1.6 bn.

The negotiations over the lucrative concessions were in the hands of **Eugene Shannon**, then the Lands, Mines and Energy Minister, and his Deputy Minister, **Ernest C.B. Jones**. Activists and diplomats criticised the bidding processes in April 2010 (AC Vol 51 No 10) and six months later, the President sacked her entire cabinet, Shannon included. Shannon was not reinstated, but no explanation was given at the time (AC Vol 51 No 23). In May, the LACC announced it was investigating the Elenilto contract and would summon Shannon and Jones for questioning.

Shannon is a political ally of Johnson Sirleaf and was in exile with her in **Côte d'Ivoire** in the 1990s. He strenuously denies any impropriety but we hear that questions about the probity of the Elenilto contract blocked his return to cabinet. Yet he says he will stand for election to the House of Representatives for the UP. The President has made no comment.

After the signing of the Accra Comprehensive Peace Agreement in August

2003, when Johnson Sirleaf lost her bid to be interim President, she chaired the Governance Reform Commission (GRC). In that capacity, she strengthened the GAC, pioneering the change to the law so that the GAC would report to the national legislature, instead of to the President alone. This was unpopular with some UP factions but boosted the push for probity.

The GAC then acquired a strong leader, **John Sembe Morlu II**, who doubles as Auditor General. He has become a scourge of the corrupt and a popular hero. Johnson Sirleaf gave up her presidential right to appoint the head of GAC, ceding it to the European Union, which undertook to pay the AG's salary for four years and bolster the independence of the office. In 2007, the EU appointed Morlu, a distinguished auditor who had worked in business and government in the **United States** and in Eastern Europe. He quickly made his mark but antagonised Johnson Sirleaf with his public criticism of government corruption. In April, his contract came up for renewal and she offered him a job in cabinet. When he turned her down, she declined to renew his contract.

TOO FRANK FOR UNITY

It was widely known that Johnson Sirleaf disliked Morlu, but many are puzzled as to why she should ditch a valuable – if prickly – ally in the fight against corruption. He angered UP members because of his frank references to political corruption; many believe that Johnson Sirleaf let him go to maintain party unity in the coming elections. Journalists have reported that there are plans to abolish the GAC but the government has not produced any clear plans yet. Anti-GAC diatribes have appeared in newspapers that back the UP.

Past successes of the GAC include its investigation into the Liberia Petroleum Refining Company, whose Managing Director was presidential confidant **Harry Greaves Junior**, whom Johnson Sirleaf sacked in September 2009. The GAC audited the LPRC from December 2006 to 2007 and concluded in a report in May that Greaves had spent vast sums of money without documentation.

Members of the LPRC Board received remuneration of \$254,205 and 58,800 gallons of fuel in coupons. Greaves was personally receiving coupons for 1,700 gallons a month. At one point, he requested permission from Johnson Sirleaf to

increase the bonuses. She refused but he paid the bonuses anyway. He has not been prosecuted and remains an important member of the governing party.

Another GAC report that is still causing controversy dealt with Gender and Development Minister **Varbah Gayflor**, another important UP senior leader. The GAC report shows that despite the government's public support for women, loans meant for rural women have disappeared, as have materials earmarked for rural projects. The GAC report claimed Gayflor had embezzled over \$1 million. She denies all wrongdoing and says she is determined to clear her name.

Another corruption case involves the Liberia National Police and the first female Inspector General of Police, Colonel **Beatrice Munah Sieh-Browne**. The President sacked her after questions were raised about a procurement of police uniforms, cap badges and collar insignia in 2008 from a **Nigerian** vendor. This case damaged public confidence in the police, some of whom earn just \$90 a month and may top it up through petty bribery.

A fourth major scandal focused on Finance Minister **Augustine Kpehe Ngafuan**, who took over from the highly respected **Antoinette Sayeh**, now Director of the Africa Department of the International Monetary Fund. Six months after she left for the IMF, Ngafuan and his senior managers were still using her signature to authorise documents. The GAC said that the Ministry had given at least 15 government vehicles to unnamed employees. Shortly after the audit appeared in April 2010, the Commission said that Ngafuan should take responsibility for false reports about national accounts that went to Parliament. Ngafuan rejected the GAC claims, denouncing them on the radio until the President brought him to heel. He denies any wrongdoing and remains Finance Minister.

A fifth case involved **Ambulai Johnson**, the powerful Internal Affairs Minister from 2006 until February 2010, when Johnson Sirleaf demanded his resignation. Johnson had completed an expensive mansion located on the Roberts International Airport highway, near the main military barracks at Camp Schieffelin. Johnson invited the President, who is his cousin, to the housewarming.

Johnson Sirleaf arrived, expecting a modest house, only to be confronted with a huge mansion that clearly cost millions of dollars. She asked him where he had got the money to build such a house, we hear. He could not give a satisfactory answer and she sacked him on the spot. Nevertheless, like others the President has dismissed, her cousin remains a free man. After this encounter, the local media reported, Johnson Sirleaf was overheard saying, 'Who else can I trust?' ●

A Mills bomb for Rawlings

Having secured the presidential nomination for the incumbent, the top NDC officials cannot afford to ignore his challenger

Nana Konadu Agyeman Rawlings, wife of ex-President **Jerry John Rawlings**, the National Democratic Congress founder, timed her bid badly. A special congress of Ghana's governing NDC on 8-9 July rejected her attempt to take the party leadership from Professor **John Evans Atta Mills**, who has been national President since January 2009 and has 18 months to serve of his four-year mandate. She got just 90 votes, against 2,271 for Mills. Many people assume that the NDC cannot win the 2012 election without active support from the Rawlings family (AC Vol 52 Nos 13 & 14). Some say now they may campaign against him or form a rival party but that looks unlikely as the Mills camp commands the NDC machine.

The party bosses would not relish another eight years in opposition and it was the assessment that Mills was best placed to win next year's elections that won over the delegates. The Friends of Nana Konadu Agyeman Rawlings (FONKAR) claim that the rival Get Atta Mills Endorsed (GAME) used money, threats and intimidation to cow delegates into supporting Mills. They are yet to produce evidence to back such assertions but the contest was growing increasingly bad-tempered.

Mills played a long game, keeping a studied, statesmanlike silence amid the pre-congress mudslinging. His supporters used state resources to get around and sometimes prevented Nana Konadu from meeting party officials. Cars, motorcycles, government contracts, loans from poverty reduction funds, even livestock, were persuasively deployed.

The GAME faction also controlled the preparations for the vote by dominating the membership of pre-congress committees. Sunyani, the Brong-Ahafo regional capital where the conference was held, had been spruced up at great expense, with functioning street lights and new stands for football fans at Coronation Park. This was no level playing field. A closed-circuit television system and 1,000 police forestalled violent shenanigans like those at the NDC's flagbearer contests in 2005 and 2007. Sex workers (it is said) flowed in from other parts of Ghana.

The Rawlings couple drove into the conference grounds while the opening prayer was being said, so missing the usual cheers; the sirens of their convoy became a nuisance and the Flight Lieutenant (retired) had to apologise. When Nana

Konadu started her speech, she had a foretaste of the voting. Boos and jeers nearly threw her off balance.

When Alhaji **Collins Dauda**, the Minister of Transport, arrived, his first remark was 'President Mills is winning by 99%, there is no qualms about that.' Alhaji **Zakaria** from northern Ghana said, 'As for the woman, she should have known that we cannot give the same love and respect we have for Rawlings to her.' Communications Minister **Haruna Iddrisu** made it clear before the congress that 'the verdict is already known out there in the market. What we need to be working towards now is unity and cohesion of the party.'

THE CAPTAIN IS BACK

During the 19 years the Rawlingses ruled Ghana, they alienated many of their most important acolytes. Captain (ret) **Kojo Tsikata**, the former head of security who fell out with the Rawlingses in the mid-1990s, was introduced to the congress before all the other party dignitaries, even though he holds no official post. The personal animus against the former First Lady was palpable. She had relied on support from five of the ten regions – the three northern regions, her husband's native Volta and her native Ashanti region – to carry her to victory. Yet she won just 9 of the 442 Ashanti votes and did almost as badly elsewhere.

FONKAR offered no substantial alternative platform on which to campaign, while GAME touted the 'Better Ghana Agenda' on which Mills won the 2008 presidential and parliamentary elections. GAME's reliance on the Nkrumahist ideology of Ghana's Founding President gave it greater coherence, despite FONKAR's accusations that the Mills government was riddled with corruption.

Jerry Rawlings's 'probity and accountability' slogan is over 30 years old. Apparent discrepancies in the count made some suspect that the ballots were designed to allow party officials to work out who had voted which way, even though the ballot was conducted by the independent National Electoral Commission.

Vice-President **John Dramani Mahama**, who had remained discreet during the presidential nomination contest, is the obvious beneficiary, alongside Mills. Already a highly activist Vice-President, Mahama has seen his

status as the legitimate successor to Mills in 2016 reinforced. Not only has he built up a media presence at home, he has led trade missions to Latin America and Asia. However, big questions remain about the party's support on the ground and to what extent continuing support for the Rawlings pair at the grassroots could mean fewer votes for Mills in the 2012 elections.

It is too soon to write off the Rawlings family. If Mills loses the coming election to the New Patriotic Party, the family will be able to claim that the NDC needs them to survive. Nana Konadu might even hope to stand as the flagbearer in 2016, although she will then be 68. This would give her a chance to challenge Vice-President Mahama, who was clearly not her choice as Mills's running-mate in 2008.

The Convention People's Party (CPP), which will pick a new Chairman on 30 September, claims to have broken through the 10% barrier in unspecified recent polls, perhaps enabling it to determine which of the two big parties takes power in 2012. The NDC's ructions seem to have galvanised the CPP to try to join electoral forces with the People's National Convention, a fellow Nkrumahist party, and the two have already agreed an electoral pact in some northern constituencies. The grassroots forces in both parties may prefer to forget presidential ambitions and concentrate on winning parliamentary seats. That could attract the rump of NDC-affiliated groups such as Nana Konadu's 31st December Women's Movement, the EGLE (Every Ghanaian Living Everywhere) party and various others.

The Rawlingses are still popular with the grassroots, in her base in Ashanti and his in Volta. Mills may offer them some consolation prizes, perhaps in the form of other international appointments. Currently, Jerry Rawlings, who has been in Mogadishu this week trying to raise support for famine relief, is the African Union Special Envoy to **Somalia**, which will keep him busy. His wife is also active in international development.

Jerry Rawlings told the party congress: 'This may be the last time I will address you, I don't know if I will ever get the opportunity again.' He remains founder and Chairman of the party's Council of Elders, a ceremonial position which forced him, in Sunyani, to swallow his pride and raise Mills's hand in victory. He then asked his wife to shake Mills's hand and they left the congress grounds before Mills delivered his victory speech.

Rawlings has made it clear that he will not campaign for Mills in 2012 and predicts Mills will suffer at the polls accordingly. Already the signs are that the presidential election due next year will be a close-run contest – Mills cannot afford to leave the Rawlingses and their supporters outside the fold. ●

The radar scandal is back

After Westminster MPs lambast BAE over the radar saga, questions about the accountability of Tanzanian officials remain

If BAE Systems continues to delay payment of what Britain's Serious Fraud Office (SFO) calls 'reparations' to Tanzania of £29.5 million (US\$47 mn.) for selling it an overpriced and inappropriate radar system, the SFO will take the company to court, it emerged at a parliamentary hearing in London on 19 July. BAE Systems agreed to pay £29.5 mn. 'for the benefit of the Tanzanian people' in a plea agreement with the SFO, as well as a £500,000 fine for poor record-keeping. BAE rejects the term 'reparations' and has even refused to take Department for International Development advice on how to spend the money. Tanzanians are up in arms over the delays and also threatening to take BAE to court.

This latest twist has revived questions about whether any Tanzanians, such as *Chama Cha Mapinduzi* member of parliament and former Attorney-General **Andrew Chenge**, will end up in court too (AC Vol 52 No 9). Minister of State in the President's office for Good Governance, **Mathias Chikawe**, told Tanzania's parliament on 5 July, 'The [British] Serious Fraud Office investigations have not found Mr Chenge guilty of any wrongdoing in the radar deal. If there is anyone with

evidence, let him or her come forward with it.' The opposition *Chama Cha Demokrasia na Maendeleo* (Chadema) duly promised to oblige, both with documents and mass demonstrations to press the issue.

The Dodoma government's view of Chenge's innocence seems to be based on the February 2010 plea deal between the SFO and BAE, which did not refer to any accusations of corruption by him. Nor did the agreement state that **Shailesh Vithlani**, who received \$12.4 mn. from BAE out of the \$40 mn. contract price, passed on some of that largesse to any Tanzanian officials.

On 21 March 2008, the SFO wrote to the Tanzanian authorities requesting mutual legal assistance. The leaked letter said SFO was investigating Vithlani, Chenge, Vithlani's business partner **Tanil Somaiya** and former Bank of Tanzania Governor **Idris Rashidi**. Chenge came into the frame because he had acquired, the letter said, 'sudden and unexplained' wealth after the negotiations in which he had played such a critical role. The SFO letter said Chenge had received \$1.5 mn. in 1997/98 into a company account in Jersey he controlled. In May 1998, the SFO learned that Chenge's account

had transferred \$600,000 to an account controlled by Rashidi, whose position as BoT Governor made him equally indispensable to the BAE contract. In 2006, Chenge was asked to explain the origins of the funds; his failure to respond led his bank, Barclays, to close his account.

Under Tanzania's 1995 Ethics Act, Chenge was obliged to declare all monies held abroad in a public register. The Prevention and Combating of Corruption Bureau told the SFO he had not done so. Since then, no word has emerged of any move by the PCCB or DPP against Chenge or others on this. Yet the WikiLeaks publication of State Department cables from Nairobi showed that in July 2007 the PCCB was gearing up to act against Vithlani and one other person.

Talking to the US Deputy Chief of Mission, PCCB chief **Edward Hoseah** said he was ready to prosecute over the 'dirty' BAE deal, although '[President **Jakaya**] **Kikwete** does not appear comfortable letting the law handle corruption cases which might implicate top level officials.' Hoseah said that although 'he was not scared to do his job, he could not be seen as "uncompromising".' The cable said that 'a fully developed case file, brimming with detailed evidence, was presented by UK investigators' to the PCCB.

Chenge faces pressure to resign from the CCM National Executive Committee now that former CCM Treasurer **Rostam Aziz** has quit. **Edward Lowassa**, the Prime Minister who resigned over the Richmond scandal in 2008, Aziz and Chenge were given 90 days to leave their party posts at a meeting early this year. ●

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Angola

MEDIA MAKEOVER

■ Luanda's secretive government has set up a task force to overhaul its communications strategy before next year's parliamentary elections. The grandly titled *Grupo de Revitalização e Execução da Comunicação Institucional da Administração* (GRECIA) will report to President **José Eduardo dos Santos's** Minister of State, **Carlos Maria da Silva Feijó**, and has a budget of US\$50 million.

The move comes as Angolan business people close to the presidency buy up media houses or launch their own. Activists see this as a strategy to control the news agenda in the run-up to the polls without attracting charges of state control of the media. GRECIA has, we hear, subcontracted *Semba Comunicação*, the media agency set up by Dos Santos's son **José Paulino dos Santos 'Zedú Junior'**, who has been helping to guide the management of the youth-orientated programming on the state television service, *Televisão Pública de Angola* (TPA).

The GRECIA task force will apparently include TPA journalists, **Rui Fernando Guimarães de Castro**, the boss of ORION media agency, which does advertising for the ruling *Movimento Popular de Libertação de Angola*, and the academic and commentator **Belarmino Van-Dûnem**.

Victor Fernandes will also be there. He heads a recently launched weekly newspaper which is owned by Score Media, whose shareholders are believed to include **Aguinaldo Jaime**, ex-Deputy Prime Minister and head of the *Agência Nacional para o Investimento Privado*. The whole operation will be led by **Sérgio Neto**, the Executive Director of *Semba Comunicação* and the man behind the hugely popular 'Angonoticias' news portal.

Some of the \$50 mn. budget will go on the upkeep of the recently launched presidential website (www.sapr.ao) where viewers can watch Dos Santos receiving foreign dignitaries several months after the event and read communiqués about draft laws proposing new sub-regional administrative divisions. Government communications had been the province of a secretive **Brazilian** team believed to be part of *M'Link Comunicação e Publicidade*.

It is not clear where the new set-up leaves the long-serving official presidential spokes-duo of **Aldemiro Vaz da Conceição** and **José Mena Abrantes**, renowned for being pleasant but uncommunicative, rarely answering their telephones and usually saying 'no comment' when they do. Mena Abrantes will probably continue to write Dos Santos's speeches.

Senegal

DON'T CALL US

■ Rioting over power cuts and bids to change the constitution had already hurt President **Abdoulaye Wade** and his son **Karim** politically and now they seem also to have lost the confidence of the powerful *Françafrique* network of Francophone African leaders and top French politicians and business executives. During the rioting on 27 June, Karim Wade, fearing a revolution, telephoned the uncrowned king of *Françafrique*, the lawyer **Robert Bourgi**, pleading for **French** military intervention (AC Vol 52 No 13). Bourgi dismissed Karim's plea, saying he was only a lawyer and this was an internal affair.

It was a far cry from 2007, when Karim attended Bourgi's investiture in France's *Légion d'Honneur*, as did the children of other presidents he had long counselled, such as **Omar Bongo Ondimba** and **Denis Sassou-Nguesso**. Bourgi is considered an indispensable advisor to French-speaking African leaders and carries enormous influence at the Elysée. If France is cutting Wade loose, it may be in the hope of not being on the wrong side of an 'Arab Spring' revolution, as it was in **Tunisia** in January.

When news of Karim's desperate plea for rescue from the mob reached the French press, Karim asked Bourgi to deny he'd made the call. Instead, Bourgi told the whole embarrassing story to *Radio France Internationale* but not before Karim had written an open letter to the Senegalese people saying he was the victim of a vicious media hate campaign and describing himself as a 'modest passer-by', for which, as well as for the petulant tone, he was widely ridiculed. After a painful silence, Wade Senior finally spoke to the nation on 14 July, France's national day. Despite looking frailer than ever, he defiantly declared himself ready for the 2012 polls.

Guinea

PRESIDENTIAL GUARD FALL OUT

■ The two armed attacks on President **Alpha Condé** that claimed three lives on the night of 19 July are part of the struggle between old and new members of the Presidential Guard for control of this key military unit, we hear. General **Nouhou Thiam**, who was Chief of Staff to the previous President, Gen. **Sékouba Konaté**, was one of several men rounded up. Condé sacked him recently for refusing to hand back some government four-wheel-drive vehicles and openly insulting him.

After Thiam's sacking, a *Gendarmerie* officer said, he went to talk to members of the Presidential Guard, which put Condé and the *Gendarmerie* on high alert. During the first attack, one of the group was abandoned by his fellow soldiers, then captured by the gendarmes and, under torture, was said to have revealed Thiam's role. The captive had been one of the late

President **Lansana Conté's** bodyguards, who then transferred his loyalty to Konaté, the General who presided over the transition to civilian rule.

'They are just angry at having lost their privileges,' said a source close to Condé. 'They can't support their wives, mistresses, girlfriends and villas any more. It's the only explanation for this impulsive act.' He added that he believed Condé had known what was brewing and let it run. 'It allows him to act against people who pose a real threat to his government.' Konaté had angered the regular army once by giving the Presidential Guards a bonus of US\$3,000 each and bitter rivalry remains. The Guard has always had special privileges and negotiates access to the President for businessmen. It has been involved in the past with trade in gold, diamonds or drugs. This was a naked struggle for power between men in uniform who had no concern for the consequences, our source added.

Britain/Africa

DAVID MEETS JACOB

■ Accusations of corruption against police chiefs, plans for state interference with the media and innuendo about politicians compromised by business associates – British Prime Minister **David Cameron** and **South African** President **Jacob Zuma** seemed to have enough in common during their smiling encounter in Tshwane on 18 July. The original schedule for Cameron's first Africa trip included **Rwanda** (a favourite of International Development Minister **Andrew Mitchell**) and freshly independent **South Sudan** but was cut down to a day in South Africa and a stop in Lagos to meet **Nigerian** President **Goodluck Jonathan** because of the crisis at home with the **Murdochs**.

Cameron wasted no time in pushing the African free trade area cause, arguing it could boost Africa's gross domestic product by over US\$60 billion a year. Although Britain is offering £160 million (\$260.8 mn.) to finance projects to free trade and cut border delays, that's a small percentage of Britain's \$4 billion annual aid budget and derisory beside **China's** great push to invest in the ports and roads that join up African markets.

That points to two problems with Cameron's Africa policy: how can it compete with China's soaring influence and how can he justify its aid budget (with growing attacks from the right of the Conservative Party) during British austerity and European crisis? Cameron's remarks in Africa suggest a plan: justify the aid (and keep the Liberal Democrats in the coalition) by talking up Africa's rising commercial importance. That also suggests a harder-headed use of aid to promote British trade interests, a policy used to great effect by Beijing and Delhi.

BLUE LINES

After recovering from the shock of seeing their former President caged with his sons in the dock in a makeshift courtroom, Egyptians are divided on its implications. Sceptics insist the decision of the 19-strong Supreme Council of Armed Forces to try the President who appointed it is an expedient to win back the initiative from the streets and to wield stronger control over the transition, leading to parliamentary elections in November.

More hopeful voices say the trial will be genuine, a continuation of the military's political mid-wifery which started with the driving of Hosni Mubarak from power on 11 February. Others say that if the military and its allies in the judiciary think they can control the process of holding leading politicians to account, they are mistaken. Mubarak's lawyers, defending their client against charges of mass murder and grand corruption, are calling for the ruling generals, including de facto President General Mohamed Tantawi, to testify.

If it runs the distance, the trial could provide insight into the workings of an autocracy. It may also establish a useful precedent about executive culpability. Sudan's President Omer el Beshir and Chad's former President Hissène Habré both reject charges of responsibility for crimes against humanity. The Mubarak trial could prove far more than a bitter reversal of fortune with the gaoling of a gaoler. It could re-establish Egypt as a political beacon if it shows that national judicial institutions can organise a fair trial for a deposed leader.

ZIMBABWE

Hard winter in Harare

ZANU-PF outpoint their opponents by taking over the diamond revenue and latching on to a popular national cause

As senior allies of President Robert Gabriel Mugabe concede through gritted teeth that there can be no national elections this year, they have moved the battleground to economic policy. Their main target is outspoken Finance Minister Tendai Biti, who is also Secretary General of the Movement for Democratic Change (MDC). President Mugabe, his allies say, clashed repeatedly with Biti at recent cabinet meetings over the payment of higher salaries to the country's 200,000 civil servants.

The state payroll includes some 75,000 names which auditors Ernst and Young found were either entirely fictitious or of people 'not properly qualified'. Biti's sarcastic speeches in Parliament targeted his opponents' view that 'money must be eaten' whatever the national consequences and referred to 'Dotito', a remote corner of Mashonaland West which has become a byword for Mugabe's patronage.

Mugabe insists that the civil service pay awards go ahead but Biti forecasts that that will mean an unfunded deficit of some US\$500 million this year on top of the government's planned \$2.7 billion budget. For once, Mugabe and his allies believe they have a nationally popular cause, as well as an economically convenient one. Higher civil service salaries could feed many family members. As Biti has reined in other forms of patronage controlled by Mugabe's Zimbabwe African National Union-Patriotic Front, the payment of these salaries, especially to about 38,000 non-existent workers, has yielded much-needed revenue for the party and its supporters. Before the disputed 2008 elections, ZANU-PF ministers expanded the

payroll to reward tens of thousands of party loyalists. Local civic activists say the state-funded National Youth Service programme is highly partisan, staffed mainly by ZANU-PF militia leaders and 'war veterans'.

One of the more strategic thinkers in Prime Minister Morgan Tsvangirai's faction of the MDC, Biti stopped hyperinflation in 2009 and restarted a formal trading economy by replacing the valueless Zimbabwe dollar with the United States dollar and South African rand. The rapid improvement in conditions – commodities in the shops and some new jobs – initially made Biti extremely popular. He had also neutralised much of ZANU-PF's economic power by sidelining its appointees in the Reserve Bank of Zimbabwe (RBZ) and cutting back ministerial and extra-budgetary spending plans.

MUGABE SNOOKERS BITI

Biti's next task is much harder. The initial economic fillip has flattened since dollarisation and other reforms, while the intermittent political panics about election violence are holding back new enterprise. Without substantial new revenue from taxes, investors or credit from international financial institutions, Biti's options are extremely limited.

ZANU-PF ministers are enjoying Biti's discomfiture and Mugabe has led the charge in cabinet. For now, the President seems to have outmanoeuvred Biti on the use of revenue from the Marange diamond fields and is winning the argument over civil service pay. At a special cabinet meeting on 28 July, when Biti presented his mid-term fiscal policy statement, even his own MDC

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Politics and posturing

People starve, aid is inadequate, relief agencies are spurned and the region's insecurities fester.

A vote about money

Largesse from the copper boom rather than good policies boosts the President's chances in next month's polls.

The President lashes out

After killings and detentions by security forces, oppositionists plan another demonstration.

Foreign policy flip-flops

President Zuma's foreign policies await definition and are under fierce attack from his former allies.

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colleagues failed to back him convincingly. Biti has long insisted that all diamond revenue be lodged with the Treasury by the Zimbabwe Mining and Development Corporation (ZMDC), which has on paper been handling sales from Marange and other diamond fields. Marange alone has the potential to produce about \$1 bn. Until these monies are lodged with the Treasury, Biti said he could not consider approving the civil service pay rise.

Civil servants were then surprised to receive the promised increase in their June pay packets. What had happened is that contrary to all usual procedures, the ZMDC had transferred \$40 mn. directly to the Government Salaries Account, whence the pro-ZANU bureaucrats paid the increases directly. This highly irregular operation completely bypassed the Treasury. It shows that the higher reaches of the civil service will still act to placate the President and damn the consequences for an MDC minister.

Whether the trick can be repeated in July in spite of Biti's objections will be a severe test for the Government of National Unity. Either way, Mugabe and his allies will look good. If the ZMDC cannot supply the shortfall, Biti and the MDC will inevitably be blamed for the return of salaries to earlier levels. Mugabe has effectively snookered Biti.

WILY CROCODILE

That manoeuvre – and the wooing of civil servants – then gave Mugabe cover to attack Biti's efforts to rein in other sources of political patronage in his proposed fiscal review. Not only was there to be no supplementary mid-year budget to cover departmental overspending but Biti called for real spending cuts to the highly sensitive defence and security votes, as well as to the Zimbabwe Prison Service, the War Veterans' Administration Fund and official foreign travel.

In a shouting match in cabinet, Mugabe warned 'this young man' that he had gone too far and 'would be dealt with decisively'. Perhaps stunned by the ferocity of the attack, we hear that Biti's MDC colleagues – **Nelson Chamisa** (Information) **Theresa Makone** (Home Affairs) and **Tapiwa Mashakada** (Economic Development) – sided with ZANU-PF heavyweights Vice-

President **Joice Mujuru**, Defence Minister **Emmerson Mnangagwa** and State Security Minister **Sydney Sekeramayi** in rejecting plans for swingeing cutbacks this year. Although his proposed cuts were a first draft, Biti was surprised to meet such wide-ranging opposition and left the meeting to draw up a revised report.

Ministers variously described Mugabe's outburst as 'bad', 'scary' and 'terrifying'. Biti's economic analysis is hard to fault: he says the Treasury is overspending by some \$40 mn. a month and could run out of cash entirely by October. So a sort of mini-USA style budget feud has ensued, with Biti looking even more beleaguered than US President **Barack Obama**.

ZANU-PF ministers claim Biti was proposing cuts in line with advice given during the International Monetary Fund's recent Article IV assessment visit. Fund officials argued strongly that political confrontation in the ruling coalition was fuelling economic uncertainty, that growth would slow to about 5.5% this year while inflation would edge up to 7% by December. They also raised questions about how the government intended to finance an expected fiscal deficit of at least 4% of national income.

More problematically, IMF experts argue that the best way to reverse the slowdown in growth is to cut back on recurrent spending on state salaries, which is pushing up the deficit, and focus on investment in infrastructure and social provision for the poorest people.

Such prescriptions infuriated Mugabe, who sees the IMF as an agent for regime change and the proposed cuts in the army, intelligence organisation and his foreign travel as a direct political attack. This is part of a much bigger argument about how – and even whether – to reform the security services before the next elections. The MDC receives most unprovoked attacks from the ZANU-PF-supporting militia, while the official security organisations are either unconcerned or complicit. The party is yet to develop a coherent counterstrategy.

Both wings of the MDC – Tsvangirai's and **Welshman Ncube's** – say there must be reform of the security establishment and clear guarantees against those who might want to derail a political transition to an MDC government. Without being explicit, both Tsvangirai and Ncube see a need to get the top ZANU-PF securocrats to accept such a transition by offering them some role in it.

In the short term, turf battles abound. Tsvangirai is fuming that, without consulting him, Mugabe appointed **Aaron Daniel Tonde Nhepera** as Deputy Director General of the Central Intelligence Organisation. In the War Victims Compensation Fund scandals of the mid-1990s, Nhepera was assessed as

98% disabled and walked off with a very handsome package. Another appointment fracas is brewing over a new provincial governor for Harare after the death of **David Karimanzira**. Harare was earmarked for the MDC but in yet another unilateral move, Mugabe is toying with ZANU-PF stalwarts **Amos Midzi** or **Tendai Savanhu**.

In the meantime, the parliamentary outreach programme on human rights has run into difficulties. A Human Rights Commission was established last year, chaired by law professor **Reg Austin** (one of few white people to have been a ZANU-PF Central Committee member and a one-time United Nations election advisor in **Afghanistan** and **Iraq**). Justice Minister **Patrick Chinamasa** has, however, been dragging his feet. Although a generally acceptable set of commissioners has been named, there was little movement towards a budget allocation or offices, let alone an establishing act in Parliament, despite offers of financial assistance from the likes of the UN Development Programme and the UN Commission on Human Rights.

DISRUPTION CAMPAIGN

A bill has finally been drafted and is out for public consultation. ZANU-PF activists in some areas have been instructed to oppose, through threats and disruption, other parties' inputs in much the same way as they did with the constitutional consultation at the beginning of the year. The disruption campaign has so far been only partly successful. In the provincial capitals of Masvingo and Manicaland (Mutare), the process had to be abandoned. The army has targeted these two largely rural provinces to claw back the seats the MDC won in 2008 (a majority in both provinces). The smiling presence of Senator **Josiah Hungwe** (former Masvingo Governor) left little doubt as to the instigators.

The most violent of the disruptions was in Harare. The hearings were to be held in the Parliament buildings. The ZANU-PF mob forced its way in, manhandled the Chairman out to the street for a roughing up and attacked journalists and members of parliament, including one from ZANU-PF. The police were not in sufficient force to quell the disturbances and reinforcements were slow in coming. This has led to calls for the resignation of Police Commissioner General **Augustine Chihuri**.

The main worry for ZANU-PF is the period to be covered by the bill. They would infinitely prefer that there was no bill or at least that nothing going back further than 2009 should be covered. Naturally, the MDC wants it to cover election violence since 2000. In Matebeleland, people want to go back to 1980, so that the Gukurahundi massacres can be probed (AC Vol 45 No 23). ●

The politics and posturing

People starve, aid is inadequate, relief agencies are spurned and the region's insecurities fester

The Horn of Africa's worst drought in six decades has prompted the United Nations to take the rare step of declaring a famine in two regions of Somalia – and probably another six regions in the coming weeks. The gravity of the crisis has been known for a year, with no effective international reaction. It could prompt political turmoil, mainly in Somalia and Eritrea but also in **Djibouti**, **Ethiopia** and **Kenya**. The region's population has roughly doubled since the famine relief work of the 1980s brought food and medicine to the pastoralists and subsistence farmers of the semi-desert areas. Aid organisations say that over eleven million people now need emergency feeding.

About a quarter of Somalia's ten million people have fled from areas controlled by the Islamist militia of the *Haraka al Shabaab al Mujahideen* in search of food in and around Mogadishu. Eritrean President **Issayas Afewerki**, whose regime the UN last week accused of trying to blow up January's African Union summit in Addis Ababa, denies people in his country face famine and refuses to deal with aid agencies. Regional and international organisations have at last started talking about longer-term solutions. Under the auspices of **France**, which currently chairs the Group of Twenty, agriculture and trade ministers met in Rome on 27 July at the UN Food and Agriculture Organisation. Funding pledges were scarce.

On 31 July, African Union Commission Deputy Chairman **Erastus J.O. Mwencha** promised to convene an international summit on 9 August in Addis to raise emergency funds and prepare strategies to reduce vulnerability to drought. African Development Bank President **Donald Kaberuka** has called for stronger security and economic support for areas of Somalia controlled by the Transitional Federal Government (TFG). He says the AfDB, the Intergovernmental Authority for Development and other regional organisations are working on a plan to boost regional food trade and to store water for vulnerable people and livestock.

Al Shabaab controls Bakool and Lower Shabelle, the worst-hit areas of Somalia. Two years ago, it expelled several aid agencies, including the UN World Food Programme (WFP), accusing them of having a political agenda and depressing food prices in the markets. Other agencies,

notably the UN Children's Fund, continue to work quietly under *Al Shabaab* but can't organise large-scale supplies. Some *Shabaab* commanders allow foreign food aid via Somali intermediaries. *Shabaab* Spokesman **Sheikh Ali Mohamud Rage** says the WFP and others are still not welcome and accuses the UN of exaggerating the famine for political purposes: 'Yes, there is drought but the conditions are not as bad as they say.'

Al Shabaab wants to avoid being blamed for a humanitarian disaster. **Sheikh Mukhtar Robow Ali 'Abu Mansur'**, a *Shabaab* leader and senior member of the Rahanweyn clan-group, talks to aid agencies partly because he has to answer to clan leaders for the sufferings of his people. *Shabaab* leaders **Ahmed Abdi Godane**, aka **Sheikh Muktar 'Abu Zubeir'**, and **Fuad Mohamed Khalaf 'Shongole'**, both northerners, have no clan base in the south (AC Vol 51 No 15).

WHERE'S THE MONEY, SHARIF?

The TFG President, **Sheikh Sharif Sheikh Ahmed**, has welcomed aid agencies to the half of his capital that he controls – thanks to 9,000 AU Mission in Somalia troops. His government has announced it will spend US\$500,000 on famine relief: many wonder how it has spent tens of millions from Arab donors and port revenue (AC Vol 52 No 12). Observers say Sharif was too busy competing with the Speaker of Parliament, **Sharif Hassan Sheikh Adan**, to focus on the emergency.

As hundreds of families from the south flee to Mogadishu every day, *Al Shabaab* has selectively admitted aid groups and some lorries have moved from the city into the hinterland. *Médecins sans Frontières* runs Daynile Hospital in *Al Shabaab's* part of the capital and provides medicine for some Islamist-controlled areas nearby. Reports persist that *Al Shabaab* has run out of the funds that were mainly 'taxes' extorted from farmers and businesses in the south, now dried up by the drought. There are fears it will now try to extort money and food from aid agencies.

In the officially unrecognised northern 'state' of Somaliland, the authorities have distributed food and water, and members of parliament pay an additional drought tax. The semiautonomous Puntland region has helped aid agencies with access and its government has set aside relief funds.

Every day, over 3,000 Somalis flee

into Kenya and Ethiopia, which are themselves badly affected. In Kenya, a new refugee camp, Ifo 2, to house 40,000 people, remains closed. Nearby Dadaab camp, designed for 90,000 residents, now houses more than 380,000. Kenyan Prime Minister **Raila Amolo Odinga** promised to open Ifo 2 in mid-July but last week, the Internal Security Assistant Minister, **Joshua Orwa Ojode**, said it would only encourage more Somalis to come over and create an extra security risk. People keep crossing the border regardless.

Kenyan government Spokesman **Alfred Mutua** provoked outrage and derision by saying he had no statistics on Kenyans who had died from hunger. He insists that he meant he simply hadn't got the figures but many Kenyans remember that two years ago their government sold off grain from the strategic reserve and doubt its commitment to fighting hunger.

International agencies say a minimum of \$1 billion is needed for emergency aid until the end of the year, when rain is due. Only \$200 mn. has been raised so far. **Britain** promised £52.25 mn. (\$85.67 mn.), blamed **France** and **Italy** for sending nothing and suggested **Germany** and **Spain** could do much better. The **United States** announced an additional \$28 mn. in emergency funds on top of \$431 mn. already budgeted for this year. Donations from the British public have nearly matched the US government's latest contribution.

Some aid agencies say that restrictions imposed by the US Office of Foreign Assets Control severely curtail their programmes. *Al Shabaab* and other Islamist individuals and organisations are targets for OFAC sanctions. The head of the US Agency for International Development, **Rajiv ('Raj') Shah**, has said it could deliver aid to *Shabaab*-held areas if the insurgents allowed free access and did not press aid workers to allow them to divert it, conditions unlikely to be met.

Kenya says it wants food to be delivered inside Somalia and is trying to create a buffer zone by funding the 'Jubaland initiative' with a militia operating along the Somali border that holds the town of Dholey and a strip about 40 kilometres deep. Militia chiefs rush back and forth across the supposedly closed border in Kenyan army vehicles, with uniforms, guns and ammunition donated by Kenya. The only international non-governmental organisation that says it is considering working in Jubaland is the USA's World Concern.

Many militia fighters say they have not been paid or that their commanders steal their wages. Police say 16 guns registered by the Kenyan military for the border force were found in Dadaab last month. The fighters say so many people sell weapons that the price of a rifle has dropped to around \$100 along the border. ●

A vote about money

Largesse from the copper boom rather than good policies boosts the President's chances in next month's polls

The main challenger to President **Rupiah Bwezani Banda** in the elections he has called for 20 September is his arch-rival **Michael Chilufya Sata**: both agree that money will prove critical to the results. Banda has been courting those areas where the governing Movement for Multiparty Democracy (MMD) is weak. Sata, a veteran politician from the Copperbelt, tells his supporters to adopt a *donchi kubeba* strategy. That's street talk for 'don't tell them', meaning 'take the government's handouts but don't tell them how you're voting'. In 1991, President **Kenneth Kaunda** was shocked to lose the elections after covert opposition-backing officials deliberately misled him. Sata's people envisage a repeat performance (AC Vol 47 No 21).

Also in the presidential race will be **Hakainde Hichilema**, of the United Party for National Development (UPND), who is matching Zimbabwean President **Robert Gabriel Mugabe's** homophobic rhetoric in the hope of winning votes. Seasoned

election-watchers in Lusaka predict Banda's re-election, with Sata second and Hichilema third.

Several smaller parties are thinking about presenting a candidate but nobody expects them to make much impact. Yet a free vote could still be close. At the last presidential poll, in 2008, Sata lost to Banda by only 30,000 votes. Today metal prices are high and the resulting economic boom should benefit the incumbent. Sata, though, insists that the boom benefits only foreigners, denouncing especially those **Chinese** who invest in and run mines. Chinese small traders are also blamed for displacing their Zambian competitors.

China has quickly responded, claiming that by late last year it had invested more than US\$2 billion in Zambia, making it the third biggest investor. Beijing's Ambassador to Lusaka, **Zhou Yuxiao**, said 13 Chinese companies, including Chambishi Copper Smelter, have invested \$800 million in multi-facility economic zones in sectors such as mining, metals processing and

chemical engineering, creating over 4,000 jobs. In what sounded almost like his own election campaign, Zhou added that the 300 Chinese companies in Zambia had created 25,000 jobs and that he had every confidence in Zambia's electoral process.

Banda's MMD government has engaged in a last-minute building programme of roads and other infrastructure, concentrated on opposition-controlled urban areas and slums. The President delayed announcing the date for what will also be parliamentary and local elections to allow only 50 days of campaigning. MMD insiders say he was 'just never sure' how ready his party was. He declared the date on national television in a rather subdued, meek voice and looking (some thought) like a man announcing his farewell. He is a disciple and a former associate of Founding President Kaunda, whose central planning schemes drove the economy into the ground in the 1980s. Most MMD founding members see him as still a follower of Kaunda's original United National Independence Party (UNIP).

Some activists complain about the poor organisation of the MMD's campaign team. Its veteran Chairman, **Vernon Mwaanga**, was axed on 27 April and replaced by **Boniface Kawimbe**, of whom nothing has been heard or seen. Sources at State House and in the MMD say he rarely attends strategy meetings and that Banda prefers to confide in party officials, such as the National Secretary, Major (Retired) **Richard Kachingwe**; his Deputy, **Chembe Nyangu**; Chairman for Elections **Gabriel Namulambe** and Chairwoman for Information and Publicity **Dora Siliya**. 'None of these people has the stamina to deliver victory in a crucial election like this one,' claimed an MMD insider.

SOME BANDA BACKERS EXIT

In the last two months, some high-profile Movement for Multiparty Democracy personalities, including close friends of President **Rupiah Banda's**, have crossed over to **Michael Sata's** Patriotic Front (PF). Among them are MMD founder members **Mike Isaiiah Mulongoti** and **Mbita Chitala**. On 19 July, the veteran businessman **George Chabwera** and former Solicitor General **Sebastian Zulu** followed suit. 'A lot of plunder' goes on in the regime, said Zulu as he quit. Separately, Chabwera claimed the MMD was finished in Eastern Province and that 'clearly' Zambians wanted Sata to rule the country.

President Banda has also parted company with **Sylvia Masebo**, the MMD's elected Chairwoman. She and the former Works and Supply Minister, **Lameck Mangani**, were at the centre of the quarrel between former MMD Chairman **Vernon Mwaanga** and Banda at the last MMD convention. Formerly a close ally of the President's, Mangani fell out with the inner circle. He will now stand for the PF in Chipata Central, Banda's hometown, adding vital numbers to Michael Sata's campaign in Eastern Province. Founding President **Kenneth Kaunda's** children **Waza**, **Kaweche** and **Panji Kaunda** also campaign for Sata; Panji runs the People's Forum, which is seen as extension of the PF campaign.

Some former allies are deserting the President because, some say, of the lack of business opportunities. However, former Vice-President **Enoch Kavindele** and former Defence Minister **Benjamin Mwila**, who heavily criticised the MMD under the late President **Levy Mwanawasa**, have become Banda's staunch supporters and have also, say their critics, been awarded government contracts.

Many Zambian politicians have sought business opportunities while in government but more questions are now being asked. Some MMD people have left the party because of the acquittal of former top officials who were convicted of corruption under Mwanawasa. They complain that Banda fights too softly against corruption.

Another blow to Banda was the death on 18 June of ex-President **Frederick Chiluba**. He was not expected to be a big influence in his home province of Luapula, but in the Bemba-speaking opposition strongholds he may have been able to salvage votes. Banda told MMD parliamentary candidates that Chiluba had committed himself 'to totally campaigning with us to ensure that each one of us wins the elections'. ●

SMART DORA AND UNCLE VJ

Banda is very close to Siliya, calling her 'Smart Dora', and she in turn has strong links to Banda's sons **James** and **Henry**. They are believed to be the powers behind their father's campaign, although he still consults his old comrade Mwaanga. James Banda is thought to believe there is room in the campaign for 'Uncle VJ', his father's name for Mwaanga; the London public-relations consultants Bell Pottinger play little part. James and former star political reporter **Dickson Jere**, now Banda's Special Assistant for Press and Public Relations, run a campaign centre.

A former personal aid to Kaunda, **Muhabi Lungu**, is said to lead the MMD's official campaign team. 'It is not very clear who is doing what but this campaign is more of a family affair,' said a source close to Banda. A son, **Andrew B. Banda**, is First Secretary, Political and Administrative, at the Embassy in Italy, and his adoptive daughter, **Dolika Banda**, works for the International Finance Corporation. Both

have come home to help. Several musicians and comedians feature regularly at campaign meetings, sometimes stealing the limelight. In Banda's favour, though, is the unravelling this year of an alliance between Sata and Hichilema prompting PF Secretary General **Wynter Kabimba** on 7 June to describe Hichilema's UPND as a 'spoiler' party.

Yet Sata is likely to benefit more from the one million new electors added to the 5.2 million for this year's polls. His seductive rhetoric at political rallies whips

up young people as he preaches 'more jobs, less taxes and more money in your pockets'. Banda's handling of secession wrangles in the swing area of Western Province might also boost Sata's standing.

The opposition, as well as some civil society groups, say they distrust the Electoral Commission of Zambia and its vote-counting; their requests for a parallel tally overseen by independent groups have gone nowhere. They say the MMD wants to print the ballot papers in **South Africa**, with some papers pre-printed for

stuffing into ballot-boxes. Accusations of election-rigging might deter some voters from supporting the MMD.

Equally, it might make opposition supporters fatalistic about defeat. The lack of consensus over anti-fraud measures augurs badly for the credibility of polling as citizens look nervously at their southern neighbour, embroiled in a bloody political crisis for the past decade. If Zambia's voting is a mess, it will make it easier for politicians in Zimbabwe to get away with another shoddy election. ●

MALAWI

The President lashes out

After killings and detentions by security forces, oppositionists plan another demonstration to press their demands for reform

President **Bingu wa Mutharika**'s shift from egotistical technocrat to violent despot was not entirely surprising, given his style of government over the past six years. Few people believe that the protests suppressed by shooting dead 19 adults and children and arresting over 250 people on 20 July resembled an 'Arab Spring' but the 'grand mass demonstrations' planned for 17 August could be very different.

Civic activists and religious groups gave the government a deadline: by 16 August, it should address a list of 20 demands – otherwise the Council for Non-Governmental Organisations (Congoma) will take measures 'stronger than demonstrations'. Mutharika has ignored the demands, which include a declaration of his assets, explanation of how recent presidential purchases were funded, the cancellation of his wife's emoluments and the lifting of restrictions on demonstrations. Instead, he asked Malawians on 1 August to postpone fresh protests out of respect for the Muslims' fasting month, Ramadan.

The protest leaders are not attacking the President's power. 'We don't want to change government,' said **Undule Mwakasungula**, Chairman of the Human Rights Consultative Committee (HRCC), main organiser of the 20 July demonstrations: 'We just want Bingu to start listening to us.' The main grievances are economic mismanagement, shortages of foreign exchange and, above all, of fuel, all exacerbated by an increasingly authoritarian President.

The most serious consequence for Mutharika is discontent within his Democratic Progressive Party (DPP), which could threaten its huge majority in Parliament. The Chairman of the parliamentary Legal Affairs Committee,

Henry Dama Phoya, was expelled from the party for describing some laws proposed by the Mutharika government as 'bad'. He is said to be backed by 40 members of parliament, including senior ministers. With general elections due in 2014, many more MPs are thinking about leaving the party, for fear of losing their seats through association with what former senior minister **Davis Katsonga** called the 'sinking Titanic'.

The last serious civil unrest was in 1992, against President **Hastings Kamuzu Banda**, who had ruled since Independence in 1964. A leading newspaper columnist, **Idriss Ali Nasser**, says the troubles show that 'Malawi is ripe for yet another change'. Mutharika, now 77, a former World Bank official and founding Secretary General of the Common Market for Eastern and Southern Africa (Comesa), was elected in 2004 amid high hopes. He had been nominated for the presidency by Banda's successor, **Bakili Muluzi**, who had twice failed to change the constitution so as to retain power beyond the legal two five-year terms. Many feared that Mutharika would be Muluzi's puppet and less than 40% of the electorate voted for him.

Mutharika decided to make a clean break and soon abandoned the then governing United Democratic Front to found his own DPP. In February 2005, he said: 'I have left the UDF because my colleagues were uncomfortable with my "zero tolerance on corruption" policy.' Former Director of Public Prosecutions **Fahad Assani** said that a third of Malawi's annual budget is lost through fraud and corruption. Former UDF officials, including Muluzi and ex-Finance Minister **Friday Jumble**, are still before the courts.

Mutharika's anti-corruption stance helped him to win a landslide in the 2009 elections. His DPP won 114 seats in the 193-

seat Parliament, and was joined by more than 40 independent MPs, putting it above the two-thirds threshold that would enable the President to change the constitution (AC Vol 50 No 23). This triumph seems to have gone to Mutharika's head. Recent antidemocratic moves include a media law that empowers the Information Minister to ban any newspaper deemed not in the public interest, and another preventing the public from obtaining injunctions against the government (AC Vol 52 No 8).

The President wants to bequeath his office to his lacklustre brother, Professor **Arthur Peter Mutharika**, much as he and his predecessor inherited theirs. A significant number of DPP politicians would prefer Vice-President **Joyce Banda**. Mutharika therefore sacked her and all her supporters from the party but had no power to remove her from the vice-presidency. She has since founded her own People's Party (PP).

With political intolerance came more conventional excesses. Mutharika attempted to order bespoke Maybach luxury cars, ordered a private jet and spent vast sums touring the world with large entourages. This was especially imprudent since tobacco, which accounts for more than 60% of foreign exchange earnings, is not selling well. Aid cuts exacerbate a drastic fuel drought, with drivers sometimes spending seven hours in queues at petrol stations. This, as well as bad governance, brought Malawians on to the streets on 20 July.

Soon after the demonstrations, rights activist **Mwakasungula** said the government had to wake up and solve these problems, then went into hiding, fearing for his life. **Paul Tiyambe Zeleza**, a leading Malawian economic historian, based in the **United States**, said Mutharika 'combines President Banda's authoritarianism without the competence of his government and President Muluzi's corruption without his government's tolerance for democracy.' If the unrest cannot unseat Mutharika directly, it could demolish his party and its dominance of Parliament. The prospect of Peter Mutharika succeeding his brother as President seems remote. ●

Foreign policy flip-flops

President Zuma's foreign policies await definition and are under fierce attack from his former allies

President **Jacob Zuma's** foreign policy, his critics at home say, is just like his domestic policy: he sits on the fence hoping to please everyone and in the end, paralysis follows. Foreign policy has become another battleground in his campaign for a second term next year. Former allies in the governing alliance of the African National Congress (ANC), Confederation of South African Trade Unions (Cosatu) and SA Communist Party (SACP) are attacking his foreign policy so as to undermine his leadership bid.

Initially, Zuma's easy conviviality and his view that diplomacy should help his country commercially, suggested that his government would break with many of his predecessor **Thabo Mbeki's** policies. Certainly, Zuma has been publicly tougher on **Zimbabwe's** shaky political transition, has greatly boosted relations with oil-rich regional power **Angola** and doesn't ask too many difficult questions of his foreign interlocutors. Zuma and **British** Prime Minister **David Cameron** appeared to get on famously during the the Conservative Party leader's day-trip to South Africa (AC Vol 52 No 15).

Yet critical foreign affairs officials say that missions overseas lack direction and feel confused. Changing the name of the Ministry from Foreign Affairs to the Department of International Affairs and Cooperation hasn't helped much. Some of the inconsistencies in Tshwane's diplomacy undermine its national interests and its ability to speak on behalf of Africa. During the crisis in **Côte d'Ivoire** sparked by the presidential election dispute, Zuma strongly endorsed **Laurent Gbagbo**, as had Mbeki. Indeed, Zuma and Angolan President **José Eduardo dos Santos** rounded on **Nigeria's** President **Goodluck Jonathan** at the African Union summit for backing the use of 'legitimate force' to depose Gbagbo after United Nations monitors judged that he had lost the election. The Zuma-Dos Santos argument was that Jonathan was undermining African independence by backing what was essentially **France's** policy in Côte d'Ivoire.

Yet after a grand state visit to France in March 2011 and heavy lobbying by French President **Nicolas Sarkozy**, Zuma switched his line and dropped Gbagbo. South African officials stayed silent when French and UN troops shot up Gbagbo's presidential residence and forced

him out. His rival and internationally recognised Ivorian President, **Alassane Dramane Ouattara**, says relations with South Africa are now excellent.

In March, South Africa voted at the UN Security Council for a 'no-fly zone' over **Libya**, only weeks after it had backed calls for the International Criminal Court (ICC) to investigate abuses by Colonel **Moammar el Gaddafi's** regime. Yet the the other members of the BRICS (**Brazil, Russia, India, China**) group of emerging economies, which South Africa joined last year, abstained on the NFZ.

OBAMA CHANGES ZUMA'S MIND

The official AU position was to allow no 'foreign troops' in Africa. When the North Atlantic Treaty Organisation started its bombing, Zuma said his aim was to protect the Libyan people, not to 'authorise a campaign for regime change or political assassination'. Zuma has joined the AU's ad hoc committee which is lobbying NATO for a ceasefire. Zuma's reputation is not helped by the story, from sources close to him, that he had initially intended to abstain on the no-fly vote along with the other BRICS, until **United States** President **Barack Obama** rang to urge him to vote in favour. South Africa's Ambassador to the UN, **Baso Sangqu**, had to be called from outside the Council Chamber by his US counterpart, **Susan E. Rice**, to come and change his vote.

When he arrived in China for his country's induction into the BRICS, Zuma told his hosts that his position on the Libyan NFZ had been guided not by the USA but by **Lebanon** and the Arab League (which backed the NATO intervention). On 18 July, David Cameron met Zuma and afterwards told reporters they had 'agreed' that Colonel El Gaddafi should step down. Yet Zuma said later, 'What happens to Gaddafi must be decided by the Libyan people. You need to negotiate how, why and where he must go.'

Halfway through his presidential term, Zuma's promised Foreign Policy White Paper has still to appear. We hear that the cabinet has accepted a draft which still has to be presented to Parliament and in the meantime, International Relations and Cooperation Minister **Maite Nkoana-Mashabane's** strategic plan for 2010-13 holds sway. Mbeki's legacy still looms large. His foreign policy was based on the pursuit of an

'African Renaissance' and faster African regional integration, greater cooperation among developing countries, the reform of international trade rules and a greater say in global governance for African and other countries of the Global South. He promoted an African development programme, the New Partnership for Africa's Development (Nepad, AC Vol 44 No 15) and pushed for SA to join BRIC.

The demand for African solutions to African problems, without Western intervention, led Mbeki's government, as a non-permanent member of the UN Security Council, to block efforts to introduce sanctions against Zimbabwe after the electoral violence in 2008. It also blocked moves against the **Burmese** regime in 2007, softened criticism of **Iran's** nuclear programme and criticised the ICC's warrant for war crimes and crimes against humanity issued for **Sudan's** President **Omer Hassan Ahmed el Beshir**. That won South Africa some more friends in the Middle East and elsewhere in Asia but irritated Western governments which had hoped for closer ties with the Mbeki government.

Zuma promised a change of direction. His close ally, Deputy International Affairs Minister **Ebrahim Ismail Ebrahim**, said the tone would be more pragmatic. 'We must always have in mind the pursuit of our national interests in our foreign policy,' he said, arguing that it should address domestic issues such as creating jobs, increasing economic growth, expanding the industrial base and backing export businesses. Yet Nkoana-Mashabane, who is highly rated by US Secretary of State **Hillary Clinton**, said South Africa would pursue a more 'ethical' foreign policy.

Supporters of Zimbabwean President **Robert Gabriel Mugabe** rail against Zuma's 'duplicitous'. Zuma has several times, including at the last meeting of the Southern African Development Community (SADC), told Mugabe that South Africa will not intervene if Western powers act against him as they have against Gaddafi, we hear. Mugabe's spin-doctor, **Jonathan Moyo**, claims Zuma is biased towards the Movement for Democratic Change under Prime Minister **Morgan Tsvangirai**, which is in shaky partnership with Mugabe's Zimbabwe African National Union-Patriotic Front.

Claims of corruption loom, too. Cosatu General Secretary **Zwelinzima Vavi** said in June that Cosatu feared the clique around Zuma was 'selling South African assets' for personal financial gain. Critics of the ANC say his policy towards Libya stemmed from Gaddafi's financial support for his bid for the ANC leadership. Under former President **Nelson Mandela** and Mbeki, South Africa had a frosty relationship with Angola, which Zuma has rapidly warmed up. His critics say

that's to secure mutually beneficial relations between Zuma's family and business allies and the business elite linked to Dos Santos. Last year, the government of **Congo-Kinshasa** sold – on direct instructions from President **Joseph Kabila**, we hear – two disputed oil blocks to firms owned by the Zuma's nephew, **Khulubuse Zuma**, and **Zondwa Mandela**, Madiba's grandson. Khulubuse Zuma sold a stake in one of his companies to Daewoo of **South Korea**, just after his uncle had put much energy into strengthening bilateral relations.

Rights to invest in the upgrade of South Africa's railway network were granted by the China Railway Construction Corporation to presidential son **Duduzane Zuma** and family business allies soon after Zuma Senior had led a government delegation to China. Duduzane and his allies also struck a deal with the Steel Authority of India for a huge plant in SA, shortly after the President had visited India. Zuma allies say this is standard 'diplomatic business'.

Zuma's formerly and now implacable foe, ANC Youth League President **Julius Malema**, is rallying forces to stop Zuma from getting a second term in 2012. He has criticised Zuma's foreign policy for selling out to 'the imperialists'. Last week's reports in the local press that Malema's family has a multimillion rand reserve into which grateful business people deposit vast sums for political services rendered suggests the Zuma camp – and perhaps its loyalists in the security services – is fighting back hard.

Cosatu campaigns against cheap Chinese imports, which it says take jobs away. Deputy President **Kgalema Motlanthe** has privately expressed reservations about Zuma's 'uncritical' embrace of the Chinese giant; he argues that South Africa should emulate Brazil and India, whose model of economic development includes democracy, unlike China's. Yet an influential group from the Marxist-Leninist tradition, including the SACP leader **Blade Nzimande**, is excited by the idea of taking the Chinese road.

Factions within the tripartite alliance articulate their own foreign policies, many of them diametrically opposed to Zuma's. The SACP favours the surviving Latin American revolutionaries in **Cuba** and **Venezuela**. Cosatu's Vavi attacks African autocrats, especially those seen as close to Zuma. **Swaziland**, in deep economic crisis, has asked South Africa for a bailout. Cosatu insists that it be accompanied by democratic reform by the Swazi monarchy, but this is not Zuma's inclination. He is connected by one of his wives to the Swazi royal family.

One aspect of foreign policy which particularly irritates Zuma is the Thabo Mbeki Foundation, set up by its namesake

and headed by the former Ambassador to the UN, **Dumisani Shadrack Kumalo**. Mbeki's fans point out that most of Zuma's foreign successes – membership of BRICS and the second term on the Security Council – are actually Mbeki's. At the ceremonies marking the birth of **South Sudan** on 9 July, Mbeki, who worked on the transition, dominated proceedings in Zuma's presence. In response, Zuma cut state funding for Mbeki's foreign trips, *Africa Confidential* understands, but other African governments have picked up the tab.

Mbeki will shortly release an open letter to 'concerned South African citizens', which indirectly criticises Zuma's handling of the Ivorian and Libyan crises; a draft is circulating among close Mbeki-allies. Adding to the picture are elder statesmen such as ex-Presidents Mandela and **Frederik Willem de Klerk** and

Archbishop **Desmond Tutu**, who all have one foreign policy initiative or another to promote. Formally, foreign policy is made in a cabinet cluster chaired by Defence Minister **Lindiwe Nonceba Sisulu** including the Ministers of International Cooperation, Defence and State Security. Zuma's foreign policy advisor, **Lindiwe Zulu**, plays an inconspicuous role, as does Nkoana-Mashabane.

Marginalised under Mbeki, the ANC's Foreign Affairs Committee remains in the shadows. Cabinet ministers with strong foreign policy views have some influence. Trade and Industry Minister **Rob Davies** argues for state support for selected SA companies trading abroad which, in return, must be model citizens and create jobs. Finance Minister **Pravin Gordhan** articulates strategies on global economic 'architecture'. ●

ZUMA'S FRONT-LINE DIPLOMATS

● **Kgalema Motlanthe**, Deputy President: focuses on the **United States, Canada, Britain** and the European Union. Privately critical of South Africa's embrace of **China**, Motlanthe wants to work more closely with **Brazil** and **India**, as well as to lobby harder for fairer trade rules.

● **Maite Nkoana-Mashabane**, International Relations and Cooperation Minister: a former High Commissioner to India and **Malaysia**, she was a leading activist in Limpopo Province backing **Jacob Zuma** against **Thabo Mbeki** for the presidency; her profile is rising, in the African National Congress (ANC) party and internationally.

● **Jerry Matthews Matjila**, Director General, International Relations and Cooperation Department: a career ANC diplomat, he has been Ambassador to the United Nations and has held senior postings in Asia. Matjila is well connected politically and diplomatically, but his team lacks a strong policy lead.

● **Baso Sangqu**, Ambassador to the UN: unlike his influential predecessors **Dumisani Kumalo** and **Jackie Selebi**, Sangqu is reluctant to take initiatives and gets contradictory advice from Tshwane.

● **Marius Fransman**, Deputy Minister of International Relations and Cooperation: Fransman spends much of his energy on chairing the ANC's fractious branch in the Western Cape. He is new to international diplomacy.

● **Ebrahim Ebrahim**, International Affairs Director at ANC headquarters: he is an old ally of Zuma's from KwaZulu-Natal and from Robben Island Prison. He was political and economic advisor to Zuma (then Deputy President) in 2002. Ebrahim worked on **Israel-Palestine** talks and on conflict resolution efforts in **Burundi** and **Rwanda**.

● **Mac Maharaj**, Presidential Spokesman and Communications Director: he was chief ANC negotiator with the National Party and has been Minister of Transport and Special Envoy to the Middle East and North Africa. Maharaj will use his strong network and experience to sharpen Zuma's diplomatic message.

● **Rob Davies**, Trade and Industry Minister: an academic economist and SA Communist Party (SACP) activist who is influential in crafting strategy on international trade.

● **Pravin Gordhan**, Finance Minister: Gordhan leads on policy in the Group of Twenty. He plays a decisive role in strategy on international financial institutions and issues surrounding the country's main trading partners.

● **Lindiwe Sisulu**, Defence Minister: an international relations researcher; she is struggling to placate ANC factions in Parliament and among veterans over spending pledges. Sisulu wants a transfer to the International Relations portfolio.

● **Lindiwe Zulu**, Presidential Foreign Policy Advisor: an activist in the ANC Women's League and ex-Director of Equatorial Africa and the Indian Ocean Islands departments in the Foreign Ministry. Zulu has pushed for a tougher line on **Zimbabwe**.

● **Welile Nhlapo**, Presidential International Security Advisor: the former Ambassador to the USA is now Special Representative to the Great Lakes. Nhlapo headed Zuma's technical team when Zuma mediated in the Burundian conflict.

● **Charles Nqakula**, Presidential Political Advisor: an SACP ex-General Secretary, he is a close ally of Mbeki's and therefore not highly influential in Zuma's policy team. ●

CÔTE D'IVOIRE

100 days of ADO

Fêted in Washington and Paris, Ouattara faces tough questions about stability and politics at home

Security jitters and financial worries have haunted President **Alassane Dramane Ouattara**'s first 100 days, suggesting he is yet to entrench himself in office after a bloody six-month stand-off with his predecessor, **Laurent Gbagbo**. 'We're encouraged by the progress so far but the area that's tiring us out is the security plan,' a ministerial aide confided in Abidjan. Normality is creeping back to city streets in Plateau, Marcory and Cocody, says novelist and poet **Véronique Tadjo** but she urges leaders to do more to heal 'the hidden wounds' in a country divided, north and south, for a decade of crisis and war.

Little seems to have been done to tackle the rogue elements in the national army after a conflict that left over 3,000 people dead. Finance Ministry figures estimate the fallout from the conflict cost businesses some 2 trillion CFA francs (US\$4 billion), while Gbagbo emptied state coffers to buy \$1.7 bn. of arms. The combined impact has left state finances 'on red alert'. While their numbers have been vastly reduced since the *Forces républicaines de Côte d'Ivoire* swarmed into Abidjan in March, the continuing presence of soldiers on Abidjan's streets worries people. A census to register members of the former rebel army hasn't materialised and coup rumours swirl as the FRCI tries to bring former warlords and soldiers loyal to Gbagbo into the fold.

Rival politicians stare at each other across the divide, as the Ouattara government methodically purges the Gbagbistes from the state bureaucracy. Press and radio reports are determinedly partisan but no longer obviously inflammatory. The plan to hold fresh elections for the *Assemblée Nationale* by the end of the year is optimistic at best.

Reform of the judicial system is yet to start, despite the appointment of a new Public Prosecutor, **Simplice Kouadio Koffi**. We hear his predecessor, **Raymond Tchimou**, fled after a stash of weapons was found at his home. Plans are under way to rehabilitate the *Maison d'arrêt et de correction* (Maca), Abidjan's main prison. It was broken open on 29 March by rebel commander **Ibrahim Coulibaly** in the frantic last days of the final push for the city (AC Vol 52 No 10). It could be years before security is properly restored, predicted one senior European diplomat.

Other African and Western diplomats

were more positive about fixing the short-term damage in the country but cautious about more general predictions.

Ouattara is a demanding boss, officials say. He is religiously punctual for meetings and publicly criticises ministers who miss appointments. Ministers grumble about his plans to grade them every three months: one senior civil servant called it 'electric shock therapy'. Although Finance Minister **Charles Koffi Diby** and Mines and Energy Minister **Adama Toungara** are highly competent, some other ministers close to Ouattara are a liability. Youth Minister **Alain Lobognon**, a former Spokesman for Prime Minister **Guillaume Soro**, ran up a US\$128,000 expenses bill on an official trip to **South Korea**. Ouattara has to prove he has the authority to tackle endemic corruption in government.

Favours owed to foreign powers, particularly **France** and the **United States**, may also limit his room for manoeuvre. French special forces, covertly stationed with the *Opération des Nations Unies en Côte d'Ivoire*, helped to drive Gbagbo from power (AC Vol 52 No 5). Visiting in July, French Prime Minister **François Fillon** promised 3 bn. euros in aid but then followed up with a plan for French companies – and he brought hundreds of French business people with him – to help rebuild the country.

Some murky claims about Ouattara's links to France's business and political elite are emerging and not all of them emanate from supporters of Gbagbo, who remains under house arrest in the north. Financial experts claim that *Société Générale* played a critical role in channelling money, via 'unofficial channels', to Ouattara during the crisis and now wants the pay back. There is also much focus on some Corsican-based business friends of the President's wife, **Dominique Ouattara**, who provided vital finance during the battle. Ouattara's government has set aside 20 million euros to compensate French companies damaged in the 2004 riots. Critics say this shows warped priorities.

Government newspapers such as *Fraternité Matin* and *Le Patriote* rejoiced at Ouattara's meeting with US President **Barack Obama** on 29 July, pointing out that he was the first Ivorian president to be received at the White House since Founding President **Félix Houphouët-Boigny**. Ouattara did not go alone but with his counterparts from **Benin**, **Guinea**

and **Niger** (see Pointer). Opposition papers such as *Le Temps* quoted US Senator **Jim Inhofe**, an Oklahoma Republican, as blaming Ouattara for the death of over 3,000 Ivorians and arguing that his UN-declared election victory was 'fraudulent'.

Inhofe can be seen on YouTube calling Ouattara a 'terrorist' and 'potential war criminal' and Gbagbo and his wife 'great people'. Ouattara visited the heads of the UN, the World Bank and his old employer, the International Monetary Fund, won more financial backing and consolidated relations with officials there.

Efforts at national reconciliation are making little progress amid rows between Soro and ex-Prime Minister **Charles Konan Banny**, who is meant to supervise the initiatives. The government is also renovating infrastructure built in the 1960s, when the country was tightly tied to France. France's powerful company Bouygues, whose Chief Executive Officer **Martin Bouygues** is close to French President **Nicolas Sarkozy**, has won a contract for a third mainland bridge in Abidjan, a plan several decades old.

Bouygues will use much of the \$500 mn. state credits to upgrade the ageing electricity grid. Power is the cheapest in the region although costs are among the highest. Bids are open for the state-owned refinery, the *Société ivoirienne de raffinage*. **Angola's** state oil company, Sonangol, one of Gbagbo's few foreign backers during the crisis, is under pressure to sell its 23% stake to France's oil giant, Total.

The World Bank forecasts that gross domestic product will grow 8-12% next year, up from what it estimates will be a 7.5% drop this year. Payments for the Eurobond are on hold until at least the first quarter of 2012. The second default in a year ruffled bond holders, who had argued that payment would have sent positive signals about government policies. The IMF quietly supports the government line, arguing that another default is unlikely to worsen matters substantially after two previous defaults.

On paper, the government could make its biannual payment of \$29 mn. to the London Club of private creditors but that would mean also repaying the Paris Club of official creditors an additional \$100 mn. Ivorian officials hope to renegotiate the Paris Club debt in discussions at the IMF meetings in Washington on 23-25 September. Insiders say the country should reach debt-completion point by 2012. Meanwhile, the Fund will attach stringent conditions to any fresh loans. Longer-term structural reforms have yet to be discussed. Technocrats in the cocoa sector – that accounts for 40% of global supply – say it is too late to implement reforms for this year's season, which opens on 1 October. Politically and economically, Ivorians face another tough year. ●

Many more scores to settle

The military makes history by putting one of its own on trial but cannot disguise the regime's loss of direction

On 3 August, ousted President **Mohamed Hosni Mubarak** appeared in court, caged and bedridden, alongside his two sons, **Alaa el Din** and **Gamal**, to face charges of murder and grand corruption. It was the culmination of weeks of manoeuvres to reinforce the military's power. Just before the trial, police again cleared Tahrir Square of opposition encampments. The secondary beneficiaries of recent events have been *El Akhwan el Muslimoon* (Muslim Brothers, MB), now allies of convenience of the military rulers.

Together with the military and the inheritors of Mubarak's old National Democratic Party, the Brothers stand to benefit from minimal interim changes to the constitution and early elections in November. They hope to win enough seats and support in Parliament to Islamicise the constitution.

The losers are the young radical, secularist activists who launched the revolution, bearing the brunt of state attacks: over 850 were killed in 18 days of protests before Mubarak was forced from power on 11 February. They are the least well prepared for elections and for debates on constitutional reform. Seeing Mubarak face trial may prove cathartic for some of the revolutionaries. Others believe the trial may soon descend into farce. The case has been adjourned until 15 August.

In July, oppositionists organised fresh protests in Tahrir Square. During a ten-day sit-in, paid thugs attacked them, in a return to the Mubarak-era. Liberals and secularists then planned a 'day of unity' protest in Tahrir after Friday prayers on 29 July, to show a common front against what activists see as a return to arbitrary rule by the Supreme Council of the Armed Forces (SCAF). The planned united front turned into a show of Islamist force. Salafist groups bussed in from far outside Cairo and tens of thousands of MB supporters dominated Tahrir Square and overwhelmed the secularists.

Last month, Prime Minister **Essam Abdel Aziz Sharaf** reshuffled his cabinet. Credible figures such as **Bahey el Din Hassan**, Director of the Cairo Institute for Human Rights, declined a post because he believed his appointment 'may only serve to cover up a still ugly reality that must be changed'. In the run-up to the Mubarak family court appearance, the government and SCAF were fiercely criticised for the

faltering trials of police officers responsible for deaths during the January-February protests. A court freed seven of those implicated in the killing of demonstrators in Suez. Protestors think the slow pace of the trials is linked to the failure to purge the judiciary and the police of the remnants of Mubarak's regime.

On 25 July, the judiciary panel of the Cairo Criminal Court decided not try ex-Interior Minister **Habib Ibrahim el Adly** alone for the killing of demonstrators. Instead, he and others will be tried alongside Mubarak: **Hassan Abdel Rahman**, Chairman of the dissolved State Security Investigation Service; General **Adly el Faïd**, former Assistant Interior Minister for Public Security; and **Ismail el Shair**, former Assistant Minister for Central Security. Protestors immediately objected to this single trial as an attempt to get the politically charged process over with as quickly as possible.

The oppositionists' real target is Field Marshal **Mohamed Hussein Tantawi**, SCAF chief and effectively Egypt's acting President. Officers have accused the 6 April Youth Movement of serving as an agent for foreign powers. The Movement reported itself to the General Prosecutor's Office for investigation as a way of ridiculing the allegation of foreign support.

The move towards elections made progress on 18 July, when Tantawi appointed the President of the Appeal Court in Cairo, **Abdel Moez Ibrahim**, to

head an electoral commission, which will start work on 18 September, with elections to be held two months later. On 20 July, the SCAF's Major Gen. **Mamdouh Shahin** said that international monitors would not be allowed because Egypt 'doesn't accept guardianship from any country'. Human rights groups denounced the decision as unlawful and a serious interference with the electoral commission.

Much debate centres on who should draft the new constitution and what concessions should be made to supporters of an Islamic state. The Muslim Brotherhood and its Freedom and Justice Party (FJP) argue that the constitution should be drafted by the new parliament, in which it hopes to control at least a third of seats (AC Vol 52 No 6). Secular parties want a more consultative process and another national referendum.

On 12 July, the SCAF announced a committee to establish guiding principles for the new constitution, to prevent any single group from overly influencing the text. The announcement followed the previous week's meeting of Deputy Defense Minister Maj. Gen. **Mohamed el Assar** (Gen. Tantawi's number two) with the Democratic Front Party's **Osama el Ghazaly Harb** and representatives of the Tagammu party, the Liberal Party and the Egyptian Democratic Party.

Some believe the army wants to secure its authority, shielding the military budget (supported by the **United States**) from parliamentary supervision and making it the formal guarantor of the secular state and national unity. We hear that **Saudi Arabia** is offering finance to the military, if they give more prominence to Islamic principles in the constitution. Many believe, however, that the army's objective is not power as much as immunity from scrutiny of its past activities. ●

STRANGE ALLIANCES

Political parties are talking about a 'Democratic Alliance', combining the Muslim Brotherhood's Freedom and Justice Party (FJP) with rival groups such as *Al Wafd*, *Al Ghad* and others within an electoral alliance whose composition is not clear. The number of parties involved swings between 14 and 18. The role of the Salafist parties, which joined the MB in a show of force on Tahrir Square on 29 July, remains murky.

They lack a shared political platform, particularly on the role of religion in the state, and find only vague common ground on foreign policy. The big unknown is what happens to the National Democratic Party's network: can it be re-energised post-Mubarak and serve as a political vehicle for the military? And if so, why would anyone vote for it? There are wide disagreements on electoral systems. The military and the FJP favour the current electoral law, under which two parliamentarians are elected from each of 222 districts. Smaller parties such as *Ghad* and *Wafd* push for proportional representation which 'would enable them to run without having to worry about their limited local organising capabilities', said **Eric Trager** of the Washington Institute for Near East Policy.

The smaller parties want the alliance to ensure they will be represented in parliament. The electoral-district system would allow the Brotherhood, via the FJP, to field candidates in 49% of constituencies, with fewer competitors. This would place some small parties under obligation to the FJP, giving it influence beyond its number of seats. ●

Governors on top and on trial

Presiding over billion-dollar budgets and assured of immunity in office, everything changes for state governors when they retire

The former Governor of Lagos State, **Asiwaju Bola Ahmed Tinubu**, does not bother with false modesty. Neither does he demur at the description of himself as patron of Nigeria's democratic opposition and a future presidential candidate. He is 59, young by local political standards, and he has helped to develop the Action Congress of Nigeria (ACN) into a credible national opposition party from a regional group serving the interests of the south-west and the Yoruba people.

Tinubu is one of the few former state governors, of any party, to have launched a new political career after office. For over an hour on 18 July, he spoke on the country's democratic transition at the Royal Institute of International Affairs, at a meeting chaired by a rising star of Britain's Labour Party parliamentary caucus, **Chinyelu Susan Onwurah**. The member of parliament for Newcastle upon Tyne Central combines her grassroots campaigning in north-eastern England

with interests in her Nigerian heritage.

While Tinubu pontificated at Chatham House, another ex-Governor, **James Onanefe Ibori** of Delta State, was also in London, preparing for yet another court appearance on charges of money-laundering. Ibori has been in police custody since he was extradited from Dubai in April. The contrast was not ever thus. In September 2006, with elections drawing near, the then head of the Economic and Financial Crimes Commission, **Nuhu Ribadu**, told the Nigerian Senate that the EFCC was investigating 31 state governors after allegations of corruption. Among them were Ibori of Delta and Tinubu of Lagos. Tinubu's case was described as being 'of international dimension'.

Today, the two men are political allies. Ribadu was the ACN's presidential candidate in the 2011 elections, even if some believe Tinubu was less than strenuous in campaigning for his former adversary. The more important point is

that the ACN broke out of its south-western straitjacket to field a highly credible young northern presidential candidate, burnishing its ambitions to be a truly national party, one capable of challenging the monolithic People's Democratic Party (PDP). More needs to be done by the ACN to ally with other regional parties but it is clearly now going to be the senior party in such a deal.

Nigerian political careers can rise out of nothing, on the strength of favouritism by godfathers. Around the corner lurk rival godfathers, waiting to shunt those who fall out of favour into oblivion or even, as in Ibori's case, gaol. For much of his time in office, Ibori battled allegations that he was an ex-convict, ineligible to contest the governorship elections, until the Supreme Court ruled in his favour. In 2007 he bankrolled a substantial part of the campaign of the eventual President, **Umaru Musa Yar'Adua**.

IBORI'S DAYS IN COURT

Ibori's reward was a string of legal and political victories against the EFCC during Yar'Adua's tenure, which ended with the president's death after a long illness in May 2010. The following week, Ibori was arrested in Dubai through the agency of Interpol, acting at the behest of the EFCC. His wife, sister and lawyer have already been sentenced on similar charges in Britain.

Similar problems surround **Diepreye Solomon Peter Alamieyeseigha**, former Governor of Bayelsa State, next door to Ibori's Delta. In 2005, he was arrested in London for money-laundering; police found close to £1 million sterling (US\$1.64 mn.) in cash at his home. He jumped bail and fled, reportedly disguised as a woman, and made his way to Nigeria, ostensibly to halt impeachment proceedings against him. He received a hero's welcome when he showed up in Bayelsa but that was not enough to save him. The presidency had had enough of him and was supporting the rise to power of his Deputy Governor, **Goodluck Jonathan**, now President (AC Vol 52 Nos 14 & 15). Alamieyeseigha was arrested, tried and sentenced to gaol in 2007. Since his release, he has kept a low profile but is reputed to be close to Jonathan.

Relations between Tinubu and Jonathan are more complex still. Tinubu grudgingly conceded that this year's elections were an improvement on the 'previous editions' but the authorities still overlooked – or were more often complicit in – massive electoral fraud. Although Tinubu thinks Jonathan won the presidency (albeit with an artificially inflated majority), he insists his ACN should have won the governorship of Akwa Ibom, Benue, Kwara and Taraba.

Political insiders claim that, before

THE STRANGE CASE OF THE EX-GOVERNORS

Asiwaju Bola Tinubu, **James Ibori** and **Diepreye Alamieyeseigha** stand at extremes on the spectrum of life after Government House (see Feature). There are several points in between. Plateau's **Joshua Chibi Dariye** (1999-2007) survived a money-laundering arrest in London in 2004, long before Alamieyeseigha's arrest. He jumped bail and, back in Nigeria, reclaimed his governorship and the accompanying constitutional immunity from prosecution. Towards the end of his tenure he was impeached, then reinstated by the Supreme Court five months later. When he left office, the Economic and Financial Crimes Commission (EFCC) charged him with stealing public funds but nothing came of the case. In April this year, Dariye was elected to the Senate.

Orji Uzor Kalu was until 2007 the highly visible and voluble Governor of Abia State in the east. He suffered a humiliating defeat in his 2011 bid for a Senate seat, in a state where as Governor he more or less single-handedly determined who won elections.

Sir **Peter Odili**, ex-Governor (1999-2007) of Rivers, another oil-rich state, was moments away from being nominated as a vice-presidential candidate when (insiders say) outgoing President **Olusegun Obasanjo** struck his name out of the acceptance speech prepared for **Umaru Musa Yar'Adua**, who went on to win the governing party's presidential primary in December 2006. Weighty corruption allegations against Odili, in a file controlled by the then anti-corruption boss, **Nuhu Ribadu**, convinced Obasanjo to withdraw his backing, say party insiders.

Since then, Odili has lain low, emerging in the news only when, in March 2008, he obtained a court ruling perpetually restraining the EFCC from trying him for corruption. His fortunes looked brighter when, in May, his wife **Mary Odili**, previously a Justice of the Appeal Court, was elevated to the Supreme Court.

Ex-governors who, like Dariye, made their way to the Senate are Zamfara's **Ahmed Sani Yerima** (who pioneered the clamour for *Sharia* law in the north in 1999) and Benue's **George Akume**. Other governors-turned-senators have been **Danjuma Goje** of Gombe (2003-11) and **Chris Nwabueze Ngige** of Anambra (2003-06, when his election was annulled by the courts on the grounds of electoral malpractice). They no longer enjoy the constitutional immunity of their governorship days but remain commanding figures in their states. ●

April's polls, Tinubu cut a deal with the governing PDP which gave his ACN a free run in the south-west, in exchange for not obstructing the PDP's presidential candidate, Jonathan.

Naturally, Tinubu denies this. Yet most of the states that elected ACN governors voted solidly for Jonathan. Few want to tackle a kingmaker. That might explain Tinubu's kind personal words for Jonathan while he continues to excoriate the PDP. According to Tinubu, many voters saw Jonathan as 'an outsider of the much detested PDP establishment'.

Yet on policies, Tinubu frankly admitted that voters saw little difference between his party's line and that of the PDP. He lambasted the PDP government for presiding over an unemployment rate of over 20% and made a surprisingly robust attack on fuel subsidies that cost over \$8 billion a year. He reserved his greatest anger for the federal government's diversion of funds from the states: 'I wager that people of the ACN states would rather see their states' proper share of these funds in the hands of their governors than in the custody of the unnamed bureaucrats servile to PDP chieftains.'

Tinubu's support for fiscal federalism makes political sense. The secret of ACN electoral success is that its state governors have provided better services in the south-west than their counterparts elsewhere: only in Lagos State can the state governments raise the necessary billions through state taxes and from the capital markets. Other states in the region are hamstrung by their dependence on

federal funds, controlled by a party at the centre that has little interest in helping them to look good.

Tinubu stands alone, an enigmatic character who has acquired more power and influence, while his colleagues have vanished from sight or settled for lesser roles. When he left the Lagos governorship in 2007, he was his party's only governor, making him the unofficial party leader. Today, four years later, there are six ACN governors, extending his political sway across almost the entire south-west, with the hugely popular **Babatunde Raji Fashola** handpicked by Tinubu as his successor in Lagos. Fashola's bold moves to transform the dysfunctional mega-city have won wide-ranging international praise and polished up Tinubu's image.

RASCALS ON THE RUN

If what his detractors say is to be believed, it is almost impossible to become a commissioner in any of the ACN's south-west states without Tinubu's approval – certainly not in Lagos, where he is reputed to handpick candidates at all government levels. In April his wife, **Oluremi Tinubu**, was elected to the Senate at the National Assembly, a daughter was elected to the state legislature and a son-in-law to the Federal House of Representatives.

The PDP fears Tinubu. On the election trail in March, Jonathan promised to rescue the south-west from the hands of 'rascals'. No experts were needed to discern that he had Tinubu and his allies in mind. Earlier this year, an influential PDP member, Chief **Olabode Ibiyinka George**, accused

Tinubu of conspiring to have him sent to gaol. Bode George recently completed a two-year sentence for contract-splitting and abuse of office while he was Chairman of the management board of the Nigerian Ports Authority. Yet there are tough questions to ask about Tinubu's career in the **United States** in the 1980s and 1990s and about his financial management as Lagos Governor in 1999-2007.

Political opponents have made weighty accusations against him. These include certificate forgery; corruption 'of international dimensions'; pocketing, through a front-company, as much as 20% of internally generated revenue in Lagos; bribing Appeal Court judges to secure victories for the ACN (two of the party's governorship victories resulted from Appeal Court decisions that overturned PDP wins, on allegations of rigging). Criticism has not even slowed Tinubu's rise and he denies all wrongdoing.

None of the recently retired governors, who served out their terms in 2011 or lost their re-election bids, seem able to emulate Tinubu's example. One of them, **Abubakar Bukola Saraki**, used to chair the powerful Governors' Forum and has found his way to the Senate. The rest are lying low, desperate to evade the attentions of the EFCC now that their constitutional immunity has expired. Since the return to civilian rule in 1999, Tinubu has been the only state governor to leave office and become yet more powerful, apart from presidential candidates such as Jonathan and Yar'Adua. ●

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Congo-Kinshasa

MUTATIS MUTANDIS

■ Mystery surrounds a sale by the state-owned *Générale des Carrières et des Mines* to a company linked to **Dan Gertler**, a close friend of President **Joseph Kabila**. Just three months before the elections, the deal is ringing alarm bells among opposition politicians. Officials have not formally announced the sale of a US\$800 million stake in *Gécamines'* Mutanda company or revealed where the proceeds have gone, let alone whether the sale of one of Congo's most valuable copper mining projects involved competitive bidding. The beleaguered company loses one of its most valuable holdings and likely royalties of over \$200 mn.

The sale emerged in the prospectus of **Swiss**-based trader Glencore, which has a stake in Mutanda, before its first public listing on the London Stock Exchange (AC Vol 52 No 10). Glencore valued the mine at \$3 billion. As a major shareholder, Glencore could have exercised its right to buy a bigger stake and block the sale of *Gécamines'* 20% stake to Rowny Assets, a company linked to **Israel's** Dan Gertler International (DGI) but did not.

Bloomberg News, which broke the story last month, could get no official reaction from DGI, *Gécamines* or Glencore. The European Union has said nothing: it cut its financing for the elections and has less leverage.

In any case, the EU High Representative for Foreign Affairs and Security, **Catherine Ashton**, takes a discreet line towards Kinshasa. Two former EU potentates, **Belgium's** **Louis Michel** and **Portugal's** **Aldo Ajello**, now serve on the 'Scientific Committee' of Katanga-based mining tycoon **George Forrest's** foundation to promote good governance in Africa. Michel was one of Kabila's loudest cheerleaders; his enthusiasm is matched by Forrest, who has generously supported many of Kabila's initiatives.

So this week's request from Kabila's government to the **United States** to ensure US companies adhere to the Organisation of Economic Cooperation and Development's good corporate governance principles is strangely timed. In 2002, a United Nations investigation looked at the compliance of Congo's mining operations with OECD guidelines and concluded Kabila's government had sold some \$3 bn. of state assets at well under market value. Among the companies the UN team criticised were none other than the Forrest Group and DGI: both denied wrongdoing and insisted on posting their own versions of events on the UN website.

Libya

RUNNING ON EMPTY

■ The offensives by the North Atlantic Treaty Organisation and the brave but shambolic Transitional National Council fighters show no sign of overwhelming Colonel **Moammar el Gadaffi's** forces. Fuel starvation is the best prospect for removing the regime. A successful counterattack on 2 August by Gadaffi's troops against the rebel advance on Zlitan, east of Tripoli, shows the regime's military resilience after five months of ground war and NATO bombardment.

Berber rebels in the Jebel Nafousa range south of the capital cut the pipeline linking the As Sharara fields to the Az Zawiyah oil refinery west of the capital in late June (AC Vol 52 No 14). Since then, the refinery has relied on stored crude; if it operates at the same rate as in May and early June, it may have consumed 1 million barrels since then. With a maximum 4 mn. barrels of storage capacity available, there is unlikely to remain more than one or two months' supplies, possibly much less. NATO has not bombed the refinery or Gadaffi's oil supply network, despite the obvious military advantages, so as to leave the oil export infrastructure intact for a post-Gadaffi government.

Gadaffi may yet have other sources of petrol and diesel at his disposal. A lucrative smuggling route has developed across the western borders. NATO is applying pressure on the **Algerian** and **Tunisian** governments to intervene as reports emerge of profitable connivance along the North African seaboard. **British** Prime Minister **David Cameron's** special advisor on counter-terrorism in North Africa, Major General **Robin Searby**, has been in Algiers helping beef up efforts against *Al Qaida* in the Islamic Maghreb and he is likely to have bolstered pressure on fuel smuggling. Algiers officially denies that it supplies fuel to Gadaffi, but that does not preclude unofficial deals.

As well as producing a fairly limited amount of petrol, Az Zawiyah also sends heavy fuel oil directly via pipeline to the Tripoli West power station, which under normal circumstances provides the capital with up to half its electricity. Stores may enable this to run for about a month after the refinery stops working but it is petroleum that keeps Gadaffi's soldiers moving and its loss may achieve what NATO and rebel forces cannot.

Namibia

CITIZEN CANDIDATE

■ Prime Minister **Nahas Angula** could become head of state if President **Hifikepunye Pohamba's** health does not soon improve. It is the constitution which would propel to power the man who pens letters to the press as 'Citizen Angula' and none of his many opponents

or the governing party itself could stop him. Having suffered what people close to him called a 'light stroke' in mid-July, Hifikepunye Pohamba is now out and about again. Yet can he complete the four remaining years of his term? The state media plays down his illness, but relatives told the Windhoek daily *The Namibian* they were very worried about his health.

Pohamba had already delegated Angula to represent the country at the African Union summit in Equatorial Guinea at the end of June. If the president cannot continue in office, the constitution requires the premier to take over until the end of the term or the president can return. Next in line is the deputy premier or someone mandated by the cabinet.

Pohamba is President of both party and country. The constitution of the governing SWAPO (formerly South West African People's Organisation) says its vice-president automatically becomes the next presidential candidate – Trade Minister and former Premier **Hage Geingob**. Other contenders include Geingob's former protégé **Pendukeni livula-Ithana**, Local Government and Housing Minister **Jerry Ekandjo** and popular Education Minister **Abraham Iyambo**. All are said to harbour presidential ambitions. If Angula replaces Pohamba, this could put the succession debate beyond SWAPO's powers. Geingob does not get on with Angula; a lengthy tenure for his rival could scupper his chances for the top job.

United States/France/Africa

FAVOURITE FOUR

■ Greeting four Francophone African leaders in Washington on 28 July, President **Barack Obama** pledged 'stalwart' support on economic and security matters, signifying growing US interest in a region with substantial mineral resources. It was the first such meeting for five decades.

The four Presidents – **Benin's** **Thomas Yayi Boni**, **Côte d'Ivoire's** **Alassane Dramane Ouattara**, **Guinea's** **Alpha Condé** and **Niger's** **Mahamadou Issoufou** – present themselves as symbols of a new democratic wave in Francophone Africa. All have won elections in the last two years judged free and fair by international institutions. Personally invited by French President **Nicolas Sarkozy**, they made an appearance at May's Group of Eight summit in Deauville.

France and the US worked closely on last year's Guinean and Ivorian election crises, as they do on military operations against the regime of **Libya's** Colonel **Moammar el Gadaffi**. More unusually, US and French special forces are coordinating operations against *Al Qaida*-affiliated militia in the Sahel. There is concern that such groups may target Niger's uranium mines, operated by France's Areva and **Chinese** state mining companies.

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for the immediate takeover, once Tripoli definitively falls and the Brother Leader's death, capture or exile becomes fact, according to **Aref Ali al Nayad**, a TNC loyalist and Libyan Ambassador to the United Arab Emirates.

Libyan exiles have also been converging on Doha, **Qatar**, for planning sessions. The United Nations offered advice on a 'stabilisation framework', as did officials from the European Union, **Britain** and the **United States**. A measure of the TNC's self-confidence is that it has borrowed from all of them in drafting its own plans, probably taking most from the UN suggestions, we hear. Despite disquiet about the influence of radical Islamists, the TNC is currently dominated by politicians with liberal, constitutionalist inclinations.

It has drawn up a draft constitutional charter, setting out a path towards parliamentary and presidential elections. Its leaders talk about a referendum and holding elections 'within eight months', which looks improbable. Tunisia's transitional government was keen to hold polls quickly but had to postpone them until 24 October because of the lack of election planning and systems, yet Tunisia is far ahead of Libya on that front.

JALIL AND JIBRIL IN CHARGE

TNC leader **Mustafa Mohamed Abdel Jalil** and the fast-rising Chairman of its Executive, **Mahmoud Jibril**, are showing strong leadership. Yet their history as 'Seif men' – participants in **Seif el Islam el Gadaffi's** efforts to reform his father's regime – rankles with some in the NTC. Others argue that their credentials as ministers who were prepared to stand up to the Colonel are solid.

The US military's references in March to 'flickers' of radical Islamism within the revolutionaries' ranks focused wider attention on the involvement of Salafist elements in the anti-Gadaffi movement. One leader of the final assault on the Bab el Aziziya barracks was an Islamist militant who had been renditioned back to Libya by the USA, only later to be rehabilitated as part of **Seif el Gadaffi's** initiative to co-opt former members of the hardline Libyan Islamic Fighting Group. Whether the fighter in question has remained a radical Islamist is unclear.

Those most worried by Islamist

infiltration concentrate on the still unexplained killing (and perhaps torture) of the rebel army Chief of Staff, General **Abdel Fatah Younis el Obeidi**. Some rebels saw him as a Gadaffi cuckoo in the nest; others, simply as a poor military leader. Unlike **Abdel Jalil** or **Jibril**, however, **Abdel Fatah Younis** was compromised as a former Interior Minister and was involved in some of the worst aspects of Gadaffi's rule. As a key securocrat, he is also thought to have provided intelligence on *Al Qaida* and allied groups to Western agents after the 11 September attacks a decade ago.

Although Islamist groups are taking a higher-profile role in revolutionary Egypt and Tunisia, they are, so far, working within the electoral framework. In Libya, no such framework exists, so there is a high risk of faction-fighting as the new regime tries to consolidate power. 'The TNC is a very broad mosque,' said one long-time Libya watcher.

Other North African states have concerns about the new order in Tripoli. Both Egypt and Tunisia recognised the TNC as the legitimate government soon after its assault on Tripoli on 20 August. For the shaky regimes in Tunis and Cairo, the end of the Libyan conflict will remove a dangerous political distraction – Gadaffi had been trying to defend the ousted despots **Zine el Abidine Ben Ali** and **Mohamed Hosni Mubarak** – and help to boost their economies, especially tourism revenue. Both the Tunisian and Egyptian regimes have managed the sudden flow of refugees from the Libyan war with relative efficiency and humanity.

Regular demonstrations on the *Avenue Bourguiba* and *Tahrir Square* have established street politics as a force in Tunisia and Egypt. That may also happen in Tripoli and Benghazi. The influx of foreign interest and money to the 'new' Libya will shore up investor interest in North Africa more widely if the new regimes stay broadly constitutional. The three revolutionary regimes in North Africa have a common interest in each other's success in consolidating power.

The view from Morocco and Algeria is more ambivalent. King **Mohammed VI** has worked hard to present his government as the exception to the rule of corrupt autocracies in North Africa. After talks between his government and parties, elections will be held on 25 November to produce a government that reflects values written (mainly by the King's hand-picked team) into the constitutional reforms which were agreed by a big majority in Morocco's 1 July referendum.

These are early elections: the poll was not due until September 2012, but as well as meeting the demands of the 20 February reform movement, an early vote will allow **Mohammed VI** to replace the weak *Istiqlal* party leader **Abbas el Fassi**

as Prime Minister.

In Algeria, some on the street may take heart from Gadaffi's fall and it will encourage Parliament to work quickly on reforms when it reconvenes in early September. The elite concentrates on the succession to President **Abdelaziz Bouteflika**, even if he stays well enough to see out his third term to 2014.

Political Islam is returning to the public arena with a noisy debate on rehabilitating the banned *Front Islamique du Salut* (FIS). Since the President promised sweeping political reform on 15 April, Islamist activists have been calling for political recognition.

Algiers may again court Islamists to stay in power. There have been secret negotiations between top politicians led by *Front de libération nationale* (FLN) chief **Abdelaziz Belkhadem** – whose strong Islamist credentials make him a much-loathed figure among politically secular Algerians – and former FIS notables, including **El Hachemi Sahnouni**, **Abbasi Madani** (in Qatar) and **Ali Belhadj** (in Algiers) wait in the wings.

ISLAMISTS SEE OPPORTUNITY

Bouteflika's reforms have been widely derided but Islamists see the revision of the law on parties as an opportunity. One potential player is former Premier and respected economist **Ahmed Benbitour's** new *Alliance nationale pour le changement*. The former leader of *El Islah* and *Ennahda*, Sheikh **Abdallah Djaballah**, has also created a new party, the *Front de la justice et du développement*, to which he has invited former FIS members.

The Algerian authorities' attitude was summed up when Tunisian singer **Bendir Man** was expelled during a tour of Algeria after dedicating a song about democracy 'to all Arab dictators'. 'You have come to export the revolution to Algeria,' one agent reportedly told him. He has been banned from entering Algeria again. The 26-year-old singer, banned and repeatedly imprisoned under Ben Ali, is one of the voices of Tunisia's 'Jasmine revolution'.

Algiers has been ambiguous in its handling of Libya, with the government formally neutral but '*le pouvoir*' privately hoping Gadaffi would stay to avoid any 'demonstration effect'. Intriguingly, top-selling Algerian paper *El Khabar* reported (before the rebels entered Tripoli) that the Algerian intelligence service had uncovered and aborted a spy operation targeting Gadaffi. It reported that Major Gen. **Mohammed 'Tawfik' Medienne's** *Département du renseignement et de la sécurité* (DRS) had expelled a foreign national with a false **Beninese** passport and interrogated two other 'spies' of Libyan nationality who were suspected of collaborating with French intelligence to get close to the Libyan leader. ●

Al Shabaab – neither gone nor forgotten

The drought has weakened the Islamist militia only temporarily and the political threat to the region is as serious as ever

When *Al Haraka al Shabaab al Mujahideen* retreated from Mogadishu on 6 August, the Transitional Federal Government (TFG) was quick to claim victory. The United Nations claimed it was evidence of a growing crisis within *Al Shabaab* and that 'moderate' commanders led by Sheikh Mukhtar Robow Ali 'Abu Mansur' would quickly defect and put an end to the insurgency. These assessments owe more to wishful thinking than reality. The military and political damage to *Al Shabaab* is likely to prove temporary, and it remains determined to boost its presence in the region.

Al Shabaab cannot be ignored: that was one message from the bizarre encounter between Eritrean President Issayas Aferwerki and Ugandan President Yoweri Museveni in Kampala on 18 August. Both called for all-inclusive talks and the reconstitution of Somalia.

Museveni's soldiers lead the African Mission in Somalia (Amisom)'s fight against *Al Shabaab*. Museveni and the AU accuse Issayas of arming the militia, so Museveni must have been pressuring him. Issayas may hope the meeting will help to stave off further UN sanctions; less clear is what Issayas can offer Museveni, other than to shore up his claims to be regional power broker and policeman.

It will take more than this to defeat *Al Shabaab* but it may help. The first reason for the Islamist withdrawal from the capital is that *Al Shabaab* could no longer counter Amisom's stranglehold on the Bakara Market area. The jihadists killed around 100 Amisom soldiers in late July and early August, say diplomatic sources, about which the AU has kept quiet. Yet *Al Shabaab* has been unable to check Amisom's progress. Fighters have buried their weapons and adopted civilian dress or quietly withdrawn. The victory over *Al Shabaab* was made possible not only by the Ugandan soldiers and their allies who died in great numbers but also because the militia was increasingly unable to afford ammunition for its heavy weapons.

In north Mogadishu, the reason for the retreat is different. The *Hizbul Islam* militia controlled it until December, when it had little alternative but to merge with *Al Shabaab*. Although it took over without opposition, its lack of sensitivity about clan loyalties, local politics and social matters meant it won little support, even

from the many who distrust the TFG.

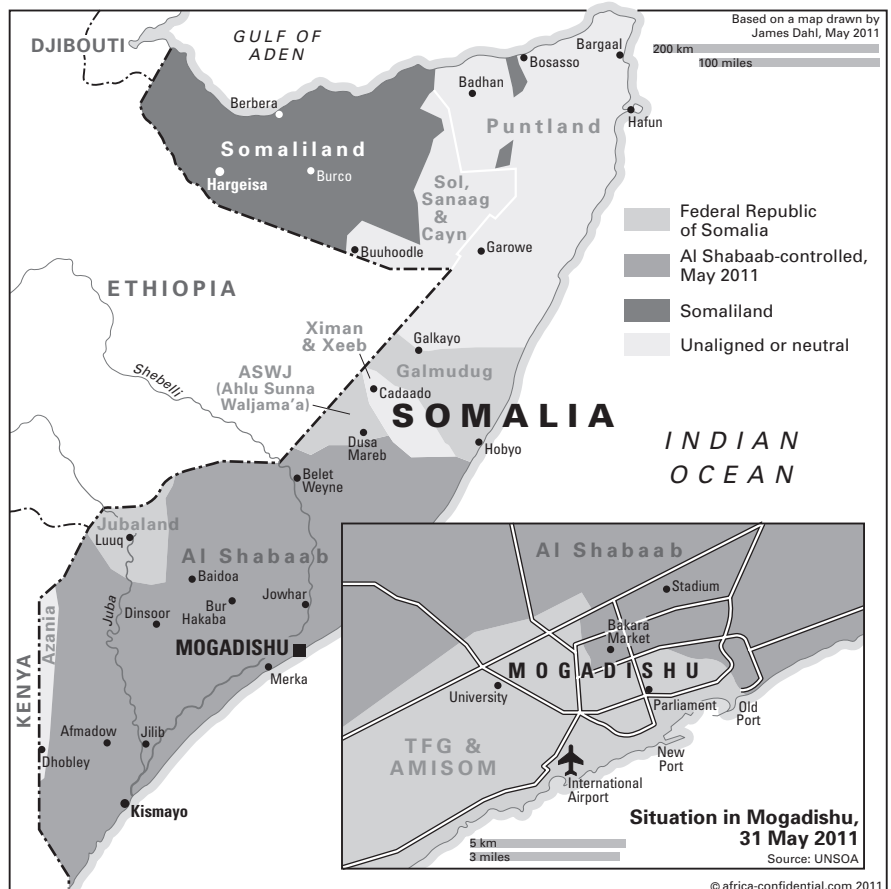
Moreover, *Al Shabaab* has lost some of its most effective officers in recent battles (see Box). Comoros-born **Fazul Abdullah Mohamed**, killed in June, was just one among many casualties to weaken *Al Shabaab*, at least temporarily. Fazul was one of the **United States**' 'most wanted' for his role in the 1998 US Embassy bombings in **Kenya** and **Tanzania**, which he is thought largely to have planned. We hear that **Ibrahim Afghani** (in charge of *Al Shabaab* finances and the real Somali brain of *Al Shabaab*) is seriously wounded, possibly dead. The voluble **Fuad Khalaf 'Shongole'**, who is in charge of propaganda, has been silent for over two months. **Bilal al Berjawi**, main organiser of the July 2010 Kampala bombing and Fazul's deputy, is recovering from his wounds in Kenya. Many killed or wounded commanders are either Somalis from the diaspora or genuine foreigners. With their loss, *Al Shabaab*'s links to other *Al Qaida* operatives outside Somalia have been gravely weakened.

Their replacements are usually younger and less competent.

A second reason for withdrawal was mentioned by *Al Shabaab*'s Emir, **Ahmed Abdi Godane** (aka Sheikh Mukhtar 'Abu Zubeir'), who acknowledged a month ago that his organisation had not only failed to help people to cope with the drought but was beset with 'amaanaat' (mismanagement) and corruption. The worldly tastes of some *Shabaab* commanders were sapping their enthusiasm for jihad, Ahmed complained in a little reported speech. Commanders killed in battle are replaced by men less willing to embrace the spartan jihadist lifestyle and who have been buying land and building houses since 2009.

The merger with *Hizbul Islam* partly explains this. Most *Hizbul Islam* activists weren't such hard-line Islamists, although the UN and USA refused to deal with them. Most of them simply opposed what they saw as an illegitimate government in Mogadishu and its foreign allies (**Ethiopia** and the **USA**) and treated people in territory under their control in ways little different from the traditional clan militias.

Hizbul Islam officers could earn 'protection money' from markets and other forms of extortion. When *Al Shabaab* took over their area, the deals persisted but the *Shabaab* leadership would not account for the money it received. This has become a factor in



humanitarian access to the famine-struck areas. Many *Shabaab* officers will cut deals with international non-governmental organisations (INGOs) on the presumption that they will receive additional revenue for themselves, not just for *Al Shabaab*.

Al Shabaab is short of money, although this is just a temporary result of the drought. Many people can no longer pay the 'services' (taxes) and *zakat* (Islamic tax) to the organisation. Fund-raising has fallen dramatically since March, not least because business people's ability to pay has been weakened by the fighting. External donations from supporters in the USA – important for *Al Shabaab* – are drying up due to better monitoring by US law enforcement of Somali money-transfers. *Al Shabaab* seems not to be benefiting from links to the pirates: its financial crisis persists despite the recent release of several ships for ransom from Hobyo and Harardhere, where *Al Shabaab* was said to have influence.

Another reason for the retreat is internal political differences. *Al Shabaab* leaders prefer to talk about 'misunderstandings' within the ranks, not divisions. Yet three distinct, bitter debates divide the movement:

- Firstly, military strategy. *Al Shabaab* commanders know they cannot win in Mogadishu without the heavy antitank weapons now in short supply. They have destroyed several armoured cars and tanks but at an unacceptably high cost. The alternative to the conventional war waged until August in Mogadishu with trenches and front lines would be hit-and-run guerrilla tactics. Yet this type of warfare requires the kind of support from the population which *Al Shabaab* has largely lost in the last year due to its ideological rigidity.

- Secondly, the political agenda. Should *Al Shabaab* fight for Somalia, for Greater Somalia, for the Horn or for the whole world? Should it build an Islamic state or focus on jihad? These are not easy questions for a movement that includes many non-Somalis.

- Then there is the drought. Unlike the TFG, *Al Shabaab* initially tried to raise new taxes and redistribute money and food to the most vulnerable people. Since March, however, the magnitude of the disaster combined with the organisation's military and political posture meant this had little effect. Aid delivery raises other problems. Growing corruption among *Al Shabaab* officers might be curbed but not immediately and aid agency payment for humanitarian access could cause the taste for money to grow.

Some commanders understood that *Al Shabaab* would lose support in Gulf and other Muslim countries if it appeared to be responsible for mass starvation.

Western and UN diplomats are desperately seeking 'moderates' but are in danger of misreading developments.

For example, Mukhtar Robow is up against many other *Shabaab* officers from his clan, the *Rahenweyn*, who support the leadership – he is no longer the only *Rahenweyn* figure who matters. His arrival in Baydabo can be read as a sign of weakness: he had to follow his kinsmen, who did not want to stay away from their starving relatives. He also knew that being there would increase his leverage on other *Shabaab* commanders to permit greater humanitarian access. His supposed moderation did not prevent him from participating in a video tribute to **Usama Bin Laden**.

The *Shabaab* retreat does not mean it can be counted out of the equation. First, the war in Mogadishu and elsewhere is by no means over. *Al Shabaab* could adopt low-level insurgency and avenge the loss of its senior cadres by carrying out a 'spectacular', a major bombing in Somalia or a neighbouring country. The TFG could come up with a political initiative but is unlikely to do so.

Another determinant is how *Al Shabaab* responds to its internal malaise. Its supporters in the diaspora and neighbouring countries are collecting

money and recruiting to keep the fighting going. Kismayu port will start operating again after the monsoon in mid-September regardless of the de facto embargo enforced by Western navies. It has purchased ammunition and heavy weapons in **Yemen** – albeit at high cost, thanks to the relative success of *Al Qaida* in the Arabian Peninsula – which have already reached Puntland. Operatives in Somaliland are also channelling foreign recruits and more ammunition to *Al Shabaab*.

Certainly, *Al Shabaab* is under growing pressure from anger over mass starvation and its own style of politics. One possible outcome is that it will try to accommodate clan leaders more effectively in the hope of winning back grassroots support.

Several *Al Shabaab* officers are embracing a 'back to the clan' movement. How that will affect its foreign backers and their plans to spread the fight to neighbouring countries is less clear. It may be that Southern Somalia will become more important as a sanctuary for regional jihad rather than as a leading player in the country itself. For now, *Al Shabaab* remains a serious force in the region. ●

THE HITS AGAINST AL SHABAAB

Officers of the *Haraka al Shabaab al Mujahideen* killed January-July 2011. A tentative list; the full number may reach 50.

- **Mohamed Aynaanshe**: Isaaq Clan; General; Emir of Lower Jubba.
- **Sheikh Ahmed Zayn**: Darod/Awrtable; Commander.
- **Sheikh Mukhtar**: *Rahenweyn*; Dhobley Commander.
- **Sheikh Mursal**: Hawiye/Garre; Emir, Eel Waaq.
- **Sheikh Mohamed Fayaqmase**: Garre; Commander of Hawl Wadaag, Mogadishu.
- **Abdirahmaan Diriye**, aka **Ali Arafat**: Hawiye/Habr Gidir/Sarur; logistics chief, Hiraan.
- **Ali Jeesto** aka **Ali Tubako Abgal**: Hawiye/Abgal/Rer Matan/Abdule; Emir, Banadir (dead or seriously wounded).
- **Fazul Abdullah Mohamed** (aka **Abu Seif al Sudani**; **Abu Aisha**; **Fadl Abdullah Mohamed Ali**; **Fadl Haroun**; **Abu Luqman**; **Fouad Mohamed**); Muhajir, Comoros-born, Kenyan citizen. **United States** Specially Designated Global Terrorist; Senior Commander.
- **Bilal al Berjawi**: Muhajir (migrant, i.e. non-Somali), **Lebanese (Algerian?)**; Deputy to Fazul Abdullah Mohamed, in charge of East Africa.
- **Sheikh Hashim al Afghani**: Muhajir, Afghan; Commander.
- **Ali Bashir**: Habr Gidir/Ayr; logistics head, Lower Jubba.
- **Sheikh Mohamed Marquuti**: Muhajir, Comorian; Commander.
- **Hussein Dhere**: Kenyan Ogadeni/Absame; Logistics Commander.
- **Isaak Mohamed Deerow**: *Rahenweyn*/**Danish**; Commander.
- **Muse Ibrahim**: *Rahenweyn*, **Finnish**; Commander.
- **Sheikh Abu Muslim**: Muhajir, **Bangladeshi**; Commander of Mogadishu.
- **Sheikh Khadiib**: Muhajir, US; Commander, destroyed first African Union Mission in Somalia tank in North Mogadishu and then another in Bondhere district.
- **Abdiwali Qanyare**: Karanle, **British**; Emir, Bakara Market.
- **Abdullahi Yamani Abu Mohamed**: Muhajir, Yemeni; Commander of Bondhere.
- **Sheikh Kamil Abu Hanan**: Muhajir, Palestinian; Commander of Wardigley district.
- **'Abu Kasha'**: Muhajir, **Yemeni**; Commander Hodan district.
- **Muse Ma'ow Matan**: Abgal, **Belgian**; Emir, Bondhere.
- **Jeehow Abu Mansur**: *Rahenweyn*; Commander Hiran.
- **Bashir Abdullahi Imbili**: Muhajir, Dagodie, Kenyan; Commander of *Al Shabaab* army.
- **Ali Hooshow**: Abgal/Waisle; Emir, Balad district.
- **'Timojili'**: Murosade; Commander Eel Bur and Eel Garas. ●

Who cleans up in the Delta?

A huge payout by Shell for spilling oil will not necessarily help those who suffered from the environmental damage

On 3 August, the oil giant Shell agreed in the London High Court to settle a compensation claim for oil spills in Bodo, in the Niger Delta. This is a district with about 70,000 residents in the Ogoni region, home to half a million of the Delta's 30 million people. Shell had hoped to settle the case quietly out of court, for a sum believed to be well over £100 mn. (US\$163 mn.).

Shell Petroleum Development Company of Nigeria (SPDC) is a joint venture with Eni (Italy), Total (France) and state-owned Nigerian National Petroleum Corporation. It admitted liability for two spills from September 2008 to February 2009, from its pipeline through the Bodo swamps.

Independent assessments of videotaped and other evidence from the site estimate that as much as 280,000 barrels may have been spilled, more than in the 1989 Exxon Valdez disaster in Alaska and other more recent crises.

Before the settlement, Shell had offered Bodo's community leaders £3,500, along with 50 bags of rice, 50 bags of beans and some boxes of sugar, tomatoes and groundnut oil. The Bodo chiefs considered this 'insulting, provocative and beggarly', but accepted it on legal advice. Now the community employs British lawyers Leigh Day and Company, which had previously secured Britain's biggest-ever legal settlement,

an out-of-court payment of £30 mn. for victims of the dumping of toxic 'slops' in Côte d'Ivoire by the oil trader Trafigura (AC Vol 48 No 6).

The Bodo settlement could open the floodgates. Market analysts have been slow to grasp how much the oil companies operating in the Delta could have to pay and the people of the Delta are not prepared for the life-altering sums that might be dispensed. Available figures for public spending put the education budget for Gokana local government, near Bodo, at just £4,000 per annum. The Bodo settlement works out at roughly £1,500 per resident.

On the same day as the London High Court settlement, the United Nations Environment Programme (UNEP) submitted to President **Goodluck Jonathan** a much wider-ranging assessment of the ecological crisis in the Delta, criticising both Shell and successive Nigerian governments and estimating that the clean-up would cost over a billion dollars. Tackling the Delta's man-made environmental crisis would be the most ambitious clean-up ever undertaken, UNEP claimed.

UNEP's report involved 14 months of research in which its team surveyed 122 kilometres of pipeline, reviewed more than 5,000 medical records and talked to 23,000 people in community meetings. Human rights groups such as Amnesty

International cited the UN report in their efforts to pressure Shell and other oil majors to assume responsibility for the environmental repair.

There is no precedent for the human and environmental impacts of oil extraction in Nigeria. Although activists in the Delta have been campaigning about environmental despoliation for decades, the rapid reaction of the **United States** government and legions of lawyers to BP's Deepwater Horizon oil spill in the Gulf of Mexico in April 2010 has put 'big oil' on the defensive.

The UN and other experts reckon that the destruction in the Niger Delta is many times worse than Deepwater Horizon caused. There is no precedent for such massive compensation by foreign companies for damage over a protracted period. The UN report notwithstanding, many of the claims will be subjected to closely argued legal assessment.

COMPENSATION CONSTERNATION

The crucial questions now are who will pay for cleaning up the Delta, who will benefit and are there agencies competent to administer the compensation? The National Oil Spillage Detection and Response Agency, responsible for clean-ups, is underfunded and poorly regarded in the Delta and by federal politicians.

BP may eventually have to pay \$20 billion for damage from its Gulf of Mexico spill last year. Payments by oil companies in the Delta could amount to far more. Estimates of the amount spilled since production began there vary widely. In 2006, conservation lobbies such as the World Wildlife Fund UK, World Conservation Union and Nigerian Conservation Foundation, working with the Abuja government, estimated that up to 1.5 mn. tonnes of oil had been spilled. Amnesty International estimated the equivalent of at least 9 mn. barrels.

Thirty years ago, Shell managers in Nigeria realised that spilled oil would be a profitable crop for Delta farmers than anything their farms could produce. Delta activists accuse the company of following an unstated policy of denial, deflection and more denial. Despite selling its onshore assets this year, Shell is still by far the largest foreign oil company in Nigeria and is moving offshore because the Delta is unsafe.

Royal Dutch Shell reported global profits in the latest quarter of £5.2 bn. Payouts for its past activities could, if the Bodo precedent is followed, run into tens of millions of pounds – enough to cancel projects and investments and to trigger shareholder rebellions. A controversy in 2004 started when Shell misrepresented its Nigerian assets and ended with the company's stock sinking and a flurry of class-action suits by investors.

IT'S URGENT? SET UP A COMMITTEE

As the Bodo case was being settled, a damning United Nations report estimated the cost of an environmental clean-up in Ogoni at US\$1 billion over up to 30 years. The report airs many of the issues involved in the cycle of blame, including the extent to which 'artisanal' extraction (a coy way of saying oil theft – bunkering).

The UN Environment Programme rejects Shell's claim that bunkering is a main cause of spills; the UN body must tiptoe around the issue because it would need the backing of the federal government to implement it. Yet everyone in Nigeria knows that senior politicians orchestrate and benefit from oil theft, along with their criminal allies and the state apparatus.

President **Goodluck Jonathan**'s committee to respond to the UNEP report is due to report back before the end of August. It is chaired by Petroleum Minister **Diezani Allison-Madueke**, with Environment Minister **Hadiza Mailafiya** as Vice-Chairwoman.

Other members include the Minister of Finance, Ngozi Okonjo-Iweala; the Niger Delta Affairs Minister, Elder Godsway Orubebe; the federal Attorney General and Justice Minister, Mohammed Belo Adoke; the Managing Director of the Niger Delta Development Commission, Chibuzor Ugwoha; the Director General of the National Oil Spill Detection and Response Agency, Peter Idabor; the Nigerian National Petroleum Corporation's Group Managing Director, Austen Oniwon; and the President's Special Advisor (Technical Matters), Sullivan Akachukwu Nwakpo. This committee will not rock any boats. ●

Shell is still under fire for what happened in Ogoni in 1995, when writer and local activist **Ken Saro-Wiwa** was executed, along with eight others, by the then dictatorship of General **Sani Abacha**. Saro-Wiwa's Movement for the Survival of the Ogoni People (Mosop), demanding an end to pollution and poverty – and a cut of oil revenue – had driven Shell off some of its members' farms, mostly by non-violent means.

A murderous dispute then arose between Saro-Wiwa's group and traditional leaders, both hoping to get compensation money. Shell found itself implicated in the dubious trial of Mosop's leaders and the military occupation of Ogoni which left thousands dead and lasted until Abacha's demise in 1998. To defend its reputation, Shell mounted a public-relations counteroffensive, insisting that most spills are caused by the theft of oil, known as 'bunkering'.

The hugely profitable illegal bunkering trade has contributed to the breakdown of the Delta into warlordism and armed conflict between groups with powerful political patrons. The blame is passed like a parcel between the oil companies, the federal government, militants and local communities, all of them to blame in differing degrees at different times.

DISUNITED BENEFICIARIES

UNEP's involvement in Ogoni is what remains of a contentious peace and reconciliation process, originally fostered by Anglican and Catholic clergy. It has not united those it was meant to help. Mosop's leaders distanced themselves from it and the UNEP report has now produced a split. A faction led by **Ledum Mitee**, a barrister and former Mosop President and now an advisor to Rivers State Governor **Rotimi Chibuike Amaechi**, called on the national government to respond to the UNEP report within 30 days. An 'official Mosop' faction led by

Goodluck Diigbo denounced the Mitee faction's demand.

Struggles began even before the clean-up money is in the bank. Ogoni organisations are quarrelling both over how to spend the money and over government policy. Some groups argue that the UN report doesn't go far enough and raise questions about Shell's role. They are suspicious of Abuja's plans to take over the operation of the Ogoni oil block from Shell via the Nigerian Petroleum Development Corporation, a subsidiary of the state oil company.

They argue that there should be no further exploration and production work in Ogoniland until the government properly consults local people. Some go further, insisting that there should be no more production until the current mess is cleared up. It also proposes setting up three new organisations to manage the clean-up and a billion dollars from the companies and government. The UN says that could take 30 years. Chaos might ensue if the government chose to exploit these divisions among the Ogoni and resume production without proper talks.

Similar Ogoni divisions followed the payout in 2009 of \$15.5 mn. to the families of Saro-Wiwa and his eight co-defendants. Some people who felt they had been shut out of the cash pile muttered death threats. Some of the foreign campaigners who declared the award a victory against Shell privately admit they have no idea how the money has benefited people on the ground.

Ken Saro-Wiwa Junior, son of the late activist, is now an advisor to President Jonathan. In 2009, he said that much of the settlement money would go into a trust to 'use Ogoni resources for Ogoni development'. Critics are now demanding to see full public records of how this money was spent.

Insisting it had no part in the violence, Shell says the total of \$15.5 mn. is to fund the trust, with compassionate payments

and legal costs for the plaintiffs. Independent trustees are meant to fund education, training, agriculture and small enterprises. **Malcolm Brinded**, the company's Executive Director for Exploration and Production, said its primary concern was to assist the process of reconciliation and peace in Ogoniland.

At least 1,000 claims for compensation from oil companies are winding their way through Nigeria's dilatory courts at any one time. Local firms are involved, as well as the oil majors. As the UNEP report was launched, new complaints came in of a spill affecting four communities from pipes belonging to the Nigerian-owned Seplat Petroleum Development Company.

DELTA BOSSES AND BUNKERERS

President Jonathan has brought an uneasy peace to his Delta homeland by accommodating the region's militant bosses. The influence is growing of **High Chief Government Ekpemupolo** (aka **Tompolo**), whose bunkering operations brought a small war to the Warri region (AC Vol 50 No 11). He is, for example, accused of securing the Kurutie Land Reclamation and Foreshore Protection project for his preferred bidder, El-Markem Ventures, although the contract had been awarded to a rival company by the former Minister for the Niger Delta, **Ufot Ekaette**.

There are bitter tensions between militants who have officially 'stood down' and the Niger Delta Development Commission's **Chibuzor Ugwoha**, who allocates the Delta's share of government oil revenue. Compensation money could help to bring young people into the mainstream of Nigerian society if it is used for training and job creation. Meanwhile, violence persists and the oil companies are tempted to follow Shell offshore. Even there, bunkering and piracy pursue them. ●

ZIMBABWE

The kingmaker general dies at Alamein

Solomon Mujuru held no high office but was an important link between the military and the political opposition

The macabre mystery surrounding the death of General **Solomon Mujuru** on 16 August is perturbing the faction-ridden Zimbabwe African National Union-Patriotic Front. In the short term, it will strengthen the position of ZANU-PF's aged, ailing leader, President **Robert**

Mugabe. The medium-term question is whether the Mujuru faction of the dominant party can survive.

The rival factions are for now constrained from taking any opportunistic advantage, for fear of being accused of conniving in a murder. Vice-President

Joice Mujuru has appealed for an end to speculation until the official investigation into her husband's death at Alamein Farm is complete. The speculation – in the blunt words of one faction leader – is that 'he was killed'.

Solomon and Joice Mujuru were the country's pre-eminent political couple. Before the state funeral, she cut a sad, dignified figure in her Salvation Army uniform. Whether the Stout Lady will pursue her presidential ambition or make way for someone else remains to be seen. From their respective provincial bases of Mashonaland East and Central, the Mujurus had built up in their 34 years of marriage a formidable support within

ZANU and in Harare, though the death of Harare Governor **David Karimanzira** in March deprived them of a key ally.

Mujuru had unrivalled influence among the top ranks of the armed forces; many senior officers owed their initial advancement to him as army commander until 1994. Other luminaries from his home district of Chikomba included the Zimbabwe Defence Forces Commander, Gen. **Constantine Chiwenga**; the Police Commissioner, Gen. **Augustine Chihuri**; former Cabinet Secretary **Charles Utete** and presidential wife **Grace Marufu Mugabe**.

A stutter did not prevent Mujuru from being charismatically persuasive. He was reputed to be one of the few who dared to stand up to Mugabe in the Politburo, even to urge him to consider stepping down as he became increasingly unelectable. Mugabe, in turn, had remained beholden to the General since the Independence struggle. Mujuru's youthful persuasiveness helped to set up the joint command between the Zimbabwe National Liberation Army and the Zimbabwe African People's Revolutionary Army (Zipra) before Independence. Afterwards, he oversaw the successful integration of both rebel forces and the remnants of the Rhodesian army. As Commander, he ruthlessly led the Gukurahundi campaign in Matebeleland which forced **Joshua Nkomo** into 1987's Unity Accord. His obituaries often contain attempts to sanitise his role.

A MASTER STRING-PULLER

Mujuru was more strategist than tactician, a master string-puller who relished the role of potential kingmaker more than occupying the throne himself. The strategic goal was to get Joice Mujuru in to succeed Mugabe before an election which he doubted Mugabe could win. The vote would be in Parliament, where ZANU and the Movement for Democratic Change have almost equal strength. If ZANU backed a rival candidate, Joice might have a chance if a deal could be done with the MDC and she carried her faction with her. He would reassure the service chiefs; Chiwenga and Air Marshal **Perence Shiri** were particularly close to him. The risk would be that ZANU would irrevocably split.

It is too soon to tell whether his widow could carry that through in the male chauvinist world of the armed forces and ZANU itself. Names touted to fill Solomon's shoes include that of Shiri, who might be able to placate the armed forces but would antagonise Matebeleland, where he is known as 'the Butcher of Balagwe' for his command of the notorious Fifth Brigade. The MDC's restive Matebeleland wing would have problems dealing with Shiri and so would ZANU. The Ndebele

Vice-President, **John Nkomo**, could not be at the funeral because he is in **South Africa** for treatment of his poor health.

Mujuru's passing is a setback for the MDC and the backstairs discussions that were under way. No serious attempt has been made to implicate the party, although the Harare ZANU Youth League has claimed that the death was 'the work of our enemies' – usually code for 'Western imperialists and their MDC puppets'.

The state funeral was the largest since that of Joshua Nkomo, with 40,000 people present. In Harare and Mashonaland, Mujuru was widely respected. Mugabe told mourners at the National Shrine on 20 August that Mujuru's death was 'inextricable, painful and horrendous', adding that 'we cannot do anything about it, except to grieve, to ask so many questions and finally to accept his demise.'

At a rally in Mutare, Finance Minister **Tendai Biti**, Secretary General of **Morgan Tsvangirai's** MDC faction, accused ZANU of killing Mujuru: 'ZANU-PF has invested very much in violence and arson is now their new weapon against perceived political opponents.'

The grassroots reaction is that if it was a 'planned accident', the perpetrators were from within ZANU, probably from **Emmerson Mnangagwa's** rival faction. This may be unfair and unfounded but the perception will be difficult to live

down and could damage Mnangagwa's prospects in the capital and Mashonaland; he is anathema in Matebeleland anyway. Mnangagwa's chief strategist, **Jonathan Moyo**, launched a damage-limitation exercise in the state media with banner headlines: 'Mnangagwa speaks on Mujuru'. Presidential Spokesman **George Charamba** accuses the independent media of fuelling irresponsible speculation.

A senior figure in Mujuru's camp said that it was likely that 'our strategies would be built around Mai (Joice) Mujuru'. Some of his colleagues believed State Security Minister **Sydney Sekeramayi** would emerge ahead of the Vice-President in the succession stakes.

It is difficult to see how the death could benefit Mnangagwa's or any other party faction. Chiwenga owed too much to the dead man and Youth and Indigenisation Minister **Saviour Kasukuwere** was absorbed in his plans for indigenising foreign companies. His latest ultimatum to 14 big mining and financial groups has sparked a fresh row with Reserve Bank Governor **Gideon Gono**. Hopes that a Mujuru presidency might foster a reconciliation with the MDC, followed by restoration of normal relations with international donors and institutions, disappeared in the fire that killed the General. ●

THE POLICE FAIL TO PROTECT

Amid the finger-pointing, conspiracy theories and angst at **Solomon Mujuru's** death, what stands out with crystal clarity is the incompetence of the Zimbabwe Republic Police before, after and during the fire that burnt him beyond recognition. Mujuru's only public position was as a very senior member of the Politburo of the Zimbabwe African National Union-Patriotic Front but he was entitled to police protection at his farms and properties around the country, as is his wife **Joice**, the Senior Vice-President, in Harare.

His favourite rural base was Alamein Farm near Beatrice village, some 60 kilometres south of Harare and the same distance from his home district of Chikomba. He frequented private clubs and public bars (in which he often had a financial interest) at sundowner time, where he often ordered whisky by the bottle rather than the tot. On the night of the fire, he had been at the Beatrice Hotel bar, leaving with a woman shortly before 9 pm, when the local electricity supply was restored.

Mujuru drove himself, without bodyguards, packing a pistol. There were no police or private guards on the farmstead's two gates when he returned; it was the coldest night of the year and they were probably asleep in the guardhouse. The maid had lit candles and gone home. His female companion has yet to be traced. Around midnight, the guards were roused by the roof falling in, as flames engulfed the house. It was a few hours more before the police post at Beatrice and the fire brigade from Harare were alerted by telephone – not by the police but by the maid.

By morning, the ZANU hierarchy was converging on Beatrice. The site was not cordoned off for forensic investigation and bigwigs traipsed around destroying potential evidence. The body, reduced to bone and ashes, was beyond any mortician's skills and the traditional viewing of the corpse had to be dispensed with. The police forgot to take samples for DNA testing to confirm the dead man's identity. The Police Commissioner, General **Augustine Chihuri**, has not yet pointed an accusing finger although his own relationship with Mujuru had become more complex as political tensions rose.

Even Chihuri must realise that the VIP Protection Unit is a bad joke. Last month's bomb attack on the home of Finance Minister **Tendai Biti** still remains unsolved. A few weeks previously, Chihuri himself was burgled and robbed while he slept in an adjoining room, with a ten-man police security detail on duty. ●

Suddenly, the nationalisation talk gets serious

The President and his business friends will have to make concessions to the growing calls for more state ownership

Nationalisation of the country's mines, banks and land is under serious consideration by the governing African National Congress and not only because of the populist calls for it from **Julius Malema**, leader of the ANC Youth League (ANCYL). ANC members are increasingly looking to public ownership as a remedy for economic ills and support for it goes well beyond Malema's political base. Characteristically, President **Jacob Zuma** keeps quiet about what he thinks, while his business baron friends are against it. While Zuma quietly reassures them that they have nothing to fear, he will not oppose the trend publicly because he needs the party's left-wingers on board for his campaign for a second presidential term. The result is the sense of a policy vacuum at the centre.

The business deals involving the Zuma family – derisively known as 'Zuma Inc.' or 'Zuma Economic Empowerment' – are under fire from the trades unions, ANCYL and sections of the South African Communist Party, without whose support his hopes for a second term must be remote. Malema and his backers insist they will sabotage Zuma's second-term campaign unless he supports their call for nationalisation, because it forms part of the ANC's Freedom Charter. Anything else, they say, 'is against the aims of the ANC and the revolutionary alliance', meaning the Tripartite Alliance of the ANC, Congress of South African Trade Unions (Cosatu) and the SACP. Zuma has struck back at Malema, with the ANC summoning him to a disciplinary hearing over a Botswana rant. The anti-corruption 'Hawks' unit has launched a probe into separate fraud claims against Malema.

Since the 2007 ANC National Conference, when Zuma ousted **Thabo Mbeki** as ANC President, left-wingers in the Alliance have been insisting that candidates for party posts should run on clear policy platforms. Youth Leaguers say they will back only candidates who support the nationalisation of the mines. In June 2010, Malema based his campaign for re-election as President of the League on nationalisation of the mines, land and banks. When he won, it became ANCYL's core policy.

The Youth League wants the state to take stakes of at least 60% in privately-owned mines, including those of the giant Anglo American corporation. 'Share that

delicious piece of cake. Don't eat it all alone!' said Malema to loud applause last year. 'If we don't do it [nationalisation], we'll always stay poor.' He presents the policy as the solution to high unemployment, poverty and inequality. It finds resonance among poor black youths in the cities.

A popular view in the ANC Alliance is that white-dominated businesses have been far too slow to make amends for the sins of apartheid, from which they profited. Most of the Black Economic Empowerment deals since 1994 have been in mining and most of those have been financed by mining companies lending to the black would-be buyers, usually chosen for their closeness to top ANC politicians. Many of these deals unravelled when dividend payments proved insufficient to enable the black shareholders to repay their debts, especially after 2008's world financial crisis and the consequent fall in metal prices, which hit black and white investors alike. The new BEE tycoons support Malema's nationalisation call in the hope that their debts will be written off after nationalisation.

SACP General Secretary **Blade Nzimande** and his deputy **Jeremy Cronin** have warned that ANCYL's support for nationalisation was financed by indebted black BEE mining tycoons out of self-interest. Cosatu General Secretary **Zwelinzima Vavi** has similarly dismissed the call for nationalisation.

WHO WANTS WHAT?

The Black Management Forum, the umbrella body of black executives led by **Jimmy Manyi**, the head of the Government Communications and Information System (GCIS), supports the nationalisation call. So do the Black Lawyers' Association and the Association of Black Investment Professionals. In late July, the BMF walked out of Business Unity South Africa, set up in 2003 to unite black and white business, arguing that BUSA was 'white-dominated'. The BMF intends to organise black business outside BUSA which, unlike most business organisations, consists of individual members rather than companies. Many believe that state-owned mining companies would offer black professionals better opportunities for individual career advancement and procurement deals.

Influential 'African nationalists' in the ANC, such as **Winnie Madikizela-Mandela**, **Billy Masetlha** (former head of the National Intelligence Agency), **Tony Yengeni** (head of ANC political education) and **Siphiwe Nyanda** (former head of the South African National Defence Force), also back the call for nationalisation. This group was decisive in Zuma's victory over Mbeki in 2007 but is unhappy with his apparent failure to promote black people in business. They object to the staffing of key economic departments by 'minority' appointees such as the SA Reserve Bank Governor (**Gill Marcus**), Finance Minister (**Pravin Jammadas Gordhan**) and Economic Development Minister (**Ebrahim Patel**) and they oppose the award of public-sector contracts to 'minority' interests.

Before ANCYL called for nationalisation, the SACP and Cosatu supported the policy half-heartedly. Now they want state intervention in the economy on a case-by-case basis, with a mixture of state and private ownership in mining. The President of the National Union of Mineworkers (NUM, Cosatu's largest affiliate), **Senzeni Zokwana**, says the unions are looking for public-private partnerships like those in the diamond business of **Botswana** and **Namibia**, whose governments operate 50-50 joint ventures with De Beers. He argues that 'you need a private operator because it brings know-how, skills as well as funds'. Blanket nationalisation as proposed by the Youth League could irrevocably damage the SA mining sector, he said, and result in thousands of job losses.

Yet ANCYL's populist nationalisation call ignores such niceties, making the Cosatu and SACP public-private ownership position look like 'selling out', causing them to attempt to catch up politically. Malema vows that the Youth League will replace them as the 'new vanguard' for the poor, and communist activists are afraid. They have called on their leaders – Nzimande, Cronin, **Gwede Mantashe** (SACP National Chairman and ANC General Secretary) and **Rob Davies** (Trade and Industry Minister) – to be more critical of Zuma and his government. They, however, prefer to exercise their influence from within.

The SACP activists want to outflank the Youth League on the left and are lobbying to replace Nzimande with Vavi or CP Politburo member **David Masedo** at the party's next National Conference in 2012. The activists also want the CP to oppose Zuma's re-election next year, while the present leaders want to leverage policy concessions from him in return for their support.

Cosatu is similarly split. Vavi is against nationalisation but criticises the lack of transformation by the private

sector, and the government's poor governance and service provision. Cosatu President **Sidumo Dlamini**, on the other hand, wants the federation to throw its weight behind nationalisation. In mid-August, the NUM Central Committee changed tack on private-public sector partnerships, coming out more strongly for nationalisation. Cosatu's second-largest affiliate, the National Union of Metalworkers (NUMSA), has said it wants the mines nationalised and cooperatives established as a way of dealing with poverty, according to its General Secretary, **Irvin Jim**. A Cosatu economist, **Christopher Malikane**, says nationalisation is going to happen and the only question is 'how', not 'whether or not'.

TACTICAL MANOEUVRES

Zuma tells business leaders that nationalisation is the policy of neither ANC nor government but will not say so publicly. Other top ANC leaders are also silent in public and only General Secretary Mantashe and junior officials have spoken out against nationalisation. Mantashe, also Chairman of the SACP, is in the Youth League's sights over this. It wants the only cabinet member to speak out in favour of nationalisation, Sports Minister **Fikile Mbalula**, to take his place.

Mantashe says the real issue is not nationalisation versus privatisation but how to run a mixed economy. Senior ministers such as Gordhan, **Susan Shabangu** (Mineral Resources) and **Trevor Manuel** (National Planning) have said that nationalisation is not ANC or government policy. The ANC Deputy President and ANCYL's new nominee for the party presidency in 2012, **Kgalema Motlanthe**, hedges, insisting that the debate must take place 'within a constitutional framework'. His allies hope that Malema's campaign to push out Zuma could destroy both men's political careers and allow Motlanthe to come up the middle and into the leadership.

'We who run the country know the harm this reckless debate [on nationalisation] is doing to the good image and investments of the country,' the Public Enterprises Minister, **Malusi Gigaba**, told an American Chamber of Commerce breakfast. The business organisation BUSA has said: 'The current tone of the public debate around the nationalisation of land, banks and the mining industry weakens South Africa's ability to attract the direct investment – both local and foreign – which is required to grow South Africa's economy.' Uncertainty, said the business lobby, 'is not conducive to the promotion of investor confidence.'

Business has been on the back foot in the nationalisation debate. 'We are quite willing to say we could have done more,'

admits **Michael Spicer**, head of Business Leadership SA (BLSA). Yet the failure of business to manage BEE, affirmative action and social investment has removed its leverage. Former Reserve Bank Governor **Tito Mboweni** says the mining industry's failure to meet its side of mining BEE targets and its failure to compensate for the harm it did during apartheid have weakened its ability to effectively oppose the nationalisation call.

Cyril Ramaphosa, formerly General Secretary of the ANC and now a leading black businessman, also lays part of the blame for the militancy of the mines nationalisation call on white business leaders' failure to engage with reform.

'White men continue to dominate top management and technical positions and earn much more than their black counterparts. The mining industry needs to own up to these shortcomings, as do government and other stakeholders,' he said. Ramaphosa added that they should do this not merely to forestall any move towards nationalisation but also because 'transformation is an economic, social and moral imperative'.

Since 1994, most white-owned companies, including mining companies, have confined their reforms to favouring

politically-connected black politicians for economic empowerment to gain political insurance, instead of engaging in deep-rooted reform. Others point out that because the ANC leadership changed from the Mbeki-faction to Zuma's, many BEE beneficiaries were unable to protect the businesses that hired them because they no longer had influence with government.

Malema and the Youth League seek two main outcomes from nationalisation: economic transformation and changes in the ANC leadership. Privately, they say they will consider alternatives to nationalisation if they get substantial transformation from organised business.

Zuma's allies say he will hold out on nationalisation until next year's ANC Conference, then make a policy move if the debate threatens his re-election bid. His response may include supporting selective nationalisation of unexploited mineral fields, beefing up the state-owned mining company and tightening mining regulations and royalty regimes, with royalties and taxes like **Australia's**. Activists impatiently await the report of the ANC team on nationalisation, whose members (see Box) face pressure to come up with a credible compromise. ●

THE NATIONALISATION INVESTIGATORS

The team investigating nationalisation was appointed in September 2010 by the African National Congress National General Council to investigate the 'desirability and modalities' of nationalising mines and asked to report in time for the 2012 ANC National Conference. The probe has since been widened to include banking and manufacturing. Among its members are:

● **Paul Jourdan**, former Chief Executive Officer, Mintek. The ANC Youth League opposed his appointment.

● **Pundy Pillay**, lecturer, University of the Witwatersrand, former senior member of then President **Thabo Mbeki's** economic policy unit.

● **Margaret Chitiga-Mabugu**, senior researcher, Human Sciences Research Council (HSRC); a **Zimbabwean** who will focus on the African dimension.

The Development Bank of Southern Africa will serve as a 'researcher' but hasn't yet decided if it will do so as a body or by seconding a staff to the team.

The ANCYL, allowed to nominate one researcher, named **David Monyae**, a former lecturer in international relations at Wits University. The League says its nominee has been frozen out. The National Union of Mineworkers and the National Union of Metalworkers of South Africa, the two largest affiliates of the Congress of South African Trade Unions (Cosatu), were invited to nominate one researcher each, as union representatives. Both say they have been sidelined without the chance to nominate individuals. The two unions' leaders tell us they will oppose an 'unfavourable' research outcome.

The team's coordinator is **Enoch Godongwana**, Deputy Minister of Economic Development and head of the ANC's Economic Transformation Committee. The state-run Council for Scientific and Industrial Research and HSRC provide research back-up.

The team intends to interview key stakeholders in twelve countries and has already been to **Zambia, Brazil, Chile, Finland, Norway, Sweden** and **Venezuela**. Next are **Botswana, Namibia, Australia, China** and **Malaysia**. After that will come interviews with the South African mining industry, government and researchers.

Fierce battles have raged over both the task team itself and the potential research outcome. The Youth League, Cosatu and South African Communist Party are angry about not getting their nominees on the team and not being able to influence its terms of reference. Cosatu and the SACP say the team is stuffed with politically centrist researchers who could be swayed by business. However, the bulk of financing for the research has come from the Chamber of Mines, we hear. ●

Fonseca's win tests nerves

For the first time in 20 years, the President and Prime Minister are from different parties

The victory of **Jorge Carlos Fonseca** over **Manuel Inocêncio Sousa** in the presidential run-off on 21 August with 54% of the vote will test the political nerves of both their parties. Presidential candidates may not be formal members of political parties. So Fonseca is supported by the *Movimento para a Democracia* (MPD) and Sousa by the *Partido Africano de Independência de Cabo Verde* (PAICV).

For the first time since the transition to multiparty politics in 1991, the President and the government are from different parties and cohabitation could well be difficult. Fonseca downplayed fears of disruption by stressing that he would be loyal to the government. He warned, though, that stability does not mean unconditional agreement to everything. This could be problematic: Prime Minister **José Maria Neves** formed a government after the PAICV won parliamentary elections in February but it holds only 37 of the 72 seats.

The presidency's independence from

the government was a key issue in the presidential campaign because of fears that Sousa is too close to the Prime Minister, which could have undermined the oversight role of the President in regard to the government.

The highlight of the campaign, however, was the split in the PAICV camp. **Aristides Lima**, the former Speaker of the National Assembly and an ex-PAICV member, contested for the party candidacy but failed to beat Sousa to the nomination. He decided to stand as an independent regardless and polled 27.4% of the vote in the first round on 7 August, which saw him eliminated, leaving Sousa and Fonseca in the second-round run-off. Taking a centrist position, Lima attracted voters from both PAICV supporters and the MPD.

Neves and his government threw everything into supporting Sousa, which attracted criticism. 'The fratricidal war in the PAICV reached such a pitch that the leader of the party used his position

as prime minister to use the government and its resources to try and impose a certain course on Cape Verdean society,' said **André Corsino Tolentino**, a former Education Minister close to the PAICV.

In a speech in Vila Nova in support of Sousa on 23 July, Neves accused Lima of not respecting the rules and being disloyal to the party and the nation. He ended up by insinuating there was a parallel between his actions and the spirit of 'intrigues' in the PAICV's parent party, the *Partido Africano para a Independência de Guiné e Cabo Verde*, which led to the death of the legendary revolutionary and PAIGC founder, **Amílcar Cabral**. He was assassinated in a 1972 plot involving dissident PAIGC members and the intelligence service of **Portugal**, at the time both the colonial power and a dictatorship.

Cape Verdean politics revolve around personalities rather than policies. This explains why Neves led from the front to attack Lima. It also means that Sousa's defeat is a major defeat for Neves. One of the casualties of the bitter rows was the Minister for Social Development and Family, **Felisberto Vieira** (aka Filù), a Lima supporter, who resigned his post. Neves was taking a chance, analysts say, by identifying himself so strongly with Sousa and now that he has suffered defeat, there are likely to be consequences for his position as leader of the PAICV. ●

MOZAMBIQUE

Renamo threatens a return to violence

As it regroups to take on Frelimo in 2014, the former armed opposition talks of a return to the military option

In a chilling echo of history, **Afonso Dhlakama**, the leader of the biggest opposition party, the *Resistência Nacional Moçambicana*, has been threatening armed resistance against the government. Renamo, backed by **Ian Smith's Rhodesian** regime and successive **South African** apartheid regimes, led a 16-year guerrilla campaign against the government of the *Frente de Libertação de Moçambique*. After over a million deaths, the war ended in 1992 when Frelimo and Renamo signed a peace agreement in Rome.

On the independent Soico Televisão (STV) on 14 August, Dhlakama said he would establish military bases for his former soldiers because 'Frelimo has violated the peace accord clause on demobilisation'. He also threatened to set up a 'parallel government'. Other oppositionists disowned the remarks,

as did the Roman Catholic Church: the 1992 peace accord was mediated by an **Italian** Catholic group. 'We are at peace,' said the Prelate, Archbishop **Francisco Chimoio**, 'and declarations by Dhlakama are deplorable. There is no room for war again in Mozambique.'

Relations between Renamo and Frelimo have deteriorated sharply. In 2009, after losing that year's elections, Dhlakama moved out of his government-owned house in Maputo (granted under the Rome accord) and back to Nampula, the third-largest city, in the north, promising to start protests to force Frelimo from power. He failed to organise them. Frelimo has always counted its strongest support in the south; Renamo's bases were in the centre and north. During the civil war, Dhlakama's headquarters was in Marringue, in the central Sofala Province, where he claims

to maintain soldiers (who are also his bodyguards, AC Vol 45 No 25).

Renamo has been hit by defections, notably that of **Daviz Simango**, who was Mayor of Beira, the second city, until Dhlakama expelled him in 2008 (AC Vol 50 No 10). Simango's *Movimento Democrático de Moçambique* has eight seats in the National Assembly but it suffered a major blow in June when law professor and member of parliament **Ismael Mussa** resigned from the party, apparently because he was not being allowed to exercise his authority as its Secretary General.

Dhlakama remains a political force. One professor at Eduardo Mondlane University described him as 'a shrewd political animal' who could lead the party from the front: 'Anyone who dares challenge him as leader of the party will find it difficult to find supporters.' The only option for dissenters would be to leave the party and form their own. For now, this helps Frelimo as there is little prospect of the MDM and Renamo forming an electoral alliance, given the bitter history between their leaders. Frelimo's big challenge will come in 2014, when its competing factions have to pick a successor to President **Armando Emílio Guebuza**. ●

Pinto da Costa back in office

Prime Minister Patrice Trovoada will have to find a way to deal with a President freed from party loyalties

A veteran of the liberation struggle, **Manuel Pinto da Costa**, defeated **Evaristo do Espírito Santo Carvalho**, Speaker of Parliament and candidate of the governing *Acção Democrática Independente* (ADI), by 53% to 47% in the second round of the presidential election on 7 August. Pinto da Costa will succeed **Fradique de Menezes**, who served the maximum two terms of office after winning the 2001 election. The new President is also an old President – from 1975 to 1991, when the islands were a socialist one-party state under the *Movimento de Libertação de São Tomé e Príncipe* (MLSTP).

The outcome was a defeat for Prime Minister **Patrice Trovoada**, ADI leader and son of **Miguel Trovoada**, who was President between 1991 and 2001 (AC Vol 52 No 8). During the campaign, Patrice Trovoada, whose party has 26 seats in the 55-member National Assembly, argued that only Carvalho could guarantee political stability and recalled Pinto da Costa's past as an autocrat. Political stability had become an electoral issue because the country has had 16 governments since 1991, with repeated conflicts between prime

minister and president.

Like his predecessors, Trovoada has to work with a president from another party. Once all-powerful, President Pinto da Costa's constitutional role is now as more of a figurehead within the country's current semi-presidential system, with the Prime Minister holding substantial executive power. Since 2006, when the last constitutional amendments came into effect, the president's powers to dismiss the government have been further reduced.

Fourteen candidates registered for the presidential election of 17 July, with ten finally competing for the ballots of the 93,000 registered electors. Seven ran as independents with no realistic prospect of winning, while three stood for mainstream political parties. In addition to Carvalho, the other party candidates were **Delfim Neves**, a former Minister of Public Works standing for the *Partido da Convergência Democrática* (PCD) and **Aurélino Martins**, 45, the candidate of the major opposition party, the *Movimento de Libertação de São Tomé e Príncipe-Partido Social Democrata*. Martins, a former journalist who made a fortune in business in **Angola**, was elected MLSTP-

PSD Chairman with 73% of the vote in January 2011. His nomination for the presidency was fiercely contested by two other party members, **Maria das Neves**, a former Prime Minister, and **Elsa Pinto**, a former Defence Minister, who both ran as independents.

Pinto da Costa was the most prominent of the independent candidates. During this year's campaign, all the candidates piously promised to safeguard political stability and combat corruption and poverty. None won an absolute majority in the first round. Pinto da Costa led in the first round with 33.9% of the vote, while Carvalho qualified for the run-off with 20.1%. Delfim Neves, a known adversary of Patrice Trovoada, and Maria das Neves, who obtained 13.7% and 13.4% of the ballot respectively, asked their supporters to vote for Pinto da Costa in the run-off. Three further candidates took about 4% each of the votes in the first round, with three others taking less than 1% each. The biggest loser was Martins, who got only 3.9% of the vote as MLSTP-PSD nominee, the worst performance by any of the four MLSTP-PSD candidates. Both rounds were peaceful but heavily marked by the vote-buying that has increasingly become an integral part of electoral competition in the impoverished archipelago. ●

Correction: In AC Vol 52 No 8, we incorrectly identified Patrice Trovoada as leading the *Partido de Convergência Democrática-Grupo de Reflexão* (PCD-GR). The party's correct name is *Partido de Convergência Democrática*.

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Congo-Kinshasa

PRISON POLITICS

■ **Jean-Pierre Bemba Gombo** is not letting his status as a prisoner on trial at the International Criminal Court get in the way of standing in the presidential election, set for 28 November. Sources close to Bemba, the President of the *Mouvement de libération du Congo*, a former national Vice-President and electoral opponent of President **Joseph Kabila** in 2006, say he believes he may stand since he is still unconvicted and so his political and civil rights should be unaffected. **Kenyan** politicians such as Finance Minister **Uhuru Kenyatta** and former Agriculture Minister **William Ruto** – both charged by the ICC with crimes against humanity – will be closely watching Bemba's case.

His lawyer, **Aimé Kilolo-Musamba**, has asked the Court for permission for Bemba to fly at his own expense to Kinshasa on a private jet, escorted by ICC police officers, so that he can register as a candidate with the Independent National Electoral Commission and then return immediately to prison in the Hague. His defence team cites as precedent his temporary release from custody two years ago to attend a memorial mass for his father.

As *Africa Confidential* went to press, the Court had not yet ruled on the request and was consulting the Kinshasa government. The deadline for electoral nominations is 5 September. Kabila will hope Bemba's candidacy, if allowed, will inconvenience more threatening candidates, such as the veteran leader of the *Union pour la démocratie et le progrès social*, **Etienne Tshisekedi wa Mulumba** and the former National Assembly Speaker, **Vital Kamerhe**. Both visited Bemba in gaol recently to persuade him not to stand, evidently without success. The ICC is trying Bemba for command responsibility for murder and rape in **Central African Republic** in 2002-03.

Malawi

PROTESTS POSTPONED

■ Protestors plan to take to the streets again next month if their 20-point list of demands to end economic hardship and democratic restrictions are not met. They postponed demonstrations planned for 17 August. 'Should we get no satisfactory answer by [16 September], we will go back on the streets on 17 September,' said one organiser, **Rodgers Nwa**.

The 20 July confrontation, when police shot dead 19 people with many more injured, rocked President **Bingu wa Mutharika**'s government (AC Vol 52 No 16). 'Police just could not handle the kind

of protests we wanted to put up,' said one of the civil society leaders who met the Malawi Police Service on 15 August. Minutes of the meeting stated, bizarrely, that police had been 'forced' to open fire with lethal effect on 20 July because they did not have enough riot control gear and the foreign exchange shortage meant no more could be bought.

Mutharika has been defiant. 'I can't allow NGOs to run this country,' he shouted at one public rally. Privately, we hear, he was severely shaken by the prospect of the August marches. He had been willing to 'pay any price if they had named one' to buy off the demonstrations, said a source close to the President. One rumour doing the rounds says he contemplated offering one non-governmental organisation leader a ministerial post but feared that a public rejection of the offer would have been humiliating.

Mutharika has made concessions, such as dissolving his cabinet. Cancelling the government salary his wife draws for doing charitable work would also be a popular move. He has also devalued the kwacha by 10%, despite having resisted International Monetary Fund calls for such a move since December.

Sudan

CHANGING TIMES

■ The ruling National Congress Party warmly congratulated **Libyans** on 'their victory against their long-term ruler', recognising the Transitional National Council on 23 August. Yet, as **South Sudan** struggles, over six weeks after Independence, to form a new government, the NCP faces its own struggle – to avoid the fate of Colonel **Moammar el Gaddafi**.

Southern secession and the Arab Spring have combined to remind Northerners that, unlike in other Arab League countries, civilians twice overthrew military governments, without external help. This year's NCP attacks on civilians in Abyei and the Nuba Mountains (AC Vol 52 No 15) have triggered open talk of regime change, strengthened the Sudan People's Liberation Movement-North and even led to open disagreement within the hitherto tightly disciplined NCP.

The NCP was 'coming to the end of the road', **Luka Biong Deng** told Britain's Overseas Development Institute on 12 August. He warned of greater radicalism and possible military intervention by the party which, he said, quoting the late **John Garang de Mabior**, was 'too deformed to be reformed'.

When a Nuba enquired why President **Omer Hassan Ahmed el Beshir** had told a pre-election rally in South Kordofan that the NCP would win either 'by the ballot box or the bullet box', a visibly uneasy Sudanese Ambassador, **Abdullahi Hamed Ali el Azrag**, first denied that Field Marshal

Omer had uttered the threat but then, under audience pressure, insisted it was a response to SPLM threats.

The NCP has built its South Kordofan onslaught on claiming victory in the governor's election for **Ahmed Mohamed Haroun Adam** – wanted, like Omer, for war crimes by the International Criminal Court. The SPLM and many others claimed the poll was rigged but the Carter Centre endorsed it. This week, the respected Rift Valley Institute issued a detailed report by the man who had been Deputy Director of the Carter Centre's 2008-10 Sudan election mission, **Aly Verjee**. Election observers overlooked many aspects of the vote, he says, noting 'significant misinterpretations' and concluding, 'The people of South Kordofan have paid a high price for the failure of the election.'

Zimbabwe

IT'S NOT CRICKET

■ On 4 August, Zimbabwe announced its return from the cricketing wilderness, playing – and winning – its first international for over five years, a test match against **Bangladesh**. Zimbabwe excluded itself from test cricket in 2006 after a strike by mainly white players over race-related team selection. Cricket-lovers, however, have pointed out that most of the management and financial problems have changed little since before the self-imposed exile.

A KPMG audit of March 2008 found 'serious financial irregularities' but cricket's governing body, the International Cricket Council, is still financing Zimbabwe Cricket (ZC), the local governing body, to the tune of an estimated US\$5 million a year.

At the time, a **British** Labour member of parliament with a keen interest in both sport and Zimbabwe, **Kate Hoey**, said that ZC Chairman **Peter Chingoka** and Managing Director **Ozias Bvute** 'were deeply implicated in the financial corruption', adding that 'through cricket, they have access to hard currency, which they misuse to exercise corrupt patronage in collaboration with the bigwigs of Zimbabwe's ruling party.' Both men are still in their jobs.

One senior player, **Tatenda Taibu**, spoke out against his employers, ZC. On the eve of the Bangladesh match, he told an ESPN sports website, 'I don't think anything has changed', adding that 'Zimbabwe Cricket has just painted a house that's about to fall'. The national team has received no wages since August 2010 and is without contracts, even though it has found plenty of money to bring in top coaches.

Africa Confidential reached Chingoka for a comment. He would not be drawn on the financial issues and in response to Taibu's remarks, said, 'Let sleeping dogs lie.' President **Robert Mugabe**, a patron of ZC, once said, 'Cricket civilises people and creates good gentlemen.'

BLUE LINES

After six months as cheerleader for the war on Colonel Moammar el Gadaffi, France's President Nicolas Sarkozy is still struggling in the opinion polls a year ahead of presidential elections. Voters get sceptical when their leaders intone high moral values in foreign policy. The French and British U-turn, after a decade of glad-handing and doing business with Gadaffi, concentrates minds in Africa and Europe.

Rwandan President Paul Kagame's arrival in Paris on a state visit on 12-13 September signals more changing diplomatic winds. Lately, Kagame has backed French military force in Libya and in Côte d'Ivoire as the 'least bad option'. This follows Sarkozy's trip to Rwanda in February 2010 when he referred to 'a form of blindness' among French officials about the 'genocidal dimension' of President Juvénal Habyarimana's regime. Almost an apology, it undermines the position of Foreign Minister Alain Juppé, who has been sent to the Pacific for the duration of Kagame's visit.

Juppé is one of several French politicians named as complicit in the 1994 genocide by a Rwandan commission of inquiry under Jean de Dieu Mucyo. Dismissing the commission as 'lies and insinuations', Juppé said he would refuse to meet Kagame, who in turn said Juppé would be unwelcome in Kigali. Kagame says his government doesn't seek apologies from accomplices to genocide. His Foreign Minister Louise Mushikiwabo insists that Rwanda's relations with France are far bigger than Alain Juppé.

LIBYA

The Gadaffi clan scatters

After the collapse of the Colonel's regime, its successors intensify the hunt for its chieftains and its assets

Reports of Gadaffi family deaths and flights by regime stalwarts to neighbouring countries have been greatly exaggerated but as *Africa Confidential* went to press, the signs were that the former ruling family was scattering in several directions and would fight to the death in Libya only if no alternative remained.

In late August, Algeria took in Moammar el Gadaffi's wife **Safia**, along with three of his children: his oldest son, sports and telecommunications supremo **Mohamed**, 41, who was born to his first wife, **Fatiha**; ship owner **Hannibal el Gadaffi**, 36, whose problems with the **British**, **French** and **Swiss** authorities have made him infamous; 35-year-old daughter **Aisha el Gadaffi**, a lawyer, and some grandchildren. Algerian Foreign Minister **Mourad Medelci** indicated that they had won asylum on humanitarian grounds. Colonel Gadaffi or his other sons, more implicated in the conflict, wouldn't receive the same treatment, he implied. Subsequently, on 31 August, a report in the Algiers daily *El Watan* (sometimes a conduit for Major General **Mohamed 'Tawfik' Medienne's** *Département du Renseignement et de la Sécurité* (DRS) intelligence service) said that Moammar el Gadaffi had also tried to cross the border at Ghadames with his family but had been blocked.

By this account, Gadaffi tried to telephone President **Abdelaziz Bouteflika** but the Algerian leader refused to take the call. Other Algerian sources have lent credence to this report. While Algiers is said to have cleared the less important family members' entry with the National Transitional Council, it was politically

impossible to admit Gadaffi himself. Gadaffi may have fallen back to Bani Walid, the desert military hub of Houn or Sebha, which is where quantities of cash and gold taken from the Central Bank of Libya are believed to have ended up.

Of the other Gadaffi sons, the Commander of the 32nd Reinforced Brigade, **Khamis Abu Minya el Gadaffi**, has been reported dead several times but now seems virtually certain to have died in fighting outside Tripoli. **Es Saadi el Gadaffi** has been seen around his father's hometown of Sirte, where his sometime sibling rival, **El Muatassim el Gadaffi**, had been coordinating the defence.

PULLING BACK TO THE SOUTH

With Sirte likely to fall, both brothers are said to have pulled back towards the southern desert, AC understands. **Seif el Islam el Gadaffi** is also still in Libya, Gadaffi Spokesman **Mishan al Juburi** said on 7 September. Al Juburi is an **Iraqi** former member of parliament who owns the **Syrian**-based **Arrai Oruba** television channel, which Gadaffi used to show he was still alive.

Reports that a convoy of armoured limousines carrying Gadaffi's entourage and family members had entered **Niger** on 6 September suggest the Gadaffi clan knows its time is up but will still seek to cause trouble in the Sahel. In Ndjamena, President **Idriss Déby Itno** has been conferring with **French** intelligence and other allies to counter any potential problems in **Chad's** troubled north, while **Mali**, **Niger** and **Algeria** are concerned that Libyan gold and renegades will fuel renewed turbulence among **Touareg** and other communities. ●

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You can take the Africa out of Libya...

Speculation is rife about what Libya's new rulers will do with Gadaffi's immense investment portfolio in sub-Saharan Africa

The strange thing about taking over the Libyan Arab Foreign Investment Company (Lafico), its head told *Africa Confidential* some years ago, was just how variable its assets could be. 'Some of our holdings are truly worthless – gestures to show we are present in the economy – and most of these have never made money. But other assets are generating cash.' The incoming National Transitional Council (NTC) government will have to reassess the holdings on both an economic and a political basis to decide where to divest and where to remain. It must also court governments worried by the old connection to former leader **Moammar el Gadaffi** to make sure they don't liquidate – or expropriate – Libya's holdings in haste.

During the squeeze on the Gadaffi regime by the NTC's Western allies in March-July, some but not all of Libya's African assets were frozen. In March, the **United States** Treasury Department froze the assets of national flag carrier **Afriqiyah Airlines**, the **National Oil Corporation (NOC)**, the **Libyan Investment Authority** and three of its subsidiaries, the **Economic and Social Development Fund** and nine banks. Also in March, the European Union imposed sanctions on the LIA, two of its subsidiaries, the **Central Bank of Libya (CBL)** and the **Libyan Arab Foreign Bank (LAFB)**, the vehicle through which Tripoli held stakes in dozens of banks around the world.

The financial sanctions sent a big political message but lacked rigour. While the USA froze the assets of **Afriqiyah Airlines**, it did not touch Libya's other flag carrier, **Libyan Arab Airlines** or the **Libyan African Airline Holding Company**, which owns both companies. The consensus is that these assets will be unfrozen quickly and handed over to the new authorities, whose financial experts, for now at least, include some senior officials of the *ancien régime*.

THE PORTFOLIO

The NTC has now appointed **Mahmoud Badi** – a high-flying official in the CBL sidelined in recent years – to run the LIA, while overall strategy will be the responsibility of NTC minister **Ali Tarhouni**. The LIA began in 2006 as Tripoli opened up to the world in a process driven largely by **Seif el Islam el**

Gadaffi, who championed the Investment Authority and was its informal patron. His idea was to create a modern, proactive sovereign wealth fund, distanced from political management – that is, not investing in unprofitable white elephants for political purposes. It brought together some effective Young Turks as managers:

- Executive Chairman **Mohamed Hussein Layas** (also the Chairman and Managing Director of the LAFB), a respected figure in Libyan financial circles from Benghazi.
- Layas's deputy, **Mustafa Zarti**, seen as close to **Seif el Islam**, and Chairman of **Oilinvest (AC Vol 52 No 6)**.
- General Manager **Sami Rais**, also CBL Treasurer.
- Chief Investment Officer **Hatim el Gheriani**.

As with CBL officials, some of these figures are genuine technocrats, who will stay on under the NTC. Others were more closely identified with **Seif el Islam**, whose reforming credentials dissolved as the insurrection gathered strength and his father's repression intensified.

LIA's advisory board included Libyan bankers who had distinguished themselves abroad, including:

- Al Baraka Banking Group Deputy Chairman **Abdullah Amar al Saudi**.
- **Abdelmajid al Breish**, the **Bahraini**-based Arab Banking Corporation Deputy Chairman.
- Retired **British** Arab Commercial Bank Deputy Chief Executive **Mohamed Fezzani**.

The board also included some of **Seif el Islam's** friends in London: Sir **Howard Davies**, Director of the London School of Economics and Political Science until he resigned this year over the Libyan connection, and, until mid-2008, Lord **Jacob Rothschild**, who had emerged as an influential figure in structuring investments following Libya's mid-decade rehabilitation.

The majority of LIA staff in its London office (overtly) and many in Tripoli (covertly) declared for the opposition soon after Benghazi had risen in revolt. Only the head of the LIA London office, **Rajab Mahmoud Layas**, refused to defect to the rebels, we hear. He had previously been **Seif el Islam's** office manager.

The strategy for LIA was, supposedly, to invest mainly in financial instruments and other assets but later on it partnered other forms of investor, which could prove

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controversial in the months ahead. Its first big non-financial deal came in May 2007, when it established a joint venture with BP, brokered by Britain's outgoing Prime Minister, **Tony Blair**, advised by Sir **Mark Allen**, the former Counter-Terrorism Director of Britain's MI6. The resulting production-sharing agreement with NOC became the British-American oil major's largest exploration commitment.

Gheriani subsequently said that while the LIA might be involved in a few other such ventures, 'these kinds of deals will be rare'. Since then, however, the LIA has signed agreements with **Russian** giant **Gazprom**, **Hungarian** oil and gas firm **MOL** and the **Norwegian** fertiliser giant **Yara International**. In early 2010, the LIA bought **Canada's** **Verenex Energy** for US\$293 million, in controversial circumstances.

CHANGE YOUR PARTNER

Of great geopolitical as well as financial, interest was the LIA's signing of a memorandum of understanding to create a \$2 billion joint investment fund with the **Qatar** Investment Authority in June 2008. Qatar's Emir, Sheikh **Hamad bin Khalifa al Thani**, signed the deal during an official visit to Tripoli, when he was still on speaking terms with **Moammar el Gadaffi**. The two later fell out and Sheikh **Hamad** emerged as probably the NTC's most enthusiastic Arab ally.

The LIA had subsumed the long-standing **Lafico** and other elements in a complex worldwide network of funds and companies. Founded in 1981, **Lafico** was Colonel **Gadaffi's** main vehicle for foreign investment but as LIA, it scaled back and its subsidiaries came to the fore. It now holds mainly hotels and property.

The **Libyan African Investment Portfolio (LAIP)** is an LIA subsidiary that was originally carved out of **Lafico** specifically to hold sub-Saharan investments and was placed under EU and US sanctions. Such is the apparent attraction of its portfolio that LAIP has been the focus of continual turf wars for control among bigwigs in the Gadaffi regime.

The LAIP's founding Chairman was **Bachir Saleh**, head of **Gadaffi's** private office. Tripoli sources said **Saleh** often clashed with the Prime Minister,

El Baghdadi Ali el Mahmoudi, who frequently picked battles with other senior ministers and officials. Meanwhile, Seif el Islam got his own candidate in as Deputy Chairman and Chief Executive, **Khaled Kagigi**. El Mahmoudi, one of Gadaffi's loyalists most opposed to reform, forced Kagigi out in 2010 as part of his turf war with Seif el Islam. When Saleh left the scene in September 2009, Gadaffi Senior brought in a trusted aide, the Deputy Minister of Foreign Affairs responsible for Arab and African countries, **Taher Siala**, as LAIP Executive Chairman. Saleh did not fall from favour, however, remaining close to Col. Gadaffi as a key advisor during the course of the revolt.

As well as LAIP's traditional focus on hotels, agriculture and the like, it was also looking to buy into sub-Saharan oil plays, even as Libya started to go into meltdown. LAIP had already created Libya Oil Holdings, which controls the portfolio of downstream oil and gas assets across the continent previously known as Tamoil Africa and, one source said, was preparing to move into upstream interests. LOH Chairman **Ali Shamekh** is a geologist.

LOH had been eyeing up East African assets, offering to build **Uganda** an oil refinery as a \$1 bn. asset and trying to take over the Mombasa oil refinery in **Kenya**, where Kenya National Petroleum Refineries' US majority owners eventually sold to **India's** Essar Oil and Gas, despite Gadaffi's courting of President **Mwai Kibaki**. Until now, most big promises in the upstream/midstream sectors

have come to nothing, such as a 2008 commitment to build and operate a 140-kilometre oil pipeline between Muanda and Matadi Port in **Congo-Kinshasa** or Tamoil East Africa's planned involvement in the 400-km. Eldoret-Kampala pipeline project. Yet LOH has invested heavily in cash-generating downstream, especially retail, investments – buying up retail networks and petroleum distribution operations across the continent as Royal Dutch Shell, ExxonMobil and other majors have divested during the decade.

Another LIA subsidiary is Oilinvest, registered in the **Netherlands** Antilles, which runs Tamoil's European retail operations and is an active oil trader. This came about after mid-2008, when the Tamoil structure, formerly part of Oilinvest Group, was reorganised.

The Libyan Arab African Investment Company (Laaico) is an LIA subsidiary that has hotel, agriculture and other investments in Africa – including diamond producer Oryx Natural Resources, focused on Congo-Kinshasa, and Ensemble Hotel in **South Africa**, whose holdings include the Michelangelo Hotel in Johannesburg. It has capital of \$1.6 bn. The General Manager is **Mohammed Abdullah el Ajeeli** and his deputy is **Hussein Mustafa el Khabuli**.

SUBSIDIARIES IN QUESTION

LAIP has dozens of subsidiaries. These include a telecommunications investment arm, LAP Green Networks (LAPGN), whose acquisitions include an 80% stake in **South Sudan's** Gemtel, **Rwanda's**

Rwandatel, **Uganda Telecoms**, **Niger's** mobile network operator SahelCom and fixed line operator Sonitel, **Côte d'Ivoire's** GreenN and **Sierra Leone's** Ambitel Green. It also outbid rivals to get a majority 75% stake in **Zambia's** fixed-line telephone operator Zamtel, in a controversial \$257-mn. privatisation (AC Vol 52 No 12).

The bitter political debate in Zambia over Zamtel's ownership illustrates the kind of controversies over Libyan economic stakes which are brewing or already in progress all over the continent. Patriotic Front leader **Michael Sata** has said he will re-nationalise Zamtel if he wins the 20 September election. Perhaps it is for this reason the company's website opens with a quotation from the late American actor **Paul Newman**: 'If you don't have enemies you don't have a character.' Local industry sources, as well as opposition politicians, claim President **Rupiah Banda** favoured LAPGN's bid because of his links with Gadaffi.

This points to a wider problem: in many cases, LIA, LAIP and other investments were normal business, as transacted by sovereign wealth funds and other investors across the world. In some cases, though, decisions were influenced by politicians who felt the need to reward Gadaffi for his help. It is these investments that could start unravelling in the months to come. Niger is among those to express discontent at its Telco investment and questions are being raised in Côte d'Ivoire over investments made in line with Gadaffi's interest in the regime of ousted President **Laurent Gbagbo**. ●

NIGERIA

All the President's businessmen

Tycoons can boost their fortunes sponsoring political parties and many are seeking admission to Jonathan's circle

A group of power-brokers and fortune-seekers is taking shape around President **Goodluck Jonathan**. Often rivals, most have interests in the oil business, whose centre is his native Niger Delta. Others are inherited from his People's Democratic Party mentor, **Olusegun Obasanjo**, who was President from 1999 to 2007. The main gatekeeper to the President at Aso Rock seems to be Chief **Mike Oghiadomhe**, Jonathan's Chief of Staff and a former Deputy Governor of Edo State.

Alhaji **Aliko Dangote**, said to be the richest man in Africa, is an Obasanjo protégé who gives more to the governing PDP than anyone else. He is a member of the new team of rich and clever people that Jonathan has assembled to try to turn

the economy around. Many of his political and business rivals regard his support for Jonathan as based on enthusiasm for business opportunities rather than political reform. There are constant crises at the Benue Cement Company, which Dangote acquired after privatisation under Obasanjo. The Gboko plant was plagued by rioting, arson and the death of 13 people in mid-August.

Dangote's critics have accused him of being part of a cement cartel. In 2009, he clashed with President **Umaru Musa Yar'Adua** over efforts to cut cement prices. Dangote was one of the cement magnates Jonathan summoned to his residence in June to order them to lower prices.

The President's economic team is led by the respected **Ngozi Okonjo-Iweala**,

formerly of the World Bank, who left the last government in frustration and has just been reappointed Finance Minister. The team's remit is to stabilise the economy and reduce the infrastructural weaknesses that anger electors and obstruct growth. In 2010, gross domestic product growth was just 3%, compared to 19% under **Ibrahim Babangida** in 1991.

Another of Obasanjo's 'boys' passed on to Jonathan is 'Sir' **Emeka Offor**, who owns Chrome Oil, the parent company of ERHC (formerly the Environmental Remediation Holding Corporation), an energy company with huge interests in the Joint Development Zone of Nigeria and **São Tomé e Príncipe**. The two countries agreed joint oil production in the JDZ (AC Vol 52 No 8). Obasanjo was reported to have personal interests in the JDZ and some claimed that Offor has acted for his financial interests (AC Vol 47 No 19).

None have doubted his generosity, however, to the PDP, to which he has had links since the days of the late dictator **Sani Abacha**, to whom he was also reputed to be close. Offor was reported to have donated 200 mn. naira (\$1.28

mn.) to Obasanjo's re-election campaign. Recently, his company Elcrest (Eland-Star Crest) won its bid for OML-40, a promising oilfield sold by Royal Dutch Shell as part of its partial divestment of onshore assets. The main rival bidder was Vertex Energy.

Vertex is associated with **Ernest Shonekan**, former interim head of state and a respected businessman who headed the United African Company of Nigeria (UACN). Vertex management comprises, according to a source in the state Nigerian National Petroleum Corporation (NNPC), 'for once, credible Nigerian professionals'. Vertex may have been better technically qualified but Offor had better political connections and won the bid. Vertex complained to Shell and the Oil Ministry in May, saying the goalposts had been moved: 'Our competitor, Elcrest, was allowed to submit a new bid slightly higher than the original bid from Vertex', after the bidding was supposedly already closed, said a report in *Business Day*.

POWER TASK FORCE

Businessman **Bartholomew Nnaji** has resigned his job as head of the private-sector electricity provider Geometric Power to become Special Advisor to the President and Chairman of the Presidential Task Force on Power (PTFP). He has a tricky task: Jonathan's main promise during the presidential campaign was to ensure reliable supplies of electricity throughout the country. Nnaji will supervise the commercialisation and further privatisation of the state-owned Power Holding Company of Nigeria. Many believe substantial sums will be made when PHCN assets go on sale in what is already being called 'the next big game'.

Diezani Allison-Madueke, Petroleum Minister and former Minister of Solid Minerals and Steel Development, as well

as Transport, has been linked to various past scandals but seems to have the President's confidence. Like him, she is from Bayelsa State in the Delta, whose oil revenues account for more than 90% of foreign exchange.

Christopher Aire, a United States-based Nigerian celebrity jewellery designer, is close to Allison-Madueke. Christopher Aire set up a company to import oil, never having previously been involved in the trade. He seems to do well from his jewellery store at the Transcorp-Hilton Hotel, a five-star redoubt for the moneyed classes.

Ifeanyi Patrick Ubah, head of Capital Oil and Gas, is big in the lucrative and heavily subsidised downstream sector. He outmanoeuvred **Femi Otedola** of Zenon Oil by winning the NNPC's contract to distribute the kerosene that is the main cooking fuel for millions of Nigerians. The new channel brings it to the public at subsidised prices. This has proved popular and also enriched Ubah, who seems set to join Jonathan's new-minted oligarchs.

Princess **Stella Oduah-Ogiemwonyi**, Minister of Aviation and owner of the downstream firm Sea Petroleum and Gas (SPG), was formerly the third wife of the ex-Minister of State for Works, **Chris Osa Ogiemwonyi**, who previously held a top job at the NNPC. She managed the money for Jonathan's presidential campaign and was rewarded with a ministry. One of her business partners is said to be the First Lady, **Patience Goodluck Jonathan**.

Patience Goodluck, the President's wife, has always dispensed favours generously and may follow **Turai Yar'Adua**, widow of the late President, as the go-to person for big oil deals. That may explain her recent interest in oil-production vessels valued at \$64 mn. Or perhaps she simply commissioned the

vessels as part of her official duties. She has had to face questions about alleged financial irregularities in the past, however. The Coalition Against Impunity and Illegality said in July that it was pursuing a lawsuit against the Economic and Financial Crimes Commission to oblige it to prosecute her after she was allegedly discovered in 2006 attempting to take about \$13 mn. out of the country at Murtala Mohammed Airport, Lagos.

Bashorun Jide Omokore, the wealthy owner of SPOG, a downstream oil and gas outfit, is a close business friend of Allison-Madueke whose fortune seems set to leap forward under this government. Another Omokore company, Atlantic Energy, controversially snapped up the 55% interest of the Nigerian Petroleum Development Company in the OML-30 and OML-34 oil fields, just ahead of the final sitting of the former Federal Executive Council before Jonathan was sworn in. Allison-Madueke oversaw the deal.

DELTA MEN

High Chief Government Ekpemupolo (aka Tompolo) used to live in guerrilla camps in the Delta's creeks, where led the rebels of the Movement for the Emancipation of the Niger Delta. After amnesty negotiations by the present government, thousands of militants set aside their arms and Tompolo is now in the President's kitchen cabinet.

Tonye Cole became an oligarch under Obasanjo by forming Sahara Energy with his friend, **Tope Shonubi**. He missed becoming a minister in the last reshuffle, when his appointment was prematurely announced, but will almost certainly become one next time round. His close association with the PDP and the President should serve his business interests well and he seems to be studying politics, too.

Otedola's Zenon Energy Group deals in refined downstream sector products and is in trouble. He has been close to the President since, in his glory days, he threw money at the PDP, having earned gigantic sums from controlling the import of diesel, the main fuel for generators. Nigerian banks are unlikely to call in debts from a man with such friends. His related interests involve lifting crude oil, supervising pipelines and peddling influence in Abuja. Once one of only two Nigerians to make the Forbes rich list, he fell out with the other one, Dangote.

Igho Sanomi, also from the Delta, is said to have close contact with the inner cabinet. He has interests in building, oil and gas, and seems ready for the really big time.

Walter Wagbatsoma, a banker-turned-oil trader from the Delta, was among those who handled the money for Jonathan's campaign. His fortunes are poised to skyrocket. ●

NIGERIA/UNITED STATES: PLAY THE GAME

The United States was engaged in the 'rendition' of prisoners from Nigeria to the USA even before the attacks of 11 September 2001, according to US State Department cables newly released by WikiLeaks. One cable from the US Embassy in Abuja four months before 9/11 reports that former President **Olusegun Obasanjo** cut short a discussion of a rendition exercise, referred to as 'what we did last time', with a jokey stage whisper: 'Ssh! Don't even mention renditions!'

The context indicates that they were discussing three non-terrorist detainees, probably criminals wanted in the USA on drugs charges. Obasanjo wanted Nigeria to follow the treaty-based extradition process, the cable said, implying that previously it had not. US Ambassador **Howard Franklin Jeter** asked about creating a 'special panel' within the Nigerian judiciary to hear extradition cases.

Another cable reported the views of the outgoing Economic and Financial Crimes Commission Chairman, **Nuhu Ribadu**, in December 2007. Ribadu gave Ambassador **Robin Sanders** a lengthy exposition on corrupt politicians, expounding on the careers of President **Umaru Musa Yar'Adua**, Obasanjo, former Delta State Governor **James Ibori** and several others. One of his observations was that while in the days of **Sani Abacha** the President 'was the sole thief, corruption under Obasanjo's eight years was far worse, because everyone stole'. Obasanjo, however, 'knew how to play the game for the international community,' Ribadu told the Ambassador. ●

Making calls on the state

Observers are asking if a crackdown on a telecoms scandal signals a new approach to corruption

In a fit of unusual state zeal on 2 August, police in Bangui arrested a **Frenchman** working for local telecommunications company *Telsoft Gateway Centrafrique* and charged him with diverting money due to the Treasury. The arrest is part of a tortuous tale involving two former Post and Telecommunications ministers, **Fidèle Ngouandjika** and **Thierry Savanarole Maléyombo**, and investigations into their activities by their successor, **Abdou Karim Meckassoua**.

Many believe that the sudden wealth of Ngouandjika and Maléyombo and their tenure as ministers are not unrelated. Ngouandjika is one of the richest men in CAR, with bank accounts in Paris and **Romania**, as well as a large property portfolio in Bangui. Maléyombo is not so rich and indeed has become poorer since police raided – on the direct orders of President **François Bozizé**, the press says – the building site of his new villa. They confiscated some brand new 4x4 vehicles which had been purchased for the troubled state telecoms provider, the *Société centrafricaine de télécommunications*. The state owes but will not pay Socatel over 11 billion CFA francs (US\$24 million) and the company is not reimbursing foreign providers for international calls. Maléyombo left office in April 2011.

The saga dates back to plans laid with the help of two well-known figures in 'Françafrique', the nexus of Franco-African business interests: the former Senator for Arles, **Jean-Pierre Camoin**, and a big wheel of the Freemasons' *Grande Loge de France*, **Francis Castagnède**. In 2003, the whole CAR cabinet, led by Prime Minister **Abel Goumba** (now deceased), trooped out to Bangui's M'poko Airport to welcome their French guests. Ministers met them and discussed ways to woo French investors back in an exercise estimated to cost 1 mn. euros (\$1.4 mn.) but no investor came. Two years later, however, with *France Télécom's* backing, they proposed a gateway for foreign calls that would allow the CAR government to tax the calls along with the four mobile telephone operators: *Société Télécel Centrafrique*, *NationLink*, *Moov Centrafrique* and *Orange*.

Ngouandjika, supported by the presidency, set up the deal in 2006, making Telsoft's Gateway a monopoly service. The *Conseil d'Etat* (supreme juridical body) later declared the monopoly unlawful but the President overruled it and the deal

went ahead. Telsoft International, which had other prestigious French investors in addition to Camoin and Castagnède assured the state it would receive CFA 300 mn. CFA (\$660,000) in revenue from the Gateway each month. Later, Camoin and Castagnède sold their Telsoft shares to a new company registered in Bangui, *Telsoft Gateway Centrafrique*, which inherited the deal set up by Ngouandjika. There was one important difference from the previous deal: the original investment in equipment for the Gateway, which had first been billed as free of charge, would need to be paid for.

The outcome was not as hoped for. Far from CFA300 mn. per month, the state has not received more than CFA90 mn. There

is suspicion abroad in Bangui that some of the expected revenue has been soaked up by companies interposed between the collection point at the Gateway and the Treasury. In January 2011, Telsoft International negotiated a settlement with the government. Telsoft owed revenue while the government owed money to Telsoft for the capital investment, of which the details remain shadowy. The settlement had Telsoft owing CFA300 mn. to the government. However, under the deal, Telsoft had to pay only half, so long as it paid up immediately. It duly made out a cheque to the Treasury for CFA100 mn. but the Telsoft manager (the one currently under arrest) retained CFA50 mn. in cash on Ngouandjika's instructions. Ngouandjika told the manager, he said, to pay the money to him, and the then Minister, Maléyombo, would endorse and authorise the payment.

While many have taken heart from Meckassoua's zeal in moving against corruption, some have wondered whether he has been allowed to move against Ngouandjika only because he is a potential successor to Bozizé. ●

BOZIZÉ SLOWS DOWN HIS TAKEOVER

After rigging the January elections and colonising the state apparatus with his relatives and members of a Gbaya elite, President **François Bozizé Yangouvonda** is applying the brakes after creditors, belatedly, made their concern felt. He is also reacting to the concern of **Chadian** President **Idris Déby Itno** and has started to disband the militias in the north. By all independent accounts, the elections were even more corrupt than those of March 2005, in spite of international financial support and a monitoring exercise led by the United Nations' *Bureau intégré des nations unies pour la consolidation de la paix en Centrafrique* (Binuca; AC Vol 52 No 5).

Now, more than 20% of members of parliament are directly linked to General Bozizé, mainly by family ties. Despite a devastating election report to the donors by European Union observers, the head of Binuca, which had endorsed the polls, was promoted. The **French** and **United States** ambassadors and other diplomats also appeared to endorse the results by attending Bozizé's investiture – on the eighth anniversary of the coup d'état that brought him to power on 15 March, 2003.

Today, donors, led by the EU, are trying to get the President to rein in his excesses. One target is his draft changes to the constitution which would perpetuate his power. A recent International Monetary Fund report detailed how, in spite of all the government's assurances, billions of CFA francs could be accounted for. An audit of the Post and Telecommunications Ministry also provided a good illustration of how foreign companies and corrupt ministers siphon off public revenue.

Bozizé is also purging the judicial system, while his cabinet looks like a family gathering (AC Vol 52 No 13). He is intent on securing power and financial opportunities for a clique from his Gbaya ethnic group, most of whom hail from a small area north-east of Bossangoa. This looks like a repeat of the 1980s, when President **André Kolingba** and his Yakoma kinsmen took over the army and the state apparatus – one of the main causes of the 1996-97 riots in Bangui that destroyed most of the tiny formal economy.

One unexpected consequence of Bozizé taking over the elections and indeed the state has been the reaction of the people of Bangui, who seem unwilling to put up with this. Since the vote, riots and demonstrations have rocked different parts of the capital, especially the 3rd, 5th, 6th and 8th arrondissements.

Grievances include having to pay 'darkness bills' (bills for electricity that doesn't come on) and persistent flooding because the city council diverted funds meant for refurbishing the sewerage system. Changes to the civil service salary structure and the prospect of seeing the military paid much better than civilians provoked uproar and days of protest at Bangui University. Even small incidents can spark sudden rioting. ●

Questions facing the new regime

After seven weeks of negotiation, Salva appoints the first independent government amid concern about accountability and national cohesion

Although the first post-Independence Government announced on 26 August better distributed portfolios among the three Southern regions – with a visible power shift from the Dinka-dominated Nilotic bloc to Equatorians

and other groups – there are serious questions about the technical competence and the integrity of some its members. As promised, 25% of posts went to women: five full ministers and ten deputies.

Critics had been sharpening their

knives: they pointed to the return of some ministers regarded as corrupt and the lack of the emphasis on a technocratic team promised by President **Salva Kiir Mayardit**. He had warned that the cabinet would be chosen on merit, not for geographical or ethnic representativity. Supporters said that the regional balance of the final list reflected Lieutenant General Salva's attempts to reunify the disparate factions in the South.

Foreign officials and aid workers complain about the lack of action on corruption: some donors had given Salva a list of presumed perpetrators. Latest estimates suggest at least US\$1.2 billion of government funds have been misappropriated in the last three years alone. Salva says there is no 'ministry for life'. Now, some Southern officials may find their tenure much shortened: few officials have declared their assets. This will now be mandatory, we hear. Investigations will follow where necessary and even gaol, say sources close to the leadership. The government may look very different in a year's time, they add.

DEATH IN JONGLEI

The biggest challenge for the new Juba government – and for many Southerners – is violence in some areas. Jonglei State in Greater Upper Nile is especially troubled and there is concern about neighbouring, oil-producing Unity State (the only state with no minister in the new government, see Feature).

Decades of North-South war, with its proliferation of firearms, weakening of tribal leadership and Khartoum's intervention, have intensified Jonglei's traditional tribal conflicts (Nuer-Nuer, Nuer-Dinka, Murle-all comers, sometimes Mundari), linked to cattle rustling and child abduction. In scale and style, they now look like a military campaign. Previously, attackers have used clubs, sticks and spears, with few firearms. However, in recent attacks, both Nuer and Murle were heavily armed with new AK-type weapons, rocket-propelled grenades and light/medium machine guns, say independent sources.

In June, a series of Nuer attacks in the *payams* (county subdivisions) around Pibor killed many non-combatants, with vast numbers of cattle seized and villages torched. This was understood as retaliation for repeated Murle raids on Nuer herds. More retaliation followed, with a major Murle attack on Nuer villages around Yuai, in Pieri Payam, Uror County, on 18 August. A 27 August report to Jonglei Governor **Kuol Manyang Juk** by Uror County Commissioner **Tut Puok Nyang**, which *Africa Confidential* has seen, blames 'Murle Youth' and says they stole '38,000 head of cattle' and 'slaughtered people like animals'. Tut appeals for international aid 'to rescue this dire situation'.

Yet the rainy season is the wrong time for cattle raiding and if the attackers were Murle, they had moved a very long way from home through unfriendly territory and not been detected en route. Locals at first mistook them for Sudan People's Liberation Army (government troops) as they wore uniforms and the villagers had been told to expect an SPLA disarmament, demobilisation and reintegration (DDR) exercise.

The raiders also had new and heavy weapons (including RPGs) but they were unusually brutal with civilians, killing and burning anything in their path, including the Pieri health clinic run by *Médecins sans Frontières*, a United Nations World Food Programme hall and the **Norwegian** People's Aid compound. Reports vary between several hundred and 1,800 people killed. Nuer retaliation on Pibor is expected. Townspeople fear they will pay for the actions of 'bandits' who raided Uror in their name, said a source there. The UN suspended humanitarian flights to Pibor, supposedly because the fencing around the airstrip was not secure. The UN Mission in South Sudan continued helicopter flights.

Judi Jonglei, Pibor's member of parliament and Kuol Manyang's Security Advisor, went to ground as some locals were linking him to the attack. The ever vocal, **United States**-based Worldwide Nuer Community blamed the SPLA and Juba government, though no evidence of this has emerged. Rebel leader Lieutenant General **George Athor Deng**'s militia or its allies are arming both ethnic groups, says a Juba government source (AC Vol 52 No 5). Many assume he is a conduit for the National Congress Party to destabilise the South and its government. There are unverified reports of Athor mobilising at Phom el Zeraf in Fangak County and of aeroplanes landing in the area, to deliver weapons and other supplies from Khartoum. His men have attacked elsewhere in Jonglei, notably in Mogok, Ayod Co.

Locals and internationals now fear escalation. The latest UN security report called the situation 'tense and volatile'. Noting an influx of refugees from fighting in Northern Sudan, it forecast 'a likelihood of clashes' between SPLA, rebel militia groups and SAF (Sudan Armed Forces). The traditional peacemakers, the Southern Episcopal and Catholic churches, have mobilised to work with both tribes. Many feel the politicians have to try harder, both the Murle leaders, who appear divided, and the Juba government. ●

ETHNIC IMBALANCE

Long delays in choosing the government suggest that considerations of stability and diversity had struggled to triumph, in some cases, over qualifications and experience. One reason why Dinka leaders have dominated the Sudan People's Liberation Movement (SPLM) and Sudan People's Liberation Army is that members of other ethnic groups, especially Equatorians, were slow to join up. In some areas, especially in Equatoria, the SPLA was seen as a ruthless army of occupation. One legacy is an ethnic imbalance that will take years to disperse.

Two key ministries, Finance and Economic Planning and Interior, have gone to Equatorians: respectively **Kosti Manibe Ngai** and **Alison Manani Magaya** (see Box). Unlike his predecessor, **David Deng Athorbei** (now at Electricity and Dams), Kosti is not seen primarily as an economist but has experience of running organisations. 'That doesn't matter, it's the under-secretaries and directors general who count', said one analyst. Major Gen. Alison (some male Southerners are named Alison in honour of the late **British** Bishop **Oliver Allison**) is valued for his organisational experience, needed to modernise what an SPLM source called 'the desperately weak and under-resourced police, prison and wildlife services' – the civilian armed services needed to counterbalance the army, the SPLA.

Many Southerners are suspicious of the man who served the National Islamic Front-National Congress Party (NCP) from its 1989 coup d'état until 2010, though some in SPLM circles maintain Alison worked for the SPLM throughout.

Better known quantities include such trusted (Dinka) veterans as **Deng Alor Kuol** at Cabinet Affairs, **Nhial Deng Nhial** at Foreign Affairs and the affable, discreet government Spokesman, **Barnaba Marial Benjamin**, who remains at Information and Broadcasting. As Defence Minister, Nhial Deng has been praised for the continued modernisation and regularisation of the SPLA. With help from, *inter alia*, **South Africa**, **Uganda**, Britain and the **United States**, many troops have been trained, including fighter pilots, and new equipment purchased. Soldiers are now paid regularly, a major factor in trying to stabilise the South.

Nhial now faces the challenge of a foreign policy that starts with the old enemy, Khartoum, but embraces many countries brimming with goodwill towards the new state – or at least the desire to make money there. **China** has had to adapt strategy rapidly, carefully balancing its relations between Khartoum and Juba, one of its main oil suppliers. The feisty, Equatorian, former Agriculture and Forestry Minister, **Anne Itto Leonardo**, whose visits to Beijing influenced opinion there, is no longer in cabinet but remains SPLM Deputy Secretary General.

A second major foreign policy challenge is relations with the USA. Washington has filed the 2005 Comprehensive Peace Agreement (CPA) and the consequent Independence of the South as a foreign policy success and it does not want the shine taken off by renewed war. US Special Envoy **Princeton Lyman** has unexpectedly emulated his predecessor **Scott Gration**'s approach in being 'even-handed' towards Khartoum and Juba. Others in Foggy Bottom do not want to hear the protestations from the SPLM, North and South, or other oppositionists, that Khartoum is largely responsible for the current fighting in Southern Kordofan and Blue Nile (AC Vol 52 No 14).

Northern democrats have long argued that the CPA's 'unfinished business' would return to haunt Sudan. With Independence assured, many Southerners are now also saying regime change is needed in Khartoum if the South is to find peace. Khartoum's tactic is to 'disrupt and destroy', said one Western official. One aim was to assassinate former South Kordofan Deputy Governor **Abdel Aziz Adam el Hilu** and Blue Nile Governor **Malik Agar Eyre**, head of SPLM-Northern Sector. The NCP 'thought it had the best intelligence,' he added, 'but why do you think neither was at home when their houses were bombarded?'

Khartoum accuses Juba of helping the SPLM-Northern Sector but in fact Juba was way ahead of the NCP. The SPLM anticipated that the NCP would go to war in the 'Three Areas' (Abyei, Nuba Mountains, Blue Nile) and pre-positioned weapons

NEW SOUTH SUDAN MINISTERS

The new team of 29 ministers and 27 deputies marks an attempt at greater regional and ethnic inclusivity, sometimes at the expense of experience (see Feature). Selected full ministers, all Sudan People's Liberation Movement unless indicated, include:

- **Deng Alor Kuol**, Cabinet Affairs (previously Foreign Affairs; before that, Sudan Foreign Affairs Minister), Abyei, Dinka.
- General **John Kong Nyuon**, Defence & Veterans' Affairs, Jonglei, Greater Upper Nile (GUN), Nuer, SPL Army from start, effective field commander throughout South; respected and feared; was close to President **Salva Kiir Mayardit** as Security Advisor.
- Lieutenant General (Retired) **Nhial Deng Nhial**, 59, Foreign Affairs and International Cooperation: (ex-Defence and SPLA Affairs), law degree, key negotiator with Khartoum; Warrap, Greater Bahr el Ghazal (GBG), Dinka Tonj, son of assassinated leader **William Deng Nhial**.
- **Emmanuel Lowilla (LoWillia)**, Office of the President: Central Equatoria (CE); MA, conflict transformation, **United States**; Number two, Government of South Sudan pre-Independence mission, **France**; once ran Resource Centre for Civil Leadership (Reconcile), Juba; worked on oil issues and with church bodies.
- Gen. **Oyai Deng Ajak**, National Security (ex-Investment, previously Regional Cooperation): GUN, Upper Nile, Collo (Shilluk), key appointment.
- **John Luk Jok**, Justice (no change; earlier Oil): lawyer; GUN, Jonglei, Nuer, joined **Riek Machar Teny Dhurgon** and **Lam Akol Ajawin** in 1991 split but returned to SPLM; now seen as a force behind SPLM dominance; critics blame him for Transitional Constitution's centralising powers; former SPLM representative, London, when Peckham resident.
- Major Gen. (Rtd.) **Alison Manani Magaya**, Interior: Western Equatoria, Azande; long-time Labour Minister for National Congress Party in Khartoum; NCP till 2010, now SPLM; veteran 1st AnyaNya war; absorbed into army post-1972 pact, with **John Garang de Mabior** and **Salva Kiir**.
- **Michael Makuei Lueth**, Parliamentary Affairs (no change): GUN, Jonglei, Dinka Bor.
- **Kosti Manibe Ngai**, Finance and Economic Planning (ex-Cabinet Affairs) W. Equatoria, Moru; headed the post-referendum Financial, Economic and Natural Resources Committee; ex-head Sudan Council of Churches; ex-journalist; ex-Sudan Relief & Rehabilitation Association.
- **Awut Deng Acuil**, Labour, Public Service & Human Resource Development (no change): GBG, Warrap, Dinka, former church worker.
- **Michael Milly Hussein**, Health (ex-General Education): GBG, Western Bahr el Ghazal.
- **Barnaba Marial Benjamin Bil**, Information & Broadcasting (no change): GUN, Jonglei, Nuer; veteran, SPLM representative in Zimbabwe in the 1980s during **Roland 'Tiny' Rowland**'s Lonrho's patronage of the Movement.
- **Betty Achan Ogwaro**, Agriculture and Forestry: Eastern Equatoria.
- Gen. **Gier Chuang Aluong**, Roads and Bridges (ex-Interior): GUN, Jonglei, Dinka; workaholic, at office by 4 am; reputedly patrols Juba alone without escort; praised for improving security generally and for referendum and Independence celebrations.
- **Agnes Poni Lokudu**, Transport: Central Equatoria, NCP South Sudan Deputy Chairwoman.
- **Joseph Ukel Abango**, General Education & Instruction (ex-Higher Education, Science & Technology): WBG, Jur; United Sudan African Party.
- **Peter Adwok Nyaba**, Higher Education, Science & Technology (ex-Sudan Higher Education & Scientific Research Minister): GUN, Upper Nile, Collo; ex-Communist; veteran commentator.
- **Garang Diing Akwang**, Commerce, Industry and Investment (ex-Energy & Mining): GBG, Northern BG.
- Gen. **Alfred Ladu Gore**, Environment (ex-Presidential Advisor): Cent. Equatoria, Bari; lost governor's election as Independent May 2010 and, claiming fraud, nearly went to war with SPLM victor, **Clement Wani Konga**; now also SPLM. ●

systems and supplies some two years ago, *Africa Confidential* understands.

The SPLM-North has enough for 'a year and a half', said a source close to the leadership. Until the CPA, the Nuba or Blue Nile fighters formed a crucial part of the SPLA. Experienced and battle-hardened, they are likely to fight on until their political counterpart, the SPLM-N, catches up. The SPLM-N is growing fast, which is why the NCP banned it last week

and arrested dozens of activists across the North. As one of the Three Areas, 'Blue Nile' used to mean the 'African' and SPLM heartland of Southern Blue Nile. With Malik as Governor (now sacked by the NCP), the definition spread, as did the fighting, coming near the key dam at Er Roseires and triggering Western alarm bells. Juba has a diplomatic challenge ahead, as well as a military one. ●

Disrespect for the President

Disciplining Julius Malema is only part of Zuma's effort to reassert his control of the ANC and win re-election as President

True to form, President **Jacob Zuma** acted decisively only when his personal position as leader of the African National Congress came under threat. He wants **Julius Malema**, President of the ANC Youth League, expelled from the governing party. President Zuma had long hoped that Malema would ensure his re-election as party leader and presidential candidate at next year's National Conference. Now Julius Malema and the ANCYL are campaigning to replace Zuma as ANC President and **Gwede Mantashe** as General Secretary. Malema is charged before a disciplinary committee with sowing divisions in the party and bringing it into disrepute.

Zuma has also engineered an investigation into Malema's tax affairs, business dealings and sources of income. He is still in the probation period of a suspended sentence, after the National Disciplinary Committee last year found him guilty of undermining Zuma's presidency. The Committee has also charged the Youth League's Spokesman **Floyd Shivambu**, Deputy President **Ronald Lamola**, Treasurer General **Pule Mabe**, Secretary General **Sindiso Magaqa** and Deputy Secretary General **Kenetswe Mosenogi**. Zuma has told security forces to take strong action against those who trash streets and assault people, as Malema's supporters did outside the ANC's Johannesburg headquarters on the first day of the disciplinary hearing.

Malema and company have been calling for the nationalisation of the mines, land and banks (AC Vol 52 No 17). They attack every policy position pushed by Zuma, including those on **Libya** and on South Africa's partnership in the BRICS groups with **Brazil**, **Russia**, **India** and **China**. They do not say openly that they want to replace him with their candidate, his deputy **Kgalema Motlanthe**, but they have publicly called for Secretary General Mantashe to be replaced by **Fikile Mbalula**, a former ANCYL President who is now Sports Minister.

What most angers Zuma, his allies tell us, is that the Youth League insists that it will support only a new leader who favours nationalisation, a line that seems to be gaining traction within the ANC. The critics have diminished even Zuma's authority abroad. At the most recent meeting of the Southern African

Development Community, **Angolan** President **José Eduardo dos Santos** jokingly replied to a question about the talks on **Zimbabwe**, saying that Zuma was occupied by the Malema 'problem' and didn't have time for other issues. Zuma, we hear, was annoyed.

The President holds deeply traditional views on hierarchy and is affronted that the 'youth' refuse to listen to reprimands. 'Whatever we do, we must respect authority,' he has said. He was furious that the Youth League wanted to topple the government of **Botswana**. Not interfering in the affairs of another African country is an article of faith and South African politicians dislike being accused of playing big brother.

We hear that Zuma aims to reduce the Youth League to a Youth Desk of the ANC. Moreover, he wants to flush out ANC leaders and business people who, he thinks, have used Malema and the ANCYL as a front. The head of police criminal intelligence, **Richard Mdluli**, charged with a murder that took place twelve years ago, claims that the charges are trumped up by former Zuma allies who are plotting to unseat him. He points the finger at **Tokyo Sexwale**, who denies the plot, as do **Zweli Mkhize**, ANC Premier of KwaZulu-Natal, and **Bheki Cele**, the national Police Commissioner.

UNCERTAIN TERMS

Most of the younger presidential hopefuls, such as Deputy President Motlanthe, ANC national Treasurer **Mathews Phosa**, Tokyo Sexwale and Defence Minister **Lindiwe Sisulu**, supported (or stayed neutral) during Zuma's triumph over **Thabo Mbeki**. To secure their support, Zuma promised to serve only one term. His younger rivals are unhappy that Zuma plans to stay on for another and he suspects them of acting in concert with Malema. He is increasingly suspicious of Lindiwe Sisulu, whose supporters wanted Zuma to anoint her as his successor. Zuma and Motlanthe are no longer on speaking terms and Zuma is outraged that Phosa offered to represent Malema at his last disciplinary hearing. None of the pretenders to the throne have spoken out about Malema's latest disciplinary proceedings.

One man in Zuma's sights is Fikile Mbalula, ANCYL's nominee to replace Mantashe as ANC General Secretary next

year. At the last ANC National Executive Committee (NEC) meeting, he attacked Zuma – in his presence – for being indecisive. We hear that Zuma plans to remove him from the cabinet.

Malema initially wanted the Disciplinary Committee to shelve the case. He lost but the ANC was forced to move the hearing to a secret venue outside Johannesburg. Zuma's allies say Malema's failure to get mass protests going outside the hearing means his support is waning. We hear that Malema and his allies will argue that he has stated the official position of the Youth League, not his own, and that, if he is charged with bringing the ANC in disrepute, Zuma must be similarly charged, for having babies out of wedlock. They also want to reopen the investigation of Zuma's role in the notorious arms deal (AC Vol 52 No 7).

The Malema group argues that the Disciplinary Committee's decision must be voted on by the party's NEC, where a majority would reject expulsion. The ANC's alliance partners, the Congress of South African Trade Unions and the South African Communist Party, are both split over Malema's possible expulsion. SACP General Secretary **Blade Nzimande** and Deputy General Secretary **Jeremy Cronin** support expulsion or suspension but others in the Politburo are so deeply opposed to Zuma that they will back Malema. Cosatu General Secretary **Zwelinzima Vavi** has been critical of Malema but pro-Malema Cosatu factions have cautioned him not to call for censure. The federation's President, **Sdumo Dlamini**, says Malema is 'misguided', the ANC Women's League supports him and the ANC Military Veterans' Association defends Zuma.

The ANC leaders with presidential ambitions – Sexwale, Motlanthe, Phosa – keep quiet, probably hoping that the Zuma-Malema tussle will damage Sisulu, who now supports Malema. Motlanthe, whom the Malema group wants to nominate as leader, has been silent, wanting Zuma to confirm that he won't stay for a second term before committing himself. He wants both Zuma and Malema to self-destruct.

Some of Malema's allies, led by Mbalula, fear that Malema may lose this battle and are looking for a compromise. They propose that, if the disciplinary committee temporarily suspends Malema's membership, Zuma should stop the investigation of Malema's affairs by the Public Protector, the revenue services and the National Prosecuting Authority. Zuma will probably push both for suspension or expulsion and for further investigation of Malema's business affairs – unless Malema's group stops trying to block his ambition for a second presidential term. ●

Bringing peace to the military

Gbagbo's party has all but collapsed but an unruly coalition of poorly disciplined soldiers is a serious challenge

Laurent Koudou Gbagbo's previously ruling *Front Populaire Ivoirien* (FPI) has quickly followed its master into obscurity and irrelevance since he was ousted on 11 April. The same cannot be said for the armed forces, which remain divided and difficult to control. President **Alassane Dramane Ouattara** is attempting to stabilise the military by reconciling former opponents while seeking to remove undisciplined elements. He sees this as a key component to economic recovery but the results are very mixed so far (AC Vol 52 No 10).

To promote stability, the government is attempting to lure back some senior pro-Gbagbo military men who fled to **Ghana** after the fighting. Prime Minister **Guillaume Soro**, who also holds the Defence portfolio, has visited **Liberia** to try to convince exiled fighters to return. For now, many watch and wait to see what judicial punishment awaits the Gbagbos. Ex-President Gbagbo and his wife, **Simone**, were charged with 'economic crimes' on 18 August and their son **Michel** the week before (AC Vol 52 No 1).

No one gives any credence to the rumours of coups and foiled coups. The new Chief of General Staff of the *Forces républicaines de Côte d'Ivoire* (FRCI), General **Soumaïla Bakayoko**, is confident of the deterrent effect of the **French Licorne** battalion. However, he faces an uphill task in restoring the armed forces. Ouattara appointed Bakayoko, the former Commander of the rebel *Forces Nouvelles* (FN), to replace Gen. **Philippe Mangou** on 7 July. He is not charismatic but he is respected, observed one Western diplomat, and Ouattara had few options when picking a successor to the puppet Mangou. Some had touted Brigadier Gen. **Nicolas Kouakou**, who controlled the Integrated Command Centre, but as a former gendarme, he would never be acceptable to the military, insiders say. 'Bakayoko is the only potential candidate who struck me as having a vision beyond holding elections,' said a military attaché.

Top of Bakayoko's to-do list is restoring law and order. Yet calling the FRCI, who menacingly patrol the streets of Abidjan, back to barracks to formalise its establishment and carry out a roll call is not yet seen as feasible. Keeping public order is too heavy a task for the police but nobody wants to see so many soldiers on the streets. The new army is composed

predominantly of the former national army, the *Forces de défense et de sécurité*, who outnumber the 5,000 FRCI fighters set to be integrated by about two to one.

There are persistent reports of abuse from human rights groups. According to United Nations sources, Ouattara loyalists were behind most of 26 extrajudicial killings between 11 July and 10 August, as well as 85 cases of arbitrary detention. They are also believed responsible for the massacre of hundreds of Gbagbo's supporters found in a mass grave on 2 April. The number of people killed is controversial. The Red Cross originally reported that 800 had died but it may have overstated the number after being misled by pro-Gbagbo elements at the site, close to the Liberian border. The government has used these doubts to question the findings of all the human rights groups.

Some have ascribed the killings, in Abidjan especially, to infighting between the FRCI and FRCI 'volunteers' – often illiterate street youths, possibly 20,000 strong, enlisted to bulk up the numbers fighting for Ouattara. Many are reluctant to give up their weapons and pose a key security challenge. Some groups on the streets say they do not know who they report to. Nonetheless, the government has said it will demobilise some 10,000 of them by the end of the year.

To help improve the military's image, the FRCI will be renamed the *Forces Armées Nationales de Côte d'Ivoire*, as

they were called in the era of founding President **Félix Houphouët-Boigny**.

Another problem is dismantling former 'com-zones', areas personally controlled by a leader within the FN movement. Not all commanders observe the FN chain of command. Having grown fat on racketeering and smuggling, these warlords won't give up their lifestyle without a fight and may start soon.

In the former UN-patrolled buffer zone across the middle of the country, the feared com-zone Commander **Amadé Ouremi** has retreated to the Mont Peko forest in the West. He has some 300 mercenaries from his native **Burkina Faso**, as well as Liberian and **Sierra Leonean** ex-combatants. 'He is a law unto himself,' a local government source said. The majority of the com-zone leaders, including **Issakia Ouattara** aka **Wattao** and **Martin Fofié Kouakou**, who has been under UN sanctions since 2006, have been promoted to senior positions in security organisations.

Ouattara's bodyguard is drawn from a hand-picked body of soldiers from rebel leader **Chérif Ousmane's** forces. Soro and Ouattara each command the loyalty of various rebel commanders, but the popular Ousmane is a staunch ally of Ouattara. On 3 August, Ouattara promoted him to Commander of the palace guard, the *Groupe de sécurité de la présidence de la république*. Government insiders think highly of Ousmane and appear determined to defend him from criticism. One human rights group has charged that his men were behind 'scores' of extrajudicial killings while he occupied Gbagbo's Youpougon stronghold during the battle for Abidjan. Ouattara also relies on a contingent of highly trained soldiers from Burkina's Presidential Guard. They act as his plainclothes close-protection team and rotate on a monthly basis. ●

GBAGBO: FRANCE'S PART IN HIS DOWNFALL

The **French Licorne** force played a decisive role in the United Nations' storming of the presidential palace and the capture of ex-President **Laurent Gbagbo**. French troops took few casualties but they were involved in fierce fighting throughout Abidjan.

In the final assault on the presidential residence, they started with a barrage of fire at ground level before entering the building through a supposedly secret but well known underground tunnel that connects the French Embassy to the palace. Gbagbo had the tunnel sealed with cement and retreated to his bunker. Yet **Licorne** soldiers cut off water and power supplies to the bunker while others drilled away at the cement plug. The sound of the drilling terrified Gbagbo and his followers and they surrendered; presidential son **Michel Gbagbo** emerged from the palace holding a white T-shirt in surrender. **Licorne** and UN commanders then summoned the *Forces républicaines de Côte d'Ivoire* to 'bring out' the shell-shocked Gbagbo and his wife, **Simone**, and members of their entourage.

One drama was the taking of the **Japanese** ambassadorial residence, which sits at a strategic crossroads, on 7 April. A group of pro-Gbagbo men had burst into the house, slaughtering several local employees. Ambassador **Yoshifumi Okamura** and seven of his staff took refuge in a panic room. French commandos rescued Okamura and his staff, descending on ropes from a helicopter and killing the men surrounding the house. A French military source said the lack of casualties in the operation was 'a miracle'. ●

Taking a stake in economic development

Presidential friends edge out Frelimo's friends

Since **Armando Emílio Guebuza** won the presidential election in 2006, more and more members of his circle have obtained stakes in the economy and partnerships with foreign businesses. The companies use their political connections to secure competitive advantage and, increasingly, they dominate the national economic landscape. One such company is Insitec, which suddenly appeared on the Mozambican business scene in 2007 when it took an 18% share in the second largest bank, *Banco Comercial e de Investimentos* (BCI). From then on, whenever a big project surfaced, Insitec was involved.

Insitec is slated to build the controversial US\$2.9 billion Mpanda Nkua hydroelectric dam, has bought a television station and Mozambique's largest building company, *Construção e Serviços* (Ceta), signed a biofuel-production deal with a German company and made a bid for the third mobile telephone operating licence (AC Vol 52 No 11). Observers are divided as to whether the ruling *Frente de libertação de Moçambique* (Frelimo) is building up companies such as Insitec so as to create a domestic business class to help power national economic development or is simply enriching favoured individuals.

The beneficial Mozambican owners of companies of this type usually hold minority stakes in subsidiaries of large foreign concerns. BCI, for example, is 80% owned by Portugal's *Caixa Geral de Depósitos* and *Banco Português de Investimento*. Other companies in this

mould are *SPI-Gestão e Investimentos*, an investment holding company controlled directly by Frelimo, and Intelec, in which President Guebuza has an interest.

Intelec owns 5% of the mainly South African-owned *Vodacom Mozambique*, with another 5% to local telecommunications group Emotel, owned by the Frelimo business magnate **Hermenegildo Gamito**. The Whatana Group of **Graça Machel**, widow of Founding President **Samora Machel** and the wife of South African former President **Nelson Mandela**, also has 5% of Vodacom, valued in 2008 at about \$10 mn. Locally, it is not thought likely that the holders of the 5% stakes paid for them. The Vodacom chairmanship rotates between the three minority shareholders. A 'political' payoff came when the company agreed to halt temporarily all text-messaging on mobile phones during last September's riots over the cancellation of subsidies.

Insitec has been rumoured to 'front', as one of the United States government cables from Maputo released by WikiLeaks alleged, for Guebuza himself. 'Insitec has links with Guebuza but not formal,' says **Marcelo Mosse** of Maputo's Centre for Public Integrity. Insitec's management fiercely rejected the claims in the State Department cables and other observers doubt Guebuza has a financial interest. The presence or absence of a personal interest is not the important factor, according to Mosse. Although the Mozambican companies with important interests are

technically privately owned, in policy terms they follow the government's investment agenda, he says.

Nevertheless, Guebuza, already known in the 1990s to be one of Mozambique's richest individuals, owns a stake in Intelec Holdings, which is run by his old friend, **Salimo Abdula**, for which he makes no apologies. His four children and members of his extended family participate in many of the businesses under the Intelec umbrella. There is no law in Mozambique forbidding the state president from involvement in private business.

Occasionally, criticism of Guebuza's business affairs breaks surface, as in April, when the Chinese company Star Times announced it was going into a joint venture to provide digital television broadcasting equipment and sets with Focus 21, which is an Intelec company whose Chief Executive Officer is presidential daughter **Valentina Guebuza**. The Chinese company plans to invest \$100 mn. and should benefit strongly when analogue television signals are switched off in 2015.

The official share register shows three shareholders in Insitec, all from the Indian-Mozambican **Correia** family and all in their early thirties. Frelimo-linked officials or former provincial governors are conspicuously absent. At 35, **Celso Correia** heads the company, while family members **Danilo** and **Marco Correia** complete the register (see Box). The Correia name came to prominence in negotiations over the Cahora Bassa dam. One year after buying BCI, Insitec acquired 51% in the company that owned the concession to run the strategic *Corredor de Desenvolvimento do Norte* (CDN, Northern Development Corridor), which provides a rail link from Nacala to the Mozambican hinterland, **Malawi** and **Zambia**. Insitec bought the concession on credit, we hear, never developed it or repaid the debt and resold some of its shares at a profit to **Brazilian** mining giant Vale earlier this year.

Insitec remains the largest Mozambican minority shareholder in the CDN company, which owns 51% of the concession. The national railway company, *Empresas Portos e Caminhos de Ferro de Moçambique* (CFM), holds the rest of the shares, and its Chairman, **Rosário Mualeia**, said Insitec 'leaves much to be desired', having failed, he said, to make good on promises of investment made in 2008.

An Insitec subsidiary, the electricity company *Energia Capital* in December signed documents undertaking to build the Mpanda Nkua Dam. *Energia Capital*'s shareholders are linked to Frelimo: the *Gabinete do Plano de Desenvolvimento da Região do Zambeze* (GPZ) and the *Sociedade de Gestão Integrada de Recursos* (Sogir). Mpanda Nkua is 60 kilometres downstream of the Cahora Bassa Dam and should increase Mozambique's electricity

CELSE CORREIA, FAVOURITE SON

At the age of 30, **Celso Correia** became the head of Mozambique's second largest bank, the *Banco Comercial e de Investimentos* (BCI), and of the strategic northern transport corridor, the *Corredor de Desenvolvimento do Norte* (CDN). From relative obscurity, the young entrepreneur used his connections to the family of one of President **Armando Guebuza**'s friends to gain access to the President.

Correia proved himself by engineering Mozambique's buyback of the Cahora Bassa Dam from Portugal in 2005, by leaving the US\$700 million responsibility with banks and the Dam company. He expanded BCI's branch network across the country, including into rural areas where other private banks had previously refused to go. At best, sources say, he is a Guebuza protégé, at worst a reliable figurehead valued more for loyalty than inherent business acumen.

'Correia is Guebuza's spearhead,' pushing through plans the President does not want to be linked formally with the government, says **Marcelo Mosse** of the Centre for Public Integrity, a local anti-corruption watchdog. Correia has signed deals and agreements for his company with Transport Minister **Paulo Zucula** and Energy Minister **Salvador Namburete**, as well as with ministers from neighbouring **Malawi**. He has also travelled with Prime Minister **Aires Ali** on official business trips overseas. ●

production by 1,500 megawatts. *Energia Capital* owns 40% of the concession, which includes building a power network from the Dam to Maputo. Frelimo established GPZ to develop the four central provinces in the Zambezi Valley and appointed as its head **Sérgio Viera**, a prominent Frelimo member of parliament, former minister and provincial governor. The aim was to spend its \$10 mn. per year budget on development schemes, at least in part, we hear, to help to woo the public away from support for the *Resistência Nacional Moçambicana* (Renamo) but after ten years' operation, it was closed in late 2010 amid accusations of embezzlement and massive waste among its 200 officials.

Sogir is an investment company owned by the state through GPZ (90%) and other state companies. GPZ used to control Sogir as a direct subsidiary until the Administrative Court, which rules on public finances, declared it illegal. Reports in the local media indicate there has been substantial crossover in staff among Insitec, GPZ and Sogir.

In January, Insitec acquired 80% of independent television station *Televisão Independente de Moçambique* (TIM) for \$3.5 mn. In April, the company bought *Ceta*, the largest building company. It may be positioning itself to cash in on business when Vale starts with \$1.6 bn. upgrades on the CDN. Also, Insitec was granted important building sites in Maputo without a tendering process, we understand.

Insitec has moved into all the sectors designated as government development priorities, the latest deal being in biofuels. In June, Insitec signed a memorandum

of understanding with German company *Gigamethanol* in Munich to produce gasoline from natural gas fields in Pande and Temane, in a deal reported to be worth \$3 bn. Prime Minister **Aires Ali** and Energy Minister **Salvador Namburete** also went to Germany to seal the deal.

Nevertheless, one deal eluded Insitec, the licence for the third mobile phone network. It lost this to *Movitel*, a joint venture of *Vietnam's Viettel* and SPI, which bid \$28 mn. Insitec subsidiary *Energia Capital* created a joint venture with *Angola's Unitel* mobile phone company, which is run by **Isabel dos Santos**, daughter of Angolan President **José Eduardo dos Santos**. It could score only 76.78 against the winning bid's 95.05 for technical ability to get the network up and running in a year.

There has been speculation that the battle between SPI and Insitec represents a conflict between older Frelimo-linked business interests and the newer generation of professionals allied to Guebuza and his circle. One sign of conflict behind the scenes over the award was a leak to the media that the Insitec consortium, which bid \$4 mn. more for the licence than *Movitel*, had won. In fact, *Movitel*, despite bidding less, was the victor. The existing mobile operations, *Mcel* and *Vodacom*, had protested at the issuing of a third licence, saying the market was not big enough to support a third operator.

Known as a Frelimo holding company, SPI took 30% of *Kudumba*, a company formed to operate a scanner to inspect container cargoes at Nacala, after the bidding process was influenced in favour

of SPI's partner. Shipping companies have frequently complained about high charges for the scans.

Another type of large company following Frelimo's development agenda is *Whatana*, founded in 2005. Graça Machel owns 20%. Her son **Malenga Machel** and his friend **Nuno Quelhas**, who own 40% each, run the company. It describes itself as 'an investment company building a medium- to long-term investment portfolio consisting of high value businesses strategically selected to provide substantial/market-leading returns to the investors'. It adds that it wants to enter into 'partnership with global institutions. Investing efficiently and transparently with high ethical standards.' The company has interests in hydropower, coal, mining concessions, property development, fuel distribution and the financial sector. The origins of its capital remain unknown, as does the worth of the company.

Graça Machel has been critical of the centralisation of economic power around Guebuza. She is a non-executive director of *PME African Infrastructure Opportunities PLC*, which listed on the London Stock Exchange's Alternative Investment Market in 2007 and is now capitalised at \$52 mn. She is better known, though, for her humanitarian work and the non-profit Foundation for Community Development.

The goal of Insitec remains as vague as the information on its website. A recent advertising slogan was 'The future which Mozambicans dream of – Insitec is helping to realise now'. Who is making money while doing this and where they got their capital for investment is not so clear. ●

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Kenya

STRAIN IN ICC CASE

■ The International Criminal Court's case against Kenyans accused of financing and organising post-election violence finally got underway with the 'confirmation of charges hearings' on 1 September – and more of a trickle than a flood of revelations. ICC Prosecutor **Luis Moreno Ocampo** charges Kalenjin politicians **William Samoei Ruto**, 45, **Henry Kiprono Kosgey**, 64, and the Kalenjin language station broadcaster, **Joshua arap Sang**, with building a political and military network to evict non-Kalenjins from the Rift Valley (AC Vol 52 No 12). More than 700 people were then killed there.

Observers of the proceedings expected more decisive rebuttals of Ruto's claim that the cases were 'based on a concoction of lies' than the evidence of the seven witnesses produced so far – anonymised with numbers to protect them and their families from retaliation. No 'smoking gun' has yet emerged on the planning meetings, recruitment, financing and coordination that constitute the conspiracy – what the prosecution calls 'The Network' – between December 2006 and January 2008.

Many think the case against Arap Sang should have involved a straightforward process of establishing the accuracy of transcripts of his broadcasts to show whether he incited Kalenjin to violence. Yet it seems to betray weaknesses in the prosecution's understanding of the nature and planning of the crimes. One witness said that oath-taking ceremonies inaugurated the violence but Sang's responding witness, a Kalenjin, categorically stated that traditionally the Kalenjin do not take oaths. The prosecution also alleged that the Eldoret-based Emo Foundation acted as a vehicle financing The Network despite the fact that it was not registered until after the violence. The next round of hearings begins on 21 September.

Libya/Mozambique/Sudan/UK

LOBBYING ON

■ Just as Mozambique's *Resistência Nacional Moçambicana* threatens to return to violence, the man who championed it at the height of its atrocities has surfaced in papers found in the offices in Libya of **Moammar el Gaddafi's** fallen Prime Minister, **El Baghdadi Ali el Mahmoudi**. These proposed paying **David Hoile** £200,000 (US\$320,000) weekly, up to a total £2 million, to set up a 'Centre for Non-Intervention', said **British** daily *The Telegraph* on 28 August.

The veteran public relations operative acknowledged three visits to Libya since

February but denied receiving money. The Centre was to campaign against the International Criminal Court, which in June issued arrest warrants for Colonel Gaddafi, **Seif el Islam el Gaddafi** and **Abdullah el Senoussi**. Tripoli had paid £360,000 to British solicitors Edward Duthie, who planned to instruct barrister Sir **Geoffrey Nice**, QC, said the newspaper.

In 2009, Nice failed to get the ICC to drop charges against Sudanese President **Omer Hassan Ahmed el Beshir** and later, when retained by the Kenyan government, against those accused of organising post-election violence (AC Vols 50 No 4 & 52 No 8). Geoffrey Nice has appeared with Hoile at meetings on Sudan. Hoile is the National Congress Party's lead lobbyist and was made 'Research Professor' at its University of Science and Technology (ex-Khartoum Polytechnic) and 'Visiting Professor' at Khartoum University. Britain's Home Office regularly quotes him as a Sudan academic when it wants to convince courts that asylum seekers will not be in danger if deported to Sudan. The HO dropped him after a member of parliament protested but now cites him again.

As its cases mount, his campaign against the ICC flourishes: when asked about Libya, he says he would have campaigned against the ICC without being paid, we hear. Described as an 'African Scholar' (he is **Zimbabwean**), he told Kenya's K24TV that the ICC was 'Europe's Guantánamo' and fighting it is 'a battle for the heart and soul of Africa'.

Angola

VICENTE TO SUCCEED DOS SANTOS?

■ Luanda's rumour mill has gone into overdrive after the ruling *Movimento Popular de Libertação de Angola* and the privately-owned *Novo Jornal* suggested that President **José Eduardo dos Santos** may stand down before or after next year's elections – possibly in favour of **Manuel Vicente**, boss of the state oil company Sonangol. Vague though it is, this is the MPLA's first public hint of the possibility of Dos Santos 32-year rule coming to an end.

A party source suggests that once Dos Santos, 69, wins the 2012 election at the head of the MPLA list (a foregone conclusion), he could appoint Vicente Vice-President: the job is in the President's gift. He might then resign, giving 'Mr Sonangol' five years of uninterrupted rule before he has to go to the polls. This would be a snub to the current Vice-President, **Fernando da Piedade Dias dos Santos**, 'Nandó', who is believed to think little of Vicente.

Dos Santos had to test the acceptability of Vicente, not known as a big party man, to MPLA members, we hear. The story also came out on the eve of an anti-Dos Santos demonstration and may have been intended as a conciliatory gesture.

Although the demonstration drew only

about 300 marchers, the police reaction was extremely violent, observers said, with several people hospitalised and 20-50 arrested. Some protestors claimed the march had been infiltrated by agents provocateurs who attacked journalists and assaulted demonstrators after they had led the march away off its authorised route, thus prompting the police reaction.

Human Rights Watch condemned the police action but the demonstration was poorly reported in Angola and **Portugal**, where suspicions have been growing that the state *Rádio e Televisão de Portugal* (whose own crew was attacked) is reluctant to broadcast news unfavourable to the Luanda government.

Zimbabwe/United States

LEAK NOW, PAY LATER

■ Attorney General **Johannes Tomaná** has the unenviable job of investigating for possible prosecution all Zimbabweans identified as sources of information for United States' diplomats in the unredacted State Department cables released by WikiLeaks this month. The cables won saturation coverage in the pro-Zimbabwe African National Union-Patriotic Front (ZANU-PF) media, aimed partly at discrediting as imperialist stooges anyone who spoke to US officials.

This may not work with the public, as the cables also unmask previously unsuspected fault lines in ZANU-PF and the security forces. The *Sunday Mail*, which supports President **Robert Mugabe**, exposed the late General **Solomon Mujuru** and his wife, Vice-President **Joice Mujuru**, as being in clandestine contact with the US Ambassador, probably at their former home at Ruwa near Harare. It may not detract from their reputations but it gives ammunition to hardline factions in ZANU-PF trying to undermine the Mujuru faction.

ZANU-PF spin doctor **Jonathan Moyo's** strategy was to make great play of the cables so as to highlight the negative assessment of Movement for Democratic Change leader **Morgan Tsvangirai** by his party colleagues and US diplomats alike. Nevertheless, the cables do not work well as 'proof' of ZANU-PF's line that Western imperialists are plotting the dominant party's overthrow through sanctions-induced economic collapse.

On 1 September, Mugabe told ZANU-PF's National Consultative Assembly that he had finally accepted that elections could not be held until early 2012. This is the last party function before December's Annual Congress in Bulawayo, where he hopes to be re-endorsed as presidential candidate. (He turns 88 ten weeks later.) Meanwhile, Joice Mujuru vowed to press for a full explanation of her husband's death and to continue his political strategy (AC Vol 52 No 17). This was seen as confirmation that she also wants to stand for president.

[illegible]

CENI will probably postpone the polls because preparations are by no means complete. Computers, ballot-boxes and other necessary items have been ordered from **South Africa, China, Germany and Lebanon** but (apart from 400 tonnes of supplies from China) have not yet arrived, let alone been distributed across the vast country. European diplomats do not expect voting to take place before mid-January. This carries strong risks of instability because Kabila is already on notice from the opposition that it considers his term as legally ending on 6 December, five years from his inaugural oath, and will have no legitimacy thereafter (AC Vol 52 No 1).

In January, Kabila used his majority in parliament to push through the abolition of the second round of the presidential poll. Now he only has to get more votes than any other candidate to win (AC Vol 52 No 2). On 1 September the MLC, Kamerhe's *Union pour la nation congolaise*, Kengo's *Union des forces pour le changement* and Kashala's Urec agreed a joint programme based on good governance, fair distribution of wealth and common values like tolerance. That didn't stop them negotiating separately with Mbusa Nyamwisi or promising to rule out fresh alliances or abstain in favour of a single candidate.

For the past year, Kabila has been presenting himself as the master-builder, pointing to the building or repair of many bridges and roads, while trying to ignore the continual power-cuts by the

Société nationale d'électricité (Snel). In the provinces of Bas-Congo and Katanga, the President is the only candidate with concrete achievements to display, even if they are incomplete. In western Congo, he is perceived as an eastern Kiswahili-speaker. In Kinshasa, they like his quiet temperament. In Bas-Congo in 2007-08, he lost support when his army ruthlessly suppressed the politico-religious Bundu dia Kongo cult. In Equateur Province, his repression of the MLC is often seen as a regional persecution. In the eastern Kivu and Orientale provinces, he is blamed for failing to restore peace. The nation is divided and the election campaign could turn into a bloody struggle.

WORRIES ABOUT GÉCAMINES

Mining investors are getting nervous as *Gécamines* mounts another assault on a large private investment. This time it's the turn of **George Arthur Forrest**, the **Belgian** mining and construction tycoon. They are particularly concerned because Forrest has not only been entrenched in Congo-Kinshasa for many years but also was believed to be very close to President Kabila's PPRD. An internal PPRD memorandum of 2005 had lauded the Forrest Group for accompanying the party 'step by step' in its campaign to implant itself in Katanga.

Gécamines is now locked in dispute with the controversial Belgian over his 60% holding in the *Compagnie minière du Sud Katanga* (CMSK), which works the mineral deposits of Luiswishi and

Luishia and in which Forrest claims to have invested US\$250 million through its *Entreprise générale Malta-Forrest* subsidiary. The dispute arises from an attempt to transfer ownership of EGMF's stake in the company to Forrest as an individual. The Forrest Group is a private, family-owned company and the reason why EGMF wants to sell to Forrest individually is not known. However, EGMF was obliged to notify *Gécamines* of the sale or transfer and *Gécamines* decided on 1 July to exercise its right to pre-empt any other buyer and take over EGMF's holding in CMSK.

Forrest contests that his purchase is not the kind of transaction to which *Gécamines* pre-emption rights apply. *Gécamines* Chief Executive Officer **Albert Yuma Mulimbi** says it does and arbitration has been ongoing at the International Chamber of Commerce in Paris. *Gécamines* has taken its case to the *Tribunal de commerce de Lubumbashi*, a quasi-judicial body, which has ordered EGMF to be offered \$15.7 mn. for its share in CMSK.

Forrest is not the only investor in dispute with the Congolese authorities. First Quantum Minerals has seen its shares in several projects in Katanga taken over, and has referred the matter to the ongoing Paris arbitration tribunal and to the Washington-based International Centre for Settlement of Investment Disputes (AC Vol 51 No 16). Foreign companies are worried that they may be next, especially since *Gécamines* has opened an audit of all its mining joint ventures. ●

CAPE VERDE

Party postpones post-mortem

The governing party is papering over the divisions that appeared during the presidential election

The schism in the *Partido Africano de Independência de Cabo Verde* (PAICV) resulting from the presidential election remains unresolved. It probably won't be addressed until local elections next February (AC Vol 52 No 17). Voters snubbed Prime Minister **José Maria Neves's** plea to elect **Manuel Inocêncio Sousa**, opting instead in large numbers for **Aristides Lima**, a prominent ex-PAICV politician. The resulting split in the PAICV vote allowed the centrist candidate, **Jorge Carlos Fonseca**, to win and proved an uncomfortable experience for a party used to unquestioned dominance of the political scene since Independence in 1975.

Fonseca's victory was a blow to Neves politically and damaged his image as a strong leader. Politics have become

strongly personalised in the 20 years since multiparty democracy came in.

On 11 September, the PAICV National Council met for the first time since the election, with Neves calling for cohesion and taking 'responsibility as the party to whom the people entrusted power'. The atmosphere of the meeting was tense, *Africa Confidential* was told.

The Council took to task PAICV member of parliament **Felisberto Vieira** (aka Filù), who campaigned for Lima and publicly threatened during the campaign to call a vote of no confidence in Neves's government and seek his removal as PAICV President. In response to a proposal by **Eugénio Veiga** to expel all party members who had supported Lima's candidature, Filù said this was only 'a thesis'.

The PAICV is worried by this display of party disunity and has tried to downplay the divisions. 'Despite everything, we are united, we keep going down the same path, we still are friends and comrades and we can fix what happened', said Secretary General **Armando Maurício**. The Council meeting decided that the leadership should show strict restraint in its public statements and support candidates only on the basis of adhering to party policies, not personal preferences.

On 12 September, Neves ruled out the possibility of an extraordinary party congress, explaining that it would open 'an internal debate in all the structures of the party' and was unnecessary in view of the 'very sincere, open and deep' debate that took place in the National Council. Because of the experience of the presidential campaign, party leaders are no longer so keen to hold primary elections to select candidates for the local elections, a measure that was decided on last April.

While the primaries would be likely to be lively affairs, PAICV leaders fear losing elections if they fail to show a united party front. ●

No springtime in Algiers

The ageing elite which supported Gadaffi to keep revolutions at bay now faces much bigger challenges at home

There is no prospect of Algeria's rulers voluntarily ceding power to a new generation. The **Libyan** crisis has galvanised them. Much as Colonel **Moammar el Gadaffi** has been a chronic nuisance in the past, protecting him has been a part of the Algerian leadership's strategy to hold back the Arab Spring. Persistent reports speak of covert Algerian material and diplomatic support to Gadaffi. Libya's National Transitional Council believes that Algeria facilitated flights bringing the despised 'African mercenaries' into Libya in February and March, while documents from a looted Tripoli office suggest that **Chinese** companies planned to supply Gadaffi's forces with arms transported across the Algerian border.

Ostensibly, Algeria is neutral on Libya but its position came into uncomfortable focus in late August when the government granted asylum to Gadaffi's wife, **Safia el Brassai**, and three of his children. Gadaffi himself may also have sought refuge but was judged too hot to handle (AC Vol 52 No 18). Only on 1 September did Foreign Minister **Mourad Medelci** grudgingly announce that 'when a new government representing all the regions of [Libya] is created, we will recognise it'. On that day, he attended the Western-backed 'Friends of Libya' conference in Paris.

The Algerian leaders don't much trust those in Libya but they know each other well. President **Abdelaziz Bouteflika** was President **Houari Boumedienne**'s Foreign Minister from the time of his military coup that overthrew **Ahmed Ben Bella** in 1965 until his death in December 1978, during which time he had continual dealings with Gadaffi. To some extent, history required Bouteflika to give sanctuary to Gadaffi's family.

President Bouteflika's plan to stave off revolution at home is founded on carrots, financed by ballooning hydrocarbon revenue, and on sticks, wielded by vast security forces hardened by their long struggle with Islamists. He is deeply uneasy about seeing his generation expelled from power, along with other members of the leadership, including ministers and heads of the security establishment, from Major General **Mohammed Tawfik Medienne**, Director of the *Département du renseignement et de la sécurité* (DRS), downwards.

'*Le Pouvoir*' (the power, i.e. the ruling

elite) has used muscle to stop mass demonstrations, especially in the capital, Algiers. Blanket-policing in the first weeks of the Arab Spring stifled efforts by the leader of the *Rassemblement pour la culture et la démocratie* (RCD), **Saïd Saadi**, and others to exploit the situation (AC Vol 52 No 3). On the carrot side, those in power offer economic incentives to a population which feels oppressed by high prices and a lack of jobs and housing. Algeria has done well from high oil and gas prices – foreign reserves stood at US\$173.93 billion at the end of June – and the 2012 budget has allocated some \$100 bn. to improve public services and to raise wages and pensions. Yet, as ever in Algeria, the question is whether this money will actually be spent.

The government proposes political reforms, so far only through enabling laws, putting off the question of their full implementation. It says it wants political parties and the *Assemblée populaire nationale* (APN, Parliament) to become more responsive. Bouteflika promised political reform in an April speech and appointed a commission to take soundings. This group did not inspire those hoping for change. It comprised the President of the upper house, the *Conseil de la nation*, **Abdelkader Bensalah** of the *Rassemblement national démocratique* (RND), plus retired military intellectual Maj. Gen. **Mohammed Touati** (aka **El Mokh, Brains**) and presidential advisor **Mohamed Ali Boughazi**.

ONE THIRD OF SEATS FOR WOMEN

Nevertheless, some proposed measures are radical. An electoral reform bill includes a quota system to ensure that women occupy at least one-third of the seats in elected assemblies. However, much of the predominantly male political class, including the *Front de libération nationale* (FLN) and RND members who dominate Parliament, are against the idea. Some measures to open up society and create more tolerance are already in the pipeline, such as recognising the Amazigh language, which is spoken by Kabyles and other Berber groups. The new information law will permit privately-owned television and radio stations, unseen since the collapse of **Abdelmoumen Rafik Khalifa**'s business empire and his popular Khalifa TV in 2003.

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The Council of Ministers met over two days, on 11-12 September, to approve a raft of reformist draft laws to go up to Parliament with a speed unusual in Algerian public life. The APN – dominated by the *Alliance présidentielle* of the FLN, Prime Minister **Ahmed Ouyahia**'s RND and the 'moderate Islamist' *Mouvement de la Société pour la Paix* (MSP) – will probably rush them through, albeit with amendments to exclude the most unpalatable changes. Critics say that reform does not need new laws but rather the will to implement existing ones. The legal Islamist parties responded immediately to the proposals, showing unusual consensus. 'The country has an arsenal of good laws which have not been applied,' *El Islah* (Movement for National Reform) said in a statement. 'The real problem is the non-application of the laws,' said **Fateh Rebaï**, the President of the *Ennahda* (Renaissance) party.

It is doubtful whether the small political elite can focus sufficiently on the challenges bubbling up from below, but *Le Pouvoir* is focussed on the question of the succession to Bouteflika. His poor health may not enable him to see out his third term to 2014 and his hopes of bequeathing a central role to his younger brother **Saïd Bouteflika** have been sunk by the Arab Spring. WikiLeaks cables quoted senior politicians, including the RND's **Abdeslam Bouchouareb**, as saying that security chief Medienne favoured Ouyahia – long reputed to have strong DRS and military backing – to succeed Boutef.

Meanwhile, talk of the elite making an opening towards radical Islamists has come to a perhaps temporary halt. There had been debate about rehabilitating the banned *Front Islamique du Salut* (FIS), and there were reports of secret negotiations between members of the political elite, led by an Islamist former Prime Minister, FLN Secretary General **Abdelaziz Belkhadem**, and former FIS leaders including **El Hachemi Sahnouni**. FIS radical **Ali Belhadj** has been trying to build momentum in Algiers, though he recently lost a son in an apparently failed terrorist attack. There was also speculation also about whether former FIS President **Abassi Madani** might eventually return from exile in Qatar.

The new electoral laws reaffirm Algeria's 'republican' credentials and seem to close the door on such moves. As for the jihadist opposition, concerted offensives by the security forces have sent it into retreat. Security experts in the West say that *Al Qaida* in the Islamic Maghreb has been squeezed in its Kabyle mountain bases and is now mostly active in the Sahel. Even so, AQIM showed it still had teeth when it mounted a suicide bombing on 26 August at Cherchell Military Academy – the *alma mater* of *le Pouvoir* – killing 18 people. Algeria's orientation in Arab geopolitics was outlined by the fact that two Syrian lieutenant colonels were among the dead. The bombing followed a similar attack on the police Commissariat in Tizi Ouzou on 14 August.

Overreaction by the security forces contains grave dangers. A special forces unit mistakenly killed a mother of 14 from Freha, a Kabyle village, prompting a mass demonstration. The authorities typically ignore public protests, especially in Kabylia and other more marginal regions, but they are aware that incidents like this could quickly ignite nationwide, regime-threatening anger.

PILLARS OF SECURITY

The leadership of the security forces shows no greater likelihood of change than the political echelon. Older men such as Medienne, Gen. **Abdelmalek Guenaïzia** (Minister Delegate for National Defence) and Maj. Gen. **Salah Ahmed Gaïd** (Chief of Staff) have stayed on far longer than ever seemed likely when they were first appointed (AC Vol 50 No 8).

Memories of the 1990s' civil war have caused enough fear to keep the major streets free of mass demonstrations, although many thousands, possibly millions, of people have been striking and protesting on a local basis around the country. Even heavily-policed Algiers is not immune. In early September, disturbances took place in the Bab el Oued and El Madania districts as reports spread of shadowy groups distributing tracts and others using Facebook to try to organise mass demonstrations.

Government allies call this a foreign-backed effort to sow 'Fitna' (conflict, a word much used in 1990s' Algeria) and *Ennahar* newspaper saw the hand of such old enemies as Morocco and France. Interior Minister **Dahou Ould Kablia** backed this view, falling back on another old bogeyman by declaring, 'Our indications point towards foreign parties linked to the Zionist entity.' Although Algerians have yet to pose a challenge to their leadership on a scale Tunisians, Egyptians, Libyans, Bahrainis and Syrians posed to theirs, the country is simmering and Bouteflika – and his rivals for power – cannot rest easy. ●

CÔTE D'IVOIRE

Economy recovers, security wobbles

A post-war boom has started but there is big concern about the forthcoming parliamentary elections

President **Alassane Dramane Ouattara** is earning international praise and strong flows of cash for reconstruction. Yet as he enters the second half of his first year in office, he risks disappointing the public with over-optimistic promises of peace and prosperity against a weak security background. In the latest attack dozens of armed young Gbagbo-supporters invaded villages close to the Liberian border, 25 kms south of the town of Tai, and massacred 23 people on 15 September, according to Human Rights Watch. President Ouattara's ambitious vision includes achieving economic growth of 5% by the end of his first year. His supporters point out that he has made more public investment since April than his predecessor did in ten years, despite endemic corruption that has delayed building infrastructure. Some parastatal companies have emerged as fronts for illegal earnings.

'He has set the bar really high for himself, so people are starting to get impatient,' one official said. One example is his promise of general elections in December, which is considered logistically and politically impossible. March is generally believed the earliest feasible date.

No National Assembly elections have taken place since December 2000. The five-year terms of the 225 members of parliament were prolonged because of the crisis but President **Laurent Gbagbo** effectively ruled by decree from 2005. The MPs drew salaries but did not sit. Ouattara needs to restore the Assembly so as to observe the constitution. He expects a new one to be independent and hardworking – a novel concept to many MPs, one of them remarked.

Whenever they occur, the elections risk stirring ethnic tension. 'Some of the hatred stifled during the presidential elections, when it only was between three candidates, will boil up again,' predicted one observer. Generals exiled in Ghana and militias in Liberia all carry strong potential for creating unrest, usually on the basis of a real or perceived slight to one or another ethnic identity.

Current political coalitions are unlikely to survive the elections for long. Many observers predict that the governing coalition, the *Rassemblement des houphouëtistes pour la démocratie et la paix* (RHDP), will split into its constituent parts,

Ouattara's *Rassemblement des républicains* (RDR) and the increasingly sidelined *Parti démocratique de Côte d'Ivoire*. The PDCI is headed by ex-President **Henri Konan Bédié**, the presidential candidate who came third in the election behind Ouattara and Gbagbo.

Sharing a predominantly anti-northern stance, the PDCI is naturally closer to Gbagbo's *Front populaire ivoirien*. Bédié was able to convince only around 55% of his core ethnic Baoulé electors to vote for Ouattara, according to electoral officials. This leaves room for the PDCI to throw its lot in with the FPI – or any other party – if it feels it has not been adequately compensated for falling in behind Ouattara. Prime Minister **Guillaume Soro** has called for all parties to form a united front in the upcoming polls. Whatever his areas of difference with the President, it is in his interest for pro-Ouattara forces to hold the majority in Parliament.

The *Forces nouvelles* (FN) former rebel movement, of which Soro was formerly Secretary General, has said it will not contest the elections. Many believe Soro does not need to, given his influence on large numbers of armed men. They think he wants to take credit for ensuring smoothly run elections and then create his own party, distancing himself from the FN's rebel status and its dubious human rights record.

KEEPING THE REBELS HAPPY

Soro may be a rising star but he has not been tested in a purely civilian political situation. He may not be contesting the elections but nobody doubts his longer-term presidential ambitions. Currently, he is positioning himself to be indispensable. If peace reigns, he will take credit for it and if violence breaks out, he will be the leader of the FN. The credibility of the political process depends on keeping the rebels happy and peaceful, and that is something he can deliver. The only fly in the ointment is the record of men under his command of committing atrocities.

Mamadou Coulibaly, the parliamentary Speaker and formerly one of few northerners in Gbagbo's FPI, is also attracting comment (AC Vol 45 No 24). A popular and respected intellectual, he created his own party, *Liberté et démocratie pour la république* (Lider), in August, pulling in FPI moderates and a substantial youth following. However,

he does not appear to have the resources to attempt to replace the FPI politically. 'Mamadou is charismatic but doesn't have access to resources and money,' one official said. He has, however, already attracted some former pro-Gbagbo sycophants, such as **Alain Toussaint**, whose shrill public defence of the Gbagbos is for many a bitter memory of the fighting. Other names likely to stand out during the elections include Minister of Economic Infrastructure **Patrick Achi** and Interior Minister **Hamed Bakayoko**. Both men, from the RDR side of the RHDP, have a strong base among young people.

The parliamentary and local elections will not only have security as a major issue, their conduct will be affected by the security situation, which is confused and fragile. 'No one really has any control in Abidjan because what we're seeing today is a conglomeration of factions,' one security official told *Africa Confidential*. Police and gendarmes are regaining their former posts on the city streets. Reassuring though their return may be, their writ does not run as it once would have done. Each police officer on the streets has a retinue of three or four *Forces républicaines de Côte d'Ivoire* soldiers.

The police officer cannot do anything that the FRCI men do not approve of. 'There's a parallel security system,' another security official pointed out. At the highest level, the appointment of Ouattara's loyal ally, Palace Guard Commander **Chérif Ousmane** as army number two – de facto number one – gives an air of legitimacy but in fact Ousmane controls Abidjan because the troops are personally loyal to him rather than to the state.

This set-up is unlikely to change in the short- to medium-term because Ouattara cannot afford to challenge the power of the military. This bodes ill for general ethnic tension as it also means he cannot pursue his supporters vigorously over the human rights abuses and murders some committed before the conflict ended. Indeed, the former rebels have imposed on Abidjan the system they used for maintaining control in northern areas.

The de facto capital has been carved up between former rebel warlords, known as 'com-zone leaders' (AC Vol 52 No 18). Each com-zone commander organises patrols and security within his own patch. All continue to give a percentage of their earnings, mainly from extortion, to *La Centrale*, the unofficial treasury of the guerrilla movement in the north during the rebellion against Gbagbo. They, and Ouattara, are aware of the negative image and fears of political instability that flow from such an arrangement: a parallel economy is not a good advertisement. So FN leaders formally dissolved *La Centrale* on 13 September but analysts say that nothing has actually changed. ●

SOUTH AFRICA

The fight of the century

Zuma and Malema are marshalling their forces for a showdown. Even a probe into 'the arms deal' is involved.

President **Jacob Zuma**'s mid-September decision to form a commission of inquiry into the controversial arms deal of the late 1990s is being widely seen as an attempt to forestall the judicial inquiry that the African National Congress Youth League leader, **Julius Malema**, and many others are demanding. The move needs to be seen, ANC insiders say, in the context of the power struggle between Malema and Zuma. The governing ANC has postponed Malema's much anticipated disciplinary tribunal until 6 October.

The arms deal, officially known as the Strategic Defence Procurement Package, was the subject of several investigations, some of which implicated Zuma and others in kickbacks, which he refutes. Zuma has said he will 'soon' announce the terms of reference and membership of the inquiry. Opposition politicians have warily welcomed the commission, which looks set to scupper the private law suit for a judicial inquiry from anti-arms campaigner **Terry Crawford-Browne**. Zuma is trying to persuade **Sandile Ngcobo**, the former Chief Justice, to head the inquiry, we hear.

The move opens a new front in the battle between Zuma, who wants to be re-elected as ANC leader at the party's National Conference in 2012, and the main objector to this, Malema. Other presidential hopefuls are working against Zuma, as are ANC leaders who backed him for president on the strength of his promise to sit for just one term and former supporters disappointed by his leadership and his failure to deliver on promises.

ANC General Secretary **Gwede Mantashe**'s annual confidential report on the state of the party, which is intended for the National Executive Committee and which he has not yet delivered, describes the ANC as in a 'shambles', riven by faction-fighting in groups for or against Zuma's bid for re-election, and by groups seeking access to state resources for personal gain. The report, which *Africa Confidential* has seen, would normally be sanitised for public consumption and released only after its delivery to the NEC.

The ANC leadership is angry with Zuma, we hear, because he declared the formation of the commission without prior consultation with the party. This added to his offence of convening Malema's disciplinary committee without involving party leaders. The disciplinary case itself

has divided ANC leaders. There are those who support Zuma and those who support Malema, while there are tactical supporters in the Malema camp whose real goal is to curb Zuma.

Malema has marshalled formidable ANC heavyweights as witnesses in his defence for when the disciplinary case resumes, *Africa Confidential* hears. Housing Minister **Tokyo Sexwale**, Sports Minister **Fikile Mbalula**, and the former ANC Chief Whip, **Tony Yengeni** – all opponents of a second term for Zuma – are rumoured to be ready to testify for Malema. Zuma and his allies see this as open rebellion against his leadership. In addition, some ANC leaders oppose the reopening of investigations into the arms deal because the ANC, as well as individual leaders, benefitted substantially from it. Others fear that Zuma could use the commission of inquiry to implicate his enemies in the party and neutralise them in time for next year's ANC conference.

The Malema-Zuma power struggle is affecting alignments elsewhere in the ANC and in government business. The Protection of Information Bill, which would give the state wide discretion on keeping information secret and which has been attacked as highly restrictive, originally had relatively wide support in the party leadership (AC Vol 52 No 14). The ANC Parliamentary Caucus, however, unexpectedly blocked the Bill's passage on 20 September, ostensibly to give more people a chance to make submissions. In reality, however, some ANC leaders who had initially supported the Bill strongly now fear that Zuma could use it to settle scores in the arms inquiry, to protect himself and his allies, and to attack enemies in the ANC.

Zuma's unilateral action on the commission and the disciplinary hearing have been labelled as 'contempt' for the ANC leadership. Malema hopes to mobilise this disquiet in his favour over the disciplinary charges. He is leaving nothing to chance, however. The Youth League is planning two days of protest at the end of October, supposedly to demand the nationalisation of mines but in fact to isolate Zuma politically and portray him as an obstacle to the redistribution of wealth to poor black people. They plan protests at the Chamber of Mines, the Johannesburg Stock Exchange and Zuma's official seat of power, the Union Buildings in Pretoria. ●

Are the politicians high?

Gossip in Accra produced entertaining US diplomatic cables but raises serious questions about rising political tensions

Politicians in Accra have been exploiting sensational material in the latest batch of leaked United States diplomatic cables. The gossip, insights and purportedly inside information seem to damage the governing National Democratic Congress and opposition New Patriotic Party in equal measure. Few emerge with credit from the unredacted US diplomatic cables released wholesale by the WikiLeaks organisation.

Some leading politicians are accused of drug abuse; others are said to have covered up serious health problems; and Ghana's embattled judges face yet more accusations of corruption and inefficiency. Opposition parties are demanding explanations about a conversation in which **John Atta Mills** told US Ambassador **Pamela Bridgewater** on 7 March, 2006 that Ghana's politics were 'very polarised and ethnically divided' and referred to NPP plans for 'a great Ashanti project' as 'terrifying'. NPP Deputy Communications Director **Yaw Buaben Asamoah** claimed this week that such remarks by the President would promote division and even instability. **Clement Apaak** of the Forum for Democracy and Justice has called on parliament to set up a bipartisan committee to investigate the reports emerging from the WikiLeaks cables.

There's not much prospect of MPs agreeing to that. More likely, they will pick snippets from the cables that denigrate their political opponents and use them in the increasingly rough pre-election campaign rhetoric. As a slew of personally damaging allegations, drawn from the cables, were discussed in detail on the feisty FM radio stations in Accra and Kumasi, Vice-President **John Dramani Mahama** urged journalists to concentrate on serious matters 'such as development.'

Others are taking the reported slights more seriously. Former head of state Flight Lieutenant **Jerry John Rawlings** has been fiercely denying stories about him in the cables. Assessing the President in 1997, US Ambassador **Edward Brynn** wrote, 'It is credible that Rawlings may have some kind of psychological/medical problems or be on psychotropic medication'.

Brynn reported that his colleague the Netherlands Ambassador, **Hein Princen**, had, unusually, been invited with his wife to spend a weekend with Rawlings and his family on a 'modest but comfortable' boat that Rawlings used for relaxation

on the Volta Lake, near Akosombo. Princen's wife, a social worker, 'concluded emphatically that Rawlings is a drug-user'. She described 'periods of high-level energising, followed by Rawlings disappearing for thirty minutes', say the cables, after which he would return 'subdued and even mellow. He perspired profusely at short notice, and consumed large quantities of non-alcoholic drinks'.

Brynn commented: 'Princen reinforced my own impression that Rawlings' attention span has shortened of late. The Princens found Rawlings open, indulgent with his children and deferential – even obsequious – towards his spouse, **Nana Konadu Agyeman Rawlings** (AC Vol 52 No 15). Brynn also said that his personality 'has long had an unpredictable and boisterous edge, with a degree of paranoia – perhaps not surprising for a leader who has survived numerous coup attempts'.

After the cables emerged, Rawlings's office issued a statement saying he 'was offended by attempts to mar his character and reputation' by the Netherlands Ambassador, underlining the apparent falsity of the Dutch couple's view by saying that he had only four children, not six, as stated in the cable. 'We wish to state categorically that President Rawlings is not and has never been a drug user...', the statement said, and called the alleged comments of the Princens, 'unfounded, baseless, malicious and a smear on medically and scientifically established processes'. It also said, 'Third party users of the leaked cables are cautioned that the information therein is false'. A Rawlings spokesman told *Africa Confidential* that his legal team was contacting the Dutch government to secure a retraction of the Princens' reported remarks.

A cable from a later US Ambassador reported that, after meeting Rawlings, the American civil rights leader **Jesse Jackson** told ex-President **John Agyekum Kufuor** that Rawlings was 'delusional' and misguided in his obsession with past grievances. Reverend Jackson thought Rawlings 'appeared agitated during his meeting, his eyes bulging at times'.

KUFUOR SNUBBED

Jackson also accompanied the US Ambassador to meet Kufuor and his Security Minister, **Francis Poku**. Jackson told Kufuor that Ghana's political polarisation was hurting its investment

prospects. Kufuor explained that he had reached out to Rawlings in the early years of his presidency but was repeatedly rebuffed. As a conciliatory gesture this week, Rawlings attended the launch of Kufuor's foundation at Legon University.

However, a decade ago, Kufuor told US diplomats that he had become 'increasingly frustrated' with Rawlings, who was found holding meetings with military officials in the barracks and was told that was inappropriate. After this happened several times, Kufuor arranged a meeting with Rawlings and included the traditional leader of the Ashanti people, the *Asantehene*, who reminded Rawlings that he should respect Kufuor as head of state. Soon after, during a 2005 meeting in **South Africa**, Rawlings attacked Kufuor in front of the world media.

Kufuor explained that he had decided to withdraw Rawlings's special travel privileges at which point the only other Ghanaian official present in the meeting with the US diplomats, Security Minister **Poku**, interjected that Rawlings suffered from severe depression and took regular anti-depressant medicine. Poku claimed that psychiatrists treated Rawlings like 'a child who wants his toy back', the toy being the presidency of Ghana. Kufuor then recalled an incident when, as President, 'Rawlings climbed a tree in the grounds of the Castle and would not come down, reportedly in part the effect of his wife's refusal to medicate him'.

The leaked cables reopen controversies about how far Latin American cocaine traffickers and their local political allies had been able to penetrate the political system and police service under Kufuor's presidency. The US cables report that Kufuor sacked Security Minister **Poku**, whose house was later surrounded by security operatives, for sending intelligence officers for training to **Israel** without authorisation and for inappropriate relations with 'criminal' elements. Poku alleges wholesale infiltration of the police and domestic intelligence agencies by drug traffickers. He singles out the refusal of the Inspector General of Police **Patrick Acheampong** to agree to basic measures to control the trafficking. For demanding action against Acheampong and others, Poku said he was sacked, having refused to resign. On taking power in 2009, Mills replaced Acheampong and several of his senior colleagues.

Kwesi Pratt, Editor of *Insight*, was quoted in another cable as having told a US Embassy official that **Nana Addo Dankwa Akufo-Addo**, the NPP presidential candidate in 2008 and today, used to smoke marijuana, 'and I mean a lot!'. An NPP Spokesperson said Akufo-Addo 'would not let such libellous allegations deter him from unseating the ruling party in 2012'. ●

Too little, too late

The President's promise to fight corruption after the elections seems to have convinced neither diplomats nor voters

While publicly condemning corruption, President **Rupiah Bwezani Banda** gave United States diplomats various explanations of why he could do little about it, according to US State Department cables that WikiLeaks released this month – just before Zambia's legislative and presidential elections on 20 September. An unnamed World Bank vice-president challenged Banda in person about his reputation for being 'soft on corruption' when they met at the United Nations General Assembly in New York, according to one October 2009 cable. Banda replied that he could not take a robust anti-corruption stance because he had 'multiple constituencies to satisfy'.

The Bank executive pressed Banda, says the cable, and asked him why he had sacked Task Force on Corruption (TFC) supremo **Maxwell Nkole** (in August 2009, AC Vol 50 No 25), to which he said that he 'needed people who are loyal'. Banda then said it would be easier to deal with corruption and the perceptions of it once he had won a full five-year term in 2011.

In this year's election campaign, Banda has so far made no public statement on fighting corruption. Local analysts are convinced that the 'constituencies' he alluded to in New York have contributed too much to his campaign for serious anti-corruption moves to be a feature of his new government if he wins the presidential and legislative polls (AC Vol 52 No 16).

Banda and his media people have refused to respond publicly to the leaks. He was 'deeply hurt and disturbed' by the revelations about his government's softening stance on corruption but would not comment during the election campaign as it was 'too sensitive', said a source close to State House. He privately promised to summon the US Ambassador, **Mark C. Storella**, to discuss the matter if he were elected, we hear.

The New York encounter followed a protracted tussle over corruption between Banda and the USA, as well as other donors, including **Britain**, the **Netherlands**, **Norway** and **Sweden**. The cables chart the progress of this battle. In early 2009, contributing countries were applying considerable pressure for Lusaka to increase transparency and otherwise continue on the course adopted by the late President **Levy Mwanawasa** when he set up the TFC in 2002 to clean the Augan stables left by President **Frederick**

Chiluba. In a 28 May 2009 cable, the US Chargé d'Affaires, **Michael Koplovsky**, noted that two days beforehand, Banda had summoned heads of diplomatic missions to State House to 'reassure' them of his government's commitment to fighting corruption. Sweden and the Netherlands had just decided to freeze their grants to the health sector, crucial to programmes on HIV/AIDS and malaria, after officials had set up ghost companies to steal about US\$2 million from the health budget.

The Netherlands and Sweden were worried, not so much by corruption in itself, the cable said, but felt 'mounting anxiety' at the government's 'seemingly tepid response' to corruption. Koplovsky remained optimistic: 'Zambia has made significant strides in its anti-corruption campaign', especially after Chiluba's wife, **Regina Chiluba**, was prosecuted by the TFC and convicted in March 2009. (She was acquitted on appeal.)

BANDA'S LITMUS TEST

At the time the US Embassy, in tune with the other missions, was keenly looking at what Lusaka would do about ex-President Chiluba in the wake of a London High Court judge's determination in May 2007 that Chiluba had stolen \$46 mn. in state funds and ordered him to pay back \$58 mn., including interest. The donors saw it as a litmus test of Banda's will to combat corruption (AC Vol 48 No 10). However, a Lusaka court acquitted Chiluba of corruption in August 2009 after the judge dismissed the London ruling as irrelevant. Banda did not disguise his pleasure and, after initially placating donors on corruption, gave up all pretence. The state firmly refused to appeal the decision and the government refused to renew TFC head Nkole's contract.

From this point, Koplovsky's cables took on a gloomier tone, as he despaired of any official action. He remarked that Nkole's dismissal 'indicates his [Banda's] transition from passively ignoring corruption to actively undermining anti-corruption efforts' and thumbing his nose at foreign concern.

Banda then went on the offensive, accusing civil society organisations, which were protesting against the government's decision not to appeal Chiluba's acquittal, of being in the pockets of foreign powers. That October Banda, supported by state media, accused donor countries of

interfering in Zambia's internal affairs, especially after the minutes of a donor conference were leaked. Koplovsky wrote in a cable that it was the 'latest example of the GRZ's [Government of the Republic of Zambia's] attempt to subvert dissent and deflect criticism by invoking themes of sovereignty and stability, while villainizing its opponents and foreign governments.'

The events of 2009 marked the end of serious international efforts to persuade Banda to tackle corruption. Koplovsky's earlier optimism was defeated, particularly by what he saw as the impunity of Banda and his ministerial colleagues, especially Vice-President **George Kunda** (once a respected lawyer, later Mwanawasa's Justice Minister). 'These and other developments suggest that the Banda Administration is not seriously committed to fighting corruption... Although it is not too late for Banda to redeem himself, there is little to suggest that he will,' Koplovsky concluded at the end of September.

The cables mentioned various scandals by name, chiefly the **Dora Siliya-Zamtel-RP Capital** saga, in which dubious payments were made concerning telecommunications privatisation, and the single-sourced \$53 mn. mobile hospital deal with **China**, nothing that these were 'but the tip of the iceberg'.

In case donors contemplated more aid cuts, Banda had a threat up his sleeve. In a cable dated 30 November 2009, the then US Ambassador, **Donald E. Booth**, reported that six days earlier, Banda had told him, along with representatives of the Netherlands, the World Bank and other donors, that they would 'be sorry' if he did not win in 2011. They would realise what a democrat he was only after he was gone.

In another meeting with Booth, 'Banda agreed on the need to prevent violence' in the elections and showed his charming side. 'President Banda seemed very relaxed and engaged throughout the one-hour meeting,' the Ambassador reported. 'He often referred to the difficulty he has had winning Cabinet support for what he considers necessary reforms and shared how Minister of Home Affairs **Lameck Mangani** and police chiefs had defended restrictive tactics based on outdated national security arguments.'

Booth seemed to accept readily the image of a President imprisoned by his advisors and left with no room to manoeuvre. 'Banda's inability to rally his Cabinet behind him is telling, as he has never had the full support of the MMD [Movement for Multiparty Democracy] leadership following former president Mwanawasa's death and his by-election win.' Some analysts regarded it as equally telling that Booth apparently believed Banda's claim to be powerless to act. ●

ZIMBABWE/UNITED STATES

US sources run for cover

The unredacted WikiLeaks release of US cables from Harare exposes senior politicians and soldiers to witch-hunts

The Zimbabwean media gave blanket coverage to the WikiLeaks cables from the United States Embassy in Harare, released last month. Nearly 3,000 dispatches cover the last decade and Zimbabwe African National Union–Patriotic Front chief spin doctor **Jonathan Moyo** claims to have spent sleepless nights reading them. Fear spread that ZANU-PF would seek to punish any who spoke to the US diplomats, even though Moyo himself was one of them (AC Vol 52 No 18).

The cables are unredacted – potentially damaging words are not removed – thereby exposing individuals to government revenge. As the names appeared, there was near panic. Reactions ranged from silence to Youth and Indigenisation Minister **Saviour Kasukuwere**'s blatant denial that he had ever met anyone. The presidential ambitions of Zimbabwe Reserve Bank Governor **Gideon Gono** were a topic of discussion between Moyo and the US Political Counsellor, who reported back in a September 2007 cable. Gono now denies telling US Ambassador **Christopher Dell** that **Grace Mugabe** had said that her husband, President **Robert Gabriel Mugabe**, 'was out of it 75% of the

time'. Gono added, 'These claims are the rogue ambassador's opinions, the product of their fictional minds or whatever kind of grass they were smoking.' This may have been a dig at Dell's habit of attending Friday night karaoke sessions at the downmarket *Le Pointe* bar not far from his Embassy (something not mentioned in the cables, unsurprisingly).

Moyo's initial plan to use the cables to berate the Movement for Democratic Change and its leader, **Morgan Tsvangirai**, unravelled because of what they had to say about divisions in ZANU-PF. Yet by 11 September, Moyo had bounced back in his regular *Sunday Mail* column, claiming there were several reasons for various groups to talk to the USA. The first concerned the MDC's outright traitors, who betrayed not only their country but their leader. There were two ZANU-PF groups: those who were treacherously ambitious and should be pursued by the Attorney General, and those who, from patriotism, were merely testing US responses to misleading information. As for himself, at the time the cables were written, he was an independent member of parliament beholden to no party and

he published his views openly in his newspaper articles. This slid neatly over the fact that he has desperately tried to suppress any republication of those articles. The US Embassy described Moyo as a regular and reliable source.

Moyo then said WikiLeaks was thus a 'blessing in disguise': through astute diplomacy, Zimbabwe now knew US reactions to misleading scenarios but the USA had gained no corresponding advantage for itself. This implausible scenario will help to support a new propaganda cry of 'Mugabe must stay'.

The cables show a level of duplicity among Mugabe's close advisers and henchmen that has left him depressed and enraged, say the independent media. He faces a dilemma: if he purges senior plotters, ZANU-PF might collapse in disarray; if he does not, the securocrats will be up in arms. To show they mean business, the hard-liners have mobilised sections of the Central Intelligence Organisation (CIO) and police to help widen the scope of the long-established project to frame Tsvangirai on yet another treason charge (AC Vol 45 No 21).

A ZANU-PF Politburo meeting on 13 September started late because Mugabe was having a long, unscheduled meeting with US Ambassador **Charles Ray**, a figure at the heart of the cables saga. High on the agenda of the meeting, the first for some time, was the topic of US franchise KFC (aka Kentucky Fried Chicken) opening in Zimbabwe. Both parties tactfully ignored the finger lickin' titbits from WikiLeaks, we hear. Taken as a whole, the cables provide the record of Harare gossip and rumour from a decade when the US Embassy got better briefings from Mugabe's henchmen than he did. The number of grassroots functions Ray attends suggest he may be about to re-engage with Mugabe. A few weeks before, Ray had visited ZANU-PF National Headquarters as the guest of National Chairman **Simon Khaya Moyo**.

Various factions have come close to breaking with ZANU-PF, the cables say. Moyo and **Emmerson Dambudzo Mnangagwa** considered forming the New Patriotic Front in 2004. In 2008, **Solomon Mujuru** and CIO Director **Happyton Bonyongwe** nearly backed the presidential bid of **Simba Makoni** and his Mavambo-Kusile-Dawn party. Makoni took 8% of the vote, depriving Tsvangirai of an outright win in the first round.

Meanwhile, the Minister of State in **Joice Mujuru**'s office and a close ally, **Sylvester Nguni**, is embarrassed in a messy divorce case: his wife accuses him of mobilising large donations for Makoni (AC Vol 52 No 14). And ZANU-PF MP and deputy minister, **Tracy Mutinhiri**, also in the throes of divorce, has already been expelled and lost her seat just for being too friendly with the MDC leader. ●

GENERAL ALARM

Two of those most exposed to any possible Zimbabwe African National Union–Patriotic Front retribution for sharing their opinions and information with **United States** diplomats are army generals: Brigadier General **Herbert Chingono**, who went on a training course in the USA in 2000, and Major Gen. **Fidelis Satuku**, who took a similar course in **Britain**. The pair briefed US Ambassador **Charles Ray**, himself a former US Army officer, on how the Zimbabwe Defence Forces (ZDF) divided into three: tuggish party-orientated elements, those opposed to the way things were going and those sitting on the fence awaiting developments.

The generals dismissed the ZDF Commander, Gen. **Constantine Chiwenga**, as a political general, having been a mere commissar during the Independence struggle with next to no military expertise. Ray admitted that the two had taken a great risk in talking and urged that their identities be concealed lest they be charged with treason. Both face a possible court martial now because of the WikiLeaks release of the cables without redaction. An army spokesman told local media that prosecution was likely.

Ray's predecessor, **James David McGee**, met **Dumiso Dabengwa**, the former Zimbabwe People's Revolutionary Army intelligence chief, in March 2008. He also rated Chiwenga as essentially political and so corrupt 'he would rather sink with the ship than oppose the captain'. On the other hand, he considered the Army Commander, Lieutenant Gen. **Philip Sibanda**, a level-headed professional who had served in **Angola** and rescued the Zimbabwean forces from defeat in **Congo-Kinshasa**. More surprisingly, he revealed that Air Marshall **Perence Shiri** had long been critical of President **Robert Mugabe** and his refusal to permit change within ZANU-PF. Dabengwa also said Shiri had repented of his actions while leading the Fifth Brigade in Matebeleland during the Gukurahundi massacres of 1982–87. In Matebeleland, this has shocked the grassroots members of Dabengwa's Zimbabwe African People's Union (AC Vol 52 No 17). ●

Rajoelina agrees a deal

Andry 'TGV' Rajoelina was prepared to compromise once he thought Ravalomanana no longer represented an electoral threat

No sooner had interim leader **Andry Rajoelina** agreed to terms that included the return of the exiled **Marc Ravalomanana**, than senior figures in the governing *Haute Autorité de la Transition* (HAT) were threatening to arrest the former President. Nevertheless, the momentum behind the compromise agreement made during the night of 16-17 September in Antananarivo is stronger than at any point in the past two-and-a-half years of stalemate.

It is based mainly on a 'road map' developed months ago by mediators from the Southern African Development Community (SADC). This specifies forming a consensus transitional government, holding legislative and presidential elections, and lowering the minimum age for a head of state from 40 to 35. (That enables the transitional President Rajoelina, 37, to stand).

The deal differed little from one agreed in August 2010 by pro-HAT political parties. Eight of them endorsed it this year but the political movements led by Ravalomanana and two other ex-presidents, **Albert Zafy** and **Didier Ratsiraka**, rejected it because it denied exiles the right to go home in time to participate in the elections.

Rajoelina and the HAT dug their heels in over this. They were determined to keep Ravalomanana out of the country until polling had finished. When he was in power himself in 2002-09, Ravalomanana – a wealthy business tycoon – had a well-funded campaign machine that outgunned and procedurally outmanoeuvred his enemies. Rajoelina was determined to deny Ravalomanana an opportunity to do this again. Ravalomanana tried to force the issue by flying home from Johannesburg but the HAT told the airline he planned to use not to let him board. The regime also oversaw politically motivated trials that convicted Ravalomanana *in absentia* of corruption and human rights abuses after his bodyguards shot dead at least 30 demonstrators in February 2009.

SADC tried to press Rajoelina on an unconditional right of return for Ravalomanana in June but failed. It was SADC that blinked, at the last moment, when it inserted a clause in the agreement recognising the right of Malagasy courts to maintain their own judgements and declaring that right

of return did not involve immunity. A reference in the agreement to amnesty was kept vague. This was enough to win Rajoelina round.

Although SADC played its part, the strongest pressure on Rajoelina came from international donors, led by the European Union, **France** and the **United States**, which had banned all new aid, with heavy consequences for the country's fragile finances. By July, according to the United Nations' estimates, about 600 mn. euros (US\$824.87 mn.) in aid had already gone, while the US government's January 2010 suspension, under the Africa Growth and Opportunity Act, of market access privileges for Malagasy textile exports has cost 50,000 of the 130,000 jobs in the once booming garment sector. Meanwhile, analysts say, Ravalomanana has become less of a threat to Rajoelina, who is commanding increasing popular support. Two significant factions broke away from the former President's party, *Tiako-y-Madagasikara* (TIM), and his Tiko business group, starved of preferential business opportunities, is a

shadow of its former financial self.

The combination of increased donor pressure and a decreasing political threat from Ravalomanana tipped Rajoelina in favour of the settlement. The elections will probably take place early next year.

WILL IT STICK?

For Ravalomanana, the lack of a guaranteed amnesty presents a risk. HAT Justice Minister **Christine Razanamahasoa** explicitly promised to arrest him if he should return. That needs to be balanced against Rajoelina's need not to anger donors and mediators further.

Ravalomanana is also likely to believe that this is best arrangement he can hope for. He was once able to count on the solid support of **South Africa** but lost a lot of its confidence by insisting on the pretence that he was still the legitimate head of state. South African President **Jacob Zuma's** determination to see a draft deal agreed has helped to nudge Ravalomanana towards acceptance.

While the indications are that Rajoelina will honour the agreement, there are pressures in the other direction, too. Some HAT die-hards see no need to give jobs to politicians from opposing camps, as would be called for in a transitional government. Nor is the record good. In 2009, an early cross-party choice as a consensus Prime Minister, **Eugène Mangalaza**, was never installed. This March, Rajoelina retained

INTERNATIONAL CONCERNS

The new settlement, unratified, uncertain and flawed though it is, will find strong support from international organisations anxious to deal with a worsening humanitarian situation and to reverse the years of economic contraction. Real gross domestic product shrank by 3.7% in 2009 and a further 2% last year.

When the military overthrew President **Marc Ravalomanana** and installed **Andry Rajoelina** in March 2009, contributing countries were initially reluctant to reduce their economic support because of Madagascar's poverty and heavy dependence on aid. They continued to disburse credits that had already been approved but halted new programmes. It was only when the existing programmes started to run out, in 2010, that the suspension of new aid began to hit hard.

Many donors tried to protect the poorest people by bypassing government to channel aid straight to where it was needed, even paying the salaries of some teachers directly. It eventually became clear that these measures were failing to protect ordinary Malagasy, particularly when the suspension of **United States** trade privileges cut factory jobs in Antananarivo. In July, the United Nations Special Rapporteur on the Right to Food, **Olivier de Schutter**, reported that child malnutrition levels were now among the worst in the world, comparable with **Afghanistan** and **Yemen**.

The erosion of constitutional government and a de facto siege economy have also accelerated the damage to the island's fragile and globally important ecosystems, as the illegal cutting of rare timber species – particularly rosewood, highly prized in East Asia – has increased. **France's** sympathy for the ruling *Haute Autorité de la Transition*, motivated by wariness of the pro-Anglophone Ravalomanana, mixed with a recognition that Rajoelina enjoys strong popular support, has been a factor.

The substantial 'Yes' vote on Rajoelina's political agenda in a referendum late last year influenced Paris in Rajoelina's favour but did not tempt it to break ranks with the other donors. France will be supporting the rapid restoration of international assistance but the HAT will have to implement the new political compromise. ●

his man, General **Camille Vital**, as Prime Minister, despite already having agreed to a neutral premier (AC Vol 50 No 20).

The new deal envisages that the premiership should go to someone from a region other than Rajoelina's native Highlands. Possible non-partisan nominees might include Mangalaza (from the north-east) or the human

rights campaigner **Fetison Rakoto Andrianirina**, a former Ravalomanana supporter from Lac Alaotra.

Rajoelina has co-opted former opponents before now, appointing former Ratsiraka lieutenant **Pierrot Rajaonarivelo** as Economics Minister in March and awarding the Constitutional Affairs portfolio to a onetime

TIM parliamentarian, **Yves Aimé Rakotoarisoa**. Appointing a respected neutral to lead the government is a big step for Rajoelina that could set him on a collision course with hard-liners in the HAT who are opposed to the new settlement. Perhaps they fear that a return to constitutional government may end their lucrative earning opportunities. ●

CENTRAL AFRICAN REPUBLIC/CHAD

Mastering the militias

Under pressure from Chad, the President is neutralising the militias in the north, amid questions about whether the peace can last

Chad's President **Idriss Déby Itno** has had a crucial influence on the regime of President **François Bozizé Yangouvonda** and he has let him know that the armed Chadian exiles in CAR

must be brought to heel. General Déby had expected that Gen. Bozizé would curb the various movements which, although currently in disarray, could regroup at any moment and pose serious

BABA LADDÉ: ROBBER OR ROBIN HOOD?

While the armed groups in the Central African Republic boast grandiose titles including words such as 'front' and 'people', extortion is usually their *raison d'être*. Most are led by Peulh (Fulani) people. The *Union des forces démocratiques pour le rassemblement* (UFDR) and the *Convention des patriotes pour la justice et la paix* (CPJP) live off the diamond miners. The *Armée populaire pour la restauration de la république et la démocratie* (APRD) collects fees from local markets. The *Front patriotique pour le rassemblement* (FPR) provides 'protection' for Peulh herders (known in CAR and South Sudan as Mbororo) who would otherwise fall victim to bandits (often known as zaraguinas), other militias (including the above-mentioned) and the *Forces armées centrafricaines* (FACA, the national army) and the *Gendarmerie*.

FPR leader **Baba Laddé** ('Bush Daddy', his real name is **Omar Abdul Kader**) is a Peulh of Chadian origin, as are militia leaders **Abdoulaye Issène**, **Abdoulaye Miskine** (his real name is **Martin Koumta Madji Nadingar**), **Maradas Lakoué**, **Abakar Sabone** and many others. Laddé became a gendarme in 1996 and was a *maréchal des logis chef* (sergeant major) until his arrest in 1998 over his activities in support of other Peulh in his home area. He escaped gaol in 1999 and stayed for some years in Maroua and Kousséri in Cameroon and Maiduguri, Nigeria. When Chadian rebels moved to Darfur after 2005, Laddé joined them but did not stay long because the ethnic groups dominating the rebel organisations – Zaghawa, Gorane and Arab – often treated Peulhs with contempt.

In 2008, **Jean-Jacques Demafouth** invited Laddé to join his APRD, which needed men with military training. Yet that group also was prejudiced against Peulh and Chadians generally, and used to rob Peulh herders and attack the *zaraguinas* (highwaymen), who are also often made up of Peulh of the Houda subgroup.

Laddé decided to found his own group, basing it on defending the Peulh against the depredations of other ethnic groups or militias. He recruited young, marginalised Peulh from Chad, CAR, Cameroon, and others from **Niger**, **Senegal** and **Sudan**. Many of this group had been highwaymen. Today, he claims that he has contacts with **Boko Haram** and **Al Qaida** in the Islamic Maghreb. In addition to the 'protection' income from the herders, Peulh traders in Nigeria and intellectuals from the diaspora have funded him and helped him frame a political message. This enabled him to buy weapons and ammunition from Sudanese poachers, who had obtained them from the arms with which the Khartoum government had flooded Darfur.

The FPR has built up a permanent base with, some reports say, 800 families in residence. It may be able to put 2000 well-armed fighters in the field and is unchallengeable by any other armed groups in the area it loosely controls (see Feature). While today Laddé claims he would be happy to go back to Chad and make peace with President **Idriss Déby Itno** – to whom he has never been a real threat – the FPR has taken root in CAR thanks to its income from theft and a growing popularity among some local Peulh, mostly living in the countryside and far from the influence of Peulh elites in Bangui. ●

risks in Chad (AC Vol 52 No 18). Bozizé seemed to understand that action was needed when the governments of Chad, Sudan and CAR met in Khartoum on 25 May. The urgency grew when attacks on Chadians in Bangui took place in early June (AC Vol 52 No 12).

President Bozizé cannot last long without Chadian support and so he acted to reassure his northern neighbour. After three years of impasse, two important militias signed a ceasefire: the *Convention des patriotes pour la justice et la paix* (CPJP) and the *Front patriotique pour le rassemblement* (FPR). At the same time, the disarmament, demobilisation and reintegration (DDR) process that had been stuck for months suddenly speeded up: an official ceremony at Bocaranga in June revived DDR and by early August, some 1,500 former fighters of the *Armée populaire pour la restauration de la république et la démocratie* (APRD) had been demobilised.

CAR boasts many armed movements, all of which have their bases in the north, often near the Chadian border. Some are made up of bandits who occasionally take advantage of political instability to act as mercenaries, such as the *Front démocratique du peuple centrafricain* (FDPC) of **Abdoulaye Miskine** (aka **Martin Koumta Madji**) and the *Mouvement des libérateurs centrafricains pour la justice* (MLCJ) of **Abakar Sabone** and **Adoum Rakhis Abder Razul**.

Other groups may express local grievances in the face of an indifferent central government in Bangui. Of these, four are important: the APRD, led by ex-Defence Minister **Jean-Jacques Demafouth Mafoutapa**; the *Union des forces démocratiques pour le rassemblement* (UFDR), led by **Zacharia Damane**; the CPJP, under **Abdoulaye Issène**; and the FPR of **Baba Laddé** (see Box).

NO CONSULTATION

Bozizé has moved unilaterally, however, without consulting on DDR with international partners such as the United Nations Development Programme or the *Mission de consolidation de la paix en Centrafrique* (Micopax) of the regional *Communauté économique des états de l'Afrique centrale* (CEEAC). The worry is that militias may be demobilised and

disarmed without successful reintegration into society. The national army recently launched a recruitment campaign but no former rebels were invited to apply. Some sceptics in Bangui also thought that the regime was trying to grab 5 billion CFA francs (US\$10 mn.) provided by CEEAC for DDR but payments have been correct up to now. This long-discussed project nevertheless looks fragile. The political space has narrowed since January's elections and only 20 weapons of war – only two of them functioning – had been recovered by mid-August.

Any optimism is also tempered by complex relations within and between the armed groups. While most of the APRD demobilised fighters come from the western zone controlled by the APRD spokesman, Colonel **Bertin Wafio**, the commander of the APRD eastern zone, Col. **Maradas Lakoué**, has not yet moved. This hesitation is partly due to competition between Lakoué and the FPR of Baba Laddé. Both are Chadian and unlikely to want to go back to their home country.

The FPR agreement with Bangui looks more like a declaration of goodwill than an actual peace settlement and nothing has moved since 13 July. The same appears to be the case with the deal reached with the CPJP. After withdrawing its request for an investigation into the death of its former leader, **Charles Massi**, the CPJP agreed to a ceasefire. (Arrested by Déby in Chad, Massi was escorted back to Bangui and disappeared, AC Vol 51 No 2). Another branch of the CPJP, led by **Mahamat Sallet**, signed a peace pact

on 27 August but it commits him only to adopt previous agreements and there is no timetable for implementation or enforcement.

Some of the groups also feel that the peace talks are intended to play them off against each other. The APRD-Lakoué suffered defeat at the hands of the FPR, which also fought against the FDPC in the extreme north. Rather than the APRD, the UFDR has been the de facto authority in the region it controls and it was displeased that talks with its potential rival, the CPJP, took place without its knowledge.

The July occupation of the town of Sam Ouandja by the UFDR, as well as the departure from Bangui of its leader, Damane, indicates it increasingly feels it is being manipulated and as a result its stance is hardening. This was made even worse when Bozizé appointed a personal enemy of Damane's to the new cabinet, Housing Minister **Joseph Kalité**.

Chad remains the decisive factor in CAR. Firstly, most of the armed movements – and Bozizé's regime itself – exist only because of Chad. Bozizé's survival is dependent on the Republican Guard, a quasi-Praetorian guard where Chadians and members of Bozizé's Gbaya ethnic group are a majority. Many APRD, CPJP, UFDR, FDPC and MLCJ key commanders are Chadian, a few of them opponents of Déby, most merely bandits converted to political causes. This creates considerable prejudice against Chadians among the general public. Some critics call Bozizé 'Déby's governor of CAR' and others lump all resident Chadians together



with the regime. For a majority of Bangui residents, 'Muslim' means 'Chadian' and, therefore, not from CAR. Muslim citizens face tremendous difficulties in getting passports because of this. Yet the Chadian government tends to treat CAR as another province, thereby fuelling new conflict and instability, not only in the north but also in Bangui.

Two of the former ministers of telecommunications named in connection with the Telsoft scandal, in which billions of CFA francs have disappeared, have had their passports withdrawn and been placed under judicial investigation, according to reports from Bangui (AC Vol 52 No 18). The state prosecutor has interviewed the ministers, **Fidèle Ngouandjika** and **Thierry Savanarole Maléyombo**, along with **Abdallah Cadre**, a former finance minister. ●

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Libya

RECOGNISED BUT RISKY

■ Transitional National Council leader **Mustafa Abdel Jalil** had a hero's welcome at the United Nations General Assembly in New York on 20 September but Africa was deeply divided over the new regime. **United States** President **Barack Obama** paid fulsome tributes to Abdel Jalil and his fellow revolutionaries but US diplomats remain extremely cautious. They are also aware that when Obama told Abdel-Jalil, 'We will stand with you as you seize this moment of promise', his government was saying exactly the opposite to the President of the Palestinian Authority, **Mahmoud Abbas**, who is expected to apply for full UN membership on 23 September.

On both issues, **South Africa's** President **Jacob Zuma** and his Ambassador the UN have been trying to rally the African troops. Zuma told the Assembly he would support Abbas' application for statehood but he refuses to recognise the NTC. As South Africa is a non-permanent member of the UN Security Council, its position has resonance. The other two African states on the Council, **Nigeria** and **Gabon**, both hold different views to Zuma on Libya and Palestine. Nigeria clashed with South Africa and **Angola** in January at the African Union summit over **Laurent Gbagbo's** desire to retain power in **Côte d'Ivoire**. The same battle lines are now in evidence.

On 16 September, Angola led some 22 states – including South Africa, **Congo-Kinshasa**, **Equatorial Guinea**, **Kenya**, **Namibia**, **Mali**, **Swaziland**, **Uganda**, **Tanzania**, **Zambia** and **Zimbabwe**, backed by **Cuba**, **Venezuela** and **Iran** – to demand that a UN decision recognising Abdel-Jalil's regime in Tripoli be deferred. Angola said recognition was premature. Sahel states voiced concern about reprisals against African migrant workers. They lost the vote, but the fight is unlikely to end there.

Sudan/United States

TERRORIST LISTING

■ One leaked United States cable must have pleased a Khartoum regime eager to escape the US State Sponsors of Terrorism list. A 'confidential' note from the Khartoum Embassy of 26 December 2006, released by WikiLeaks this month, says Sudan keeps confidential terrorist lists and 'tracks both **Chad** and **Libya** on an on-going basis'. Listed are *Al Qaida*, *Hizbollah*, Palestinian Islamic Jihad, Libyan Islamic Fighting Group, Lord's Resistance Army and local group *Al Takfir wal Hijra*.

This looks like a list designed to be monitored. The ruling National Congress Party has always welcomed **Lebanon's**

Hizbollah and publicly backed it since 2006. The NCP (then National Islamic Front) nurtured *Al Qaida*. The LRA long operated from Khartoum's Juba garrison and the NCP is believed still to back it. The list echoed the NIF's 1995 offer to hand **Usama Bin Laden** to Washington, which refused, believing the offer not credible. The NIF could clearly not afford to betray him but the trick enabled it to trap the USA and also to claim it had abandoned Islamism.

A recent film tells a different story. The International Cooperation Ministry's Planning Director, **Ahmed Malik Ahmed**, and a man introduced as Commander of the People's Defence Force and of 'the mujahideen in Sudan', **Mohamed Ahmed Haj Majid**, appeared with Gaza Prime Minister **Ismail Haniya** of the ruling *Harakat al Muqawama al Islamiya* (Hamas). The August clip from *Al Aqsa* TV shows the famously fiery Gezira-born Ahmed Malik declaring, 'The Koran is our constitution' and Haj Majid had come 'directly from jihad in Kordofan with 5,000 mujahideen' to fight 'the Jews' ('*Yahud*'). The NCP may funnel arms to Gaza (AC Vol 52 No 8) but it would be hard to smuggle in many fighters.

Known for his ferocity, Haj Majid led mujahideen in the Southern war. A Shaigi, he is not to be confused with his friend **Haj Majid Ahmed Suwar**, NCP Political Mobilisation Secretary, Youth and Sports Minister and Governor **Ahmed Mohamed Haroun's** sidekick in the recent clamp-down in South Kordofan. Both are from the state and Haj Majid Suwar is named after Mohamed Ahmed's grandfather.

Mozambique

BY-ELECTION BUSINESS

■ The resignation of three *Frente de Libertação de Moçambique* mayors is raising strong political interest, as well as the hopes of opposition parties, in the by-elections set for 7 December. The mayors, **Pio Matos** of Quelimane, **Sidique Yacub** of Pemba, and **Arnaldo Maloa** of Cuamba, all elected in the 2008 polls, resigned in August. All three stood down for 'personal reasons' but the timing suggested they had been ordered to go by Frelimo.

Frelimo denied this but insiders confirmed that the party was worried about the possibility of losing future elections. Opposition sources told *Africa Confidential* about popular protests against corruption in some towns and anonymous denunciations. One report stated that several mayors have become rich and that Frelimo is anxious to present the best candidates at the 2014 elections. Another spoke of two other mayors refusing to resign when asked by Frelimo.

The opposition has high hopes of defeating Frelimo, capitalising on the success of the Mayor of Beira, **Daviz Simango**, who formed the *Movimento Democrático de Moçambique* after being

expelled from the *Resistência Nacional Moçambicana* (Vol 50 No 22). The MDM candidate for Cuamba is **Maria Moreno**, one of a number of influential Renamo MPs and party members who defected to the MDM. Academic **Manuel de Araujo** is standing for the MDM in Quelimane, and **Assamo Tique** in Pemba. Renamo deems the by-elections 'irrelevant' and says it will mount massive demonstrations. This leaves the field clear for opposition to Frelimo to unite around the MDM.

Qualifications for candidates are onerous, however, and have stymied Frelimo's rivals in the past. As well as certificates proving residence of at least six months, which can be hard to extract from a reluctant Frelimo municipality, and certificates of non-conviction for crimes, to register candidates must produce petitions signed by 1% of the entire electorate.

Britain/United States

NO EITI FOR UK

■ Britain is refusing to follow United States President **Barack Obama** in joining the Extractive Industries Transparency Initiative. Asked why Britain would not take part, even though EITI was originally a British idea sponsored by Premier **Tony Blair** in 2002, Department for International Development (DfID) press officers said that although 'the UK is already a strong international supporter of the EITI and transparency in the extractives sector,' it was 'not appropriate' for Britain to join because it was not 'resource rich', by the International Monetary Fund's definition. One civil society campaigner described this to *Africa Confidential* as 'the weakest excuse you could imagine'.

Under the EITI, countries and extractive companies sign up to declare what they receive and pay in taxation on extracted natural resources, to support good governance and prevent diversion of revenues (AC Vol 52 No 6). The voluntary code goes with legislation, such as the US Dodd-Frank Act, requiring companies in the industrialised world to declare their resource income from abroad.

Analysts see two possible reasons for Britain's demurral: that Britain didn't know it might be upstaged by the US President and would have done otherwise if it had, or else that DfID had always regarded EITI as a 'development tool' intended only for poor countries, 'not for us'. Bad publicity about the refusal to join could cause a quick policy reversal, especially in view of Britain's strong commitment to support a European Union law, whose draft is expected in October, modelled on Dodd-Frank. The EU bill goes further than the American, we hear, because it will include private as well as publicly-quoted companies. Dodd-Frank covers only companies under the jurisdiction of the US Securities and Exchange Commission.

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moved against aid and that private capital – which makes up most flows to Africa – is likely to be more selective. Of the African fiscal deficits during the 2008 crisis, some 80% were financed from domestic resources, Shanta Devarajan noted.

At least that helped to develop banking systems and financial sectors, as well as send governments on a tax collection campaign. The same is happening now, with tax authorities getting tougher on corporate profits and royalties, particularly in the oil and mining sectors. Global food prices are now 26% higher than a year ago and the price of rice – an 'essential commodity' for many African middle classes and therefore politically sensitive – went up by 5% in August alone.

Sharply rising food prices have prompted more debate about how developing-country governments can reduce risk. The World Bank helps countries to set up financial market insurance and other risk management strategies, such as crop insurance. Senior officials at the United Nations Conference on Trade and Development says these are largely ineffectual and instead want tighter regulation of the role that financial investors and speculators play in commodity markets, as well as restrictions on banks that have inside information about commodity market movements.

Prospects for such regulation look

SUB-SAHARAN AFRICA'S ECONOMIC PROSPECTS: GROWTH, INFLATION AND TRADE

Source: IMF World Economic Outlook, September 2011

	REAL GDP			CONSUMER PRICES			CURRENT ACCOUNT		
	Annual % change			Annual % change			Percentage of GDP		
	2010	2011	2012	2010	2011	2012	2010	2011	2012
Sub-Saharan Africa	5.4	5.2	5.8	7.5	8.4	8.3	-1.2	0.6	-0.6
OIL EXPORTERS	7.3	6.2	7.2	12.3	10.5	9.4	6.0	11.1	8.6
Angola	3.4	3.7	10.8	14.5	15.0	13.9	8.9	12.0	7.3
Chad	13.0	2.5	6.9	-2.1	2.0	5.0	-31.3	-18.9	-13.0
Congo-Brazzaville	8.8	5.0	7.0	5.0	5.9	5.2	5.1	7.4	9.7
Equatorial Guinea	-0.8	7.1	4.0	7.5	7.3	7.0	-24.2	-9.6	-10.5
Gabon	5.7	5.6	3.3	1.4	2.3	3.4	10.5	14.8	12.3
Nigeria	8.7	6.9	6.6	13.7	10.6	9.0	8.4	13.5	11.1
MIDDLE-INCOME	3.1	3.5	3.7	4.4	6.0	5.1	-3.1	-3.0	-3.8
Botswana	7.2	6.2	5.3	6.9	7.8	6.2	-4.9	-4.3	-1.7
Cape Verde	5.4	5.6	6.4	2.1	5.0	4.9	-11.2	-12.9	-11.6
Mauritius	4.2	4.2	4.1	2.9	6.7	5.3	-8.2	-9.9	-8.0
Namibia	4.8	3.6	4.2	4.5	5.0	5.6	-1.3	-0.7	-3.3
South Africa	2.8	3.4	3.6	4.3	5.9	5.0	-2.8	-2.8	-3.7
Swaziland	2.0	-2.1	0.6	4.5	8.3	7.8	-18.5	-11.8	-9.0
LOW-INCOME	5.8	5.9	6.5	6.2	8.8	10.3	-6.3	-7.0	-7.0
Cameroon	3.2	3.8	4.5	1.3	2.6	2.5	-2.8	-3.8	-3.3
Côte d'Ivoire	2.4	-5.8	8.5	1.4	3.0	2.5	5.0	1.0	-0.4
Ethiopia	8.0	7.5	5.5	2.8	18.1	31.2	-4.4	-6.3	-8.6
Ghana	7.7	13.5	7.3	10.7	8.7	8.7	-7.0	-6.5	-4.9
Kenya	5.6	5.3	6.1	4.1	12.1	7.4	-7.0	-8.9	-8.5
Tanzania	6.4	6.1	6.1	10.5	7.0	9.4	-8.8	-8.8	-10.2
Uganda	5.2	6.4	5.5	9.4	6.5	16.9	-8.8	-4.0	-8.9

poor, given entrenched opposition from banks and Western governments. **French** calls for a Financial Transactions Tax are gathering broader support, though, with **Britain** and the **USA** among the main opponents. In Washington, several African governments, including **Congo-Kinshasa** and **Liberia**, mooted tough tax regimes for mining and oil companies. The Bank's Vice-President for Africa, **Obiageli Ezekwesili**, said the push for more accountability in natural resource revenue was a basic minimum of reform, which has led to a review of tax and royalty payments and how countries could maximise 'the value of their endowment'. The Bank helps countries to set up sovereign wealth funds to better manage revenue and, in some cases, pays for expert advisors to assist

governments negotiating fiscal terms with international oil and mining companies.

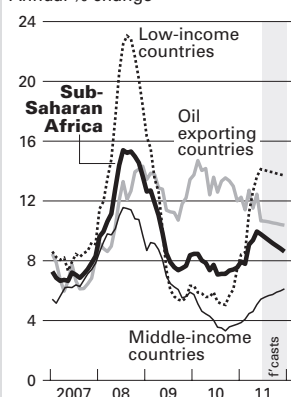
Amid the gloom, the Bank's Chief Economist **Justin Yifu Lin** put a positive spin for Africa. The rapid wage increases in China and India would push labour-intensive manufacturers to relocate to countries with low wages. 'Labour-abundant countries should grasp that opportunity to diversify their economies,' he said. 'There are opportunities for African countries to grow as dynamically as the East Asian countries, not only for a short period of time – it can be 10, 20 or 30 years.' Coming from a man who was founding director of the China Centre for Economic Research during a period of exponential agricultural and industrial growth, Lin's views carry weight. ●

AFRICA'S RESILIENCE

Economic growth in Sub-Saharan Africa is returning to the highs of the early 2000s, according to the IMF. But it warns that several economies, with their strong domestic demand and rising inflation, might be in danger of overheating and calls on policymakers to be cautious against the continuing economic slowdown in Europe and North America.

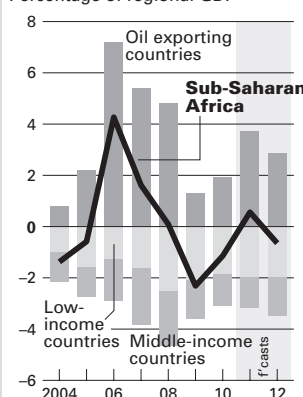
CONSUMER PRICES

Annual % change



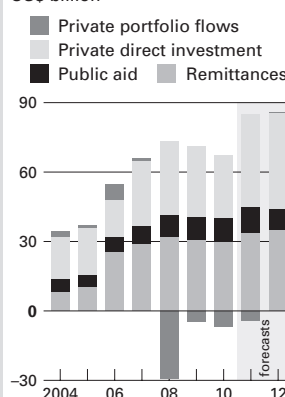
CURRENT ACCOUNT

Percentage of regional GDP



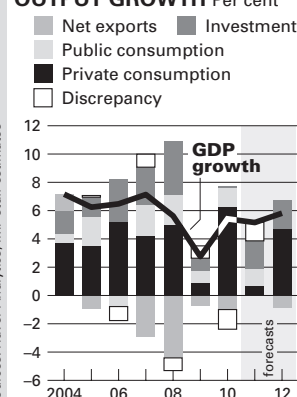
NET FINANCIAL FLOWS

US\$ billion



CONTRIBUTIONS TO OUTPUT GROWTH

Per cent



Sources: Haver Analytics; IMF staff estimates

Troubled exit for Banda

Sata owes victory to the fear of a return to rampant corruption; he must also thank those who persuaded Banda not to rig the election

Rupiah Bwezani Banda was on the verge of declaring himself winner of the 20 September presidential poll after realising he had lost the elections to **Michael Chilufya Sata's** Patriotic Front (PF), sources close to the presidency have told *Africa Confidential*. It was only the intervention of top advisors, electoral officials, founding President **Kenneth David Kaunda**, and **United States** and European Union diplomats on 22 September that persuaded Banda not to subvert the results and stay in office.

The Chairperson of the Electoral Commission of Zambia (ECZ), Justice **Irene C. Mambilima**, is reported to have threatened to resign and tell the world the truth if Banda did not accept defeat. (She later denied this to the *Zambian press*.) US Ambassador **Mark C. Storella** warned Banda that if he did not respect the election results, he would only be able to maintain power by brute force, a Presidency source said. A despondent Banda, faced with advice and warnings from so many different quarters, gave in and shortly afterwards publicly conceded defeat, the source added.

In the legislative elections, Sata's PF won with 43% of the vote to 36% for Banda's governing Movement for Multi-party Democracy (MMD). **Hakainde Hichilema's** United Party for National Development polled 16%. Delayed announcements of results and Sata's hints on polling day that the vote was being rigged encouraged suspicion and unrest over Banda's intentions and fuelled the protests in the Copperbelt towns of Kitwe and Ndola where two protesters died during large-scale rioting.

One factor that gave the opposition confidence that rigging would be difficult was the deployment of some 9,000 observers to monitor polling stations across the country by a civil society organisation, the Civil Society Election Coalition. Using a method called parallel voter tabulation (PVT), monitors take a sample of voting intentions to project probable national results, much like 'exit polls'. The results are believed reliable enough to highlight anomalous voting patterns caused by ballot stuffing. The ECZ tried to stop PVT because it was afraid of inaccurate results being released. The ECZ was set up as an independent regulator but its powers remain limited

because the necessary amendments to the constitution have not been made.

Banda learned on 21 September that the vote was going against him and summoned the top directors of the Zambia Intelligence and Security Services to ask them to help to reverse the result, State House sources say. The security men apparently told Banda they could not help because it was too late. Intelligence chiefs had for months complained that Banda no longer listened to their advice. Junior intel officers, we hear, helped to prevent ballot-stuffing, having heard Sata, a former police officer, promise to improve their welfare.

The conventional wisdom had been that Banda would swing the elections. Zambia has seen unprecedented economic growth against the background of a booming mining sector and grateful business people swelled the MMD's election war chest. After the vote on 20 September, it became clear that the key factor against Banda had been the 1.2 million newly registered voters, some 90% of whom are young, unemployed or impoverished students. They are highly receptive to the charismatic Sata's offer of 'salvation to the laboured'. Voters also feared that a second Banda term would see a return to the blatant corruption of President **Frederick Chiluba's** time. Banda's open association with Chiluba harmed him (AC Vol 52 No 19).

'Our presidential campaign team lacked messages for the youths and women who constitute the majority of the voters,' said MMD MP and National Youth Chairperson **Moses Muteteka** in a post-election interview. Ex-President Banda's eldest son, **Andrew Banda**, also said that the MMD's dishing out of unprecedented quantities of freebies had not worked. 'President Banda made available all the campaign material and other resources that go with elections,' he said, adding, 'I have never seen this happening in my political life. But it's not the materials that win you the vote, it's the hearts.' Sata had mounted a '*Donchi kubeba*' campaign. It means, 'Take the free gift but don't tell them how you are voting.'

Banda also made the mistake of falling out with the Roman Catholic Church, which commands the faith of one-third of Zambians. The Church believed that campaigns against it in the state-owned media were planned and coordinated by

the government. Sata is Catholic.

Although this was Sata's third attempt at the presidency, his campaign message had not changed fundamentally: 'More jobs, less taxes and more money in your pockets.' While the MMD attempted to dent PF support in its Copperbelt strongholds, it neglected to shore up its own areas of traditional support.

THE CHINA CARD

In 2006, Sata's anti-Chinese rhetoric propelled him to political stardom (AC Vol 51 No 23). As late as January this year, he was talking of welcoming Chinese 'investors, not infesters' (Vol 52 No 1). Although it invested considerably in Banda's government, Beijing kept its options open and has frequently welcomed Sata's right-hand man, **Guy Scott**, to meetings to discuss the PF economic programme. Sensing, perhaps, Banda's political weakness, China declared itself ready to assist 'in any way possible to further democracy in Zambia'. The Embassy has been encouraging some Chinese companies, say some reports, to make donations to the PF and Sata's anti-Chinese rhetoric has disappeared.

As if to show that message was getting through, Non-Ferrous China Africa, 49 of whose miners were killed in an accident in 2003, with five shot dead by police during a 2007 labour dispute, increased miners' wages by 85% on the day of Sata's victory.

The MMD is said to have borrowed large sums to finance its extravagant campaign, which was run by Banda's sons **Henry** and **James**, with the help of journalist **Dickson Jere**, Banda's Special Assistant for Press and Public Relations. The family was completely unprepared to lose the election. James Banda briefly 'fled' to **South Africa** fearing recriminations but soon returned. In the MMD, the pair are roundly blamed for the debacle.

Sata said his PF government would follow the tenets of the Bible's Ten Commandments in its governance, with the order 'Thou shalt not steal' first. He was reinforcing his earlier inauguration statement that there would be 'zero tolerance' for corruption.

Sata has said all foreign investment is safe and the current regime will not implement any radical change to the current economic trajectory. However, he has urged foreign employers to respect the labour laws, which is generally seen as a reference to working conditions in the Chinese-owned mines. The PF has said it will review the taxation system for the mining sector but that any change to the current regime would not be implemented unilaterally. Of particular interest will be the windfall tax on mining profits, which was abolished in 2009 (AC Vol 52 No 6). ●

Ellen wants first-round win

The President must take over 50% of the vote in the first round to avoid a far more difficult contest in the second

The battle for the soul of Africa's oldest republic is raging, with a war of words and dirty tricks between the governing Unity Party (UP) and the other 15 political parties contesting presidential and parliamentary elections on 11 October. President **Ellen Johnson Sirleaf** has neutered or won over political enemies and is doing everything she can to avoid the presidential contest going to a second round. That would mean a tough fight, probably with **Winston Tubman** and his running mate, **George Weah** of the Congress for Democratic Change (CDC).

If the elections go well, they will also be the most important consolidation of peace and democracy since Liberia's numerous factions signed the Comprehensive Peace Agreement (CPA) on 18 August 2003 in Accra, ending 14 years of civil war in which about 250,000 Liberians died. The potential for trouble is high, however, with many unreformed warlords and their acolytes pitching for votes and fierce passions at work. The President called the opposition presidential candidates 'ugly baboons'. Tubman claimed that 'the only way we'll lose is if we are cheated.' Using the West African shorthand for 'fraud', Ambassador **Dew Tuan Wreh Mayson** of the National Democratic Congress (NDC) called the President a '419-er' for changing her decision to sit for only one term.

All the candidates have twin campaign strategies: holding mass rallies to intimidate their opponents, while co-opting and bribing effective opponents to change sides (AC Vol 52 No 14). One relief for Liberians as the electoral bandwagon gathers momentum is the abandoning of the two-round system in the parliamentary elections. Under the constitution, parliamentary seats were two-round affairs, like the presidential poll, causing an immense drain on the public purse.

Repealing this provision was one of four measures that the National Elections Commission (NEC), backed by the government, tried to reverse in a referendum on 25 August. Voters approved but not by the necessary two-thirds majority. After a Supreme Court ruling, votes earlier declared invalid became part of the total: a single-round vote passed into law. No other amendment passed, including reducing candidates' minimum national residence requirement from ten

years to five, raising judges' retirement age to 75 and moving the election date to November. The residency requirement is little mentioned, as few candidates can meet it. The Movement for Progressive Change, led by millionaire businessman **Simeon Freeman** and former Press Union of Liberia President **Abraham Massalley**, are challenging six presidential candidates in the Supreme Court, including Johnson Sirleaf, on the grounds that they do not meet the 1986 constitution's ten-year residency requirement.

RALLIES, BANNERS AND INSULTS

The UP had been struggling. Now it seems to have acquired a second wind. A mass rally of about 500,000 people launched its campaign in Monrovia on 10 September. The dilapidated capital was awash with banners on all major government and private buildings, prompting veteran presidential candidate **Togba-Nah Tipoteh** of the Freedom Alliance Party of Liberia (FAPL) to complain to the NEC. The banners sported slogans in pidgin English mocking the opposition, such as 'Monkey still working, let baboon wait', a play on the saying 'Monkey dey work, baboon dey chop'.

On the platform, flanked by **Edwin Melvin Snowe** and **Lewis Browne**, both friends of ex-President **Charles Taylor**, Johnson Sirleaf triumphantly addressed the crowd at the **Antoinette Tubman Stadium**. 'It will hold! It must hold! It will surely hold! It already holds! It will hold! This translates as 'The government will hold on and win.' She called for outright victory on 11 October. To emphasise her standing as a world stateswoman, the President visited **Nigeria** twice in September, the **United States** once and also **Angola** (see Pointer). She had a sympathetic hearing in Nigeria. President **Goodluck Jonathan** promised to provide 600 police officers to help to maintain order during polling. Liberian oppositionists were strongly critical.

Johnson Sirleaf's position looks stronger all the time. The economy is picking up, commercial quantities of oil are expected to be found and on 27 September, the first shipment of iron ore in 20 years left the Port of Buchanan under the watchful eye of the Chief Executive Officer of ArcelorMittal, **Lakshmi Mittal**. All major news media are backing her and pushing for a first-round victory.

UP strategy also involves co-opting

former opposition and civil society leaders, like **Eugene Nagbe** (formerly CDC Secretary General, now UP Deputy Campaign Manager), **Harrison Karnwea** (Minister for Internal Affairs and former senior aide to Taylor), **Samuel Kofi Woods II** and **Augustus Toe**, all now members of the government. While opposition parties accuse the UP of bribery, they also suffer from strong internal divisions and a serious lack of money.

The UP has been accused of sowing division in Dew Mayson's NDC, we hear. Party Secretary General **Abraham Mitchell** accused the UP of 'patronising' the three leaders of one of the NDC's electoral alliance partners, the New Deal Movement: **L. Moses Kiyean Kwehai**, **Ernest B. Waylee** and **Henry W. Yallah**. The Atlanta-based political science professor **George Klay Kieh** formed the NDM in 2005.

The UP is not having it all its own way. The CDC has accused it of taking money from **China**. The CDC intends a major show of political force, calling its supporters on to the streets to bring Monrovia to a standstill on 8 October. Tubman and Weah complain that government is denying them the use of the Antoinette Tubman Stadium and other venues. The press, especially the *New Democrat* newspaper, is piling pressure on Weah in particular, accusing him of inciting violence at rallies. One rumour doing the rounds says the UP leadership was at one point ready to pay him US\$2 million to join the UP.

Senator **Prince Yormie Johnson** of the National Union for Democratic Progress is trying to attract the Taylor-loyalist vote by suggesting Liberians should keep more food at home because 'it would not be easy' during and after the elections. He also announced that should he win, Taylor would be his foreign affairs advisor. He was starkly reminded by several bodies that incitement to violence could provoke a warrant from the International Criminal Court.

One astute move by Johnson Sirleaf has been to put gender at the forefront of the campaign, before corruption. The UP is working for a massive female vote and its strategists believe this could be the key to a first-round victory for the President.

Regional political figures work to help lower the temperature. **Ghanaian** former President **John Agyekum Kufuor** is among those meeting all presidential candidates to remind them of their responsibilities. As part of the efforts to maximise the prospects for peace, a prominent intellectual and the former interim President, **Amos Sawyer**, who chairs the Governance Commission, is working behind the scenes to create space for dialogue among the 16 presidential candidates to help to prevent violence after the results are announced. ●

Election fails to stir passions

Paul Biya heads for almost certain victory over a fractured and uninspiring opposition, leaving voters more apathetic than indignant

An atmosphere of apathy clings to Cameroon's presidential election on 9 October. In power for 28 years now, **Paul Biya**, 78, will once again present himself for re-election, challenged by the equally veteran leader of the opposition Social Democratic Front (SDF), **John Fru Ndi**, 74. Fru Ndi and his party are based in the region that was formerly a **British** protectorate, so they speak English. (Fru Ndi speaks **French** rather badly, which his critics claim is deliberate.) Biya is from Francophone Cameroon. Apart from that, little divides Cameroonians. Little inspires them either: a stolid Biya offering stability through stagnation, faces a lacklustre SDF that has rejected the chance of allowing the younger generation to lead the party.

Biya's *Rassemblement démocratique du peuple camerounais* (RDPC) is expected to win. A mysterious shooting incident in Douala on 29 September – purportedly soldiers protesting over Biya's continuation in office (see Box) – gave the authorities an excuse to tighten security but there is little sign of wider discontent in the army. There had been speculation that Biya might opt for retirement at last but he kept his opponents and possible successors guessing. **René Emmanuel Sadi**, a Christian northerner, was again tipped as a possible successor with the potential for unifying the country but nobody was really surprised when Biya said he would be seeking another term after all. A pliant RDPC congress swiftly endorsed his candidacy.

No fewer than 23 candidates are standing but this is a single-round election, with victory going to the highest-polling candidate. Unlike in many presidential elections in Francophone Africa, the opposition will not get the chance to sink its differences behind a single candidate in a second round.

Cameroon's tradition of electoral transparency is not strong but the Commonwealth is helping the supposedly independent electoral commission, *Elections Cameroon* (ElecCam), to improve procedures this time around, even though there is little need for fraud (AC Vol 48 No 16). The fragmentation of the opposition, the RDPC's strong national organisation and the benefits of patronage that flow from incumbency have all but guaranteed Biya's victory.

Despite the regime's shortcomings, Cameroonians seem more apathetic

than indignant about the government's failings. Public services are inefficient and corrupt, leaving citizens expecting little from the state, preferring instead to rely on community networks, the dynamic informal economy and rich natural resources, particularly in the fertile, well-watered south and west. Nevertheless, Biya has provided order and stability, which he holds to be a major contribution.

SYMBOLIC PARTICIPANTS

The opposition had previously boycotted a succession of elections and until recently was telling electors to stay away from the polls. So there was surprise and confusion among loyalists when it performed an about-face and decided this year to stand. History suggests that other than Fru Ndi, most challengers will be little more than symbolic participants. In the 2004 elections, just two of the 16 candidates took more than 5% of the vote and 12 won less than 1%. The combined total won by the seven largest opposition parties amounted to only 29%. Of the current 23 candidates, only five can reasonably aspire to win more than 5%.

There are two novelties this year, neither likely to disturb the serenity of the now traditional face-off between two veterans who seem comfortably settled in their roles of President and opposition candidate. Two women are standing but neither has put forward gender-issue programmes that might bring out the

female vote. The other new departure is the right of the diaspora to vote. Exiles number about 280,000, mainly in **Central African Republic**, **Chad**, **Gabon**, **Nigeria**, **Britain**, **France**, **Germany**, **Italy**, **Spain** and the **United States**. It is unclear how many will choose to join a contest in their home country where the outcome is pretty much known in advance. Expatriates have their concerns, such as the need for better arrangements for transmitting remittances, more secure investment rules and credit institutions that can act as a framework for using the funds they send back home.

The election feels more like a ritual. Biya and Fru Ndi held talks a few weeks ago and it seems as if they agreed for the sake of honour that they would go through the same old routine. Fru Ndi has called on his supporters to remain calm should there be any dispute over the result, a move that appears to acknowledge certain defeat. The SDF leader, traditional chiefs, the media and religious figures have all appealed for the resolution of arguments through peaceful dialogue. Across the political and societal elite, stability is prized above all else.

Cameroon's rich natural resources and lively informal economy, combined with steady if unspectacular development in some regions at least, have so far proved enough to keep the lid on a desire for change. Perhaps it is Biya's low-key personal style, lacking bombast and egotism, that wins him the tolerance of a surprisingly large number of electors. Where the authorities regard activity as threatening, they have not been afraid to resort to selective repression. Local journalists who tried to cover a recent demonstration in Buea by the English-speaking autonomist movement were quickly attacked, apparently by the security forces. ●

SOLDIERS SHOOTING AT DAWN

At dawn on 29 September, a group of soldiers shot into the air on the bridge across the River Wouri that links central Douala with the industrial suburb of Bonabéri. They unfurled a banner calling for an end to President **Paul Biya's** rule, said local media reports. Worries about unrest in the military quickly followed as the regime responded with a heavy security crackdown. A city that had been dozing its way towards polling day was suddenly tense and tightly supervised.

As the hours went by, reliable information about the original incident became harder to come by. Reports became vaguer and less clearly sourced. Estimates of the number of soldiers involved came down from 20 to 10, then to 'very few'. There were claims one had dived into the river to escape. Doualans started to wonder why any genuine protest would be staged at an hour when it was likely to pass unnoticed.

Residents began to speculate that the affair had been a bit of official play-acting designed to stir anxiety about public order and allow the authorities to impose rigorous measures to forestall the genuine risk of pre-election protests. The social pressures in the city are severe and riots over food prices broke out in 2008. It is also where opposition candidates have performed relatively well in the past. Unemployment is particularly high among young adults who increasingly regard both President Biya and opposition leader **John Fru Ndi** as elderly men with no grasp of today's realities. ●

Getting the right numbers

It is the biggest economic success story in Africa. The growth of mobile telephony is phenomenal – in numbers, in jobs created and in the economic development it is driving. African software engineers are pioneering the development of payment systems over mobile telephones, first in Kenya, then Rwanda and South Africa, and now Nigeria. Until the late 1990s, few mobile phone operators regarded Africa as a viable mass market. They lacked accurate information about the continent's spending power and a vision of how services could be developed. Initially, most companies – except for South Africa's MTN – steered clear of Nigeria (AC Vol 43 No 20). Now it is one of the world's biggest telecommunications markets

PROFITS ON THE LINE

Between 1998 and 2008, the number of mobile phone subscribers in Africa increased from 4 million to 260 million while network coverage increased from 10% to over 60% of the continent. Call prices fell from an average of US\$0.30 per minute to \$0.10 per minute. More than \$36 billion was invested in the telecoms sector, mostly by governments, according to the World Bank. Today, more than 350 million Africans – 30% of the continent's population – have mobiles. Seven countries (Botswana, Gabon, Libya, Morocco, Seychelles, South Africa and Tunisia) have more mobile phones than people. In 2010, a horde of foreign investors – notably India's Bharti Airtel, the China Development Bank and the International Finance Corporation (IFC) – pushed the African market to average growth of 24.8%. The investors plan massive upgrades, new infrastructure and innovative services, as prices of handsets and access move steadily downwards.

Africans can now talk to each other. Many farmers no longer depend on visiting traders to dictate selling-prices. Migrant workers can telephone, or send money, home. People too poor to

buy a handset can rent airtime from a local owner for a few cents a minute. Farmers in Nigeria receive special tokens by mobile to collect their fertiliser allocations. By 2015, penetration in Mali and Senegal is expected to climb to over 70% of the population, with rates in Cameroon, Côte d'Ivoire, Gabon and Mauritania forecast to rise to over 40%.

Finland's Nokia is the front-runner in cheap mobiles, claiming 250 million global sales of its ultra-basic 1100 model. On 25 August, it launched its cheapest-ever offering, the 101, which despite its price has (like its coming rivals) mobile internet in mind. It features a 16-gigabyte micro-SD card slot (so large amounts of data can be stored) and access to Nokia Life Tools, a mobile banking facility. European companies with a strong African presence are France Télécom, operating under the Orange brand in 18 countries; Milicom, headquartered in Luxembourg, which owns firms in seven countries; and Vodacom, based in Britain, in five southern African countries.

The biggest African-owned telecoms firm is South Africa's MTN, with subsidiaries in 15 countries. It has rejected a string of takeover bids by Bharti Airtel. Maroc Telecom owns firms in Gabon, Mali, Mauritania and Morocco. Sudatel, officially 26% owned by Sudan's ruling National Congress Party, was accused of bribing Senegalese officials in July 2010 to win an operator's licence (AC Vol 51 No 15). Now it stays focused on its role in the Eastern Africa Submarine Cable System (EASSy), a 90% African-owned project linking 21 African countries to an international fibre-optic network (Vol 47 No 21). In 2009, Sudatel invested \$250 mn. in EASSy, and there is talk of doubling its capacity.

Asian firms and governments have moved much faster into African telecoms than Western companies. The IFC, the World Bank private-sector investment arm, said in June 2011 that it had invested over \$1.2 billion in telecoms in 42 African countries. By June 2010, its loans to Vodafone Ghana had totalled \$100 mn. A year later, it had organised an additional \$82 mn. loan from the Export-Import Bank of China, China Development Bank, Deutsche Investitions- und Entwicklungsgesellschaft of Germany, plus \$33 mn. from Barclays, Rand Merchant Bank, Standard Bank and Ecobank. As a development agency, the IFC believes its investments are justified by the social and political impact of improving internet connectivity.

Governments with histories of state involvement or control of the economy find mobile telecoms a challenge. As the industry's profits grow, state-owned entities such as the Ethiopian Telecommunications Corporation (ETC) and Mcel in Mozambique are moving to privatise telecoms and bring in foreign investors. Mozambique is still pondering whether to privatise Mcel but has allowed competing franchises. Ethiopia has opted for the monopolistic approach: in February, ETC signed a deal with France Télécom to manage all Ethiopian operations. Since then, FT has posted a profit \$123 mn. larger than was projected. The World Bank says that Ethiopia's failure to allow open

BANKING ON THE MOVE

Developed jointly by British software firm Sagentia and Kenya's Safaricom with the help of a British grant, M-Pesa banking services are a success story. Pesa means 'money' in Kiswahili and M (for mobile)-Pesa offers a savings facility of up to 50,000 Kenyan shillings (US\$490) and easy access to wire-transfer and remittance services. By 2010, more Kenyans had M-banking accounts than traditional ones. Safaricom announced in April a partnership with Western Union to allow customers to transfer money from abroad; remittances reached an estimated \$40 billion across the continent in 2010.

Informa's projection is that 360 million users will manage their finances through mobile banking by 2014. Thecla Mbongue of South Africa's Informa Telecoms and Media told *Africa Confidential* her firm estimates that 'the number of mobile money users (including mobile banking, P2P mobile money transfer [between two points only], mobile payments) increased by 92% over 2010 to reach nearly 50 mn. In comparison, the number of mobile subscriptions grew by 19% over 2010.'

In June, South Africa's First National Bank announced that its M-banking services grew year-on-year in 2010 by 476% in Swaziland, 376% in Zambia, 277% in Botswana and 204% in Namibia. A survey by South African research firm World Wide Worx concluded that 44% of FNB's city customers used M-banking but only 27% of customers in small towns. The WWW study found that 27% of South Africans used M-banking regularly; 65% of FNB's 2.6 mn. customers are aged 18 to 40 and earn under \$14,800 per year. India's Bharti Airtel, impressed by such growth, signed an agreement with Togo's Ecobank in June to introduce the service to 14 of its 16 African operations. ●

competition between telecoms operators is likely to constrain future economic growth. Its agriculture and construction sectors have grown spectacularly but future growth will depend increasingly on faster, more efficient telecoms and mobile internet connections. Without that, it cannot replicate the success of **Kenya's** M-Pesa money transfer scheme over mobile phone networks (see Box).

Chinese and Indian investors confront each other over the African market, with Bharti Airtel, the world's fifth-largest mobile operator, leading the charge. It knows a lot about low-cost, high-volume operations in areas with large populations and made failed bids for MTN in 2008 and 2009. The company operates in only three countries outside Africa and is betting on strong growth there, having acquired most of its 220.9 mn. subscribers with the African operations of the **Kuwaiti** firm Zain in March 2010, for an estimated \$9 bn.

The expansion of 3G services (which allow internet access without wi-fi) and links via undersea fibre-optic networks will eventually attach Africa both to global broadband networks and to uncensored politics. For now, most services aim to upgrade and expand mobile data networks and coverage. Mobile networks have set up many internet service providers, boosting broadband in the Great Lakes. **Burundi, Rwanda, Tanzania** and **Uganda**, all members of the East African Community, have invested over

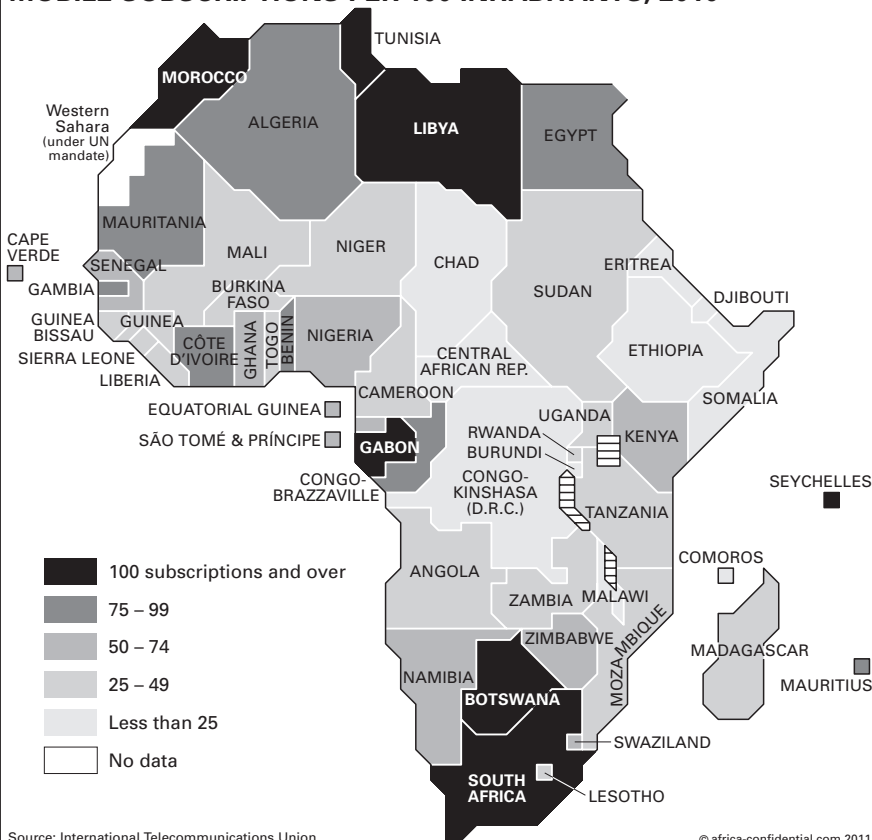
\$400 mn. in upgrading national backbone infrastructure (for broadband capability), with plans to lay over 15,600 kilometres of cable and extend into rural areas. According to the Visual Networking Index Forecast by the **United States** software firm Cisco, by 2015 the Middle East and Africa traffic region will see the world's fastest growth, at a 52% compound annual rate.

Handset manufacturers offer internet-based value-added services and telecoms operators try to expand by offering banking, social media and entertainment. Connectivity will spiral as foreign companies lay out and upgrade 3G and 4G infrastructure. Manufacturers believe the expanding middle classes in Ghana, Kenya, Nigeria, South Africa and Tanzania can afford budget 'smartphones', using technology such as Google's Android mobile operating system. China's Huawei, ZTC Telecommunications and Mi-Fone are in the vanguard. In September, Mi-Fone launched a range of Android phones for under \$80.

Mobile software developer Opera distributes an efficient, popular mobile web browser. Deals it struck in August and September with MTN and Mi-Fone tell of the strong link between internet access and mobile data. Opera's browser will provide one-touch access to almost all of MTN's online content. US-based Medic Mobile lets users send photographs of patients to a central database via 3G; Safaricom and Sony Ericsson offer an application that enables Kenyan, Ethiopian and **Somali** refugees to search for each other in refugee camps. Developers will, though, struggle to communicate with rural areas and in minority languages.

India is stepping up investment in Africa, where its private operators will clash with Chinese state-owned infrastructure corporations. The potential profits are huge. In the last quarter of 2010, Bharti Airtel operations in 15 African countries, with 36.3 mn. subscribers, yielded a claimed 53% increase in revenue to \$3.2 bn., \$911 mn. from its Africa division. This posted an average revenue per user of \$7.20, almost double the \$4.30 from Indian subscribers. Bharti Group, under Chief Executive **Sunil Bharti Mittal**, relies increasingly upon Airtel's Africa division. Yet

MOBILE SUBSCRIPTIONS PER 100 INHABITANTS, 2010



99.3% of Airtel Africa's subscribers are on prepaid plans, so the firm is vulnerable to economic uncertainty. Bharti has shifted its strategy and appointed **Manoj Kohli** as head of its International Business Group, focused on Africa.

Indian companies supply networks, while their Chinese competitors concentrate on infrastructure and devices. **Thecla Mbongue**, a senior analyst at Informa Telecoms and Media, points out that China's Huawei and Zhongxing Telecom (ZTE) supply both. By the end of 2010, Huawei had provided 23% of the data-enabled mobile networks in Africa and ZTE 8%. A report by the **Japan** External Trade Organisation links both companies 'to the Chinese military and intelligence establishments'. Also active are China Telecom and the Franco-Chinese company Alcatel Shanghai Bell. Beijing insists that governments to which it loans money buy telecoms equipment only from China. **Zimbabwe** has recently contracted a \$45 mn. loan from China for state-owned NetOne's development of 2G and 3G services.

Informa, a Johannesburg think-tank, estimates that Africa will have 265 mn. mobile broadband subscribers by 2015, against the current 12 mn. It projects an increase in total mobile subscriptions to 842 mn. over the same period. Bharti will aim to attract big numbers of users and keep running costs low. In June, it opened talks with *France Télécom's* Orange and MTN about sharing masts and fibre-optic infrastructure across Africa and plans upgrades and new services including international 3G video calling. In May, Mittal had said he would allocate \$1 bn. to expand Bharti's African operations, focusing on Nigeria and targeting a subscriber base of 100 mn. and \$5 bn. in revenue.

Indian Prime Minister **Manmohan Singh** is luring African Union governments with the \$125 mn. Pan African e-Network project, which seeks to connect all public administrations on the continent. India would provide infrastructure free of charge for five years, to establish demand for Indian products and services and stimulate the growth of private Indian firms. Ethiopia, Ghana, **Mauritius** and **Zambia** have already signed up to obtain facilities and equipment from India. ●

Ministry of power struggles

Accusations of corruption in the electricity industry persist, as do the chronic shortages that undermine the economy and public services

A scandal in the Energy and Mineral Resources Ministry has brought attention to a troubled area of government, greed among members of parliament and Tanzania's chronic electricity crisis. President **Jakaya Mrisho Kikwete** suspended his old ally, the Ministry's Permanent Secretary **David Jairo**, in late August (AC Vol 52 No 6). His fate now awaits the outcome of a parliamentary investigation into charges that Jairo solicited money from Ministry departments to pay MPs to ensure smooth passage through Parliament of his Ministry's budget allocations. Such payments are a widespread practice, observers in Dodoma say. The report is expected in mid-November.

The row started in July when **Beatrice Matumbo Shellukindo**, *Chama cha Mapinduzi* (CCM) MP for Kilindi, read aloud in Parliament a letter from Jairo to 20 agencies under the Ministry's control, demanding 50 million Tanzanian shillings (US\$30,000) from each. 'In order to facilitate the smooth tabling of the budget you are requested to contribute a total of TSh50 mn. The money should be deposited in the Geological Survey of Tanzania (GST) account No. 50510000068 NMB, Dodoma Branch,' said the letter. 'After the cash is deposited, the ministry should be informed through the DP (director of personnel) for coordination.'

Shellukindo said the money was needed to bribe MPs. But, rather than being a special case, this is the standard way of 'getting things done in Parliament', say parliamentary sources. Other reports said that 14 other ministries also raise funds this way to get their budgets through. The money from the Energy Ministry departments was mainly intended to persuade MPs not to ask too many questions about past corrupt power projects and the chronic current shortages, a source told *Africa Confidential*. In the outcry that followed, MPs rejected the Ministry's budget but approved it in mid-August after resubmission. The budget promises to bring total installed capacity to 882 megawatts by the end of 2012.

Initially, Jairo had come under civil service investigation. On 23 August, the Controller and Auditor General **Ludovick Utouh** exonerated his colleague. Chief Secretary **Philemon Luhango** called a press conference to reinstate him formally on the same day. Public anger was such,

however, that Kikwete had to suspend him again, pending the outcome of the parliamentary probe.

Since reading out the letter, Shellukindo has received death threats, she claims. Prime Minister **Mizengo Kayanza Peter Pinda** was shocked, he said, by the revelations but he could not sack Jairo as he was a presidential appointee. Kikwete did not act until he returned from a visit to **South Africa**. Jairo's association with the President dates back to 1988, when Kikwete became Energy Minister and Jairo was a senior mining economist in the Ministry. Kikwete took Jairo with him when he became Finance Minister in 1994. Until he became Energy Permanent Secretary, Jairo was a close aide to the President at State House.

Utouh claimed it was 'normal practice' for ministries to request such funds from bodies under their control. He reported that the letter was not addressed to 20 departments, only four. According to the Tanzanian press, the Rural Energy Agency stumped up TSh50 mn., the Tanzania Electric Supply Company (Tanesco) TSh40 mn., Tanzania Petroleum Development Corporation TSh50 mn., and the Energy and Water Utilities Regulatory Authority TSh40 mn. The Ministry's Finance and Planning departments contributed more, reaching a total of TSh578,599,100. Utouh's report claimed that this amount was used 'for payment of per diems, sitting allowances, and hiring of conference hall for officers who were in Dodoma during tabling of the ministry's budget estimates', saying this was normal practice. MPs already receive allowances from Parliament to cover such duties, with a daily 'sitting allowance' of TSh80,000 for showing up at Parliament and TSh70,000 for subsistence. The Energy Ministry payments would have been supplementary to these.

Before Shellukindo dropped her bombshell, the Ministry had already been accused of bribing members of the Parliamentary Committee on Energy and Minerals to pass the Ministry's budget on the nod before it was sent to Parliament. **January Makamba**, a young CCM MP, Chairman of that select committee and son of recently ousted party Secretary General **Yusuf Makamba**, is accused of leaking Jairo's letter to Parliament, which he denied. Makamba and Energy and Minerals Minister **William Ngeleja** are

seen as allies of ex-Prime Minister **Edward Lowassa** and **Rostam Abdulrasul Aziz** (AC Vol 52 No 15). Makamba did not publicly support Shellukindo's campaign by speaking in Parliament. He worked alongside Jairo at State House but they are believed to have fallen out there.

Behind the rivalries, feuds and parliamentary probes stands the chaotic power sector, which serves only a small percentage of the population yet cuts power for twelve hours at a time. Kikwete has been widely alleged to be one of the architects with Jairo of the Independent Power Tanzania Limited (IPTL) contract of 1995, under which several well-connected local business people teamed up with a **Malaysian** company to build an expensive, diesel-fuelled power plant and won a 20-year contract to provide 100 megawatts at a cost of \$163.5 mn. with 'capacity charges' of \$4.2 mn. per month.

In a government audit of early 2009, the deal was described as severely limiting the liquidity of Tanesco, noting that the monthly capacity charges stood even when IPTL was not supplying power. Payments in 2007 to IPTL and another independent supplier, Songas, took 90% of Tanesco's revenue, the audit said. Songas is a subsidiary of UK/US-based, emerging markets company Globeleq (previously CDC Globeleq). The payments to IPTL and other independent power producers have frequently attracted criticism from Parliament and donors but continue regardless. A local media report in July quoted a Prevention and Combating of Corruption Bureau source as saying that 6% of the IPTL payments go to government officials. Yet there has been far less public mention of the IPTL issue than of the Richmond and Dowans affair (AC Vol 52 No 12).

In his first term Kikwete made monthly speeches but now seems to have withdrawn from the fray. 'There is little the President can do but let the rot continue, as he can't now ditch the radicals around the Prime Minister, such as former Speaker **Samuel John Sitta**,' an ex-presidential aide told AC. Sitta and other CCM MPs intend to clean up the party and are using the power scandals to embarrass the President. Jairo hastily organised a press conference after the Chief Secretary had cleared him (but before he was suspended again), which a State House insider confided must have cost over TSh20 mn.

'I hold no grudge against those who accused and condemned me,' said Jairo. He asked Parliament to stop discussing personalities and discuss development instead. On his return to the Ministry, he got a hero's welcome, with well-wishers cheering and pushing his car forward. The group did not lack for motivation – a public relations company had paid them to turn up and cheer Jairo, one told AC. ●

Uhuru looks back in anger

President Kibaki's heir-apparent mulls his defence at the Hague while his allies ponder whether to hand him over in the event of a trial

Throughout September, Kenyans were glued to television screens as the International Criminal Court Prosecutor, **Luis Moreno Ocampo**, presided over the confirmation of the charges of crimes against humanity against some of the country's most senior politicians. The first set of cases, concerning the post-election violence in the North Rift region, involved Kalenjin politicians **William Samoei Ruto** and **Henry Kiprono Kosgey**, along with **Joshua arap Sang** of the Kalenjin radio station Kass FM.

In the second set of cases, the seriousness of the allegations against President **Mwai Kibaki's** men galvanised a country listening to tales of reprisal killings in the central Rift Valley towns of Naivasha and Nakuru in January 2008. The North Rift violence left many dead and displaced, both by police bullets and the machetes of ethnic militiamen. When 35 people were burned to death in a church in Eldoret on New Year's Day 2008, it signalled a frightening turn in the violence.

The public had never collectively heard those macabre events, and the reprisals that followed, reported in such graphic detail. The Prosecutor directly implicated **Uhuru Kenyatta**, eldest son of Kenya's founding President, **Jomo Kenyatta**, and a would-be successor to Kibaki. He also implicated the head of the civil service, **Francis Muthaura**, and the former police chief, Major General **Mohamed Hussein Ali** (AC Vol 52 No 8). The charges were that rape, forced circumcision, the burning of 29 members of one family and the deployment of the banned Mungiki militia had been deliberately planned and financed by the machinery of the state.

The big question is whether the Kibaki wing of the governing coalition will hand over Kenyatta – the leading Kikuyu political figure – Muthaura and Ali to the ICC if the cases go to trial as expected. If Kenya had set up its own legal apparatus for valid trials, the ICC would have had no jurisdiction. However, following the report in October 2008 by the Commission Investigating the Post-Election Violence (known as the Justice **Philip Waki** Report), the President's faction blocked attempts to establish an independent local tribunal to try the cases of violence.

The police apparently opened investigations into the violence but did

nothing. In 2009, the United Nations Special Rapporteur on Extra-Judicial, Summary or Arbitrary Executions, **Philip Alston**, named Ali, then police chief, as an obstacle to his investigations and called Attorney General **Amos Wako** 'an embodiment of impunity'. Former UN Secretary General **Kofi Annan**, who brokered the February 2008 National Accord that ended the violence, allowed successive postponements before sending Justice Waki's list of suspects to the ICC. As an ICC process loomed, there was a belief within Kibaki's Party of National Unity that some way out could be found but one avenue after another closed down.

The suspects' fate will be a dominant and probably destabilising feature of the 2012 presidential campaign. Ruto and Kenyatta have announced that they will stand, both openly suggesting that Prime Minister **Raila Amolo Odinga**, now seen as the leading presidential contender, somehow conspired with Moreno Ocampo to send them to the Hague.

Since the suspects' initial appearances at the ICC in March, Ruto has had to rein in his supporters. During the confirmation hearings in September, a Ruto-supporter and member of parliament, **Charles Keter**, appeared to threaten witnesses during a phone-in on Kass FM and ICC Pre-Trial Chamber Judge **Ekaterina Trendafilova** warned him that he risked indictment. The PTC also privately warned Ruto not to comment publicly on the Court process, we hear. Gagged by the ICC, the suspects will have trouble making political capital from their supposed victimhood.

At the same time, new ethnic narratives are beginning to take root. Among his mostly Kikuyu supporters, Kenyatta is increasingly seen as a reincarnation of his heroic father. In 1953, Kenyatta Senior stood trial in a colonial court as leader of the Mau Mau insurgency and **Britain** induced witnesses falsely to demonstrate a link between him and the Mau Mau. Sentenced to prison in the northern Kenyan wilderness, he embraced his martyrdom to become undisputed leader of the nationalists. Almost 60 years on, his supporters regard Uhuru's plight in similar terms, facing a rigged court, accused of being the leader and inspiration of the Mungiki militia which, like the Mau Mau, favours a brand of Kikuyu supremacist politics. This parallel could help to secure Uhuru the status of leader of the Kikuyu.

Kenyatta Junior's prestige heightened when he took the stand during the confirmation hearings and Moreno Ocampo claimed that he had financed the reprisals. Poised and dignified, he insisted that he was actually an agent of peace who assisted victims and resisted calls for revenge against Odinga's Kalenjin supporters in the Rift. Later, however, one of his key lieutenants, **Lewis Nguyai Nganga** MP, contradicted him, saying there were indeed dealings between Kenyatta and the Mungiki, thereby denting his defence.

Although the Prosecutor claims to have collected an arsenal of evidence, his account of the violence has several times been called into question. His account of a meeting at State House between Kenyatta, Muthaura and Mungiki leaders on 30 December 2007, the day when Kibaki was sworn in as President, came under particularly heavy defence attack.

The prosecution did not produce transcripts in evidence to incriminate the broadcaster Arap Sang, even though the recordings exist. The absence of transcripts may well have been deliberate but it also called into question the extent of the Court's investigations. The allegation that Kalenjin militiamen had taken oaths before attacking Kikuyu residents in the North Rift ignored the fact that Kalenjin culture expressly forbids taking such oaths. The defence teams questioned the credibility of the prosecution witnesses and at times the prosecuting lawyers have seemed unsure of their questions. A lot of evidence has been redacted, however, and Moreno Ocampo may be holding back decisive evidence for the trial proper.

The decision on whether to hand over the suspects for trial will exercise Kibaki as he prepares to leave office. At 50, Kenyatta is the cornerstone of the ageing conservative establishment around the President and heir to a fortune estimated by one Kenyan TV station at between US\$5 and \$7 billion. The prospect of him languishing in a foreign gaol is too grim for the Kikuyu elite to contemplate. The ruling establishment will probably resist it to the hilt, as evidenced by its attempts to pull Kenya out of the Rome Statute which established the ICC. Their efforts are likely to find a sympathetic ear in the African Union, still smarting at the fall of Libyan leader **Moammar el Gaddafi** and resenting the ICC's seemingly exclusive pursuit of African suspects.

Kenyan optimists hold that enacting the new constitution can avert political disaster, hoping Kenya's once-invulnerable political establishment will change its ways when it is finally confronted by an independent court it cannot buy, kill or put off. Yet when the President's men and the Kikuyu hero have their backs to the wall, anything could happen. ●

Al Shabaab sets the agenda

Little appears to connect the UN-brokered road map for political reconciliation with the ambitions of Al Shabaab or Western strategists

The suicide bombing by *Al Haraka al Shabaab al Mujahideen* on 4 October killed over 70 people and injured hundreds more. This was the jihadists' response to increasing drone attacks and their reminder that they remain a potent force. The bomb in the Transitional Federal Government (TFG) compound hosting the offices of the Ministry of Foreign Affairs killed mainly teenagers who were there, with their families, to take an examination for scholarships in **Turkey**.

The target was clearly the TFG. A meeting of the Joint Security Committee was meant to be taking place at the Ministry that morning, we hear, but the venue was changed at the last minute. *Al Shabaab's* breach of TFG security emphasises how deeply it has infiltrated the TFG. The attack also exemplifies *Al Shabaab's* tactical resort to guerrilla warfare from large-unit actions, following its retreat from the capital.

Al Shabaab has always tried to react quickly, with massive violence, to any strike against it and after the killing of key *Shabaab* commanders this year a serious attack was to be expected (AC Vol 52 No 17).

The attack also served *Al Shabaab's* purpose of giving the lie to media and United Nations reports describing the organisation as about to split or near collapse, which explains the rapidity with which it claimed responsibility. It begs the question, however, as to whether the leadership will argue over the massacre of so many innocent young people.

The other message *Al Shabaab* is sending concerns the recent intensification of the drone war by the intelligence services of the **United States**, **France** and other countries, say analysts. *Al Shabaab* leaders are worried by the devastating strikes against them and wanted to prove they could strike back spectacularly, regardless of the cost to civilians and the possible effect on their supporters. The USA is building a base for its unmanned aerial vehicles in **Ethiopia**, we hear, and is using **Seychelles** until the base is ready. France's foreign intelligence agency, the *Direction générale de la sécurité extérieure* (DGSE), is said to use Mogadishu and other facilities.

Some observers familiar with Western strategy fear that policy-makers may be increasing military activity without a

clear vision of a political solution, pointing out that in **Yemen**, drone attacks helped to increase support for *Al Qaida* in the Arabian Peninsula.

Another victim of the attack could be aid work in the famine areas. Many civil society organisations and charities are working in *Al Shabaab*-controlled areas, most of them Islamic, some of them Turkish. These groups often describe their dealings with *Al Shabaab* as productive and efficient compared to the corruption of the TFG. They and their funders in the Islamic world will find the slaughter of so many teenagers guilty only of dreaming of an education hard to explain.

The attack should not be seen as an isolated event, analysts warn. The jihadists' withdrawal from Mogadishu was followed by several successful military actions, despite wishful thinking among Western security experts and diplomats who briefed on *Al Shabaab's* alleged weakness. During September, it launched new offensives in the Central Region around Dusa Mareb and in Jubaland (in Eel Waaq and Doble) that allowed it to replenish its stocks of arms and ammunition. Ethiopian or **Kenyan** army units came to the rescue of the TFG's allies to prevent them from being annihilated.

At the same time, other local acts of terrorism might be signs of an ominous change in *Shabaab* strategy. Somali observers in Nairobi are floating a frightening scenario to explain the recent kidnapping in the Lamu area of **Judith Tebbutt**, the **British** woman whose husband, **David Tebbutt**, was shot dead, and of Frenchwoman **Marie Dedieu**. Kenyan members of *Al Shabaab* may have committed these crimes to show their willingness to start operations in their home country, according to this theory. At the same time, *Al Shabaab* leaders use these and many other incidents in north-eastern Kenya in the last six months to warn President **Mwai Kibaki's** government against using its army in Somalia, lest it risk more disruption to its vital tourist economy.

For *Al Shabaab*, such attacks have no downside. It wins if Kenya stays out of Somalia, and if the Kenyan forces increase their presence in the north-east, that will aggravate the local population and refresh memories of the massacres carried out by the Kenyan army in 1984, during a campaign to disarm Somali clans.

While the military dimension of Somali affairs follows its course, diplomats in Nairobi and Mogadishu have been trying to give an impression of business as usual. The UN Political Office in Somalia (UNPOS) organised a three-day 'Consultative Meeting on Ending the Transition' in Mogadishu in early September that gave some Somali flavour to the 'road map' that describes the tasks to be completed before the official end of the transition in August 2012. The meeting, which brought the TFG together with Puntland, Galmudug (both key piracy areas) and *Ahlu Sunna wal Jama'a*, was prefaced by bilateral agreements between the TFG and both Puntland and Galmudug. Observers noted that these were merely designations of zones of respective control. The agreement with Puntland is also controversial with its people. A more concerning aspect is the fact that UNPOS included only groups that already had working relationships with the TFG President, **Sharif Sheikh Ahmed**. No other 'region' was invited. Galmudug has a warm working relationship with the USA and the *Ahlu Sunna wal Jama'a* representation was restricted to the Mogadishu branch, which is already represented in the TFG cabinet.

The road map document, itself a complex collection of committees and tasks, is a superficial updating of the document UNPOS produced in 2004. Then, the TFG had three years to deliver while now, in a far more difficult situation, it has only eight months. Many consider the document unrealistic. Indeed, many Somalis in Mogadishu and elsewhere greeted the road map exercise with scepticism and the TFG's legitimacy did not improve. Locals call the TFG ministers 'mortgage ministers', since most are from the diaspora and will go back, pockets bulging, as soon as their mandate is over. Corruption in the TFG is so blatant that British and US officials are talking about prosecuting ministers with US and UK citizenship when they get back 'home'.

Then came September's International Consultative Group meeting on Somalia in Copenhagen, **Denmark**. It set the seal on the earlier deliberations with a final declaration that tried to spread an impression of normality. UNPOS and the stakeholders celebrated the road map and saw *Al Shabaab's* withdrawal from Mogadishu as a symptom of a possibly terminal crisis. France, **Italy**, Britain, the USA and others attempted to get some focus on urgent issues, such as reforming the Parliament and forming a constitutional conference. They may be productive in the end but such measures are unlikely to do anything to prevent the jihadists extending their conflict to the north and also out of the Horn and into other parts of East Africa. ●

The Security Council lands a new African problem

Nigeria calls a debate on worsening piracy in the Gulf of Guinea

The United Nations Security Council does not lack for African problems: the continent's woes take up about three quarters of the Council's time. Later this month, a new issue will be added to the other UN Africa portfolios, which include major missions in Côte d'Ivoire, Liberia, Sierra Leone, Congo-Kinshasa, Guinea Bissau, Sudan and South Sudan. The UNSC will debate piracy and contemplate greater international engagement with a spreading problem.

Piracy in the Gulf of Guinea is a spin-off from the festering Niger Delta troubles in Nigeria. A peace deal and amnesty last year ensured cash payments to Delta militants but dissatisfaction remained (AC Vol 52 No 4). Not everyone got the cash and, of course, the cash didn't last.

On 3 March, shortly before the national elections, a bomb blast destroyed the amnesty office, set up to facilitate the Delta settlement in Abuja. However, few took notice since it happened on the same day that assailants lobbed bombs at a campaign rally in Suleja, Niger State, killing 13 people.

Close observers of Delta-related problems have noticed a changing pattern to marine lawlessness. Pirates,

previously a problem of the Nigerian coast and offshore oil platforms, were venturing further afield, attacking merchant shipping on the coasts of Benin and Togo and beyond. Gangs of young Nigerians in speedboats would even enter coastal cities and rob banks. With President Goodluck Jonathan in power, the ceasefire declared by the Delta militants appeared to be holding yet some have stayed in business, albeit outside their home region.

The International Maritime Organisation had in 2009 listed the Gulf of Guinea coastal area as one of the world's seven top hot spots. However, the rise in pirate attacks on the coast this year – by some accounts over two dozen – has been so dramatic that in August a leading London-based group of insurers, Lloyd's Market Association, placed the coastal waters off Benin and part of Nigeria in the same high-risk category as Somalia.

Shortly afterwards, B. Lynn Pascoe, the UN Under-Secretary General for Political Affairs, briefed the Security Council on the issue, which has been part of the UN's 'horizon scanning' in West Africa. Nigeria, which holds the rotating Council presidency this month, placed the

issue of piracy on the UNSC agenda for October. West African leaders took turns at the UN General Assembly meetings in September to call for 'urgent action' to curb the growing menace. Regional leaders, including Gilbert Fossoun Hounbo, Prime Minister of Togo, and Isatou Njie-Saidy, Vice-President of Gambia, called for 'greater UN engagement'.

It is unlikely that Nigeria will get more than a presidential statement from the Council. The UN Secretary General, Ban Ki-moon, has said he is appointing an assessment mission to the region to look at the issue and both France and the United States have sent warships to assist navies in Benin, Ghana, Nigeria and Togo to track down the pirates. The presidential statement will give traction to these efforts.

The Gulf of Guinea pirates are more violent than their counterparts off the coast of Somalia. They cannot engage in prolonged negotiation. Hostages are generally released within 72 hours, but are often maltreated and physically abused. Typically, the pirates raid ships for anything valuable they can carry and then leave. The insurance consequences and a fall-off in shipping could affect some economies severely, Benin's especially.

On 5 October, the defence chiefs of the Economic Community of West African States ended a two-day meeting in Cotonou with the decision to expand the Ecomar maritime security sub-committee to 10 members. Benin, Côte d'Ivoire, Senegal, Sierra Leone and Togo will join Cape Verde, Gambia, Ghana, Guinea Bissau and Nigeria. ●

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Africa-Asia Confidential

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Equatorial Guinea

THOSE WERE THE DAYS

■ Publication of Simon Mann's memoirs have been delayed until the end of October. The former Special Air Service officer was released 33 years early in 2009, after conviction in the 2004 conspiracy to topple President **Teodoro Obiang Nguema Mbasago** (AC Vol 50 No 22).

Lawyers for various parties have secured the removal of key chunks of the Equatorial Guinea affair from the text. There is no mention, we hear, of **Ely Calil**, the Britain-based businessman of Lebanese origin accused by Malabo of masterminding the plot, while the names of some of Mann's collaborators have been changed. What remains are suggestions that Sir **Mark Thatcher** was not the peripheral character some have suggested but a core player.

Mann apparently also denies allegations that he is 'on the payroll' of Obiang but acknowledges that he has returned to Malabo three times to help the government pursue legal action in Beirut against the plot's alleged architect. That process suffered a setback in the summer, when Obiang sacked Attorney General **José Olo Obono**, who had advocated a string of high-profile court actions against the alleged financiers of the conspiracy in Beirut, London, Guernsey, Cape Town, Harare and Malabo (AC Vol 51 No 13).

Also with a new role is **Greg Wales**, accused of being a co-conspirator along with Simon Mann. In August, we hear, he helped organise a British parliamentary fact-finding trip to Malabo, led by **Nadine Dorries** and paid for by the Triarius Foundation, registered in Malta two months before the trip. Ms Dorries, a Conservative backbencher, has told the London satirical fortnightly *Private Eye* that she had no idea or interest about the financing of the trip.

Angola/Côte d'Ivoire

NEW LEAF

■ When **Liberian** President **Ellen Johnson Sirleaf** visited Luanda in September, Angola asked her to help mend fences with Ivorian President **Alassane Dramane Ouattara** (ADO), say Abidjan sources. Angolan support for **Laurent Gbagbo** had angered ADO. Evidence has emerged that support was stronger than realised.

The hardline Gbagbo lieutenant who led the *Jeunes Patriotes*, **Charles Blé Goudé**, found sanctuary in Angola's Embassy days before Gbagbo was captured on 11 April; on that day Angolan diplomats fled to Ghana, we hear. Blé Goudé had even made inflammatory broadcasts from the

Embassy. Twelve days before Gbagbo fell, he appealed for asylum in Angola. Earlier this year, there were rumours that Gbagbo had moved his personal fortune to Luanda (AC Vol 52 No 3).

Pockmarked by bullets, the Embassy remains closed. The area saw heavy fighting as Ouattara's forces returned to Abidjan. Last December, as the conflict escalated, International Criminal Court Prosecutor **Luis Moreno Ocampo** identified Blé Goudé as a possible indictee. On 4 October, ICC judges authorised Moreno Ocampo to mount an investigation into crimes against humanity committed since the beginning of the second round of the presidential election in November 2010.

Blé Goudé is in Accra, AC understands. The former Youth Minister has been under a United Nations travel ban and assets freeze since 2006 because of attacks on UN peacekeepers.

Although the African Union condemned Gbagbo's refusal to leave power after the election results, Angolan President **José Eduardo dos Santos** and South African President **Jacob Zuma** were his strongest defenders in the AU panel on the Ivorian crisis, where they frequently clashed with Nigerian President **Goodluck Jonathan** and Burkinabè President **Blaise Compaoré** (AC Vol 52 No 4). Gbagbo was popular with Luanda because he ended Ivorian support for the late rebel leader **Jonas Savimbi**.

Nigeria

THE LOOT LOOTED

■ Suspicion has been growing in Nigeria that some of the billions recovered from corrupt public officials may have been stolen again. A human rights group, the Socio-Economic Rights and Accountability Project (Serap), has filed a Freedom of Information request for the government to provide details of the spending of recovered stolen public funds and of how much has been recovered since civilian rule returned in 1999.

Serap's **Adetokunbo Mumuni** told *Africa Confidential* that of over US\$400 billion that public officials had stolen since Independence in 1960, 'there is strong evidence to suggest that most of the recovered stolen funds have been poorly managed, mismanaged, re-stolen or disappeared.' The Freedom of Information Act gives the government seven days to respond to a request.

A United Nations report estimated that about \$450 million of over \$3 bn. believed stolen by the late dictator General **Sani Abacha** could not be traced. Serap had already taken Oyo State Governor **Abiola Ajimobi** to the State's High Court over a failure to release up-to-date information and documents on the receipt and expenditure of public funds on primary education since 2005.

Problems of transparency in the expenditure records violate Nigeria's anti-corruption commitments, including those under the UN Convention against Corruption and the African Union Convention on Preventing and Combating Corruption. These oblige it to ensure right of access to any information which may be required in anti-corruption efforts, Mumuni points out.

At a debate on the Public Funds (Recovery and Rewards) Bill in the federal House of Representatives back in 2001, **Sule Yari Gandi** said: 'We don't know how much has been recovered from the Abachas, we only hope it is not a case of recovering from a thief only to be stolen by another thief.' Ten years on, the bill remains unenacted.

South Africa

FOREIGN POLICY AID

■ South Africa is nearly ready to launch an international aid agency to advance its strategic foreign policy goals. The South African Development Partnership Agency (SADPA) will be partnered by a foreign policy think tank such the **United States Council on Foreign Relations**. Both will be based at the Foreign Ministry, recently renamed the Department of International Relations and Cooperation (DIRC).

The National Treasury wants to control SADPA jointly with DIRC, we hear, and to see better proposals on financing both. So far, DIRC is resisting. A document prepared for cabinet says that SADPA projects, 'could be used as instruments to achieve the Millennium Development Goals and could be the beginning of Africa being less dependent on outside aid'. It certainly seems to answer the desire for more 'South-South' cooperation and fits it with South Africa recently joining the BRICS (**Brazil, Russia, India, China**, South Africa) grouping (AC Vol 52 No 19).

SADPA will replace the African Renaissance Fund, set up by former President **Thabo Mbeki** in 2000, which provided development aid in Africa. Excluding transfers from the Southern African Customs Union to **Botswana, Lesotho, Namibia** and **Swaziland**, development assistance from South Africa to other countries and multilateral institutions is close to 0.08% of gross domestic product. When SACU distribution is added, the official aid figure increases to 1.25% of GDP.

Outside Africa, South Africa has channelled aid to other developing countries through the India, Brazil, South Africa Trust Fund. The three contribute a minimum of US\$1 million annually to the IBSA Fund, administered by the United Nations Development Programme's Special Unit for South-South Cooperation. The idea now is for South Africa's assistance to come under its own control.

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took a harder line and joined forces with *Al Shabaab*.

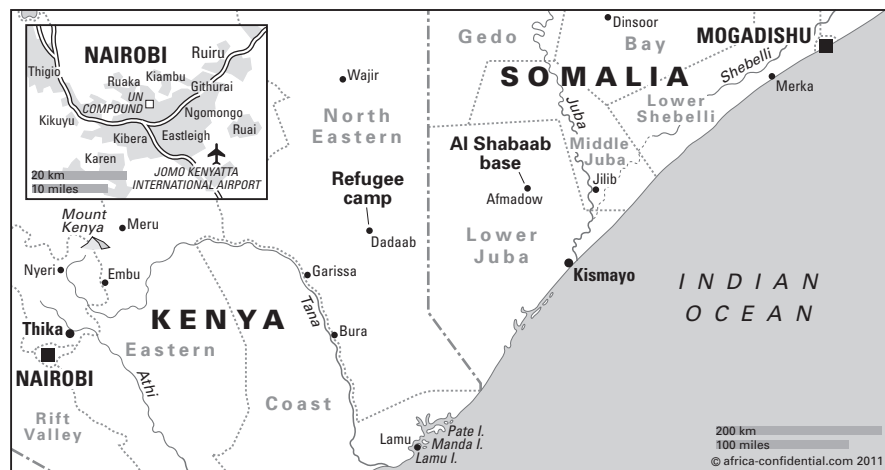
Although Ethiopia's experience suggests that Kenyan troops could face a long hard slog, Chirchir is undaunted: 'Based on our success so far, it's going to be a quick operation.' His colleagues were claiming that Kenyan forces had killed over 70 *Shabaab* forces by 19 October as they marched towards the militia's base at Afmadow.

Kenya is further helped by the strong support that its invasion of south-central Somalia is getting from the TFG in Mogadishu and the AU forces (**Ugandan** and **Burundian**) already in the country. Somalis outside government sound far less enthusiastic and fear more 'collateral damage'.

On 18 October, Kenya's Foreign Minister, **Moses Wetangula**, and defence Minister **Yusuf Haji** met their Somali counterparts at a heavily guarded office in Mogadishu. While they were discussing strategy, a car bomb exploded outside a Foreign Ministry building killing six people. The prospect of a general escalation of hostilities within and on the borders of Somalia alarms civilians.

While the Kenyan forces tried to drive *Al Shabaab* fighters from their southern Somali strongholds, TFG officials said their forces were launching a new offensive from Mogadishu. Chirchir insisted this campaign, in which TFG forces would lead the assault on *Shabaab* bases outside the capital, was coordinated with the support of Amisom. The TFG Spokesman, **Abdirahman Omar Osman**, spoke of a close alliance between Mogadishu and Nairobi. 'Kenya and Somalia are in agreement on security issues. The Kenyan troops were deployed to reinforce security in Somalia. They have been helping our troops logistically and with training.'

All this represents a sharp turn in Kenyan policy, with successive governments studiously avoiding any military involvement in Somalia. Instead, Kenya's main contribution has been to host conferences to form transitional governments to run Somalia, albeit with almost no popular mandate or grassroots support. A prime concern for the Nairobi government is the 2.4 million strong Kenyan Somali population and the 600,000 Somali refugees in centres



such as the camps around Dadaab in the already troubled North-East Province.

Although the Kenyan authorities said the recent abduction of tourists along the Kenyan coast had prompted their invasion, there is little agreement about which militias are responsible or their motives. Whether or not it is responsible for the kidnappings, *Al Shabaab* may now benefit from the ill-will that the Kenyan forces will generate if many civilians are killed during its new operation – on both sides of the border.

Some Somali groups warn that the action could steer some young and frustrated Kenyan Somalis towards *Al Shabaab* and other militia groups which have stepped up recruitment inside Kenya. On 19 October, the Kenyan government announced a sweeping internal crackdown on sympathisers of *Al Shabaab* and illegal immigrants in densely populated centres such as Nairobi's Eastleigh district.

PANIC IN LAMU

Some witnesses say the kidnappings along Kenya's coast were carried out by groups linked to the Somali pirates whose operations have come under pressure from heavier international maritime policing in the region. The kidnappings generated panic. The resort town of Lamu, favoured by (relatively) wealthy European tourists, emptied within days and this at the start of the tourist high season, which this year was forecast to generate a record US\$1 billion in revenue.

Those abductions were further aggravated by the kidnapping of two **Spanish** aid workers in the sprawling Dadaab refugee camp. This was the shot that sent Kenya's armed forces into south-central Somalia. Invoking Article 61 of the United Nations charter on territorial integrity, some 1,600 Kenyan troops launched their first cross-border military offensive, Operation *Linda Nchi* (Protect the Nation), since the end of the Shifta War in 1967. Derided in the region for their lack of fighting experience, the Kenyan armed forces have deployed mechanised infantry with aerial cover from fighter aircraft and

helicopter gunships. We hear that Somali TFG troops will be joining them in the battle for Afmadow.

The real prize, though, is the port city of Kismayo. Both Kenya's military and its Amisom counterparts believe that the capture of Kismayo, from which *Al Shabaab* now derives much of its revenue, will choke off the militants.

Military sources hinted that cross-border troop movements had begun some days before the formal announcement on 15 October. They also suggest that troop deployments along the Kenya-Somali border had begun as early as November 2010, when the army's Operations Command was shifted from Nairobi to the northern town of Garissa. Similarly, increased troop movements in the North-Eastern Province, which borders Somalia, coincided with the cancellation of military training programmes for Kenyan Somalis who were meant to join up with TFG forces. In a recent interview with this correspondent, Prime Minister **Raila Amolo Odinga** said that the government had abandoned these training programmes when many of the Somali recruits went absent without leave. Odinga had hinted then, two weeks before the start of Kenya's military campaign, that it was time for his government to intervene directly in Somalia.

However, the crisis may throw into sharper focus the links between the militia groups, their financiers, drugs and arms traffickers and the growth of institutional corruption in Kenya (AC Vol 52 No 9). A new report* by **Peter Gastrow** argues that collaboration between corrupt officials and politicians in Nairobi and transnational criminal networks is critically undermining the capacity of the government. The report points to the growth of heroin transshipments through Kenya from **Iran** and **Pakistan** and the way that militias in Somalia have started to profit from drugs trafficked into Kenya. The port of Kismayo, currently controlled by *Al Shabaab* in southern Somalia, has become an important staging post for drug consignments en route to Kenya.

No one, including Gastrow, can reliably say how much of this criminal activity is linked to politics and militias, and there are many grey areas, with gun runners aligning to certain militia groups for mainly financial reasons.

Similarly, experts differ over the links between *Al Shabaab* and Somali pirates. Colonel **John Steed**, Principal Military Advisor at the UN Political Office Somalia, speaks of growing cooperation between *Al Shabaab*, which he says is desperate for funds after its ejection from Mogadishu, and pirates and other criminal gangs.

Yet others argue that although *Al Shabaab* sometimes imposes taxes on pirate groups there are no established logistical links between pirates and the Islamist fighters.

More important as a root cause is the discontent along the Kenya Coast, where landlessness, youth unemployment and historical grievances have made the area a recruiting ground for the militias, which promise a mixture of religious rectitude and a share of the substantial financial proceeds. Indeed, some link the abduction of two tourists, **Judith Tebutt** and **Marie Dedieu** (who died while being held hostage in Kismayo), to groups out to sabotage the tourism industry as a way of highlighting the economic marginalisation of Coastal communities. Over the past year, several groups, notably the Mombasa Republican Council, a non-violent organisation advocating for Coastal secession from Kenya, have emerged. The MRC, whose slogan is *Pwani Si Kenya* (literally, 'The

Coast is not Kenya'), is said to have recruited up to two million members.

The core issue is less whether Kenya's conventional forces can outgun *Al Shabaab* but whether, in alliance with the 9,000 or so Amisom troops, they can face down the militias long enough to allow the shaky TFG to consolidate power. Having pushed *Al Shabaab* out of Mogadishu and crucially, Bakara Market, which reportedly accounted for about half of the militia's income, about US\$100 mn. a year, Amisom's wanted to press its advantage, with its new Kenyan allies. ●

**Termites at work: Transnational Organised Crime and State Erosion in Kenya, International Peace Institute, New York, 2011.*

TUNISIA

New rules for a new order

The likely winner of the Constituent Assembly elections is the Islamist party which the deposed autocrat Ben Ali tried to repress

Tunisians kept their affection for constitutional principles and the rule of law throughout the corruption and autocracy that prevailed under President **Zine el Abidine Ben Ali**, whom they threw out in January. On 23 October, they will vote for a constituent assembly, to write the rules for the new political order. The likely winner, though not with an absolute majority, is *Hizb Ennahda* (Renaissance Party), the Islamist group that Ben Ali struggled to repress which has emerged as the biggest, best-organised political force in the new dispensation. Tunisia, the first country of the Arab Spring to hold first a revolution and then national elections, could pave the way for states such as **Egypt** and **Libya**, where Islamist parties will be pitted against less disciplined liberal and secular movements.

The prospect of *Ennahda's* ascendancy divides the country. Women's groups and secularists have mounted demonstrations to show their resistance to a shift towards theocratic rule. Liberal activists have paid for a series of advertisements entitled 'The Morning After' (the elections): one shows a seaside restaurant empty of tourists who have fled at the news of an Islamist victory; another shows a young woman without headscarf or veil who fears her job will be taken by a man.

After the brave mobilisation of the people in December and January, the election campaign was generally disappointing. With a relatively strong middle class, a resurgent civil society and a high literacy rate, democratic politics

should fare better in Tunisia than its neighbours. There are, despite Ben Ali's dictatorial rule, robust laws protecting women's rights.

By the weekend before the polls, as campaigning reached a crescendo, some analysts were claiming that half of the electorate had not made up its mind. Over 100 political parties (some with a handful of members and a bewildering range of independents) are running for the Assembly. In 33 constituencies (six of

them for expatriates), there will be 1,570 electoral lists and 11,333 candidates for the Assembly's 217 seats. The main parties have traded accusations in social media, blogs, newspapers and radio stations of compromising links to the former regime or Islamist agendas hidden behind masquerades of moderation. Secularists worry that expatriate voters may be more fiercely Islamist than the locals.

Ennahda, led by 70-year-old **Rachid Ghannouchi**, who founded it in 1981, presents as a modern Islamist movement on the lines of **Turkey's Adalet ve Kalkinma Partisi** (AKP, Justice and Development Party). It advocates a pure parliamentary system with a president elected by the assembly and a government led by a prime minister from the party with the most seats. That would guarantee *Ennahda* a grip on power, if the opinion polls forecasting its success prove accurate.

CONTENDERS FOR THE ASSEMBLY

- *Hizb Ennahda* (Renaissance Party): founded in 1989 by **Rachid Ghannouchi**, the party has established itself as a mainstream Islamist party. It is expected to win the most seats, if not an absolute majority, in the constituent assembly and assume a leading role in writing the new constitution.
- *Parti démocratique progressiste*: the PDP is seen as the main opponent of *Ennahda* and is expected to be just behind it. Lawyer **Ahmed Néjib Chebbi** founded it in 1983 and still leads it. PDP fought the 1989 and 1999 polls but boycotted those of 2004 and 2009.
- *Ettakatol/Forum démocratique pour le travail et les libertés*: FDTL was founded in 1994 by **Mustafa Ben Jaafar**, its President, and is forecast to be the third-biggest party.
- *Le Congrès pour la république*: founded in 2001 by human rights campaigner **Moncef Marzouki**, who is its President. Some claim it has a covert alliance with *Ennahda*.
- *Pôle démocratique moderniste*: formed on 31 May, the PDM brings together left-wing groups. The core is *Ettajdid* (Renewal), which grew from the former Tunisian communist party (AC Vol 52 No 2). Other political groups involved in the *Pôle* are the *Parti socialiste de gauche*, *El Wifek Joumhouri*, *Voie du centre*, *Mouvement des patriotes démocrates* (*El Watad*), *Parti du travail patriotique et démocratique* (*Awad*), *Parti de l'avant-garde*, *Mouvement de la citoyenneté et de la justice*.
- *Afek Tounès*: founded after the revolution, a centre-left party seen as close to PDP.
- *Union patriotique libre*: founded in 2011 by its President, **Slim Riahi**, a businessman with interests in property and oil in **Libya**, **Britain**, **Qatar** and the **United Arab Emirates**.
- *El Watan* (Nation): founded in 2011 by **Mohamed Jegham** and **Ahmed Friaa**, both interior ministers during President **Zine el Abidine Ben Ali's** regime. ●

Awkward questions about which foreign organisations are financing which parties remain unanswered.

Some local support for *Ennahda* seems to come from its members' street credibility, having been the toughest opponents of the Ben Ali regime (many, perhaps most, of the many political prisoners had Islamist sympathies). It is also seen as less corrupt and more obedient to the religious imperatives of honesty and social responsibility. As none of the parties contesting has a record in government, much depends on the energy and determination of their campaigns.

Ennahda, which has the greatest national reach, says it wants a government of national unity and a constitution approved by a simple majority of votes in the constituent assembly – also to its advantage in the arguments over the religious content of the constitution. Its rivals in the left-leaning *Parti démocratique progressiste* (PDP) and the *Pôle démocratique moderniste* (PDM) insist that two-thirds of assembly votes should be required to approve the new constitution. That would compel a wider range of interests and positions to find a compromise on the new basic law.

Supporters of the centrist and left parties accuse *Ennahda* of a 'double narrative': moderate on television and radio, with harder-line Islamist positions deployed at public rallies. A touchstone of the secular-Islamist divide was the broadcast on 7 October by Nessma TV of the film *Persepolis*, which was highly critical of Tehran's theocratic regime. The film contains a visual representation of God, forbidden by Islam, which enraged Islamists. There were protests all over the country, mainly by Salafist groups; some turned violent. Four days later, Nessma's General Manager apologised for showing the film, calling it 'a mistake that will not be repeated'.

Ennahda condemned the attack on the TV station but a member of its Political

Bureau, **Noureddine Arbaoui**, told *Africa Confidential* that he considered *Persepolis* a serious provocation. He said the party supported freedom of expression but not attacks on Islam: 'We cannot cut off the people and the state from Islam.' *Ennahda* was not calling for a religious state but one that would be partisan towards Islam without discriminating against other religions. Such nuances are hard to explain to the grassroots. Arbaoui said the party would hold its first congress before the end of the year. While there are competing factions, he said, 'We are sure that the base is confident in the leadership.'

Ennahda contains several factions of differing weights. Ghannouchi himself has worked hard to cultivate an image as a Tunisian version of Turkish Prime Minister **Recep Tayyip Erdogan** and has called on his friend **Saad Djebbar**, an Algerian lawyer based in Britain, and British libel specialists Peter Carter-Ruck to defend his claimed commitment to non-violence. His daughter, **Soumaya Ghannouchi**, a researcher at the University of London's School of Oriental and African Studies, published an opinion piece in Britain's *Guardian* newspaper praising both the revolutionaries of the Arab Spring and her father's commitment to democracy.

Under the local variety of proportional representation, some 5,000 independent candidates are standing. The electoral law allows stronger representation in the Assembly for smaller groups, curbing the power of the biggest parties. Some independents are suspected of being supporters of Ben Ali's *Rassemblement constitutionnel démocratique* (RCD), which was formally dissolved on 9 March but may try to get back into the political arena. Attempts at coalition or electoral pacts seem to have failed.

The PDP's political advisor, **Samy Ghorbal**, says this was because no one knew how much support each party had as a basis for negotiations and because the electoral law might give more seats to

parties that ran alone. It is widely expected that the parties of the left and centre, including the PDP, PDM, *Afek Tounès* and the *Parti du travail tunisien* (PTT, Labour Party) will form a parliamentary alliance based on common principles and on opposition to the Islamists.

The third-biggest party after *Ennahda* and the PDP is *Ettakatol* (*Forum démocratique pour le travail et les libertés*). The FDTL, which has refused any alliance with the secular parties, is accused of flirting with *Ennahda*. Rival parties think its leader, **Mustapha Ben Jaafar**, wants to become national President, for which he would need *Ennahda*'s votes – or those of a parliamentary coalition including *Ennahda*. Others argue *Ettakatol* wants to keep its independence and visibility.

No party offered convincing economic policies, badly needed with the collapse of tourism, the downturn in manufacturing and services, and economic weakness in the European countries that are Tunisia's main customers. The economy, more tightly linked than those of its Maghreb neighbours to Europe, is precarious. The new government will have to address the situation amid the high hopes of the post-revolutionary public. **Hassen Zargouni** of market researchers *Sigma Conseil Tunisia* advises that formulating a viable economic policy will need wide support in the Assembly – cross-party support against the temptations of populism.

Many of the economic demands and expectations of the people who triggered the revolution will be disappointed in the short term; changing the economic pattern will take years. After **South Africa**, Egypt and **Nigeria**, Tunisia is one of Africa's most industrialised countries. It is not surprising that the election campaign proposed few solid economic policies. The compensation is that the prospect of political stability, with elections free of violence and respect for the results, is what international and national investors are waiting for to get business going again. ●

EGYPT

Generals stall the revolution

The fall of Hosni Mubarak left a vacuum and the army wants to be sure his replacement will protect its interests

The generals who rule in Cairo are well positioned to shape the new political landscape and hold on to their huge financial interests. As economic pressures grow on the post-revolution regime, the generals have secured financial backing from **Saudi Arabia** and other regional allies. After pushing out President **Mohamed Hosni Mubarak** in January, they promised to return to barracks

after overseeing the writing of a new constitution and free elections. Now, many say the army seems in no hurry to upset the status quo (AC Vol 52 No 16).

The ruling junta, the Supreme Council of the Armed Forces, is reviving Egypt's traditional diplomatic skill. The generals mediated the release of the Israeli prisoner **Gilad Shalit** and over 1,000 Palestinians on 18 October. As in the old

days, they still do business with Israel, Saudi and the **United States** (which pays much of the military budget). The stakes were raised by the death of about 45 mainly Coptic Christian demonstrators after security forces and 'thugs' (including plainclothes police) crushed an opposition gathering around Tahrir Square on 9 October, while soldiers looked on. Senior officers implausibly blamed the Copts for provoking the violence. We hear that many headline officers have been transferred to the military police to allow the SCAF to control demonstrations, with loyal units able to respond rapidly in central Cairo and other strategic places.

Few people believed the explanation of the killing of the Copts offered by Major General **Adel Emara** and Maj.

Gen. **Mahmoud Hegazy**. Armoured vehicles were used systematically to crush demonstrators but the officers claimed that troops with unloaded guns had been 'savagely' attacked by agents provocateurs. Finance Minister **Hazem el Beblawi** tendered his resignation in protest; the SCAF rejected it. Many Egyptians pointed to the danger of conflict being stirred between the Sunni Muslim majority and the Christian minority (said to be about 10% of the 80 million population) by using the security forces against demonstrators who complain that Islamists are attacking their churches as the army stands by.

The generals, led by the Defence Minister, Field Marshal **Mohamed Hussein Tantawi**, hope to convince doubters that Egypt is genuinely moving towards democracy and they are looking for allies and a winning presidential candidate. They have never liked **Mohamed Mustafa el Baradei**, the former chief of the International Atomic Energy Agency (IAEA), despite (or perhaps because of) his international reputation and his ability to work with 'moderate Islamists' as well as younger liberals. The veteran diplomat **Amr Moussa** had some military backing but several Cairo sources told us that the former Secretary General of the Arab League had fallen out with the SCAF – which does him no harm among 'Facebook Generation' electors.

AYMAN NOUR DISQUALIFIED

On 17 October, the Court of Cassation (highest-instance appeal court) decreed that **Ayman Nour**, a long-time dissident, was ineligible to stand for the presidency because of his conviction in 2005 on charges of forging signatures required to form his political party, *Al Ghad* ('Future') in 2004. The charges were regarded as politically motivated. Nour dared to stand against Mubarak for the presidency in September 2005 and a senior member of that government recently told us that Nour had received more votes than announced. After four years in gaol, he was released in February 2009 on health grounds.

One would-be candidate who may appeal to power-brokers and some voters is **Abdel Moneim Abu el Foutouh**. The long-time Muslim Brother and Arab Doctors Union activist is prudent when discussing the military, while promoting a fashionable platform of Islamic moderation and modernity (including a commitment to choose a Coptic vice-president). The Brothers suspended him last May when he said he would stand for president.

Hegazy told a journalist in mid-October that, whatever happened in the parliamentary elections, the SCAF intended to hold on to power until the presidential poll which, he said, would be held in 2013 (some sources fear even 2014). With Egyptians tiring of the

economic downturn, constant protests and the threat of political violence, the zeal that drove the protestors to Tahrir Square may not last until the polls.

The SCAF has flirted with *Al Ikhwan al Muslimoon*, the Muslim Brotherhood, which was formally banned under Mubarak but managed to become the country's only organised political group. Its Freedom and Justice Party will be a force in elections; following its traditional tactic, the MB dominates several professional associations. The soldiers have also looked on while fundamentalist Salafist groups receive funds from abroad and gain strength. Many fear that the Islamist movements may endanger the Arab Spring and the struggle for democracy and social justice (see Sudan Box).

TANTAWI'S FALAFEL WALKABOUT

The SCAF does not appear united behind any candidate. There was a lively reaction when, on 26 September, Tantawi arrived in central Cairo wearing a smart suit rather than his usual military outfit and was pictured shaking hands with happy locals as he sought a falafel snack. The 'military sources' authorised to talk to the press said he had been at a family wedding and his apparently impromptu walkabout had 'nothing to do with any presidential or electoral plans'. It was still odd how many falafel stalls had photographers and

television crews in attendance.

The first vote comes on 28 November, in the first phase of choosing a People's Assembly to draw up a new constitution. Oppositionists fear it could be stolen by the SCAF, along with a peculiar alliance of Islamist and *ancien régime* power-brokers. Military sources suggest that the election timetable could be stretched out and that, without the disqualification of National Democratic Party stalwarts, members of Mubarak's old NDP might stand as independents. Some surmised that they could use their old mixture of bribery, local influence and muscle to build a SCAF-friendly block in Parliament.

The MBs fear being outflanked by the SCAF (not to mention their Salafist counterparts). Starting with a demonstration on 30 September, the Brotherhood joined 25 January revolutionaries in Tahrir Square. The SCAF then conceded some key requests. Foreign election observers will be allowed, political parties will have a greater role than the military had wanted and NDP stalwarts will be blocked. Yet the soldiers seem determined to hold on to the power and rewards they have claimed since 1952, with a wide formal network of industrial and other businesses, as well as more informal moneymaking. It seems the SCAF will cut deals with whomever seems useful. ●

COFFERS EMPTY, POWER FOR SALE

The revolution has run low on funds as tourists have stayed away and businesses closed after President **Mohamed Hosni Mubarak** fell in February. Flaunting its nationalism, the Supreme Council of the Armed Forces in June rejected a US\$3 billion International Monetary Fund standby loan (seen as the softest the Fund had ever offered) and stalled other finance, saying only a permanent government could agree big deals. One activist said darkly that by starving the transitional government of funds, the SCAF was trying to strangle the revolution.

Promised Arab funds have not materialised. Until early October, the only facility lodged at the Central Bank of Egypt was \$500 million in budget support from **Saudi Arabia** and a similar amount from the African Development Bank, whose President **Donald Kaberuka** quickly saw the need to give basic support to Arab Spring governments. Facilities from the headline \$38 bn. 'Deauville Partnership' (for Egypt, **Morocco**, **Tunisia** and **Jordan** over the next two years), announced by **French** President **Nicolas Sarkozy** when the Group of Eight met in France, are only now coming together.

Foreign reserves have run down and the Treasury bill market is depressed, so the Cairo government has depended on liquid local banks to support the state budget. The SCAF's idea that local banks could provide enough sits well with many Egyptians, still influenced by the Nasserist economic thinking of three or four decades ago. Yet self-sufficiency is not sustainable, with domestic interest rates up to around 14%, from 9-10% before Mubarak fell. Finance Minister **Hazem el Beblawi** admitted on 17 October that Egypt needed foreign borrowing. Saudi and **Qatar** came to the rescue. Riyadh's Ambassador, **Ahmed Abdel Aziz Qatan**, offered a package worth \$3.9 bn. in budgetary support, loans and Treasury bills, with Qatar providing balance of payments support. This is welcome but some activists suspect that the Saudi gesture marked a new phase in Egypt's relationship with the kingdom and that the SCAF managed to assure its Saudi sponsors that the Arab Spring would be contained – and certainly not internationalised.

King **Abdullah bin Abdel Aziz al Saud** and other senior leaders were horrified when their old friend Mubarak fell and was put on trial. Funds for Egypt dried up, except for the mushrooming Salafist parties. Cairo is abuzz with rumours about how they come to be so flush with cash, most of it probably from private donors in Saudi and Qatar. ●

Opposition on the march

Political and military oppositionists coordinate their campaigns as economic pressures mount on Khartoum

A new military-political alliance of northern oppositionists is determinedly confronting the Khartoum regime, just three months after **South Sudan** formally seceded. The two developments are closely tied: the Independence of the South has weakened the National Congress Party (NCP) politically, economically and militarily. Indeed, the states of Southern Kordofan and Blue Nile, where Khartoum is prosecuting its latest war, are increasingly known by the opposition as the 'New South'. The group strongly leading the fight against Khartoum in those areas, the Sudan People's Liberation Movement/Army-North (SPLM/A-N), is also the effective head of Northern Sudan's new opposition alliance – an alliance so new it has not yet got a name.

There has been 'a historical paradigm shift in Sudanese politics', the SPLM-N Secretary General, **Yasir Saeed Arman Saeed**, told the Royal Institute of International Affairs in London on 3 October. Backing this assessment was the Co-Deputy President of the National Umma Party, **Nasr el Din el Hadi el Mahdi**, who told *Africa Confidential* last week: 'We want the overthrow of the government by any possible means.'

The new alliance made its debut at a London rally on 1 October. The star guest was Yasir, who stood against President **Omer Hassan Ahmed el Beshir** in last year's presidential election, eventually

withdrawing, because of fraud by the ruling NCP (aka National Islamic Front, NIF). With him in London were senior opposition figures not seen together in public since the National Democratic Alliance (NDA) crumbled a decade ago. They included:

- **Nasr el Din**, cousin of Umma Party leader and former Prime Minister **El Sadig Sideeg el Mahdi**, and a veteran of the 1976 attack from **Libya** by the Umma, Democratic Unionist Party (DUP) and Muslim Brotherhood (later NIF) in a bid to oust President **Ja'afar Mohamed Nimeiri**;

- **El Tom Haju**, the DUP candidate for Sennar State governor and then advisor to the SPLM-N's elected Blue Nile Governor, **Malik Agar Eyre** (who was sacked this year by the NCP);

- **Ahmed Hussein Adam**, the former Spokesman of the Justice and Equality Movement and now Foreign Affairs and International Cooperation Advisor to JEM Chairman **Khalil Ibrahim Mohamed**;

- representatives from **Abdel Wahed Mohamed Ahmed el Nur's** Sudan Liberation Movement faction and ex-Presidential Advisor **Minni Arkou Minnawi's** SLM.

This is the core of the alliance. Others who may join and were mostly represented at the London rally include:

- the Beja Congress (the long established ethnically-based party of Eastern Sudan);

- **Ahmed Ibrahim Diraira**, a veteran

political secularist and Governor of Darfur under Nimeiri, and his Sudan Federal Democratic Alliance;

- **Ali Mahmoud Hassanein's** Broad National Front (AC Vol 51 No 21), which has been split by the NCP, we hear;

- **Kush Liberation Movement** (far North, Nubian);

- **Sudan Communist Party** (once very powerful);

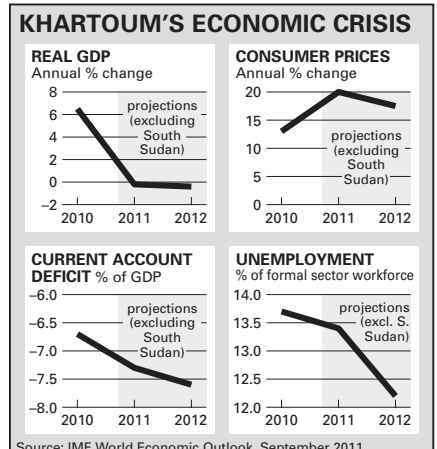
- **Hassan Abdullah el Turabi's** Popular Congress Party (PCP), which split from the NIF.

El Turabi long led the NIF, including before and after its 1989 coup. Some democrats worry about including him and also JEM, which is often seen as the PCP's armed wing. 'JEM is for a secular state,' Ahmed Hussein told AC. 'The priority is working with the opposition.'

The opposition challenge is both political and military (see Box). The SPLA-N has responded robustly to Khartoum's military onslaught in the 'Two Areas' of Blue Nile and South Kordofan, both just north of the border with South Sudan. Under the Comprehensive Peace Agreement, they were supposed to be given 'popular consultations' on their future status but this has not happened. Meanwhile, the failure of July's Doha agreement on Darfur (from which most Darfur groups are excluded) along with the return of JEM's leadership from Libya to Darfur – will probably mean another upsurge in fighting there.

The success of popular uprisings in **Tunisia, Egypt** and **Libya** has encouraged bolder protests against the regime. We hear reports of growing disagreements over policy and tactics among military and security officers in Khartoum and among NCP leaders. The question is: how will the NCP respond to the opposition's renewed energy?

Many Northern democrats fear that its exploitation of ethnic divisions in Blue Nile, South Kordofan and Abyei will provoke racial conflict and secessionism. Reinforcing this is the growing economic crisis as Sudan struggles to cope with the loss of 50-70% of its oil revenue. An



outsspoken 16 October blog by **British Ambassador Nicholas Peter Kay** calculated the price of cooking oil, chicken and bread in Khartoum had risen by 20-25% in September alone.

'AN IMMINENT EXPLOSION'

Historical parallels are uncomfortable for Khartoum: economic hardship fuelled the *Intifada* (uprising) that overthrew Field Marshal Ja'afar Nimeiri in 1985 yet the NCP is more widely detested than Nimeiri. On 19 September, *Al Ayyam's* veteran Editor-in-Chief, **Mahjoub Mohamed Salih**, warned that a meat boycott was 'an early warning bell... The people have reached the brink of poverty and are standing at the threshold of an imminent explosion.' Since then, doctors (spearhead of the 1985 *Intifada*) have struck, as have electricity workers in the north, among others, while opposition and NCP students clashed in Ahliya University last week. The youth movement has flourished, including groups such as *Kefaya* ('enough'), *Girifna* ('We are fed up') and *Sarar* ('Spark'), who threatened to march until they had all been shot. More newspapers are being closed down, more human rights activists and trades unionists have been arrested, including, on 18 October, 85-year-old **Abbas el Awad**.

Looming over the growing crisis is the South. The late SPLM Chairman **John Garang de Mabior's** 'New Sudan' doctrine called for a united Sudan based on ethnic, linguistic, religious and economic equality. The NCP's Islamism and Arabism guaranteed the vote for Southern separation in January. The SPLM-N now calls for 'equality of citizenship' in the 'New South' – the marginalised areas and among marginalised people everywhere. 'We don't want people just to focus on the Nuba and Blue Nile,' said one senior SPLM-N politician. Such a focus suits the regime, which was using the threat of racial conflict to frighten people in the capital, he said.

YASIR ACCUSED OF TREASON

Khartoum proscribed the SPLM-N in September and Yasir Saeed Arman would be arrested if he returned to Khartoum. Omer el Beshir's uncle, *Intibaha* Editor **El Tayeb Mustafa**, has sued him for 'undermining the state' (which carries the death penalty). The SPLM-N, though, continues to talk to regional leaders such as **Ethiopian Premier Meles Zenawi** and in September gave him its 'road map for political transformation' to discuss with President Omer. The NCP rejected the plan and the opposition says Meles is sympathetic to it.

Attention has shifted from the outstanding issues of the 2005 Comprehensive Peace Agreement, including border demarcation and oil

arrangements, to the latest conflict. 'There is already full-scale war in the whole of the New South in the North,' Yasir Arman told us. 'This is going to develop, especially with the proximity of the New South to Khartoum.'

Concern about Abyei has faded although most of the promised Ethiopian troops have still to arrive and neither the Sudan Armed Forces nor the (Southern) SPLA have withdrawn. The SAF clearly expected to defeat the SPLA-N, underestimating its military capability and overestimating their own. The SPLA-N is commanded by the SPLM-N Deputy Chairman, **Abdel Aziz Adam el Hilu**, who won the election against **Ahmed Mohamed Haroun Adam** (wanted for war crimes) as South Kordofan Governor, it is widely believed, but was blocked by Khartoum (AC Vol 52 No 10).

He is also an experienced military

commander, with some 45,000 highly motivated troops in his state and Blue Nile, where El Tom, a DUP man since the 1970s, also has at least 2,000 fighters, we hear. DUP leader **Mohamed Osman el Mirghani**, who still talks to Khartoum, turns a blind eye. DUP and Umma activists seek to pressure their ageing and unelected leaders to toughen their line against the regime (AC Vol 52 No 1). No one is talking about another deal with Khartoum. 'Negotiating with them is an endless tunnel,' said Nasr el Din el Hadi. 'They're very manipulative, they rule by dividing others. I differed with El Sadig on that.'

Yasir said he found 'understanding' in the **United States**, **Britain**, **France** and the **European Union** for the opposition's calls for safe corridors and the investigation of war crimes. 'We don't want military support, we need moral and political support and

MILITARY MOMENTUM

The impetus for the opposition's new determination comes from the military success of the Sudan People's Liberation Army-North in Southern Kordofan and Blue Nile states. The SPLA-N says it holds most of South Kordofan and four of Blue Nile's six counties. It claims to have shot down four of the government's Antonov bombers. This military success seems have surprised Khartoum.

The National Congress Party (aka National Islamic Front, NIF) has responded in two ways. Tactically, it has stepped up indiscriminate bombing raids. President **Salva Kiir Mayardit's** newly independent **South Sudan** backs its former fighters in the SPLA-N politically and, many assume, militarily. The threat of NCP-backed militias in the South has been reduced but not eliminated by Juba's disarmament, demobilisation and reintegration programme.

Strategically, the NCP is short of options and leans increasingly on its remaining ally, **Iran**. Iranian and Sudanese operatives are busy in neighbouring **Egypt** and **Libya**, both still in the throes of Arab Spring turmoil, *Africa Confidential* understands. Over 2,000 missiles recently reached Sudan from Libya, a senior oppositionist says. Iranian President **Mahmoud Ahmadinejad's** 26 September day trip to Khartoum was primarily to discuss relations with the Libyan and Egyptian Islamist movements, we hear. Presidential Advisor **Mustafa Osman Ismail** then went to Tehran.

The goal is for Islamists to take power in both countries – one reason Khartoum warmly welcomed their uprisings (while denying one was needed in 'democratic' Sudan). Tehran wants to balance the loss of **Syria** and gain a strong foothold in North Africa. Egypt borders both **Gaza** and **Israel**.

This may help explain what Sudanese sources say is a marked increase in Iranian activity at the two military-industrial complexes at Giad, south of Khartoum, and Yarmuk, Khartoum North. Iranians have long worked there, including on producing and deploying unmanned aerial vehicles (drones). They are setting up arms manufacturing plants under several military agreements (AC Vol 49 No 18). Pilots are also being trained on attack helicopters, *Africa Confidential* understands. Opposition sources say Yarmuk, close to an area full of diplomatic residences, is producing chemical weapons.

The NCP has been bombing civilians in Nuba and Blue Nile and blocking aid agencies from sending food and medicine to the victims. Reports that it uses chemical weapons are hard to confirm. 'Fumes rise from a pool of water in the small bomb crater that irritate the eyes and the nose,' **Dutch** journalist **Koert Lindijer** told Radio Netherlands Worldwide last month from near Koleli.

There are many sudden, unexplained deaths, and trees change colour, added **Kamal Kambal**, head of the SPLM-N Chapter in **Britain** and **Ireland** and a Nuba. This may suggest industrial chemicals 'packed into a container then lobbed off the aircraft' rather than 'traditional' chemical weapons, said a Western military source, noting that Sudan's hot climate would make chemicals evaporate quickly, making them hard to identify without samples. A heavily guarded army convoy from Giad to Dilling was carrying CW but one truck leaked and army casualties were taken to the Omdurman Military Hospital, says another opposition source. ●

a clear position on the humanitarian and human rights situation.'

Khartoum's reaction has been bloody and is expected to get bloodier. Its air force continues to bomb the Nuba Mountains and Blue Nile (and sometimes Darfur). Thousands of people have fled into South Sudan, driven by hunger as well as attacks. The Enough Project, which monitors the crisis through satellite images, published a report last week corroborating earlier local and United Nations reports of multiple killings and abduction in Kadugli by the Central Reserve Police (CRP).

The CRP is one of the regime's four

paramilitary bodies, answering to the party and its security organs rather than the regular police or SAF, with no constitutional basis or accountability. Known for their blue camouflage uniforms and ruthless tactics, they are nicknamed 'Abu Tera', meaning 'of the bird', a reference to the national emblem, the secretary bird, on their badge. They call themselves 'Nafi'e's Police' or 'Nafi'e's Soldiers', in honour of Presidential Assistant and former security supremo Nafi'e Ali Nafi'e. Their perks include a vast, new, high-walled complex with watchtowers next to Kassala Airport.

In the SAF, we hear of growing discontent among a group of officers known as 'Ibrahim Shams el Din's boys' (AC Vol 42 No 10), after the late Major who was close to Field Marshal Omer (who married his widow). Leaders of this group include Major General **Sideeg Fadl** of the Tank Unit and Maj. Gen. **Hassan Salih** of the Engineering Corps, the sources say. It is unclear how far they threaten the regime or whether, as one oppositionist put it, 'they want to ride the waves of change to keep the Islamist movement in power', in other words, another coup by the NCP itself (AC Vol 52 No 5). ●

UGANDA

Oil in troubled waters

Accusations in Kampala of high-level corporate bribery are as much about politics as business

Documents purporting to show that **Ireland's** Tullow Oil made corrupt payments of 16.5 million euros (US\$22.59 mn.) to Uganda's Foreign Minister, **Sam Kahamba Kutesa**, and other state officials are forgeries, say **British** police. Yet the documents were tabled in Parliament after two foreign police forces had dismissed them as fakes. Following a request from its Ugandan colleagues, the anti-corruption unit in Britain's Metropolitan Police Service questioned claims that the 'EFG' bank had acted as a conduit for payments to East Africa Development Limited in **Kenya**, via **Malta** and Dubai. British police also questioned the authenticity of a 'power of attorney' document alleged to be from Tullow's Chief Executive, **Aidan Heavey**.

Moreover, third-party payment forms, which surfaced in local press reports in mid-2010 and purported to show a 6 mn. euro transfer from a bank account in Malta to the then Energy Minister, **Hilary Oniek**, were sent to the Maltese police, who found that the Bank of Valletta account had no connection to Tullow Oil (AC Vol 51 No 23).

Tullow is impatient to complete a \$3 billion deal with the **China** National Offshore Oil Corporation (CNOOC) and Total to jointly develop Uganda's Lake Albert oil fields, with an estimated two bn. barrels of crude. It wrote to the Speaker of Parliament, **Rebecca Kadaga**, denouncing 'an aggressive attempt to discredit Tullow Oil'. Rival oil companies would also benefit from government approval. The Italian oil giant Eni made loud attempts to enter the market but Tullow won with its £1.5

bn. (\$2.35 bn.) purchase of its partner Heritage's licence shares.

So where did the forgeries come from and why did a ruling party member of parliament, **Gerald Karuhanga**, table them in Parliament on 10 October, sparking a week of furious political wrangling? The allegations, revived by politicians in the governing National Resistance Movement, show yet again that President **Yoweri Kaguta Museveni's** party is restive. He was comfortably re-elected in February, amid bitter NRM primaries and local government contests. Nearly 200 MPs signed a petition calling for a delay in approving the Tullow-CNOOC-Total deal.

Allegations of a separate financial scandal are muddying the waters. Kutesa, Government Chief Whip **John Nasasira** and State Labour Minister **Mwesigwa Rukutana** 'stepped aside' – careful not to resign – on 12 October to start their defence in trials for alleged corruption arising from the Commonwealth Heads of Government Meeting (CHOGM) tendering scandal of 2007.

They are wealthy NRM stalwarts with significant friends. Furthermore, former Vice-President **Gilbert Bukenya** was released on bail with his CHOGM trial imminent, leaving Museveni isolated between the old guard in the dock and the Young Turks in Parliament. He is standing by his old ally, Prime Minister **John Patrick Amama Mbabazi**, who withstood resignation calls last week after old allegations of dubious ties with Eni, contained in a leaked **United States** Embassy cable, were also tabled in Parliament (AC Vol 51 No 25).

Tullow needs government approval to move towards production but cannot get it while the legal battles in London and Kampala drag on. The central dispute is over a \$313,447,500 payment which Tullow made to Uganda in April 2011. Tullow says it was intended to settle Heritage's tax liability and is suing Heritage in London to recover the money. In court documents obtained by *Africa Confidential*, Heritage argues that Tullow 'was placed in a position where the Government would not provide consent to the transfer of Heritage's rights without payment'. It could sue Heritage to accuse Tullow of paying over \$300 mn. to 'buy' political approval for the deal.

Increasingly canny in his dealings with the companies, Museveni has also started to demand changes to the three main production sharing agreements. Last month, he wanted to strike out a 'stabilisation clause', so as to allow the companies to be taxed more heavily in the future. We hear that Tullow offered to uphold stricter environmental standards but stood firm over the risk premium. They say the initial oil exploration and production contracts with Heritage were very poorly negotiated.

Museveni may be playing a risky waiting game with the oil companies. Across the border in **Congo-Kinshasa**, political intervention in negotiations has all but frozen work on oil production. In Uganda, the stakes are even higher. If oil production and refining can be jump-started around Lake Albert, it would boost the huge prospect of a Chinese-built pipeline from Uganda's oil fields to an export terminal on the Kenyan coast, with spurs to South Sudan and Congo.

A Museveni confidant says that would make him a 'sort of [Vladimir] Putin' for East Africa. Such a pipeline, transforming fuel supplies and government revenue across East Africa, would be useful for Museveni when he stands, as many are convinced he will, for election as President of the East African Community. ●

From Delta militias to piracy

The amnesty deal in the Niger Delta seems to have driven the gangsters offshore in pursuit of seaborne business opportunities

Governments and oil companies were sufficiently alarmed by the spate of piracy in the Gulf of Guinea to call for help from the United Nations Security Council (AC Vol 52 No 20). The first sign of international action came on 19 October when the UNSC held a debate on the growing crisis. It did so at the prompting of **Nigeria**, which chairs the Council this month as a non-permanent member.

On 19 October, UN Secretary General **Ban Ki-moon** announced that he would send an 'assessment mission' in November, after a request from **Benin**. The team would investigate 'the scope of the threat' and look at the 'broader context of organised crime and drug trafficking'.

Yet there is no international agreement on how to tackle the problem. Piracy is viewed as akin to transnational terrorism. The UN struggles to cope with its existing peacekeeping and international policing operations. The UN Office on Drugs and Crime (UNODC) is not equipped for naval operations.

In August, Lloyds of London and other insurers classified the maritime area around Benin and Nigeria, stretching some 370 kilometres offshore, as a 'war risk' zone following the upsurge in pirate attacks. This could double shipping insurance costs if no action is taken. Most of the pirates are based in Nigeria. Many have links to Niger Delta militant groups, although their preferred area of operation is off the coast of Benin, whose navy is too small to chase and arrest them.

Piracy has been cutting into earnings at Cotonou, Benin's main port, where French President **Nicolas Sarkozy's** friend **Vincent Bolloré** had a lucrative operating contract. Seeing the threat to national earnings, Benin's President **Thomas Yayi Boni** met Nigerian President **Goodluck Jonathan** on 16 October and agreed on joint naval patrols around their countries' maritime zone. Later this month, Boni is due to meet Sarkozy in Paris to enlist French help for maritime security. The Beninese government depends on port activities, mostly at its commercial capital Cotonou, for 40% of its revenue.

This year, the International Maritime Bureau reported at least 27 pirate attacks, although its officials reckon that over half of attacks go unreported.

Worldwide, piracy costs around US\$9-\$12 billion a year, according to the shipping associations. About 60% of pirate attacks are in waters off the **Somali** coast and the strategy is to hold ships and crew hostage in relatively good conditions until a ransom is paid (AC Vol 52 No 9). Gulf of Guinea pirates more often shoot their way on board ships to steal cargo, possessions and equipment, or to siphon oil from tankers.

Their operations have serious commercial consequences. Oil companies and other commodity traders play down the number of attacks because they fear even higher insurance premiums. There are signs of a lucrative secondary market in stolen oil and other commodities being sold in other ports in the region, such as Abidjan in **Côte d'Ivoire** and Port-Gentil in **Gabon**.

ARMOUR-PLATED OIL RIGS

Offshore oil producers have increased their physical defences. Shell's Bonga offshore refinery has armour plating that repelled rocket-propelled grenades fired by assailants from the Movement for the Emancipation of the Niger Delta (MEND), led by **Ebikabowei Victor Ben** (aka **General Boyloaf**) and his gang. Total has French special forces on its rigs.

In January 2009, in Nigerian waters off the Bonny Fairway Buoy, the *Meredith*, an oil-tanker carrying 4,000 tonnes of diesel was attacked by militants affiliated to the MEND militia. They blew up the vessel's engine with dynamite. An environmental disaster was narrowly avoided.

The **United States** reckons that West Africa will supply about a quarter of its oil imports by 2015, so it has set up the Africa Partnership Station to train local navies. The **Chinese** navy, too, is active in the region. To show who was in charge, the frigate *USS Robert G. Bradley* led the Obangame Express exercise in March, alongside vessels from **Cameroon**, **Gabon**, **Nigeria**, **Belgium**, **France** and **Spain**. In May, the Nigerian Navy received a former US Coast Guard cutter, the *Chase*, under the US Foreign Assistance Act.

Neighbouring countries such as **Côte d'Ivoire** and **Ghana** have much smaller oil industries than Nigeria but worry about piracy spreading up the West African coast. In Accra on 7 October, Ghana's Chief Justice, **Georgina**

Theodora Wood, told a judicial seminar that governments would have to tackle corruption and poverty as well as launch policing operations. Some claim that West African pirates are 'inspired' by their Somali counterparts, even if their methods and motives are different.

There is growing criticism of the Abuja government's amnesty programme, which makes payments to militants who give up the struggle but not to criminals and armed youths, who are left waiting for jobs promised by President Jonathan (who took almost all the Delta's votes in this year's elections).

The identity of those who organise bunkering, and the traffic in drugs and arms, is an open secret in the Delta. Leaked files from the US Embassy report that former state governors and federal government officials who sponsor criminal gangs enjoy political protection. Nigeria's Economic and Financial Crimes Commission and its counterparts in **Britain** and the **USA**, as well as Interpol, know the names but there are no arrest warrants, no travel bans, none of the sanctions aimed at war-crime suspects and sponsors of terrorism. The Security Council could change that if it wanted serious action against pirates.

The Committee of Chiefs of Defence Staff of the Economic Community of West African States (Ecowas) has recommended expanding its maritime security subcommittee, which now comprises **Cape Verde**, **Gambia**, **Ghana**, **Guinea-Bissau** and **Nigeria**, to bring in Benin, **Côte d'Ivoire**, **Senegal**, **Sierra Leone** and **Togo**.

Jonathan has yet to show that he can deliver on his election promises. A report in June from the US Institute for Peace notes that, despite the amnesty and ceasefire, social conditions in the oil-producing Delta states remain appalling. Just over half of the Delta's people still live on \$2 or less a day, 50% have access to safe drinking water, there is one secondary school for every 14,679 children and one child out of five dies before his or her fifth birthday.

Inemo Samiama of Stakeholder Democracy Network (SDN), a human rights group in the Delta, reported in early 2011 on the concerns of the administrator of a Cross Rivers amnesty camp, **Ekpein Appah**. He wondered what would happen once the amnesty programme ended and the money ran out: 'Offering rehabilitation, training and skills to these youths is commendable but without fundamentally addressing the underlying social, political and economic problems faced by the region, the peace that the amnesty programme is procuring may well be short-lived.' Piracy may be only a forerunner of the dangers in the region. ●

The President starts purging

After his presidential victory, long-time oppositionist Michael Sata is sacking his predecessor's key officials in the name of clean government

During his presidential campaign, **Michael Chilufya Sata** told electors: 'I am allergic to corruption.' After he won, he quickly set about trying to prove it. Anti-corruption rhetoric is always good politics in opposition but few governments meet the expectations they raise. Sata argues that the government led by his predecessor, **Rupiah Bwezani Banda**, was irredeemably corrupt and a clean-out was needed (AC Vol 52 20).

Within days of his victory on 18 September, Sata announced that he intended to sack Colonel **Godfrey Kayukwa**, Director General of the Anti-Corruption Commission (ACC), whom he accused of bungling investigations and being too close to Banda; he also said he would dismiss the popular Bank of Zambia Governor, **Caleb Mailoni Fundanga**, whose wife was linked to the former governing party, the Movement for Multiparty Democracy (MMD).

'There's no need for another Task Force [on Corruption] if you have a reliable

Director of Public Prosecutions [DPP],' says one of the new President's closest advisors. Sata, according to his officials, wants to use the existing investigation teams in the Drug Enforcement Commission (DEC), ACC and Zambia Police Service, anchoring the anti-corruption fight to people with past experience of pursuing such cases.

Amid allegations of suspected grand corruption, said to have been orchestrated by Banda and his team, Zambians want to be sure that Sata's government investigates. Civil society organisations and anti-corruption campaigners, such as the local branch of Transparency International and the Law Association of Zambia, say Banda should be investigated for misappropriation of funds and crimes involving procurement during his three years in office.

Suspect deals include the privatisation of the telecommunications provider Zamtel (sold 75% to **Libya's** LAP Green Network, AC Vol 52 No 12), the single sourcing of Addax Energy of **Switzerland** as lead supplier of crude oil for the refinery, the

US\$53 million procurement of a mobile hospital from **China**, an aborted plan to employ Guris Holding for the upgrading of Lusaka International Airport, various road contracts, and the MMD's extravagant election campaign. 'We will investigate any past acts of corruption by all those responsible and prosecute culprits within the due process of the law,' said Sata, a former police officer, on 14 October. The government intends to increase the budget of the investigators, to ensure that their work is thorough and their capacity adequate. A source in the Ministry of Home Affairs said there were indications that donors would join this crusade despite their own financial problems.

Sata intends to reinstate the 'abuse of authority clause' which, he says, was corruptly removed from the Anti-Corruption Act by Banda's team. He also means to strengthen the Procurement Act, which was 'corruptly amended' to favour a few people. Within ten days of taking office on 23 September, Sata said he would appoint **Rosewin Wandi** to head the ACC. A lawyer, she served 25 years at the ACC but Banda fired her as Deputy Director last year, accusing her of dragging her feet in the flagging fight against corruption. She was said to have received hostile calls from the former Vice-President, **George Kunda**, when she insisted on investigating cases that State House had instructed her to drop.

Alita Mbahwe replaces **Aaron Zulu** as Drug Enforcement Commissioner. Sata aims to re-establish, within the existing investigating bodies, top officers who worked under the late President **Levy Patrick Mwanawasa**, our sources say. A former Task Force Chairman, **Maxwell Nkole**, becomes Permanent Secretary in the Home Affairs Ministry, despite his poor health. Mwanawasa's Attorney General, **Mumba Malila**, is said to have been offered the post again. Task Force Prosecutor **Mutembo Nchito** is slated to become DPP; he is said to be reluctant to take the job but is regarded as capable. He is a close ally of **Fred M'membe**, editor of the influential *Post* newspaper, who has fought long battles with the serving DPP, **Chalwe Mchenga**. The *Post* said the position 'demands a higher level of integrity'.

The proposed clean-out would bring back several senior officials from Mwanawasa's presidency. Yet the problem is that the constitution protects the offices of the Attorney General and DPP, so the new President cannot sack the incumbents arbitrarily and Sata is reluctant to be seen doing so. He says he will not accept 'witch-hunting' without proof of wrongdoing and resisted attempts by some judicial officials to elevate Mchenga to the position of High Court judge, a safer one than the DPP's office. ●

A SCOTT IN OFFICE

Most onlookers perceive **Michael Sata** as the Patriotic Front and the PF as Sata. Most also acknowledge the pivotal role **Guy Scott** has played in Sata's rise to power. He is the intellectual force behind the new President and, before his promotion to the party vice-presidency just before the 2006 polls, was the PF's longest-serving Secretary General. While neighbouring **Zimbabwe** carries on fighting the **British**, **Zambia** has made history by appointing a citizen of Scottish descent as Vice-President, the second highest office in the land.

Zambians see this appointment as the natural selection of one of the President's closest allies. Guy, as Scott is affectionately known, reflects the image of Sata as a man who keeps faith with the colleagues who have shown loyalty to him. Despite his colour, Scott is seen as a more patriotic Zambian than some other politicians. His father, **Alexander Scott**, represented African interests in the colonial Parliament when they could not represent themselves. The new VP was born in Livingstone 67 years ago, studied mathematics and economics at Trinity Hall, Cambridge, gained a doctorate in cognitive science at Sussex University, and lectured and researched in robotics at Oxford. His command of the crucial Bemba language is faulty. He returned to Zambia in 1990 without his wife, who refused to accompany him. He married again and says Sata introduced him to his wife, **Charlotte**.

Scott is expected to play a crucial role in Sata's 'hands on' governance. Like the President, he is highly critical of **Chinese** investment, saying that the PF does not want China to exploit Zambia's resources, taking them away and bringing in their own workers. 'They have got plenty to give Zambia but we don't want their surplus workers,' he says.

Ex-President **Frederick Chiluba** made Scott Minister of Agriculture but he was fired in 1993 alongside a cabinet colleague accused of trying to topple the government. Between 1996 and 2001, he tried to form a political party but failed and quit active politics, then reunited with Sata to form the PF. At first dismissed as two jokers, Sata and Scott criss-crossed the country appealing for votes. Ten years on, the duo has taken over the running of Zambia's affairs. ●

How Banda got bounced

A party insider told us how the President's team fouled up his expected election victory

Ex-President **Rupiah Banda** seemed to have everything on his side before the 20 September elections. The economy was strong, buoyed by record copper and cobalt export prices, and his campaign was rich with vans, musicians, comedians, and lollipops proclaiming 'A President for All Zambians'. Yet all was not well inside the campaign team, led by a former Minister, **Boniface Kawimbe**, and his deputy, **Martin Mtonga**, a little-known computer specialist with no campaign experience. The President's third son, **Henry Banda**, *de facto* head of his campaign, also had no experience. Western-educated, he hardly speaks any local languages so grassroots members of the then governing Movement for Multiparty Democracy (MMD) believed he could not understand them.

Campaign headquarters, next to State House, was packed with people with no clue what the densely packed townships wanted. They rowed with candidates almost every day. Banda's eldest son, **James Banda**, and his Press and Public Relations Assistant, **Dickson Jere**, operated outside HQ, backed mainly by non-MMD members, young people and musicians. Local surveys had shown that the MMD was unpopular with young

electors, while Banda's popularity had nothing to do with the party. Seeking to exploit that popularity, the campaign team did not consult the MMD leadership and alienated senior members.

Apart from MMD National Secretary Major (Retired) **Richard Kachingwe**, no senior members were involved. Instead, Banda chose **Sakwiba Sikota**, President of the opposition United Liberal Party, and former Vice-President **Enock Percy Kavindele**, who has no party post. Funds were strictly managed by HQ, leaving the MMD without resources. Henry and Mtonga, handling logistics, were blamed for delays in distributing campaign materials. 'They were too strict, as if the materials were bought with their personal money,' said a candidate. Bicycles, posters and sweets are still marooned in warehouses, where the governing Patriotic Front (PF) feasts upon them daily.

New President **Michael Sata** has ordered the police to confiscate MMD materials and vehicles until they prove ownership and show tax payments. This directive has produced arbitrary arrests, detentions and illegal searches. Former Finance Minister **Situmbeko Musokotwane**, a respected economist,

was found with almost 2,000 bicycles at his farm. The police have summoned him for questioning, with two other ex-ministers, **Kabinga Pande** (Foreign Affairs) and **Maxwell Mwale** (Mines and Minerals Development), who were found with campaign materials, including vehicles, in their homes and farms.

Banda's team believed he had already won. His inauguration was prepared weeks before the polls, while the PF continued to spread its grassroots messages. Lusaka, the second most populous province, is an opposition stronghold but Banda expected it to go his way. Streetlights, trees, pavements and residents were adorned with his portrait. Sata's team published huge advertisements in the privately-owned daily *Post*, saying, 'Don't *Kubeba*!' It meant take their handouts, wear them but don't tell them you will vote for change.

When Sata won, some ministers and key MMD members joined the new regime and took lower government jobs. These included two of Banda's aides at State House: Chief of Staff **Austin Sichinga** and Chief of State Protocol **Bobby Samakai**. They are now called 'the Don't *Kubeba* advisors', who misled Banda into defeat.

Banda should have paid more attention to history. Ex-President **Kenneth Kaunda**, who ran in his first multiparty elections 20 years ago, was far too willing to believe advisors who assured him that he was heading for an easy victory against the upstart trades union leader **Frederick Chiluba** and the MMD. KK relaxed and was rudely awakened by a resounding defeat – and the MMD began a two-decade grip on power, broken only last month. ●

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Equatorial Guinea

TEODORIN'S WEEK

■ On 19 October, President **Teodoro Obiang Nguema Mbasogo** nominated his son, **Teodoro Nguema Obiang Mangue** ('**Teodorín**') as his new deputy envoy to the Paris-based United Nations Educational, Scientific and Cultural Organisation. This followed UNESCO's decision, after a year's procrastination, to reject his offer of a US\$3 million award, the UNESCO-Obiang Nguema Mbasogo International Prize for Research (AC Vol 51 No 13).

Two major court cases claiming that Obiang and his family are guilty of grand corruption played a part. A complicating factor is that he is current African Union Chairman, though the court cases against him and his family continue.

That day, the **United States** filed notice of a claim against Teodorín for over \$70 mn. in assets, including a \$30 mn. Malibu mansion, a \$38.5 mn. jet and **Michael Jackson** memorabilia.

Investigations into his father's assets in **France** continue after police seized seven cars worth \$5 mn. at his Paris residence on 28 September, including two Bugatti Veyrons, a Maserati MC12, a Porsche Carrera GT and two Ferraris.

This followed acceptance by France's *Cour de Cassation* (Supreme Court) last November that a case brought by an anti-corruption association was admissible. An investigating magistrate was appointed and a judicial inquiry opened into how assets had been acquired by three foreign heads of state and their families, the others being **Congo-Brazzaville's Denis Sassou Nguesso** and **Gabon's late Omar Bongo**.

Zimbabwe

DEVIL TAKE THE HINDERMOST

■ After Archbishop of Canterbury **Rowan Williams** met President **Robert Mugabe** on 10 October in Harare, he told journalists Mugabe had appeared shocked by the dossier of property seizures, violence and closure of churches, schools, mission hospitals and orphanages by the excommunicated Archbishop **Nolbert Kunonga** and his supporters against mainstream Anglicans. Yet Williams's reference to Mugabe as 'not obviously a man of peace' suggested scepticism.

Kunonga became Archbishop in 2000 after playing the race card against a white candidate. His compulsory parish collections for his silver wedding celebrations indicated a less than spiritual facet of his pastoral duties. In 2008, his verbal attacks on homosexuals provoked a split that led to his excommunication by Canterbury. In Zimbabwe's Anglican

hierarchy, only the Bishop of Manicaland **Elson Jakazi** followed Kunonga's lead.

Kunonga's endorsement of Mugabe as a leader chosen by God has been rewarded with at least one farm in the land reform. With Anglican bishops from neighbouring countries, Williams arrived discreetly by road from **Malawi** and tried unsuccessfully to avoid demonstrations by Kunonga's supporters from Harare Cathedral. At Harare City Sports Centre, Williams celebrated mass in full canonicals. At a rival service at the Cathedral, Kunonga – in a rumpled surplice and alb, looking like a portly cherub gone to seed – mustered only a small congregation.

A propaganda onslaught preceded Williams's arrival. Chief Justice **Godfrey Chidyausiku** warned Harare Bishop **Chad Nicholas Gandiya** to stop lobbying for the overturn of the Supreme Court's suspension of High Court judgments unfavourable to Kunonga.

Police chief **Augustine Chihuri** ordered officers to disperse congregations and arrest clerics on Fridays to prevent them officiating on Sundays. He has been reluctant to intervene when Zimbabwe African National Union-Patriotic Front militants storm Parliament and refused to protect parliamentary commissions. Chihuri has also been sitting on the report on General **Solomon Mujuru's** death in August, which has heightened suspicion that there was foul play (AC Vol 52 No 17).

Tanzania/Britain

BAE SYSTEMS' FINE DILEMMA

■ Confusion still surrounds British arms company BAE Systems' failure to make its promised ex-gratia payment of £29.5 million (US\$45.6 mn.) to Tanzania, as part of a global settlement in 2010 ending several corruption investigations into the company by Britain's Serious Fraud Office. Initially, BAE had insisted that it would manage the disbursement of the money, without Tanzania's direct involvement. Britain's Department for International Development (DfID), the SFO and Tanzanian officials opposed that. A British member of parliament accused BAE of attempting a public relations exercise.

On 19 August, BAE Chairman **Richard Olver** wrote to **Malcolm Bruce** of Parliament's International Development Committee, agreeing to pay £29.5 mn. to the Tanzanian government, which said it would spend it on schools (AC Vol 52 No 15). Now, BAE insists it needs DfID's approval first. Curiously, DfID says that although it had facilitated talks between BAE and Tanzania, it was no longer involved and its approval was certainly not required.

Might other factors be involved? This year, Britain cut its budgetary support to Tanzania by 30% because of slow progress in improving its business environment.

The settlement also ended the SFO's

investigation into BAE's role in **South Africa's** \$6 billion arms deal and its 1999 sale to Tanzania of a \$39.97 mn. radar defence system, judged by the World Bank and Britain to be overpriced and unnecessary. Last December, BAE was fined £500,000 in Britain after admitting failing to keep proper accounts for the Tanzania contract; the judge said BAE had concealed critical information from the auditors about \$12.4 mn. paid to **Shailesh Vithlani**, a Tanzanian who had advised BAE on relations with then President **Benjamin Mkapa's** government (AC Vol 52 No 15).

Malawi/Sudan

BROTHERS-IN-ARMS

■ Western governments seem unimpressed by the efforts of Foreign Minister **Arthur Peter Mutharika**, brother of President **Bingu wa Mutharika**, to persuade them to restore aid to Malawi. Concern escalated sharply after police shot dead 19 adults and children at a demonstration on 20 July. Peter Mutharika, who is being groomed for the presidency, made little progress in a London meeting with **British** Foreign Secretary **William Hague** on 17 October in healing the rift over April's expulsion of Britain's High Commissioner, **Fergus Cochrane-Dyet**, who'd described the President as 'intolerant'.

Lilongwe then issued a statement revoking Cochrane-Dyet's *persona non grata* status. Peter Mutharika also met United States and European Union officials without evident success. His brother has to manage another diplomatic spat with President **Michael Sata's** newly elected **Zambian** government.

In 2007, when Sata was in opposition, he visited Malawi to see its former President, **Bakili Muluzi**. Zambia's then President, **Rupiah Banda**, asked Mutharika to stop the meeting so Malawian police arrested Sata, declared him *persona non grata*, drove him 500 kilometres to the border and left him there. Mutharika has now revoked that but Sata seems to want more.

However, Mutharika's government opened its arms for Sudanese President **Omer Hassan Ahmed el Beshir**. Malawi is a member of the International Criminal Court, which binds it to arrest Omer, wanted for genocide, war crimes and crimes against humanity. Yet Omer received a guard of honour, addressed the Common Market for Eastern and Southern Africa summit, and even preached at a city mosque.

Omer and Mutharika were more interested in another court: Comesa's Court of Justice in Khartoum. Mutharika happily accepted Omer's invitation to open it soon. The decision to build the Court in Sudan, which will not go down well with all of Comesa's 19 members (among them, oddly, **Egypt** and **Libya**, which are even less eastern or southern than Sudan) dates back to 2003.

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and warned that the country is in danger of 'imploding'. He criticised Zuma's 'doublespeak' on economic issues.

In the latest attack on Malema, the special police unit known as the 'Hawks' and the SA Revenue Service intend to bring charges against him relating to allegations that contracts may have been improperly awarded to companies in which he has a close interest. He says he is keen to 'explain these allegations in front of a magistrate'. It is widely believed that his Ratanangan Family Trust (whose profits are said to benefit some senior ANC leaders) may influence the award of government contracts in Limpopo Province. Malema certainly lives well. Just after his march for 'economic freedom' for the poor, he flew, all expenses paid, to **Mauritius** for the 10 million rand (US\$1.25 mn.) wedding of his ally **David Mabilu**, a property tycoon. Another target of Zuma and his supporters is Sports Minister **Fikile Mbalula**, the Youth League's favourite to replace **Gwede Mantashe** as ANC General Secretary. Mbalula was forced to apologise to his family after the media were informed about his night of passion with a model.

Yet another ANC scandal is likely to emerge on 7 December, when the President has promised to release a new report on dealings with the **Iraqi** government while it was under United Nations sanctions. The draft report, led by lawyer **Michael Donen**, looked at 'accusations' that in 2004, two of Zuma's top ANC enemies had arranged for money from the late **Saddam Hussein's** government to flow into a South African parastatal and thence to another account used by the ANC. Donen warned he did not want this new report published before his inquiries were complete. Motlanthe and Sexwale had not yet been interviewed: both formally denied the charges though acknowledged they had met officials in Iraq. Zuma's opponents in the ANC say the President wants to use the report to discredit the pair. 'It is crucial that information is released into the public domain for the right reasons and not as a means to fight internal political battles,' said the former parliamentary leader of the Democratic Alliance, **Athol Trollip**.

Zuma seems also to be cleaning out senior security officers suspected of opposing his second term. First to go was **Gibson Njenje**, head of the National

Intelligence Agency, the domestic branch of the State Security Agency (SSA). We hear he refused an order to spy on Zuma's opponents and another to halt surveillance of Zuma's close allies, the **Gupta** family. State Security Minister **C. Siyabonga Cwele**, a medical doctor, gave him a golden handshake that included three years' salary. Njenje is close to Malema and aligned with the ANC's 'African nationalist' bloc, which includes **Tony Yengeni**, former party Chief Whip, **Billy Masetlha**, former NIA boss, and **Madikizela-Mandela**, ex-wife of President **Nelson Mandela**. They supported Zuma against Mbeki but claim he has not delivered on his promises. Some of the bloc's members back Motlanthe for ANC presidential candidate, others Sexwale.

When there were calls for Cwele's resignation after the conviction of his wife, **Sheryl Cwele**, in May for drug trafficking, Zuma protected his ally. Cwele now wants to remove the Director General of State Security, **Jeff Maqetuka**, and **Rieaz 'Moe' Shaik**, head of the SSA's Foreign Branch. An ally of Zuma, Shaik has fallen out with Cwele over manipulation of the intelligence agencies. They have given conflicting policy advice to Zuma, each blaming the other when things went wrong. Cwele resents the hold Shaik and his family have on Zuma but Shaik believes Zuma should have given his brother **Schabir Shaik** a full pardon for his 2005 conviction for bribery in the notorious arms deal. The Shaiks feel they have been supplanted in Zuma's affections by the *nouveau riche*, including the **Guptas**. Zuma may offer Moe Shaik a diplomatic posting, we hear.

SECRET WAR

Before the 2007 conference where Zuma triumphed over Mbeki, rival factions used the intelligence agencies to wage their battles. Zuma's allies in the police's Crime Intelligence services leaked to his lawyer, **Michael Hulley**, recordings of anti-corruption agents discussing ways of handling the case against him. The leak helped Zuma to escape conviction. Intelligence officials routinely tap private telephones, e-mails and text messages, security sources told *Africa Confidential*. In early October, Maqetuka told a closed session of Parliament that the SSA was perceived as 'having entered into a state of crisis and paralysis'.

Zuma and his allies believe that the National Commissioner of the SA Police Service, **Bheki Cele**, has lined up behind Sexwale. In July, a report from the Public Protector, **Thuli Madonsela**, found that Cele had wrongly granted leases on office space for use by the SAPS; he is now suspended pending a judicial inquiry. Former Deputy National Police Commissioner **Hamilton Hlela** was also fingered in the Public Protector's reports,

pushed out and given a R2 mn. payoff. Cele and Hlela deny any wrongdoing.

Zuma has fired Public Works Minister **Gwendoline Mahlangu-Nkabinde**, who was also implicated in the deal and got rid of Cooperative Governance Minister **Sicelo Shiceka**, criticised by Madonsela for wasting public money on activities such as visiting a girlfriend in a **Swiss** gaol and lying about it. Both deny the accusations. The former pro-Mbeki Gauteng Crime Intelligence boss, **Joey Mabasa**, was forced out after an investigation of alleged bribery and corruption. His severance pay was over R3 mn. Police Crime Intelligence chief **Richard Mdluli** faces murder charges and claims political opponents have framed him. He told Zuma that Cele and others, especially in KwaZulu-Natal, had switched to Sexwale's side.

In the provinces, both camps are purging each other, especially in KZN, Limpopo, Eastern Cape and Gauteng. In his native KZN, Zuma has been busy making speeches; provincial party leader **Zweli Mkhize**, accused of changing sides to join Sexwale, insists he is not against Zuma. Yet Mdluli argued in court papers that Mkhize had been 'plotting' to topple Zuma's leadership. Two of the province's highest ANC officials are on bail of R100,000 each for allegedly awarding R42 mn. tenders for hospital supplies at inflated prices. Their supporters are angry that Zuma has not stopped the National Prosecuting Authority's investigation.

Eastern Cape seems roughly split between Zuma's supporters and rivals, with ANCYL against him. In Limpopo, his allies are trying to dislodge the pro-Malema Premier, **Cassel Mathale**. Mantashe wants to stop the party's provincial conference from taking place in December for fear that Mathale and the Malema faction will win. The Zuma-Mantashe faction wants to replace Mathale with **Joe Maswanganyi**, Limpopo's ANC provincial Secretary.

In Gauteng, the national ANC leadership is resisting arguments that the province should support Motlanthe for party president. The head of the Johannesburg ANC's steering committee, **Louis Ramono**, has denounced fraudulent manipulation of membership lists. Gauteng Province Secretary **David Makhura** has claimed that cash-in-transit robberies are used to pay for factional battles. Rival ANC leaders in Tshwane region have held conferences for and against the President.

In ANCYL, Malema is conducting his own purge. The League plans marches against 'capitalist greed', linking with the global Occupy Wall Street movement and portraying Zuma as a puppet of big business. Another attack came from ANC Treasurer **Mathews Phosa**. When the Dalai Lama was refused a visa last month, Phosa accused Zuma of kow-towing to **China** and selling South Africa short. ●

The struggle for the centre

The new government will have to balance regional and ideological interests and try to mop up a flood of weapons

The election of **Abdel Rahim el Keib** as Prime Minister, with 26 of 51 votes on the National Transitional Council (NTC) on 31 October, mystified both activists and militia fighters. Oil and Economy Minister **Ali Tarhouni** had been tipped for the job but won just three votes. Both men were staunch oppositionists who followed academic careers in the **United States** and neither had any dealings with the regime that Colonel **Moammar el Gadaffi** led for 42 years.

This differentiates them from the NTC Chairman **Mustafa Mohamed Abdel Jalil** and the outgoing Prime Minister **Mahmoud Jibril**, both of whom served – albeit with strongly stated reservations – in posts under Gadaffi (AC Vol 52 Nos 18 & 19). Affiliations, indeed any links to the Gadaffi regime, have become one of the sharpest delineations in the new Libya.

Given the brutality of his regime, especially the mass slaughter of over 1,200 political prisoners in Abu Salim gaol in June 1996, there was little sympathy for Gadaffi, who was killed by a lynch mob on 20 October. Locally there was widespread incredulity at Western criticism of the killing, given the thousands of precision-guided munitions and tens of cruise missiles that the North Atlantic Treaty Organisation had dispatched on to the Gadaffi regime and its apparatchiks.

Some of the NTC, including Jibril, saw the public killing of Gadaffi as a setback – not just because Libyans were denied the chance to see him face prosecution (although many believed a trial would have been a charade) but also for the tarnishing of the NTC. Critics, and not just latter-day Gadaffi supporters, argue that his murder established a national right of retribution, which militias are now taking seriously at a local level. Before, the Jibril regime had worked hard to narrow the blame for the regime's atrocities to the Gadaffis and top securocrats, like National Security Advisor **Abdullah el Senoussi**.

So his distance from the former regime certainly helps El Keib, a mild-mannered technocrat, as do his origins: his family hails from Tripoli. This may help to address criticism from people in the west of the country that the NTC remains dominated by people from Benghazi, the birthplace in February of this year's revolution and a traditional opposition stronghold.

The NTC's leisurely relocation of its headquarters from Benghazi to Tripoli, the

capital, revived memories of the old split between Tripolitania (west) and Cyrenaica (east), with the underdeveloped Southern provinces left to pick sides. Tarhouni was booed when he addressed a jubilant crowd in Martyrs' Square (formerly Green Square) in Tripoli after Gadaffi's death and methodically praised all the factions – secular, theocratic, regional and ethnic – but forgot to thank the people of Tripoli, particularly those in the sprawling suburb of Suq el Juma, who led the *intifada* against Gadaffi there in August.

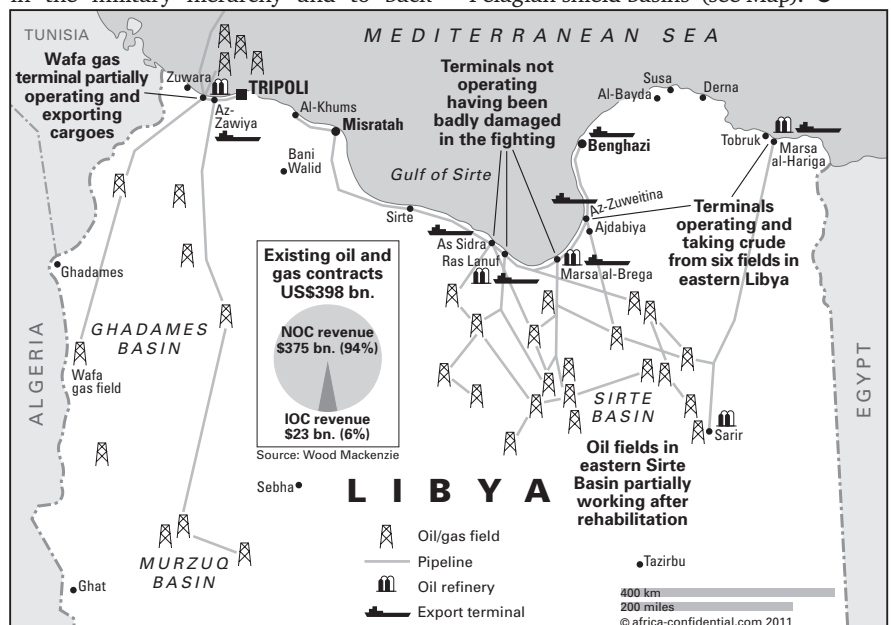
As El Keib selects a new cabinet, weighing regional, ethnic and ideological factors will dominate his calculations. He is due to announce it by mid-November and already there are discussions in the NTC about expanding the cabinet to 70, mainly to accommodate rival factions. Ex-Premier Jibril even suggested it may have to bring 120 ministers into its big tent.

Tightly linked to the representativity of what is essentially a self-appointed council are security and building a national police force and army. The first problem is arms proliferation, especially the tonnes of sophisticated weapons found in Gadaffi's stronghold of Sirte. Exacerbating this danger is the growing rivalry between armed groups. For example, Tripoli still hosts militias and factions from Zintan and Misurata, and Berber fighters from the Nafousa Mountains, all of whom want to stake a claim to substantive roles in the military hierarchy and to back

representatives in the political councils.

In Tripoli there are two main rebel groups, one led by **Abdel Hakim Belhadj**, (formerly held in Guantánamo Bay though he strongly rejects US claims he has links to *Al Qaida*) and the other loyal to the Tripoli Revolutionary Council leader, **Abdullah el Zintani**. Belhadj is reckoned to have 3,000 men under his command and he is an ally of Qatar-based Libyan Sheikh **Ali Mohamed el Salabi**, an Islamist scholar close to the Libyan Islamic Fighting Group (LIFG). Belhadj is backed by Qatar, which has been accused of shipping weapons directly to Islamist militias rather than working with the NTC's procurement officers. Zintani told *Africa Confidential* that if he felt there was something wrong with the new government, he would interfere: 'I am prepared to fight again. We took down the first government because it was corrupt. If the next one will be corrupt, then we are prepared to take it down too.'

Many of the economic management tasks are under way, thanks to Tarhouni and his Deputy Oil Minister, **Omar Shakmak**. His primary task is quickly to restore national oil production to its former level of 1.6 million barrels a day. Over the past two months, their team has brought production up to some 420,000 bpd and started an ambitious programme to repair damaged facilities, now that the security threat has subsided. Yet industry specialists Wood Mackenzie say the state-owned National Oil Company and its foreign partners 'will have to work in partnership to repair facilities, to restart production and ramp up to pre-crisis rates.' Production recovery will vary, the firm said: 'It will take longer in the mature and complex Sirte basin which is the foundation of Libyan production than in the more modern fields of Murzuk and Pelagian shield basins' (see Map). ●



Dos Santos calls elections

Now the longest-serving President in Africa, Dos Santos tries to face down a wave of young protestors

Both politicians and electors are distinctly sceptical about President **José Eduardo dos Santos's** announcement that the next elections will take place in the third quarter of 2012. There is no constitutional requirement to hold an election before 2013. So, the announced date could change if circumstances are unfavourable to the ruling *Movimento Popular de Libertação de Angola*. The promised presidential poll scheduled for 2009 never took place and now never will because the new constitution of 2010 abolished direct presidential voting. The last election for the National Assembly was in 2008, six years later than originally scheduled.

Some think Dos Santos's announcement of National Assembly

elections in 2012 is a ruse to divert or silence those critical of his 32-year tenure in office. He faces the same criticism as Tunisia's **Zine el Abidine Ben Ali** and Egypt's **Mohamed Hosni Mubarak**: that they held on to power too long, diverted state revenue to benefit their families and brutally suppressed opposition.

NORTH AFRICAN INSPIRATION

After the bloody demise of **Libya's Moammar el Gaddafi**, another of his allies who faced the same criticism, Dos Santos has inherited the mantle of Africa's longest-serving head of state. North Africa's revolutions inspired a mini-Angolan Spring, as small but vocal groups of young people stage anti-government protests around the country. Only a few

hundred turn up each time but such public challenges to the authorities are rare. Open criticism of the government, Angola's largest employer, remains unusual.

After trying to quash the protests, physically, Dos Santos then tried a softer approach: we hear he ordered the Supreme Court to overturn the convictions of 18 protesters sentenced to up to 90 days in gaol for public order offences following the 3 September demonstration in Luanda (AC Vol 52 No 18). In spite of this, some 700 youths (some just released from custody) came out the following day, 15 October, to march towards the *Praça da Independência*, calling Dos Santos a dictator and demanding that he resign.

Three days later, Dos Santos again tried to outflank the protestors during his annual State of the Nation Address to Parliament. He denied he was a dictator but agreed that there should be more dialogue with young people. Trying to win over the more outspoken new generation which, unlike that of Dos Santos, has not been shaped by war, he dedicated much of his 23-page speech to listing the increases of classrooms, teachers, higher education institutes and graduates. He also repeated his promises to end the shortages of electricity and water, and made much of the reduction in poverty and maternal and infant mortality rates (all recorded last year in a government survey).

Opposition parties and critics judged the speech superficial and said it revealed mainly the President's nervousness. State media carried sycophantic assessments by party members, business people and church leaders heaping praise on Dos Santos for his 'leadership' and 'vision'.

The MPLA also organised several marches. The road by the *Praça da Independência* was strung with tiny white flags to underline the MPLA line that the young protestors are trying to destabilise the country and restart the civil war. Yet unlike a similar party event in March mobilising hundreds of thousands of people and lasting all day, the 22 October extravaganza was distinctly muted, an eyewitness told *Africa Confidential*.

Lining the streets were several dozen buses to transport the marchers from the townships to the city centre. However, the majority of their passengers appeared to have taken their free drink and walked off, leaving a crowd of only around 1,500 to listen to the speeches by youth leaders and MPLA-linked organisations. Cries of 'Viva o Presidente!' from the compere on stage got only mumbled replies and most of the attendees were more interested in the bands than the speakers. The contrast between the lacklustre MPLA rally and the high spirits of the antigovernment protest in the same area a week earlier must be adding to the unease in the Presidency. ●

THE SUCCESSION PLAYERS

The barons of the governing *Movimento Popular de Libertação de Angola* are divided over the succession. President **José Eduardo dos Santos** stands aloof from the jockeying for position but in reality exercises a veto over the choice of his successor.

Given that the MPLA has direct control or at least huge influence over much of the press and radio, it can float the names of proposed successors and monitor how they are received. So far, most of them have failed this public test. 'It has not yet been discussed by the relevant organs' remains the party line on succession. A decision, however, must come in December, when all contending parties must submit their lists of candidates to the Constitutional Court for approval. The following are in contention for the presidential or vice-presidential nomination:

● **Manuel Vicente**: Chairman of the all-powerful state oil company Sonangol; long tipped as a successor, especially as he said in April that he would resign, but he is not liked in the MPLA and lacks a military background. Dos Santos is believed to favour him and one possibility is Dos Santos getting elected, appointing Vicente Vice-President, then handing over to him (AC Vol 52 No 18).

● **Bornito de Souza**: a quietly-spoken lawyer, Territorial Administration Minister; was MPLA Chief Whip and a promoter of the new constitution last year; has a military background, a technocratic reputation and a less ostentatious lifestyle than some of his peers. We hear he is a leading shareholder in Mundial Insurance, with a significant stake in a property and building company.

● **Carlos Maria da Silva Feijó**: meteoric ascent to combined role of Minister of State and presidential Chief of Staff; the brains behind the new constitution and overall economic policy, but has been sacked twice before.

● **João Manuel Gonçalves Lourenço**: the dour National Assembly Deputy President and MPLA ex-Secretary General has the requisite party seniority and a military background. Some senior MPLA cadres floated his succession claims almost a decade ago; Dos Santos quickly sidelined him and the pair's relationship suffered.

● **António Paulo Kassoma**: National Assembly President and ex-Premier; has the military credentials plus was a popular Governor of Huambo. An Ovimbundu, he would be an unusual, though possibly unifying, choice to lead the Kimbundu-dominated party but has health problems.

● **Manuel Nunes Júnior**: a British-educated, internationally respected technocrat, he was seen as a successful Economy Minister before his sacking in 2010. Now back in the fold, some say he is being groomed for another top job but may be too young this time; ultra-loyal MPLA, having started in the youth wing, the *Organização de Pioneiros*. ●

The past is another country

More is emerging about the history of bad blood between the two countries and Luanda's former fondness for Gbagbo

Luanda appears willing to forget its past strong support for Côte d'Ivoire's then President, **Laurent Gbagbo**, and reconcile with his successor, **Alassane Dramane Ouattara**, but there is much to forgive, say sources in both countries (AC Vol 52 No 20). ADO and Angolan President **José Eduardo dos Santos** have old conflicts and some tangled financial interests. For the governing *Movimento Popular de Libertação de Angola* (MPLA), African solidarity was the pretext for supporting Gbagbo against the French-backed challenger and eventual election winner, Ouattara, as it was for many at the top of South Africa's governing African National Congress. Dos Santos saw Gbagbo as a loyal ally but realpolitik required ditching him.

Luanda's willingness to embrace Ouattara was also shown by the visit in late September of a senior Angolan Foreign Ministry official, **Sandro Oliveira**, to help to smooth relations. Dos Santos wants Angola to use its oil and mineral wealth to pursue continent-wide interests, especially in West Africa, where it could challenge Nigeria's geopolitical position.

The two countries also share financial complexities. When Gbagbo was elected in 2000, the MPLA took the opportunity to strike profitable deals with the oil business in Abidjan. Although a big oil producer, Angola has no significant refining capacity and its state-owned oil company and de facto international investment arm, Sonangol, bought a 22% stake in the *Société ivoirienne de raffinage*, Côte d'Ivoire's only oil refinery. SIR is believed to sell Angola a large proportion of the refined oil products it consumes.

OIL CONTRACT LOOPHOLE

SIR officials are reticent but a senior oil source in Abidjan says that in Gbagbo's time, Angola failed to meet contractual obligations which may give the government a legal reason to terminate its contract. Some think Alassane Ouattara's government might use that as leverage to encourage Angola to be friendly. Others say it is hoping the Angolan share in SIR might be transferred to French giant Total. Last year, Sonangol opened a permanent office in Abidjan so as to strengthen its presence, as several West African countries begin to pump oil of their own.

Luanda has a rocky relationship with Paris, while Ouattara's links to the former

colonial power and French military involvement in Gbagbo's overthrow and capture is well documented (AC Vol 52 No 18). There was bitterness in 2009 over the 'Angolagate' convictions in France (which were eventually overturned). Moreover, Luanda still believes that Paris has funded the separatist *Frente de Libertação do Enclave de Cabinda* (FLEC).

Angola's Ambassador in Abidjan, former Agriculture Minister **Gilberto Butu Lutucuta**, is believed to be the only African diplomat to have attended Gbagbo's inauguration in November 2010, after the United Nations-backed election commission had declared Ouattara the winner. This January, Dos Santos told foreign diplomats that Angola could not accept that there was an 'elected president' in Côte d'Ivoire but instead there was a 'constitutional president' (meaning Gbagbo) and he should remain head of state until new elections were held. Dos

Santos also said he opposed the French and UN-backed military intervention.

During the Ivorian civil war, Angolan mercenaries were fighting on Gbagbo's side, we understand. In 2009, Angola's highly professional Presidential Guard was sent to train Ivorian special forces. Even if Angolans did not actively fight on behalf of Gbagbo, some troops must have been in Abidjan when Gbagbo mounted his battle against the election result. That may explain the rumours, including the one that Luanda had offered him asylum.

Military links between Angola and Côte d'Ivoire go back to the 1980s. The leader of the rebel *União Nacional para a Independência Total de Angola*, the late **Jonas Savimbi**, had a good relationship with the founding Ivorian President **Félix Houphouët-Boigny**. UNITA also had an active operations cell in Abidjan, where members of Savimbi's family lived. As Houphouët's Prime Minister, ADO must have been privy to this and Dos Santos still resents it. With Savimbi's death and the end of Angola's 27-year conflict, the MPLA set about destroying what was left of UNITA's regional network, in Abidjan and elsewhere. In Gbagbo, who maintained a socialist rhetoric, the MPLA found a willing ally. Ouattara, the pragmatic former official of the International Monetary Fund, is not their sort of president. ●

THEY DON'T SEEK HIM HERE...

More information is emerging about ex-President **Laurent Gbagbo**'s former Youth Minister, **Charles Blé Goudé**, leader of the *Jeunes Patriotes*. He has been living in luxurious exile in **Ghana**, in the upmarket Accra district of East Legon with a villa and several cars at his disposal, according to sources in Abidjan and Accra. He divides his time between Accra and Cotonou, **Benin**, where his wife, daughter and son are staying, we hear. Mainly, he is to be found in Accra, unmolested by the Ghanaian authorities.

Blé Goudé is wanted in Abidjan for war crimes and has been under a United Nations asset freeze and travel ban since 2006. International Criminal Court Prosecutor **Luis Moreno Ocampo** is believed to be considering indicting him (AC Vol 52 No 20). An Abidjan source claims the ICC had strong evidence of Blé Goudé's involvement in the 'Article 125' atrocities, so named after the call went out for 100 CFA francs for petrol plus 25 francs for a packet of matches – meant for setting fire to northerners or supporters of **Alassane Dramane Ouattara**. Lately, Blé Goudé has been on the move. A rumour in Luanda says he travels on one Angolan passport in the name of 'Carlos Gada', from Uige Province, and another from **Guinea Bissau**, a strong ally of Angola's. According to Ivorian blogger 'Secoolio', Blé Goudé and another man were seen arriving at Dakar airport from Ghana in late October and had gone to Serekunda, not far from Guinea Bissau.

More information is also coming out about Luanda's relationship with and financial support for Gbagbo's 2010 re-election campaign. One unconfirmed report states that Luanda contributed towards a 'bonus' of up to 500 million CFA Francs (US\$1 mn.) that Blé Goudé received for every pre-election mass rally he organised. Luanda may have lent up to \$200 mn. to help Gbagbo. Blé Goudé found sanctuary in the Angolan Embassy towards the end of the fight for Abidjan, but not asylum. Well-placed sources say that Angolan Embassy officials handed him over to the *Forces républicaines de la Côte d'Ivoire* after the fighting had finished. He was roughed up and then allowed to escape by friends in Ouattara's camp who share a background in Ivorian youth organisations.

At the start of October, Ouattara asked Ghana to help extradite Gbagbo-loyalists wanted for war crimes. Ghana said it would be prepared to have wanted Ivorians extradited to a third country for trial but, privately, Ghanaian officials have said that they don't want to get involved. Analysts in Abidjan say the Ouattara government is not as keen for his return as it appears, fearing the unrest that could result around a trial. ●

Confused war aims cause alarm

Kenya's military incursion into Somalia is less than a month old but is already the subject of contradictory statements by the government and its Western allies. *Al Haraka al Shabaab al Mujahideen* is under threat from the Kenya Armed Forces and their allies' Special Forces and air power but the invasion also offers opportunities. *Al Shabaab* may be able to recoup some recent losses if Lower and Middle Juba end up controlled by Kenyan surrogate forces that alienate local people. The offensive shows, however, that the United States and its allies have faith in a military solution to the Somali problem. Kenyan forces are pushing towards Kismayo in a land assault that will combine with attacks by French and US forces from the sea to spell possible defeat for *Al Shabaab* in the key port. Yet with no political solution on offer, *Al Shabaab* could revive.

DELAYED REACTION OR DIVERSION

Kenya's intervention in Somalia was first announced on 15 October by Minister of Internal Security George Kinuthia Saitoti and Minister of Defence Mohamed Yusuf Haji, and it was only two days later that President Mwai Kibaki informed the public that Kenya was at war. The war aims have evolved over time. First came the 'hot pursuit' of kidnappers identified as *Al Shabaab*, even though they had acted weeks before. The *Daily Nation* sourly asked why the army was crossing the border to attack the kidnappers of four foreigners and killers of one after it had sat on its hands in recent months while dozens of Kenyans were murdered in north-east Kenya by militants, thugs and cattle-rustlers from Ethiopia, Somalia and South Sudan. French Defence Minister Gérard Longuet did not name *Al Shabaab* when announcing the death of French hostage Marie Dedieu on 20 October; nor did statements from the Foreign Ministry. Some doubt that *Al Shabaab* was involved.

Another of Nairobi's stated aims was to respond to the Somali

Transitional Federal Government's support for such an operation, so long as it was limited to Lower Juba, although the TFG seemed unaware of the incursion and its size. It was a week before President Sharif Sheikh Ahmed came out against the Kenyan operation and threatened to sack his whole cabinet if it persisted in supporting Kenya. A day later, after a long meeting, TFG officials closed ranks and issued a statement smelling of compromise; Kenya was a friendly country whose role should be only to train Somali forces and, yes, *Al Shabaab* was their common enemy.

Not surprisingly, the TFG came out against the incursion. External military intervention is not popular in Somalia. It always raises fears of foreigners supporting one clan against another or a region against the centre or hidden economic interests. Many Somalis don't understand why Kenya, supported by France, has been so keen to demarcate the borders of the two countries' offshore Exclusive Economic Zones when the government in Mogadishu clearly lacks not only expertise but legitimacy.

In 2009, the then United Nations Special Representative in Somalia, Ahmedou Ould Abdallah, nearly succeeded in demarcating those borders but the attempt collapsed under opposition from Parliament. Today, the same issue has been part of the 'road map' defined by the UN Political Office for Somalia in September 2011. Many Somali members of parliament questioned why they were in such a hurry but it is a common view in the TFG that to explore offshore near Lamu, Kenya, the French oil company Total requires clarity about the boundaries as well as security guarantees for its staff from the Kenyan government. The President of 'Azania', the Somali region also known as Jubaland, Mohamed Abdi Mohamed 'Gandhi', is also key. His virtual state exists only because of Kenyan support and he was instrumental in the signing of an exploration deal in Somalia between the then Transitional National Government and Total in February 2001.

Western governments have hidden behind Kenya, backing the military intervention while denying military involvement. This recalls the Ethiopian invasion in December 2006, when US officials were anxious to deny an involvement which is now known to have been massive. Washington has provided US\$24 million in aid to Kenya's counter-terrorism and peacekeeping this year. By the end of July, Nairobi's defence budget rose by 7 billion Kenyan shillings (\$70 mn.), reaching KSh51.3 bn.; the budget for the National Security Intelligence Service is about KSh13.4 bn. This looks like the financial groundwork for the invasion.

'EVERYONE IS IN THEATRE'

The Defence Ministry spokesman, Major Emmanuel Chirchir, mentioned in one briefing that 'everyone is in theatre'. On 25 October, he announced that France had bombed positions at Kuda, between Kismayo and the border, which Paris then denied. France has admitted it has Special Forces on the Kenyan border but stopped mentioning them after Dedieu died. US analysts say that the roles of the Central Intelligence Agency and US Special Forces in the region have been growing for over a year and the official opening of a base capable of launching armed 'Reaper' unmanned aerial vehicles (drones) at Arba Minch in Ethiopia in October confirms the trend. As with the Ethiopian intervention in December 2006 and January 2007, it is likely that US Special Forces are on the ground helping the Kenyan army with tactical military intelligence, and possible drone and fighter support. The size



of the operation alone belies the hot pursuit theory since there would not have been enough time since the kidnapping of Dedieu on 1 October to plan such a large operation.

At the end of an Intergovernmental Authority on Development meeting on 21 October, convened in haste to show support for Kenya, the war aim changed again. Now, it was to take out *Al Shabaab*. Ten days later, Kenya's Chief of the Defence Forces, General **Julius Karangi**, declared there was no time limit to the operation, which would continue until Kenya was safe. This may be an understandable ambition but it is different from the initially stated aims and possibly naïve in view of Ethiopia's failed invasion. Ethiopia pulled out in 2009 but its army is still present on Somali territory with a much lower profile.

The Ethiopian army was more experienced than the Kenyan and *Al Shabaab* was then at a low ebb of popular support. Even so, two years of fighting saw it gain in resilience, leaving Ethiopia little to show. There are serious doubts that Kenya's leaders have any idea how long the intervention will last, how it will be supported and what the exit strategy will be. Contradictory statements still keep emerging. Kismayo is the main target and then Karangi says it isn't. Some officials claim *Al Shabaab* is negotiating while others say there is no room for compromise.

Ethiopia has not come out wholeheartedly in support of the Kenyan intervention, though there were rumours in September that its army would take over Baidoa so as to establish a corridor to one of the hardest-hit famine regions. Nor is Uganda's President **Yoweri Kaguta Museveni** showing much enthusiasm. After four years as the backbone of the African Union Mission in Somalia, he might feel that *Al Shabaab* may not be so easily disposed of. The Kenyan action could have other drawbacks, perhaps increasing insecurity and terrorism within Kenya and isolating further the country's numerous Somalis and Muslims.

Al Shabaab betrayed its disquiet at the invasion by initially not calling for jihad and urging restraint upon a 'Christian army', an unusual reaction from a movement affiliated to *Al Qaida*. It stems from Kenya's historic usefulness to *Al Qaida*. Kenyan administration is corrupt, which allows *Al Shabaab* to seek sanctuary, supplies, finance, medical help and other services there, as long as it can pay the bribes. The prospect of Kenya becoming a state with strict internal security may not appeal.

More immediate, however, is the imminent attack on Kismayo. It is a vital economic base for the jihadists and losing it would be a serious blow, though the latest UN Monitoring Group report may have overemphasised the port's role in *Al Shabaab*'s finances. On the other hand, *Al Shabaab* has been undergoing a leadership crisis in the last six weeks and a battle for survival in an important place could help to reunify the movement. The sense of crisis over Kismayo is widespread and more than 200 young people were stopped at

the Kenyan-Somali border during the two weeks following the incursion, say the Kenyan media, because they wanted to join *Al Shabaab*.

Al Shabaab's military policy in Jubaland has been first to mobilise groups that have been supportive in the past, which is why it promoted commanders such as Sheikh **Mohamed Dulyaden** and **Abdirahman Mohamed Ali 'Filow'**. Dulyaden is Gum'adle/Makahil/Ogaden/Darod and was key to dismantling the *Ras Kamboni* militia, much to the benefit of *Al Shabaab*. He is now an important *Al Shabaab* commander. By choosing

KENYA'S SOMALI PROXIES

Kenya's confusion over its war aims proceeds in part from deep divisions within the elites and the fact that key actors support different Somali forces who have nothing in common except opposition to *Al Shabaab*.

The involvement of surrogate forces of Somalis from Kenya or Somalia proper is often overlooked but is massive. The Kenyan military and intelligence agencies started building them up after Sheikh **Sharif Sheikh Ahmed** took over Somalia's Transitional Federal Government in February 2009. Two are prominent today. The first is led by **Ahmed Mohamed Islaan 'Madobe'** who took over most of the *Ras Kamboni* Islamist group from its historic leader, **Hasan Abdallah Hirsi 'al Turki'**, in October 2009 after a row over a deal with *Al Shabaab* on who would rule Kismayo. *Ras Kamboni* and its two contending leaders belong to the Mohamed Zubeir sub-group of the Ogaden clan and though many of its commanders are Islamists, clan politics is the driving force. After November 2009, *Al Shabaab* inflicted a severe military defeat on the group and it settled on the Kenyan border until March 2011 when, with strong Kenyan support, it was able to reach Dhobley and carve out an area of control inside Somalia. This group is important to the Kenyan army's move on the coast.

The second group is led by the **Mohamed Abdi Mohamed 'Gandhi'**, a Somali French citizen well respected in Somali civil society, who aspires to be leader of the Juba Valley and started the training of Somali militias by Kenya when he was TFG Defence Minister after February 2009. Initially, Sharif Sheikh Ahmed supported the idea but he changed his mind. After relations deteriorated, Sharif sacked Gandhi last November. In April, Gandhi became President of 'Azania' (Jubaland), after 'liberating' a small area from *Al Shabaab* with Kenyan help.

Ahmed Madobe leads a group of trained fighters but his clan outlook is very limited and his own background could rule out collaboration with the TFG. Moreover, his sub-clan has strong ambitions to rule Jubaland that clash with the objectives of other sections of his own Ogaden clan. The group is not well organised and some observers even suspect it of being the source of the foreigners' kidnappers (see Feature).

Gandhi now relies on a coalition, the backbone of which is three groups: Dabare militias (whose clan is far from the combat area and not a major Rahanweyn clan); Marehan from Gedo (not to be confused with Marehan from the Central Region who had settled in Gedo because of the civil war and are politically closer to Ethiopia); and the biggest group, Awlihan/Ogaden, Jubaland's most numerous Ogaden sub-clan. The group's main weakness is that it has no military leader: Gandhi has no military background and since he belongs to a very small clan, the Tolomoge/Ogaden, he has no interest in promoting a military leader from a bigger sub-clan in case it ends in a challenge for the overall leadership.

Kenyan ethnic politics also play an important role. Madobe has the support of many Kenyan Somali army officers while Gandhi is closer to the Kenyan intelligence bodies and politicians such as Defence Minister **Mohamed Yusuf Haji**. He also finds support from the head of the Muslim caucus in the Kenyan Parliament, **Bare Aden Duale**, a key Orange Democratic Movement member and a relative of the former Chief of Staff, General **Mamoud Mohamed**. All are Tolomoge.

This network of Kenyan alliances makes it easy to see why the TFG President and many other Somali politicians are uneasy about the Kenyan operation. Jubaland used to be controlled by Ogaden and Marehan in the final years of President **Mohamed Siad Barre** before 1991. In the 20 years since then, other groups came to prominence: Harti, Hawiye, Dir and Rahanweyn. While their claims may be questionable, there is no doubt that they will never go back to the status quo of Siad Barre's days, especially if it were enforced by a foreign army. Sheikh Sharif fought against Ethiopia when it invaded and he knows that whatever credibility is left to him would vanish if he were to endorse a foreign intervention, especially one that marginalised his most important constituency. Nor could he ever countenance giving politicians like Gandhi and Madobe – who happen to have scores to settle with him as it is – the chance of building a power base. ●

these men, *Al Shabaab* is pressuring the fragile coalition of interests in the Kenya-trained militias. At the same time, *Al Shabaab* launched a recruitment drive among Harti (mostly Majerteen but also Awrmale), Hawiye (Shekhal, Galjeel) and Dir (Gatsan and Bimal) to fight against the 'Ogaden and Christian invasion'. This tactic may work if the Kenyan surrogate forces fail to respect non-Ogaden clans in their operations.

BATTLE PLAN

The military strategy appears to be for Kenyan troops to approach Kismayo from the hinterland, as shown by the battles at Tabto and Bilis Qooqaani, now in Kenyan hands. A fight for Afmadow is bound to follow. The Kenyans are moving up the coast, have taken over Ras Kamboni, and will move on Badhaadhe soon. If the army succeeds in occupying those areas, *Al Shabaab* may end up with no alternative but to abandon conventional warfare and resort to guerrilla and terrorist attacks with little territorial focus.

Kismayo is only 120 kilometres from Afmadow but the timing is key. The Kenyan army will have increasing problems in protecting its supply lines, especially now the rains have come, turning fast roads to mud. Then Kenya will have to provide a credible alternative political leadership to *Al Shabaab* in a region where it has been relatively successful. The Somali militias operating with Kenya are most unlikely to achieve the necessary unity for this.

If they succeed only in protecting their narrow areas, while clashing at their borders, they would be playing into *Al Shabaab's* hands. Inter-clan fighting has driven many people into the arms of *Al Shabaab*, especially in rural areas. The Kenyan intervention is also increasingly unpopular in parts of Somalia untouched by the fighting, including Puntland. Together with the perception that Somali refugees in Kenya are badly treated, this is stirring a nationalism on which both TFG head Sheikh Sharif and *Al Shabaab* are trying to capitalise.

The Kenyan intervention may also succeed in recasting *Al Shabaab*. Over the last year, its leadership has struggled with internal challenges – defining its goals, managing the populations under its control (much harder in a time of drought) and trying to mediate between varying political tendencies. The Kenyan intervention and the new US *Afghanistan*-style counterinsurgency offensive could prove to *Al Shabaab* the superiority of a de-localised, more transnational jihadist movement, as opposed to one that aspires to an 'Islamic State' in one nation. A long, increasingly regionalised and broader war could be *Al Shabaab's* only alternative to steady destruction by drones, combat helicopters and Special Forces. ●

LIBERIA

Brinkmanship at the ballot

Tubman's conditions for standing in the second round of the presidential caused alarm

Threats by **Wilson A. Tubman** and his Congress for Democratic Change to boycott the second round of the presidential election on 8 November were unresolved as *Africa Confidential* went to press. After the resignation of the National Election Commission (NEC) Chairman, **James Fromayan**, on 31 October, in accordance with Tubman's demands, his participation was still uncertain because other demands remained unmet.

Nigeria's President **Goodluck Jonathan**, who is Chairman of the Economic Community of West African States, sent an aircraft to Monrovia to bring Tubman and running mate **George Weah** to Abuja for talks to resolve the crisis on 3 November. The second round of the election would pit Tubman against President **Ellen Johnson Sirleaf**. In the first round on 11 October, she took 43.9% of the vote and Tubman 32.7%.

The CDC's other demands included a recount of first-round votes, an investigation of claims of fraud, and an interim government, like those set up in **Kenya** and **Zimbabwe** after disputed elections in 2008. Johnson Sirleaf rejects any notion of an interim government, but if Tubman and Weah refuse to stand, she will be formally elected president. Her legitimacy would suffer, however, and political instability would increase.

When Fromayan announced the first-round result on 25 October, there was panic in Johnson Sirleaf's Unity Party (UP), whose senior members had been confident of more than half of the vote. The turnout was 71.6%.

The third-place candidate (of 16), Senator **Prince Yormie Johnson** of the National Union for Democratic Progress (NUDP), took 11.6% of the votes cast and has thrown his weight behind the President. That is not necessarily good news for her. Johnson – populist, militaristic and widely known for choreographing and filming the torture and murder of ousted military leader Master Sergeant **Samuel Kanyon Doe** in 1990 – had said before the first round results were known that he would support Tubman in the second round.

In return, Johnson demands the ministries of Justice, Commerce and Defence, to give his backers leadership of the police, fire, immigration and prison services, and of several rich state corporations. This does not sit well with

the small, educated middle-class who have returned from the **United States** over the five years of Johnson Sirleaf's presidency.

Prince Johnson, who won a reputation as a ruthless warlord during the 14 years of civil war, described Johnson Sirleaf and Tubman as 'evil' persons, with the President as the lesser evil. He wanted Tubman and the CDC to implement the Truth and Reconciliation Commission report which, *inter alia*, denounced the President and hundreds of Liberians (including himself) for human rights violations and said they should be banned from office for 30 years. While happy with Johnson's support, UP supporters want him punished for his human rights record.

The ministries aren't doing much work as senior officials are busy planning for life after 16 January, when a new President should be sworn in. Ministers including **Brownie Samukai** (Defence), **Vabah Gayflor** (Gender and Development) and **Augustine Kpehe Ngafuan** (Finance) are being nice to their staff and keeping quiet. None of the six top police officers know their fate, as Johnson's men compete for a share of power. Within the governing UP, too, there is fighting as the 'new core' of young educated members of parliament grab for key posts. The job of the Speaker, **Jenekai Alexander Tyler**, is sought by the popular **Henry B. Fahnbulleh**, who was picked as UP Secretary General but stood down since his relative **Varney Sherman** is party Chairman. Another relation is the influential National Security Advisor, **Henry Boima Fahnbulleh**, Junior.

In the parliamentary polls, the UP took most seats: 24 of the 73 seats in the legislature and four in the Senate. The CDC got twelve MPs and two senators. The richest party, ex-President **Charles McArthur Ghankay Taylor's** National Patriotic Party, has three representatives and four senators. Johnson's NUDP got six MPs and one senator. Women did poorly, despite the dollars and gender experts the United Nations poured into their support; 13 women will be in the legislature.

The most popular senator is the CDC's **Geraldine Doe-Sheriff**, who won over 52% in Montserrado County. Johnson Sirleaf's image as a bringer of peace and prosperity can be upheld only if she keeps Senator Johnson off her formidable shoulders. 'Thank you for being good citizens... Please be peaceful. Please go out and vote,' she told Truth FM radio. ●

Fears grow of poll delay

Electoral officials are trying to make the polls happen on time but the obstacles are many

The pre-election atmosphere is deteriorating. The government claims that the opposition is preparing an uprising and the government of neighbouring **Congo-Brazzaville** has accused President **Joseph Kabila** of looking for a way to prevent the parliamentary and presidential elections going ahead. Donors doubt whether the polls can even take place on schedule on 25 November but the Chairman of the *Commission nationale électorale indépendante* (CENI), Pastor **Daniel Ngoy Mulunda**, declared in late September that they would, while the opposition has threatened an 'apocalypse' if they don't (AC Vol 52 No 19).

The CENI is doing what it can. Election kits, with indelible ink and 44 other items, are now coming from **China** by air instead of by sea, which would have taken three months. Mulunda says 600 tonnes of supplies have arrived in Kinshasa and Lubumbashi. Ballot-boxes, originally ordered from **Germany**, will now also come from China. Polling booths from **Lebanon** have arrived at the Atlantic port of Matadi, while others destined for the eastern Kivu provinces are at Mombasa in **Kenya**. Another 186,000 booths from China are expected at Matadi. The aim is to set up 62,000 polling stations, compared to 50,000 in 2006, but local and European non-governmental organisations are warning that it is behind schedule. One worry is that the United Nations is sending no election observers, having sent 2,000 in 2006; the European Union is sending only 150, half of the number it sent previously.

The ballot papers are being printed in **South Africa**, which is less of a problem for the presidential poll, with only eleven candidates, than for the parliamentary contest, with 169 constituencies and 19,000 candidates. Some local lists could require up to 1,000 names on the ballot. The budget is reckoned at about US\$830 million, with 20% coming from foreign donors who met 90% of the cost last time. Most donor money is for the 300,000 election officials and agents. The government has already spent \$147.8 mn.

Complications are likely. The printing of ballot papers could be affected by the fact that in Kisangani and Kinshasa, Kabila's *Parti du peuple pour la reconstruction et le développement* (PPRD) turns out to have put up more candidates than there are seats. The opposition *Union pour la démocratie et le progrès social* (UDPS, led

by the veteran **Étienne Tshisekedi wa Mulumba**), complained about this and now the CENI must sort it out. Organisational problems may, in fact, make it necessary to postpone the parliamentary vote but that would favour Kabila, who is likely to win the presidency but not a majority in the National Assembly.

TO VOTE OR NOT TO VOTE

The spat with Brazzaville also involves the polls. Brazzaville's Interior Minister, **Raymond Zéphirin Mboulou**, claimed that Congo-K did not want elections after Kinshasa said that an armed group holding Congo-B identity cards was arrested in Lukolela, Equateur Province, on 8 October. Kinshasa's Interior Minister, **Adolphe Lumanu Mulenda**, claimed they were under the orders of former Chief of Air Staff, General **Faustin-Benoît Munene**.

Munene has been on the run since September 2010, when unidentified armed men attacked one of his houses in Kinshasa. He leads the rebel *Armée de résistance populaire*, according to Kinshasa, which says it arrested some of his men preparing to attack the Inga hydroelectric dam. Yet Munene himself and eleven of his people were arrested in Congo-B in January and have been in gaol in Pointe-Noire ever since, according to *Le Phare*, a Kinshasa daily. Kinshasa wants him returned for trial, including for the 27 February attack on Kabila's residence (AC Vol 52 No 6). President **Denis Sassou-Nguesso** won't allow the extradition, recalling the fate of a rebel, **Pierre Mulele**, whom he returned to the late dictator **Mobutu Sese Seko** in 1968: Mobutu executed him. Sassou also pointed out that Munene could not have carried out February's attack from gaol.

Kabila sent Mulenda to Congo-B for a 'truth meeting' on 11 October. It passed off calmly but Brazzaville still suspects Kabila's team of conspiring to cancel the polls. The Secretary General of Kabila's electoral coalition, *Alliance de la Majorité présidentielle*, **Aubin Minaku**, has accused an undefined opposition of working to provoke an uprising. Congolese exiles in the Brussels *Association pour la promotion de la démocratie et le développement de la république démocratique du Congo* complained on 7 October that Kinshasa was buying equipment for its army in preparation for post-election repression. Apropdec says the government chartered a ship to bring 30 Mercedes army trucks and

four containers of weapons from Antwerp, with another shipment to come.

European military observers are concerned about growing insecurity. The leader of the *Front de résistance patriotique de l'Ituri*, **Cobra Matata** (the nom de guerre of **Matata Banaloki**), left his camp in Kinshasa in June because he was tired of waiting for his men to be integrated into the government army. He had lobbied the authorities, claiming his men had been abandoned and forgotten. Now, local reports say, FRPI fighters have attacked villages in Ituri, burning down 34 homes and shooting a girl dead.

The reform of the national army is moving slowly. Colonel **Patrick Vanhees** of the EU European External Action Service says it could take 15 years to complete. Police reform is even slower. Staff have not been fully identified and non-lethal equipment is not available, so confrontations can result in shots being fired. There is no non-Congolese security force in Kinshasa and the *Mission des nations unies pour la stabilisation du Congo* has not got enough soldiers for the job. None of the Western embassies has announced a contingency plan for violent unrest in the capital. A security expert told us they were reluctant to give Kabila the impression that they lacked confidence in his ability to maintain order.

Confusion and violence abound. In Kivu, a diplomat said, government troops came under attack from unidentified soldiers in uniform: to save themselves, they shed their own uniforms and ran away. In South Kivu in early October, Mai-Mai and fighters from the *Front national pour la libération du Burundi*, attacked a vehicle belonging to Ebenezer, an NGO, sorted the passengers by ethnicity and killed the seven Banyamulenge. According to a confidential memo from the head of Burundi's *Servicenationale de l'enseignement*, Brigadier Gen. **Adolphe Nshimirimana**, obtained by AC, Congolese Mai-Mai work alongside fighters of the *Forces nationales de libération*, whose leader, **Agathon Rwasa**, is hiding from the Burundian army in Congo under protection of Mai-Mai and the Hutu *Forces démocratiques pour la libération du Rwanda*.

The political opposition is trying to form a united front against Kabila in the presidential poll. On 29 September, Tshisekedi (78) and **Léon Lobitsch Kengo wa Dondo** (76) told journalists in Brussels that they had agreed on a single presidential candidate. Two days later, Tshisekedi, told *Le Soir* of Brussels that there could only be one candidate, himself. He claimed to be negotiating with Kengo, **Vital Kamerhe** of the *Union pour la nation congolaise*, and **Jean-Pierre Bemba** of the *Mouvement de libération du Congo*, who is on trial before the International Criminal Court in the Hague (AC Vol 52 No 19). ●

Political violence worsens

A hardline faction in the government and the bitter disappointment of the former rebels threaten the country's hard-won peace

The 26 October arrest of opposition politician **William Munyembabazi** by the powerful security service, the *Service national de renseignement* (SNR), has deepened the mistrust in Bujumbura. The capital was already awash with conflicting claims about the massacre of 39 people in a bar in the nearby lakeside village of Gatumba on 18 September. Munyembabazi is Secretary General of the small *Conseil national pour la défense de la démocratie* (CNDD) party whose leader, former rebel chief **Léonard Nyangoma**, has been in exile since the 2010 elections. The opposition claims they were rigged but they received international approval. Those polls saw the main government party, the *Conseil national pour la défense de la démocratie-Forces pour la défense de la démocratie* (CNDD-FDD), confirmed as the dominant political force.

The CNDD-FDD blames Nyangoma and another exiled political boss and former guerrilla chief, **Agathon Rwasa** of the *Forces nationales de libération* (FNL), for the escalation in violent attacks this year (see Congo Feature). The steady rise in violence seems to presage a return to civil war. Burundi is mired in poisonous political paralysis and a vicious cycle of extra-judicial, usually unclaimed killing. The SNR (aka the *Sûreté*) accused Rwasa and elements of the opposition *Alliance démocratique pour le changement* of responsibility for the atrocity. It then undermined its credibility by leaking the information to neighbouring governments before investigations were complete.

President **Pierre Nkurunziza** was more cautious. He visited the Gatumba bar, declared three days of official mourning and ordered the security forces to find the culprits within a month. Official spokesman **Philippe Nzobonariba** insists the government is awaiting the findings of the commission of inquiry into the massacre but fears are widespread that it will be used to justify a wave of repression. Some believe that members of the government carried out the massacre to sanction the repression that would follow.

Nkurunziza presides over a government in which advocates of compromise politics, such as First Vice-President **Thérèse Sinunguruzi**, are powerless. Sinunguruzi is the most

senior representative of the small, Tutsi-led *Union pour le progrès national* (Uprona) in a rather unbalanced coalition. The government is dominated by CNDD-FDD hardliners, exemplified by the boss of the *Sûreté*, General **Adolphe Nshimirimana** (AC Vol 48 No 1). The *Sûreté* is effectively outside civil political control and thought responsible for extrajudicial killings of FNL activists, especially in Bujumbura and the FNL heartland of Bujumbura Rural Province. The opposition claims that a CNDD-FDD militia, *Imbonerakure*, operates with the connivance of the police and *Sûreté*.

FNL'S UNCERTAIN STANCE

Like the CNDD-FDD, the FNL is a Hutu-dominated former armed movement. It was a latecomer to the national peace process, abandoning armed struggle only in 2009, ready for the 2010 polls. It struggled to make the transition to civilian life and politics and now Rwasa, outraged by what he considers unfair elections, is back in the bush. He claims the government has broken its promise of 1,000 police and security jobs for his ex-fighters. He is said to be hiding over the border in the mountains of eastern **Congo-Kinshasa**, under the protection of locally based rebels from the Mai-Mai and *Forces démocratiques de libération du Rwanda* (FDLR).

FNL fighters are thought to be behind attacks on police posts and other official targets, but the group has not claimed responsibility. Many FNL activists and former fighters are vulnerable to attack because they returned to routine civilian life. Even FNL members who have given up politics have been murdered. In recent weeks, the killers have shifted their focus from FNL grassroots supporters to better known figures, including the demobilised commanders **Audace Vianney Habonarugira** and **Edouard Ruvayanga**, and the FNL representative in Kayanza Province, **Dédith Niyirera**. Exiled critics of the government allege that the hardliners aim to delegitimise the FNL – whose roots in Bujumbura Rural could present a long-term political challenge – and portray it as a plain security, not political, threat.

Civil society activists and media figures are also at risk, living with the constant threat of arrest, intimidation or worse despite the strange intimacy

of a small capital city where almost everyone in the political and intellectual world knows each other. For some, bodyguards and personal security precautions are the norm.

Recently, Nyangoma hinted at the possibility of belatedly recognising the government's legitimacy but it is doubtful whether this can mollify Nkurunziza, who has so far insisted that opponents simply wait and contest the 2015 national polls. Despite the widespread local conviction that fraud in the 2010 municipal polls justified boycotting the national elections, donor governments disagreed.

The drivers of politics and power have moved beyond the Hutu/Tutsi ethnic allegiances that once fuelled terrible violence. Election rules agreed under the peace treaty of the long civil war oblige parties to choose candidates from both main ethnic groups and that has broken old moulds. The parties with roots in traditional civil politics – Uprona and the *Front pour la démocratie au Burundi* (Frodebu) – seem to be losing ground to those with military pasts. Some Uprona members of parliament attempt to hold the government to account but they are a small minority who can be consistently outvoted. Frodebu, having boycotted the 2010 polls, struggles to find channels through which it can make its voice heard.

At national level, both parties struggle to compete with the charismatic populism of the football-playing Nkurunziza – a master of the presidential community visit who often seems to spend more time on the road, helping farmers and opening projects, than governing Burundi. Conventional urban middle-class oppositionists cannot compete with his year-round campaigning. His populist focus, and apparent neglect of governing duties, has serious consequences in a country that has now sunk to 166th place – out of 170 – in the United Nations Development Programme's global Human Development Index. Burundi's budget relies heavily upon foreign aid. Corruption is rampant. Gargantuan villas built from the proceeds of conflict and smuggling from Congo-K litter the upscale hillside districts of Bujumbura.

Nkurunziza appears to be juggling constant, conflicting pressures: the CNDD-FDD hardliners on one hand and reform-minded government figures dedicated to development and open to reasonable discussion on the other. His reaction to the Gatumba massacre broke with his normal reluctance to take a moral lead in tough times. Yet there is little confidence that he will deploy his undoubted charisma to rein in hardliners and halt the slide towards further violence. ●

Storm over SA mercenaries in Libya

Ex-soldiers and police officers recruited in Cape Town helped some of Gadaffi's family escape to Algeria but another team was less successful

Two teams of South African mercenaries are believed to have helped members of the Gadaffi family to escape from Libya and may have tried to save the late Libyan leader, **Moammar el Gadaffi**, himself, intelligence and diplomatic sources in Johannesburg told *Africa Confidential*. The government denies the missions had official sanction but the families of the mercenaries still in Libya say they had a 'nod and a wink', if not more. The controversy is providing ample ammunition for President **Jacob Zuma's** enemies in a domestic political arena that is rapidly heating up (see Feature).

One team of 24 South African former soldiers and policemen, the sources say, provided the escort for the Gadaffi family members given sanctuary in **Algeria** in late August and may have helped to transfer family valuables abroad (AC Vol 52 No 18). The team was recruited in Cape Town and flew from Johannesburg to **Tunisia**, collected arms and equipment, then travelled by road to Libya before returning safely within a week, the sources say. An intelligence source told us the teams believed the North Atlantic Treaty Organisation knew what they were doing and would not stand in their way.

A second team left South Africa in October to help Gadaffi to escape to **Niger**, we hear, and were in his convoy when it suffered the attack after which he was killed. Two South Africans died in that attack and others were wounded. Other South Africans were believed to be escorting **Seif el Islam el Gadaffi** to Niger as AC went to press. Analysts think it highly unlikely that the teams would have been able to operate in Tunisia or Algeria with any official support from the South African government.

RESCUE MISSION SEEKS PILOT

The missing men's families are lobbying Zuma to get them home. The government has asked them to maintain silence while it attempts to secure their release via informal approaches to the Transitional National Council in Tripoli, a diplomatic source said. An aircraft was on standby at Lanseria airport, near Johannesburg, to fly to Libya to recover the men but no pilot willing to fly the mission could be found, AC hears. SA officials have negotiated with African countries on behalf of Gadaffi clan members; they asked **Zimbabwe** to take Seif el Islam but it refused.

Other SA mercenaries training Libyan

government soldiers had been in Libya longer but most were said to have left by September. In 2006, Parliament passed the Prohibition of Mercenary Activities in Country of Armed Conflict Act No. 27. It outlaws 'any person who participates as a combatant for gain in an armed conflict' or 'any person who directly or indirectly recruits, uses, trains, supports or finances a combatant for private gain in an armed conflict'. Under SA law, the mercenaries, however, would not have been acting unlawfully in Libya if they had been working for the SA government.

Zuma is said to be angry at having received poor advice on the balance of forces for and against Gadaffi during the Libyan uprising, as well as on the United Nations' 'no-fly zone' resolution, which he supported while his fellow 'BRICS' countries (**Brazil, Russia, India, China**) unanimously abstained. The intelligence boss, **Rieaz 'Moe' Shaik**, and Deputy Foreign Minister **Ebrahim Ebrahim**, who had special responsibility for North Africa, are believed to be bearing the brunt of the presidential displeasure.

Zuma's allies and critics disagree on whether the presidency had approved the mercenary missions. However, the notion of 'African solutions for Africa's problems', which has been at the heart of South Africa's foreign policy since the African National Congress took over in 1994, has, the critics say, been tarnished by the interventions in Libya and **Côte d'Ivoire**. ANC critics say Zuma could have done much more to create serious difficulties for the NATO operation and the diplomatic campaign against Gadaffi. ●

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Cameroon

BIYA'S LAST HURRAH

■ President **Paul Biya's** sixth – and surely final – election on 9 October was marked by a dearth of congratulatory messages from fellow heads of government. Neighbour President **Ali Ben Bongo Ondimba** of **Gabon** bucked the trend while the **United States** prodded other, seemingly indifferent governments (even **France**), into issuing statements attacking the probity of the polls. Biya's official share of the vote, announced on 21 October, was 78%, matching his age (AC Vol 52 No 20).

Biya is unlikely to mind. A frequent world summit absentee, he is well-known for not cultivating favourable outside opinion, African or otherwise. Of far greater worth to him was the 26 October statement by his equally elderly challenger, **John Fru Ndi** of the opposition Social Democratic Front, formally accepting the Supreme Court's declaration of Biya as winner.

Fru Ndi, whose support slipped to a disappointing 10% of the vote, had earlier claimed that ballots had been cast in the names of dead people. He then joined other opposition leaders in rejecting the result and urging the public to demonstrate peacefully. The call fell on deaf ears. Many Cameroonians seemed resigned to another seven-year term for Biya.

Voting was at least peaceful. The new electoral commission, Elections Cameroon (ElecCam), found some praise but many distrusted it because of the close connections of its leaders to Biya and his party. The US Ambassador, **Robert P. Jackson**, called the poll 'deeply flawed', highlighting the opportunities for multiple voting and procedural irregularities and inconsistencies at polling stations, as well as incompetence and lack of training among staff that his observers had noted. At first, Paris said the vote was fair but Ambassador Jackson's forthrightness eventually embarrassed it into lukewarm condemnation.

Malawi

PLOT DEVICE

■ The repressive climate in Malawi took a bizarre turn when a journalist's e-mail account was hacked and a forged message sent from it alleging a plot to overthrow the government. The identity of the journalist is known to *Africa Confidential* but cannot be published for safety reasons.

On 13 October, editors in Malawi received an e-mail, ostensibly from the reporter, saying, 'Dear All, Have you heard that plan in which the Malawi defence force is planning to oust cast president Mutharika, kill IG of police and the current

commander of Malawi defence force before the end of this month? More booms have already been planted in some parts of the country, they will do this after comesa functions, am here with one of the top official from MDF with the whole plan in hand, i will keep on updating you' [sic]. Unable to access the e-mail account for several days, the reporter at last logged on and found the above message in the 'sent' folder, even though the reporter had not written or sent it.

The message could have been used by security forces or prosecutors as apparent evidence that the reporter knew about and failed to report a threat to a person's life, which is a criminal offence. The forged message could also have been an attempt to intimidate the journalist. The Common Market for Eastern and Southern Africa (Comesa) summit took place the next day without incident.

If Mutharika's security forces were attempting to intimidate at home, his brother was attempting to ingratiate abroad. **Peter Mutharika** went on a European charm offensive after President Bingu Mutharika revoked the *persona non grata* order on **Britain's** expelled High Commissioner, **Fergus Cochrane-Dyet**. London, however, refused to resume diplomatic relations (AC Vol 52 No 20).

Guinea

CONDÉ TO LOOK AT DAHDALEH CASE

■ President **Alpha Condé** is being consulted about bringing charges against any Guinean nationals who may have taken bribes from **Victor Dahdaleh**, a former senior Guinean official told *Africa Confidential* (AC Vol 50 No 2). The aluminium magnate was charged in London with bribery in late October.

Dahdaleh owns the Guernsey-based Dadco Investments, which has a 51% stake – along with a subsidiary of Alcoa and Rio Tinto Alcan – of *Compagnie des Bauxites de Guinée*. The Guinean state owns 49%. CBG exports about 14 million tonnes of high-grade bauxite annually. Guinea fears it may have lost significant income from the bauxite supplied to **Bahrain** if it turns out the price was illegally fixed. It earns about 80% of its foreign exchange from exports of the mineral.

The charges against Dahdaleh follow a two-year investigation by **Britain's** Serious Fraud Office and allege that he paid bribes to officials of Aluminium Bahrain (Alba) for aluminium contracts worth £26 mn. (US\$42 mn.) with the **United States**-based Alcoa Inc. The state-owned Alba sued Dahdaleh and Alcoa in February 2008 in the USA, alleging fraud, bribery and overcharging on its alumina imports over 15 years (AC Vol 49 No 6).

Much of the alumina sold to Bahrain came from bauxite produced in Guinea, which holds about one-third of the

world's known bauxite deposits. In the civil case, Alba was claiming 'damages in excess of \$1 billion, including punitive damages, for this massive, outrageous fraud'. The case is on hold while the US Department of Justice and the Securities and Exchange Commission carry out their own investigations.

Dahdaleh may have chosen to face the music in Britain rather than the USA because he had a better prospect of avoiding the forfeiture of his assets, a lawyer familiar with US and British bribery laws told *Africa Confidential*. A London court granted Dahdaleh bail of £10 mn. on 31 October.

Zimbabwe

CYBER ATTACK

■ Even Harare's shell-shocked business community was rocked by the arrest, charging and weekend incarceration of **Farai Rwdzi**, nascent billionaire and one of its youngest and brightest stars, on 27 October (AC Vol 51 No 22). Rwdzi and two line managers in his Africom internet service provider were charged with operating an illicit radio station and breaching the Official Secrets Act by sending classified sensitive information to **Afghanistan**, **Canada** and the **United States**. (In the convoluted thinking of the regime, even the internal documents of the Zimbabwe African National Union-Patriotic Front are regarded as state secrets.)

Rwdzi is the head of and major shareholder in the Interfin financial group, which he launched ten years ago as a recently qualified chartered accountant. He chairs the Apex and Seedco groups (both major public companies quoted on the Zimbabwe Stock Exchange) and sits on other boards of directors. He was the jointly agreed Chairman of the ill-fated Meikles Kingdom Bank merger and won high praise for his skill and tactful handling of the inevitable demerger.

Although only 40, Rwdzi is already a pillar of the business world, which has generated resentment among ZANU-PF-orientated tycoons. General **Solomon Mujuru**, to whom he was said to be close, may have been his initial patron but he soon established a reputation for independence and straight dealing. In ZANU-PF's present fractured state, this may have contributed to his current unexpected difficulties.

Some suspect that Rwdzi is a victim of ZANU-PF's determination to control all the high peaks of the business world through its 'Indigenisation and Empowerment' campaign but party hardliners are also anxious to clamp down and control internet activity. The securocrats are rattled by the use of the social networks during the 'Arab Spring' and the grisly demise of **Moammar el Gaddafi** sent a chill down their spines. The late **Libyan** leader was always a generous donor to ZANU-PF election funds.

BLUE LINES

Diplomats are steeling themselves for a battle for the soul of the African Union at Addis Ababa in January. South Africa's Nkosazana Dlamini-Zuma is to challenge incumbent Jean Ping, Gabon's former Foreign Minister, for the chair of the AU Commission. It is the most senior – and perhaps the most troubled – diplomatic post in Africa.

After a devastating year – the AU was comprehensively sidelined over Libya and Côte d'Ivoire – there is little to celebrate for the AU's tenth birthday in 2012. This galls South Africa, whose then President, Thabo Mbeki, aided by Foreign Minister Dlamini-Zuma, did so much to establish institutions to monitor democracy and accountability.

The Southern African Development Community is likely to back Dlamini-Zuma, as is predominantly Anglophone East and North-East Africa. Central, West and North Africa are less certain; Ping's own government failed to support him, though his dissolved marriage to presidential sister Pascaline Bongo makes him a member of the local elite. France, which had a good year in Africa and wants to be on the winning side, should favour Ping.

Obsessed by national affairs, Egypt still wants to fill the North African vacuum in continental matters left after Moammar el Gadafi and is talking to South Africa. Nigeria has differed strongly with South Africa but has doubts about Ping. If South Africa can offer Nigeria strong incentives, it could win its vote and probably the AU Commission chair.

CONGO-KINSHASA

Bargain mine sales draw fire

The government's secretive, and cheap, sale of lucrative mining assets is fast becoming an election issue

Mining companies stripped of valuable concessions have been sounding out the opposition before the presidential election, which is expected to take place on 28 November. President Joseph Kabila's main challenger, Etienne Tshisekedi wa Mulumba, went to Canada in September to meet the directors of First Quantum Minerals, one of the companies most affected by the forced asset sales or seizures. First Quantum is in litigation with the Kinshasa government over the loss of its concessions while the International Monetary Fund and World Bank are taking the state-owned company *Gécamines* to task over secret mining contracts.

Tshisekedi, veteran leader of the *Union pour la démocratie et le progrès social* (UPDS), invited First Quantum and other foreign investors to 'come back after 6 December, when Kabila will be gone' to take advantage of a better business climate, we hear. In return, a news agency owned by an ally of Kabila has accused Tshisekedi of acting 'against his own people'. Pro-Kabila media denounce Tshisekedi's talks with mining companies while the opposition slates the government for selling off the country's mineral heritage at bargain-basement prices.

One of First Quantum's disputes, which has been referred to the World Bank's International Centre for Settlement of Investment Disputes (ICSID), concerns the decision of the Kipushi high court to ratify the takeover of the Frontier and Lonshi copper and cobalt concessions by a Hong Kong company, Fortune Ahead Limited, in partnership with the state-owned *Société*

de développement industriel et minier du Congo (Sodimico) in 2010. First Quantum's other dispute, which has been referred to the arbitration tribunal of the International Chamber of Commerce in Paris, concerns the transfer in September 2009 of its Kingamyambo Musonoi Tailings (KMT) concession to the mysterious Highwind company, registered in the British Virgin Islands (BVI, AC Vol 51 No 19). Highwind is believed to be associated with the controversial Israeli businessman **Dan Gertler**, who is one of Kabila's staunchest and richest supporters. Highwind recently sold the KMT concession to Eurasian Natural Resources Corporation (ENRC) of **Kazakhstan** in unclear circumstances. The concession may contain 326,000 tonnes of copper and 69,000 tn. of cobalt, worth about US\$5 billion.

IMF/WORLD BANK NOT AMUSED

Etienne Tshisekedi's trip to Canada irked Kabila since it follows pressure from the World Bank over the government's handling of mining contracts. The Bank's private sector investment arm, the International Finance Corporation, is a partner in KMT with First Quantum. The IMF is also displeased and may withhold some payments under its \$240 million Extended Credit Facility as a result.

The IMF has asked the government to clarify several obscure contracts signed by *Gécamines*, which suggests that state assets have been sold for absurdly low prices, notably *Sodimico's* sale to Fortune Ahead of 30% of its shares in the Lonshi and Frontier deposits. Opposition member of

CONGO-K/ANGOLA 2	ZIMBABWE 3	NIGERIA 4	SIERRA LEONE 6	UGANDA 7
Troubled waters, no oil yet A US oil company tries to help to resolve the ongoing maritime border dispute.	Polls, leaks and expropriations The coalition parties have agreed to hold elections next year.	Inflammatory subsidy Jonathan says fuel subsidies will end on New Year's Day but few believe he can pull it off.	Ferry fiasco dents Koroma's standing Anti-corruption momentum is slackening.	LIBERIA 8
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parliament **Modeste Bahati Lukwebo**, of the National Assembly's Economic and Financial (Ecofin) Commission and who leads the *Alliance des forces démocratiques du Congo*, claims that Fortune Ahead paid

Sodimico only one-thirtieth of the stake's true value. This would put the loss to the state at \$870 mn. An exchange of letters between *Sodimico* and Mines Minister **Martin Kabwelulu Labilo** shows that the partnership agreement between *Sodimico* and Fortune Ahead covers assets that used to belong to First Quantum.

Early this year, *Gécamines* secretly sold its 20% share (along with its joint venture partnership) in Mutanda Mining, operated by Samref Congo and 50% owned by Glencore, to Rowny Assets, another BVI company associated with Gertler (AC Vol 52 No 16). *Gécamines* also quietly disposed of 25% of a mining firm called Kansuki Investments to the Biko

Invest Corporation, also linked to Gertler. Based on calculations by consultants Golder Associates that the Mumi deposit alone was worth \$3 bn., a human rights group, *Action contre l'impunité pour les droits humains* (ACIDH), has calculated that the sale involved handing over assets worth about \$600 mn., plus \$200 mn. in royalties. Much the same applied to Kansuki. Glencore, its leading shareholder with 37.5% ownership, assessed its production capacity at around 17,000 tn. of cobalt and 90,000 tn. of copper.

GÉCAMINES, A PRIVATE AFFAIR

The Chief Executive of *Gécamines*, **Albert Yuma Mulimbi**, has refused all requests, from the Mines Ministry to the IMF and others, to publish the controversial contracts, claiming that as a private company it is not obliged to, even though the state owns all its shares. The government has instructed Yuma, we understand, not to provide the information.

Mining companies, and the Minister in charge of State Assets, **Jeannine Mabunda Lioko**, will be watching with interest an MP from the *Mouvement de libération du Congo* (MLC), **Fidèle Babala**. In April 2010, he revealed that the state-owned *Office des Mines de Kilo-Moto* (Okimo) had sold 20% of its shares in the Kibali Gold Mines joint venture for \$113 mn. to its partners AngloGold Ashanti and Randgold. He estimated that would cover reserves – certified, measured or probable – of 28 mn. ounces of gold, with a value of \$30 bn. He reckoned that this deal had cost the state several billion dollars.

Senator **David Mutamba Dibwe**, who chaired a commission of inquiry into the mining sector in 2009, has revealed that, in the two Kivu provinces, Manyema and Orientale Province, 80% of gold exports were outside state control and marked by 'grand-scale fraud'. Official gold exports were 121.58 kilogrammes in 2007, and about 71 kg. in 2008.

Back in 1983, exports of 6 tn. were recorded, while the official *Centre d'évaluation, d'expertise et de certification des matières précieuses* (CEEC) has estimated real exports at 40 tn. a year – meaning the state could have lost \$1.23 bn. Mutamba's commission also found that in Kasai-Oriental, the decline of the province's pride and fortune, *Minière de Bakwanga* (Miba), was universally blamed on Kinshasa. The report spoke of 'government neglect and carelessness, appointments in exchange for favours instead of skills, and repeated raids on funds owned by the enterprise'. On 25 October, a conference organised by Katangan civil society declared, with Mutamba present, that little had changed and the mining sector was characterised by 'generalised fraud'. ●

TROUBLED WATERS, NO OIL YET

Potential investors in Congo-Kinshasa worry not only about opacity and corruption but also about the boundaries of concessions. Trinity Oil and Gas, of Houston, **United States**, wants the government to sort out the undefined offshore frontier with **Angola** that runs across huge potential undersea resources (AC Vol 52 No 15). Trinity is watching with interest to see if two members of parliament who have urged the government to send the matter to international arbitration will be re-elected. These are Senator **Raphaël Siluvangi Lumba** of the *Mouvement de libération du Congo* (MLC) and **Kasongo Numbi Kashemukunda** of the electoral coalition *Alliance de la majorité présidentielle*.

Rows about the maritime border have poisoned relations between Angola and Congo-Kinshasa since May 2009. Then, both told a commission of the United Nations Montego Bay Convention on the Law of the Sea about their plans to claim wider areas of the continental shelf. Angola wants the northern limit moved northwards. Trinity has proposed that they follow the example of **Congo-Brazzaville** and Angola, which signed a bilateral treaty in 2002 establishing a framework for shared development of resources within an agreed area. Yet the maritime border between Congo-K and Angola does not conform with the 1982 Convention on the Law of the Sea or other conventions. A zone of shared interest cannot be agreed until the border is established, although in 2007, both countries' parliaments ratified an agreement to form such a zone. Trinity suggests a multilateral agreement entitling Congo-K to claim 60 million barrels of reserves in Block One (operated by Tullow Oil) and 1.75 mn. barrels in Block 15 (Chevron Texaco).

The agreement would set up a management committee, with Congo represented by the Minister of Hydrocarbons and by *Congolaise des hydrocarbures* (*Cohydro*). Other members would be outside investors Lukoil (**Russia**) and Tamoil (until recently **Libyan**, now uncertain) plus three Houston companies, Trinity, Apache Oil and Argos Minerals. In support of this Texan initiative, Trinity proposes forming a political lobby in the US bringing in the Congressional Black Caucus and Republican and Democrat politicians from Texas. A syndicated bank loan would involve Barclays, Standard Chartered and Rand Merchant, all subject to **South African** law. This proposal was meant to be secret and no Congolese official has yet responded to it. President **Joseph Kabila**'s presidential team has tended to yield to pressure from Luanda, to the indignation of its opponents. The Ambassador to the UN, **Christian Atoki Ileka**, thought it 'irresponsible' to reply to a note from Angola in late May 2009, it is said, because Angola could impose its will militarily on Congo whenever it wished. Nothing can happen until the border is defined.

Soco International and Dominion Petroleum will be following the electoral fortunes of 41 outgoing North Kivu members of parliament who wrote to Environment Minister **José Endundo Bononge**, in December 2010, in support of oil exploration in the Virunga National Park. The Park is on the World Heritage in Danger list (and on the border with Uganda), so the proposal worries the UN Educational, Scientific and Cultural Organisation and some donors, who argue that mining and oil-drilling are incompatible with Virunga's heritage status. Endundo has since decided not to authorise exploration in the Park, pending the result of an environmental impact study financed by the European Union.

The oil companies will be curious to see if opposition MP **Modeste Bahati** is re-elected. He said on 18 October that he had advised the government to grant exploration licences to 'big multinational firms like Total', so as to overtake neighbouring countries 'better equipped than Congo and engaged in pumping our oil'. He meant, of course, **Uganda** in Lake Albert. As for Total, it hopes for a presidential order to allow prospecting in Block Three of the Lake Albert Basin, which also extends into the Virunga Park. ●

Polls, leaks and expropriations

The coalition parties have agreed on holding elections next year and campaigning is already in full swing

Rather than endure another year of the same political combat, both leaders of the main parties jointly announced on 10 November that they would press for early elections next year. A faltering economic recovery in the first half of this year fizzled out in the second as political uncertainty and escalating violence took hold. The parties are already girding their loins for electoral battle: the dominant Zimbabwe African National Union–Patriotic Front (ZANU-PF) is hopefully elevating its 6-10 December conference to a ‘congress’ so as to deal with knotty issues while Prime Minister **Morgan Tsvangirai** has hit the ground running, with waves of grassroots enthusiasm animating early rallies of his wing of the Movement for Democratic Change. Tsvangirai’s rallies have muted the fierce criticism by the independent media and his own MDC for supposedly caving in to President **Robert Gabriel Mugabe** over calling elections.

ZANU-PF’s response to MDC’s quick start has been to try and dampen the enthusiasm using the security forces. In Matebeleland North, police dispersed four well-attended rallies held in defiance of court orders. In Chitungwiza, the dormitory town for Harare, MDC and ZANU-PF youths fought running battles, the latter coordinated by Youth and Indigenisation Minister **Saviour Kasukuwere** and other senior Politburo figures, we hear. ZANU-PF’s desire for polls is driven by concern over Mugabe’s health, but the party cannot expose him to an open-ended campaign. This has provided a window for Tsvangirai and the MDC to either put their case to the electorate or plead that the security service disruptions undermine any possibility of free and fair elections. ZANU-PF is plagued by factionalism which it is hoping December’s congress in Bulawayo can help to resolve.

Although not for debate, the succession issue will underlie everything. Other issues will include the apparent suppression by Police Commissioner General **Augustine Chihuri** of the enquiry into the mysterious incineration of a ZANU faction leader, General **Solomon Mujuru**, and the disciplining of senior figures ‘implicated’ by WikiLeaks’ release of **United States** State Department cables (AC Vol 52 Nos 17 & 19). These issues could prove explosive.

By elevating the event to a congress, ZANU-PF has made the way clear for disciplining those that WikiLeaks exposed

as sources for the US government. The Zimbabwe Defence Forces Commander, Gen. **Constantine Chiwenga**, has refused to act against two senior, respected generals on the grounds that WikiLeaks may be an ‘imperialist plot’ to destabilise the armed forces. His reluctance may be due to disquiet at the actions against those generals by the lower ranks of the security forces – all in spite of a rumour that they will be allocated shareholdings under the indigenisation programme. At a recent retirement party in Masvingo, junior police officers refused to dance and sing Mugabe’s praises. Meanwhile, Chiwenga, who heads one of ZANU-PF’s factions, has taken to appearing in civilian dress squiring a new wife – a top model less than half his age who is rumoured to have come with a US\$50,000 bride price.

ZANU-PF ABOVE GOVERNMENT

ZANU-PF’s National Chairman, **Simon Khaya Moyo**, has indicated that one of the aims of the congress will be to reassert the party’s political authority and control: ‘One thing which has cost heavily since Independence to date is that we allowed a situation whereby government is above the party.’ (Most democratic constitutionalists would argue that that is the correct balance, especially when the government is a coalition for national unity.) Skating over this embarrassing impediment, Moyo continued, ‘Everyone in government is deployed by the party. We will have a provision for the recall of any member if they are not performing... I was a minister for ten years and answerable to myself, which is dangerous. We are going to get into this matter and at conference we will come with a decision on how this can be done.’

At the height of his powers, this was one of Mugabe’s managerial strengths: to appoint someone and leave them to get on with the job, confident of being held in such awe and fear that pleasing the master was all that mattered. As his powers decline, Mugabe’s appointees have taken to pleasing themselves instead, crossing wires and starting turf wars. The problem cascades down through party and government and at the lower levels, the rows can be extremely rough as petty officials claim to act in the party’s name. The control measures have lost their strength, whether over the police or the young thugs who have occupied urban,

church and agricultural properties around Zimbabwe.

The congress may side-step the party’s internal problems and concentrate on the election platform – currently the continuing sanctions saga, the homophobia issue, the supposed success of land reform and the indigenisation and empowerment campaign (AC Vol 49 No 7). Sanctions form ZANU-PF’s portmanteau excuse for the last, disastrous lost decade. However, few people at the grassroots level prefer that explanation for the disappearance of jobs, the collapse in services and living standards instead of mismanagement, corruption and incompetence. Although there are signs that major food imports will be necessary, the sycophants continue to hail the ‘agricultural miracle’ of Mugabe’s inspired and far-sighted policies.

The homophobia campaign is already in full swing in the state media, with Tsvangirai being branded as ‘Moregay’ for saying it is an issue for individuals rather than the state. Mugabe labelled as ‘mad’ **British** Prime Minister **David Cameron**’s recent warning that homophobic policies would lead to aid cuts.

Indigenisation and empowerment would be more of a winning card if electors could be convinced that more than a chosen few would benefit. Kasukuwere, a former Central Intelligence Organisation operative trained by **East Germany**’s State Security Ministry, known as the Stasi, is from ZANU-PF’s thuggish tendency. During the 2000 elections, he was implicated in an ambush which left half a dozen MDC supporters dead. He is not too fastidious in his own business operations and has ignored Harare Fire Department directives on the siting of his Comoil oil-storage facilities. He intends to reward his cronies with expropriated shares and has threatened to withdraw the operating licences of non-compliant firms (AC Vol 50 No 5).

The brother of **David Chapfika**, the Chairman of the Empowerment Board, was promised a 10% stake in the platinum mining company Zimplats, it was alleged in a court case. Minister of Mines **Obert Moses Mpofu**, who knows a milch cow when he sees one, objected that mining licences were the province of his Ministry, while Reserve Bank Governor **Gideon Gono** made a similar argument on behalf of financial institutions. A frail Mugabe then tried to defuse the row by presiding over a hand-over of a 10% trust fund from Zimplats to a local traditional community trust sponsored by Local Government Minister **Ignatius Chombo** and a local member of parliament and kinsman of Mugabe, **Bright Matonga**. Kasukuwere hastily clarified that beneficiaries would be first local communities, then workers and only thereafter individuals, through sovereign trusts. ●

Inflammatory subsidy

Jonathan says fuel subsidies will end on New Year's Day but few people expect that he can pull off such a momentous change to Nigerian life

The federal government's decision to remove fuel subsidies from 1 January 2012 is dividing the public and raising the spectre of unrest. The government insists that it cannot afford to continue spending billions of dollars a year on subsidising the price of imported petroleum products for domestic consumption and says the money would be better spent on infrastructure and development. Africa's biggest oil producer – and the world's tenth – currently imports about 80% of the fuel it uses (mainly petrol, diesel and kerosene) because it lacks the necessary refining capacity and because importers are a powerful lobby. Government subsidies then make the refined products available for less than their cost.

The budget for the subsidy in 2011 was 240 billion naira (US\$1.51 bn.) but by the end of August, the Treasury had spent N931 bn. and the bill for the full year may come to N1.2 trillion, six times over budget. As well as the expected special interests (motorists, bus operators, taxi drivers and so on) those ranged against the withdrawal of the subsidy include labour groups, opposition parties, youth organisations and civil society groups. The opposition Action Congress of Nigeria (ACN) says it is baffled that the government is making this a priority over more urgent challenges and has called for a referendum instead of 'administration officials talking down on Nigerians with dubious figures calibrated to twist facts'.

The Deputy National Secretary of the Labour Party, **Babatunde Aiyelabola**, a trades unionist, claims that the government is sending out contradictory messages to disorientate the public by, for example, claiming that President Goodluck Jonathan's main rival in this year's election, Major General **Mohammedu Buhari**, supported the subsidy removal. Buhari denies it. Parliament is under pressure to toe the government line but most legislators prefer to protect what they see as their constituents' interests. The Senate is peeved that it has no role in approving the excess subsidy spending.

Opposition to the removal of subsidies is based on distrust of the government and a lack of confidence that the money saved will be put to good use. Many see the fuel subsidies as the only form of welfare the state offers. Higher fuel prices would

increase the price of food, transport, rent and more, and the hundreds of billions saved could still vanish into private pockets. **Wale Ajani**, President of the National Youth Council of Nigeria, argues that with 70% of the population young and 40% of them unemployed or underemployed, removing the subsidy will raise the cost of living and push many into crime.

Jonathan rode to power on the popular appeal of a refreshing change of guard. Coming from the oil-rich Delta, people like Ajani were at the forefront of his campaign. Their enthusiasm is gone now, as Nigerians, especially young ones, are unimpressed with Jonathan's slow pace of governance, including his lack of response to Islamist *Boko Haram*, the unabated corruption and the fact that he has done nothing about the infrastructure.

Aiyelabola and Ajani say they believe the President will go ahead and that the public will resist with force. Aiyelabola claims there is a 'sense of an atmosphere of change; that if this [subsidy removal] happens, we're going to reclaim the streets'. Ajani vows that there will be a concerted effort by a coalition of civil society organisations to resist the change. Jonathan has accused opponents of the policy of plotting to bring down his government. The controversy is delaying the presentation of the 2012 budget to the National Assembly.

POPULAR ANGER

On 11 November, Ajani – who campaigned for Jonathan's election – led 50-60 fuel-subsidy protestors in Abuja, who were promptly dispersed by police. The State Security Service then invited him in for questioning; he says they asked him to retract his statements and cancel a further planned protest march and hunger strike. He refused and was promptly detained for twelve hours. The news spread fast via social networking sites and drew widespread condemnation. Twitter and Facebook are crucial to those mobilising against lifting the subsidy. Several protest groups have emerged on Facebook and an inchoate '#OccupyNigeria' movement on Twitter. Aiyelabola believes the online groups are beginning to 'distil out of cyberspace into concrete structures'. Protests and strike actions are likely soon. The Nigeria Labour Congress released an apocalyptic statement entitled 'Those

who have ears, let them hear'. NLC President **Abdulwahed Omar** accused the government of 'suicidal instincts' and warned of a 'conflagration' should the policy go ahead.

Popular anger is all the greater because of chronic government failures to repair refineries and expand capacity. The refineries have not worked efficiently for many years, despite several billions of naira allocated for maintenance, not least because it is against the interests of those, many with high political connections, who make their fortunes from importing oil products. Three more refineries are now being built, with a total capacity of 750,000 barrels per day but, like the power plants, they seem stuck in a state of perpetual construction and will not start operating soon.

Some ask why President Jonathan did not talk about fuel subsidies during his election campaign, when he criss-crossed the nation promising 'transformation'. The President now describes the change as 'the best thing that will happen to the country' and he is backed by the powerful state governors, who disagree with him on many other matters. He is strongly supported by Central Bank Governor **Lamido Sanusi** and Finance Minister **Ngozi Okonjo-Iweala**. Sanusi has called the supporters of the subsidy a cabal. 'These are the same people that borrow from the banks and do not pay; they are the ones rigging elections and are aiding corruption. We have to cut them off,' he said. All sides seem to agree that a faceless cartel operates under the guise of the subsidy to manipulate accounts and steal state funds.

It is an old argument. For two-and-a-half decades, successive governments have based their hopes of economic reform on deregulation, including the removal of wasteful subsidies. Successive governments have increased fuel prices in order to direct government funds to more productive ends. Yet Nigeria's politicians are not renowned for prudent spending or belt-tightening. The President keeps on appointing extra aides to an already bloated bureaucracy, the constitution demands that ministers should come from each of the 36 states and the legislature, in costs and salaries, is one of the most expensive in the world.

The oil business has always been opaque. A former Oil Minister, **Don Etiebet**, admitted in 2009 that his efforts to reconcile the accounts of the state oil company, the Nigerian National Petroleum Corporation, had failed. He blamed this on 'conflicting figures from the NNPC, the Accountant General office and the [Central Bank]'. In 2010, the government transferred the Deputy Finance Minister, **Remi Babalola**, after he kept insisting that the NNPC was insolvent. The

Petroleum Industry Bill, designed to reform the oil sector, regularise taxation and royalties, and bring transparency, has been bogged down in parliamentary intrigues for more than two years. Shell is also opposed to the Bill and has been lobbying against it (AC Vol 51 No 4).

The opposition insists that it is unrealistic to propose removing fuel subsidies on 1 January, especially while the country already feels under siege from *Boko Haram*. So far, *Boko Haram* has mostly stuck to its demand for *Sharia* (Islamic law) but could exploit general dissatisfaction and expand its demands; legislators in its northern heartland seem more strongly opposed to subsidy removal than their southern counterparts.

Northern politicians such as Senator **Kabiru Ibrahim Gaya** from Kano say that removing the oil subsidy will impoverish their region further. Desert encroachment has driven farmers off their land and textile mills have closed, leaving the region significantly poorer. *Boko Haram* has killed more than 250 people since July 2010, according to human rights groups, with 65 deaths during the 12 November weekend alone. Removing the subsidy could deepen poverty and increase the number of unemployed youths open to Islamist temptation, says **Tive Denedo** of Media Rights Agenda, a non-governmental organisation that focuses on freedom of information.

CONSULTATION

Another view is taken by Senator **Abubakar Bukola Saraki**, the scion of a powerful northern political dynasty who was in the running to be Jonathan's opponent at the last election. He has raised questions in the Senate about NNPC finances and put down a motion for an investigation into the oil subsidy. He argued that if the trend continued, the country could spend more than last year's N1.2 trn. on subsidies this year.

Nigerians will know more of Jonathan's plans when he sends the 2012 Appropriation Bill to the National Assembly, at some time within the next few weeks. The Oil Minister, **Diezani Allison-Madueke**, has said the change will occur after proper consultation with the public. That may have meant 'I don't know when.' Nigerians are impatient. Jonathan, who is no economic specialist, brought in **Okonjo-Iweala**, a former World Bank executive and Finance Minister under former President **Olusegun Obasanjo** in 1999-2007, to be in charge of Government Reform and the 'Super Ministry' of Finance (AC Vol 52 No 14). Some people now call her a World Bank-International Monetary Fund agent, sent to advise the President to remove the subsidy on petrol. Professor **Tamunoemi ('Tam')** **David-West**, a

former Oil Minister who hails from the oil-producing Niger Delta, said, 'Nigerian officials including ministers have petrol stations and are awarded oil blocks. You can't serve the nation and serve yourself at the same time.' He continued, 'Total capacity of our four refineries is 445,000 barrels per day. If the refineries are working at even 80%, we will have more than enough products. They did not do that but sabotaged our refineries.'

The ACN National Publicity Secretary, **Lai Mohammed**, said the security of the country would be at stake if the subsidy were removed and its removal would lead to anarchy. Elected officials from the President's core constituency in the south and south-east, such as Senators **Heineken Lokpobiri** and **Victor Ndoma-Egba** of the governing People's Democratic Party, are in favour of removing the subsidy because, they say, it has not benefited the people of their region.

Yet young people from the same area, led by Ambassador **Amachree Odiedim**, say there will be civil unrest and that they will occupy the streets if the subsidy is removed. NLC President Omar asks people, including traditional rulers, to persuade the government not to lift the subsidy because it will bring untold hardship. Some say the government has reached an agreement with the NLC but the NLC denies it.

Human rights groups are mostly opposed. **Eze Onyekwere**, Director of the Centre for Social Justice, says that far more good would be done by passing the Petroleum Industry Bill, to foster reform of the downstream system, including refining. Organised private sector figures such as **Aliko Dangote**, said to

be Africa's richest man, said the subsidy should be removed since he doesn't see its importance and doesn't enjoy it.

'There is even no subsidy in the first place as all that is being subsidised is corruption and theft,' said **Buhari**, himself a former Oil Minister. The new rich almost all have oil interests, in an intricate network of relationships that include politicians of all parties and regions. A senior executive in the Lagos manufacturing sector says of Jonathan: 'He has never taken a tough decision in his political life. If he wants to start with subsidy removal, good luck to him, he will hear from Nigerians.'

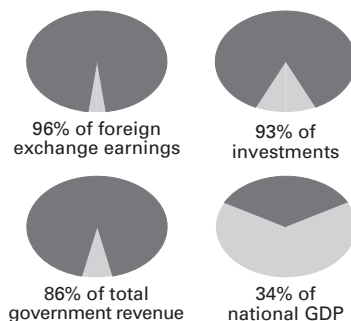
The President himself, however, told a Nigerian Economic Summit that the issue of oil subsidy removal has been politicised, claiming it was a purely economic decision, and those politicising it were bent on bringing his government down. He argued that if the fuel subsidy were not withdrawn, Nigeria would be importing fuel from neighbouring **Ghana** and **Cameroon** in 10-15 years.

The subsidy debate is a decisive test for the President, whose efforts at economic reform have hung fire. The 28-member National Economic Management Team he inaugurated in September seems ungainly and many think it a waste of time. He has also inaugurated the Economic Implementation Committee, another layer of bureaucracy that may not amount to much. If he does indeed remove the subsidies, it will prove that he is ready to back **Okonjo-Iweala** in her IMF-World Bank supported reforms, to cut recurrent expenditure and free funds for capital projects. Vested interests would then draw the conclusion that the President really does mean business. ●

THE NUMBERS BEHIND THE OIL SUBSIDY

Source: Nigerian National Petroleum Corporation

OIL'S CONTRIBUTION



NIGERIA'S FOUR REFINERIES

Port Harcourt Refining Company	150,000 b/d & 60,000 b/d
Kaduna Refinery and Petrochemical Company	110,000 b/d
Warri Refinery and Petrochemical Company	125,000 b/d
Total installed capacity: 445,000 b/d	

DEMAND AND COSTS

Nigerian domestic demand: 294,000 barrels per day	
Average performance of refineries in 2010: 21%	
Total loss by refineries in 2009: 25 bn. naira	
Amount spent on turnaround maintenance in 2010: N36 bn.	
Diesel importation costs in 2011: N1 trn.	
Oil subsidy 2010 (estimated): N785 bn.	
Oil subsidy 2011 (budget): N240 bn.	
Cost of subsidies in 2011: N1.2 trn.	

PUMP PRICES IN OIL PRODUCING STATES US\$/litre

USA 0.85	Qatar 0.20
Nigeria 0.41	Kuwait 0.19
Iran 0.37	Saudi Arabia 0.11
Egypt 0.29	Venezuela 0.04
Bahrain 0.25	

Ferry fiasco dents Koroma's standing

Anti-corruption momentum is slackening as the President gauges a growing political threat from the opposition

On taking office in 2007, President **Ernest Bai Koroma** vowed to run the country as a 'business venture'. What he did not intend was the state social security and pension fund, the National Social Security and Insurance Trust (Nassit), losing US\$20 million of its \$100 mn. assets on the markets over the last two years. To many Sierra Leoneans, Nassit's management woes typify business and government under Koroma.

The fund's former Director General, presidential cousin **Edmund Koroma**, had in 2008 commissioned two refurbished ferryboats from the **Netherlands**. They were meant to ply between Freetown and Lungi international airport on the other side of the bay but not only did they need repair, bringing the total cost to just under 3 mn. euros (\$4.06 mn.), after arriving, they remained idle for over a year.

Rather than prosecuting Nassit leaders for wasting state funds, however, the Anti-Corruption Commission's new Commissioner, **Joseph Fitzgerald Kamara**, has sought only to recover money through a settlement. Edmund Koroma and three other Nassit officials have agreed to return 2 billion leones (\$450,000) to the state. Kamara replaced the dynamic **Abdul Tejan-Cole**, who resigned in May 2010 after receiving death threats amid obstruction of efforts to prosecute individuals close to the President. The ACC had sufficient evidence to charge four or five ministers for corruption when he left office, a source said, but nothing has been heard of the cases since.

Kamara boasts that corruption is on the decrease thanks to the ACC. He cites Transparency International's ranking of the country this year above **Cameroon**, **Kenya**, **Guinea** and **Congo-Brazzaville**. His first act, however, was to secure a massive pay increase for himself and his deputy. Kamara had been an acting Prosecutor for the Special Court for Sierra Leone, a United Nations-funded court paying salaries similar to those top lawyers earn in the **United States** and Europe. Koroma's government agreed to increase Kamara's ACC salary from \$5,000 to \$12,000 a month and his deputy **Morlai Buya-Kamara's** from \$3,000 to \$8,000. Both men hail from Bombali district, home of the President. Complaints about the increasing 'northernisation' of the ACC are, as in many public bodies, growing.

Britain's Department for International

Development, a key bilateral donor and a major supporter of the ACC, was unhappy with its new direction, we hear. When DfID officials pushed to have **Allieu Sesay**, the suspended Commissioner General of the National Revenue Authority, prosecuted for misuse of donor funds, Freetown complained to London. Although a set of strong charges against Sesay was ready for presentation when Kamara took over, those he presented were a lot weaker and a judge dismissed them in June. Shortly after, DfID's Sierra Leone head, **Dominic O'Neill**, moved to **Nepal** and DfID announced cuts in funding to the ACC.

When some magistrates learned of Kamara's huge salary rise, they vowed to embarrass him by denying him victory in the often minor cases he brings to court, *Africa Confidential* hears. The ACC boasts of having 64 cases before the courts, but the majority are petty corruption cases, including those of teachers who took \$100 to improve a student's grades. Only a few are like that of the nine officials indicted for misappropriation of funds meant for the country's 50th Independence anniversary (AC Vol 52 No 10).

OPPOSITION OPPORTUNITY

The opposition Sierra Leone People's Party (SLPP) is anxious to exploit public disaffection over corruption and has a strong presidential candidate, Brigadier (Retired) **Julius Maada Bio**, to face Koroma in the election late next year. In early September, Bio went on a 'thank you' visit to Bo, the second largest city, and was hurt by a stone thrown from an office of the governing All People's Congress. Thousands of his young supporters rampaged through Bo, burning down the APC offices and the homes of two leading APC figures. Armed police of the Operational Services Division (OSD) opened fire, apparently at random, killing a motorcyclist and seriously wounding about two dozen people.

Bio is wildly popular in the SLPP's southern and eastern strongholds as well as parts of Freetown. He was one of the officers who overthrew the last APC government of Major General **Joseph Saidu Momoh** in 1992 and later staged a palace coup against Captain **Valentine Strasser** of the National Provisional Ruling Council, which ruled in 1992-1996. Bio then led an interim regime and handed over power to civilians in 1996.

The President set up an Investigative Panel under the respected journalist **Kelvin Lewis**. It blamed APC youths for starting the violence, the SLPP for the arson attacks and the OSD for indiscriminate shooting. Unusually, Koroma promptly had the Attorney General and Justice Minister, **Frank Kargbo**, order the arrest of most of the 33 people named by the Panel, including SLPP member of parliament **Foday Rado Yokie**. Neither the key APC activist believed to be behind the stone-throwing, ex-combatant **Mohamed Conteh** aka 'Bomblast', nor the three OSD men named were detained.

The OSD has a growing role and reputation for violence. As part of the UK-funded Security Sector Reform after the civil war ended in 2002, it was showered with equipment and resources, despite a record of aggression against civilians. By the time the British trainers left in 2005, it had gone from one-fifth of Sierra Leone's police force of about 10,000 to one-third. The number has increased since 2007 but many new recruits are hastily trained and then hired out to mining companies.

The SLPP condemned Koroma for failing to arrest the OSD officers and pointed to the lack of government action on another commission report produced by retired Judge **EEC Sheas-Moses** in 2009. That report recommended the sacking and prosecution of the APC's **Musa Tarawalie** and **Herbert A. George-Williams** and a presidential guard for leading attacks on SLPP headquarters in 2009 that resulted in the rape of several women. Tarawalie is still Internal Affairs Minister and George-Williams is Mayor of Freetown.

Bio is tempering his strongman image by choosing as his vice-presidential running mate **Kadiatu Sesay**, former university lecturer and Trade and Industry Minister in President **Ahmed Tejan Kabbah's** government. A northerner, Sesay is the first woman to be a vice-presidential candidate on a major party slate. Koroma is playing international statesman. After addressing the United Nations in September, he met supporters in London this month. His officials circulated a photo of him sitting next to US President **Barack Obama** at a UN lunch. When he rang the closing bell at the Nasdaq Stock Exchange for a charity, the press at home called it 'an auspicious and historic event that will have dramatic effects on the investment climate in Sierra Leone'.

Allegations that the country's meagre resources are being misused are rarely followed up. The government appoints journalists as press attachés at missions abroad. Under the last government, there was only one such post – based at the London High Commission. There are now over a dozen and ambitious journalists in Freetown take such incentives into consideration when filing their copy. ●

USA joins fight against LRA

In yet another bid to destroy Kony's militia, President Obama sends in the Special Forces to help local armies

The Lord's Resistance Army, based in Central African Republic since it was pushed out of Garamba, Congo-Kinshasa, faces a new threat with the arrival of 100 United States Special Forces. They are deploying under the Lord's Resistance Army Disarmament and Northern Uganda Recovery Act, passed by the US Congress in 2009. Deep rivalries in the Ugandan People's Defence Forces have been the main reason for the UPDF's failure to defeat the LRA since the late 1980s (AC Vol 41 No 9).

The US troops will operate on the front lines in small combat units alongside regional armies. They are authorised to use their weapons in self-defence. In a letter to the Speaker of the US House of Representatives, **John Andrew Boehner**, President **Barack Hussein Obama** noted that the LRA continued to commit atrocities across CAR, Congo-K and South Sudan that have a disproportionate impact on regional security and that the deployment was in the US national security interest.

The US troops will bolster local anti-LRA operations chiefly by providing 'real-time intelligence' on LRA movements using electronic and aerial surveillance. They are also expected to help to monitor the armed forces of Uganda, Congo-K and South Sudan with whom they work to ensure transparency in the way operations are conducted. Previous operations involving the UPDF failed partly because some were involved in illegal mining and logging in Congo, removing their incentive to tackle the LRA (AC Vol 44 No 12).

Since 2008, the LRA has killed at least 2,400 civilians and abducted over 3,500, mainly children, in CAR, Congo and South Sudan, according to aid agencies. Since the first, US-backed, regional offensive against it in 2008, Washington has spent US\$40 million supporting such operations. The latest effort, however, is threatened by severe limitations among the local armies, ranging from logistical challenges to lack of internal cohesion.

The 2008 campaign also foundered on infighting within the UPDF as well as distrust among the governments, especially South Sudan and Congo. With only days to go before the start of the 2008 assault, disenchanted Ugandan officers leaked details of the operation which LRA chief **Joseph Kony** then obtained, enabling him to abandon his camps before the attack began. Planned air strikes were

delayed for two days due to bad weather, compelling Ugandan troops to abandon their fighter-bombers in favour of attack helicopters. This year, Kampala bought Russian military jets for some \$744 mn.

Ugandan officers are said to be angered by President **Yoweri Kaguta Museveni's** decision to place the operation under the command of his son, Lieutenant Colonel **Muhoozi Kainerugaba**, Commander of the Ugandan Special Forces Group. Museveni is believed to be grooming Kainerugaba to succeed him. The UPDF splits, caused by bickering among commanders, are as strong as in 2008 and centred on ethnicity, with Museveni's mainly Banyankole-Bahima officers against other ethnic groups. There is resentment of Museveni favouring Banyankole-Bahima officers, military sources say. All the top five full generals, including the Commander of Defence Forces, are from Museveni's tribe.

INTERNATIONAL ARGUMENTS

Relations between the UPDF and their Congolese and South Sudanese counterparts are little better. Congo-K and Uganda have been feuding since the late 1990s, when Uganda invaded and occupied swathes of territory in the east for about five years. In 2007, the two almost went to war, after Congolese troops attacked an oil exploration vessel on Lake Albert belonging to British ex-soldier **Tony Buckingham's** Heritage Oil (AC Vol 48 No 23).

Ugandan officers have also accused some Congolese commanders, with whom they have been operating against Kony since 2008, of being pro-Rwandan and anti-Ugandan, threatening the offensive's cohesion. Prior to the offensive, it took US intervention before Kinshasa reluctantly allowed Uganda to pursue the LRA in Garamba National Park. Congolese troops are also badly trained, poorly equipped and have low morale, say intelligence officials, while the LRA has a disciplined, battle-hardened core of fighters.

For this offensive to stand a chance of success, the local armies will have to put aside rivalries and apply decisive thinking to match the LRA's flexibility and rapidity of action. Although the LRA has only just under 400 fighters, they are experienced and capable of enduring extreme hardship, moving great distances through difficult terrain. Ugandan intelligence says that

Kony still has allies and godfathers in the Sudanese government. In Uganda, despite his bloody reputation, he still has sympathisers in his native northern region. Some corrupt Ugandan army officers still long for the 'good old days' when they could siphon money out of the defence budget for their personal enrichment while supposedly fighting the LRA.

Kony founded the LRA in 1987, barely two years after Museveni had taken power from the military junta which had overthrown President **Apollo Milton Obote**. Kony quickly found support from backers of **Alice Lakwena's** Holy Spirit Movement and from disenchanted ex-combatants who had served in the armies of Obote and the short-lived military junta under the late General **Tito Lutwa Okello**. The rebellion also took strong advantage of the conflict between the predominantly Luo-Acholi North and the Bantu-speaking southern ethnic groups. Working from a solid support base, Kony was a formidable adversary for Kampala, recruiting several thousand children as fighters and using them against soft targets, mainly civilian installations, in northern Uganda and Southern Sudan and ducking confrontation with the army.

By the late 1990s, nearly 2.5 million people in northern Uganda lived in camps for the internally displaced. That prompted Kampala to change its approach to the rebellion by addressing political issues, such as improving social infrastructure in Kony's native region. After he had to leave Uganda in 2006 on the heels of a deal under which Khartoum was to drop its support, he took refuge in Garamba, north-east Congo, where a peace process was initiated, presided over by South Sudan. After two years, negotiations collapsed, prompting the 2008 offensive.

The External Security Organisation's former Director, **David Pulkol**, told a conference in Kampala in mid-November that the army had never used intelligence information about the LRA correctly. 'You would give them intelligence that Kony is there. They would mismanage the information, then come back with Kaunda suits, that Kony has escaped,' Pulkol said, adding that at times LRA and Ugandan army units even cooperated. 'Sometimes they could even cook side-by-side for a month. So they had learnt how to cohabit and coexist,' he said. LRA rebels are accused of terrorising, murdering, raping and kidnapping thousands of people.

Museveni told reporters last week that although his government had welcomed the intervention of US troops, the Ugandan army would not give up its lead role in the fight against the LRA. 'I cannot ask someone to come and fight for me,' he said. 'What am I for?... We shall never have troops of other countries in our country fighting for us. Never!' ●

New challenges after messy elections

The President won easily but the damage to her authority and to political stability will need careful repair

The Congress for Democratic Change presidential candidate **Winston A. Tubman** had already decided to boycott the presidential run-off when police shot dead four of his supporters on 7 November. The next day, President **Ellen Johnson Sirleaf**, then sole candidate, won the poll with 90% of the vote, albeit on a low turnout of 40% (AC Vol 52 No 22).

The shooting, which Tubman claims was an attempt to assassinate him, took place as about 1,000 CDC supporters at a 'peace vigil' spilled out of party headquarters in Monrovia into Tubman Boulevard, where many of the elite Emergency Response Unit of the Liberia National Police stood in full riot gear. After the United Nations Mission in Liberia police arrived, along with armoured cars, tension rose and youths began throwing stones. The ERU responded with tear gas, then live fire. If it had not been for UNMIL's **Indian** Police Commissioner, **Gautam Sawang**, who separated the LNP officers from the crowd, the violence could have been even worse, an observer noted.

One consequence of the killings is that the CDC is now more than ever seen as representing the Monrovia underclass and the poor south-east, while the governing Unity Party (UP) is identified with the new rich and the educated. The shooting also created problems for the police and their **United States** and UN trainers. The Inspector General of Police, **Marc Amblard**, angered UNMIL by accusing a **Nigerian** peacekeeper of firing the fatal shots. Although he apologised quickly and publicly, the damage was done and he will be replaced in the New Year, we understand. UN officers later arrested the ERU man who fired the shots. A security officer from the presidency had also fired at the crowd.

The events damaged the President, who is getting off to a shaky start and attracting criticism for suppressing free speech. Shortly after the shootings, the Justice Ministry obtained a warrant to permanently close down four popular FM radio and television stations. Heavily armed ERU officers shut down Love FM, which is owned by **Benoni Urey**, a confidant of ex-President **Charles McArthur Ghankay Taylor** and a key CDC supporter; King's FM, owned by **George Tawlon Manneh Oppong Ousman Weah**, Tubman's ex-international footballer running mate; and Shatta FM and Power FM, owned

by **Aaron Kollie**, journalist and friend of Taylor. The paramilitary ERU, trained for counterinsurgency, carried out the warrants even though the law says that is the job of court sheriffs.

The broadcasters had incited people to violence, Amblard and Johnson Sirleaf claimed, recalling the role of **Rwandan Radio Mille Collines** in the 1994 genocide. The opposition Liberty Party (LP), whose presidential candidate **Charles Walker Brumskine** supported the President in the second round, disagreed, issuing a strong statement in favour of free speech and demanding the stations be reopened.

More attacks on the muzzling of the broadcasters followed. **Peter Quagua**, the President of the Press Union of Liberia, accused the government of fanning hatred. **Samuel Kofi Woods II**, the respected human rights lawyer and Public Works Minister, added his voice to the plea to let the stations resume, as did the Carter Centre's General **Yakubu ('Jack') Dan-Yumma Gowon**, a former Nigerian military ruler and leader of the Centre's election monitors. Conspicuous by their silence, however, were US Ambassador **Linda Thomas Greenfield** and representatives of the European Union, Economic Community of West African States (Ecowas), African Union and UN.

HUMAN RIGHTS CONCERNS

The government tarnished its image by arresting the vocal opposition leader and ex-presidential candidate **Manjergie Cecelia Ndebe** and holding her for six hours. It says this was part of its campaign against those propagating hate messages and it has a list of opposition leaders who should not be allowed to travel.

In part, the road to what Liberians are calling 'Bloody Monday' started with the UP's success in attracting opposition politicians into its fold, leaving the CDC deprived of experienced leaders who could have helped to maintain calm. The CDC was also, effectively, broke by the time of the run-off. While the UP could raise money with ease – helped in no small way by the President's Nobel Prize – the CDC struggled. Johnson Sirleaf was attracting donations globally. Ambassador **Conmany Boye Wesseh**, a former Deputy Foreign Minister, negotiated a gift of US\$5 million from **Angolan** President **José Eduardo dos Santos** in August, we hear. Johnson Sirleaf nominated **Wesseh** for the Ecowas

vice-presidency. **Sierra Leone's** President **Ernest Bai Koroma** also reportedly helped with campaign funding. Tubman, however, raised only \$200,000.

Johnson Sirleaf, who turned 73 in October, faces several major challenges in her last term of office. The first is to unite her disparate party that contains several tendencies which, if not managed well, could create serious problems for her succession: UP Chairman **Harry Varney Goto-Nambi Sherman**, who is rich and eyeing the presidency, and ambitious younger men such as **Kofi Woods** from Montserrado County and Finance Minister **Augustine Kpehe Ngafuan** from Lofa Co. **Robert A. Sirleaf**, the President's son who operates out of the Executive Mansion, is a powerful official of both party and national security system. He will be anxious to defend his mother's legacy and be important in choosing her successor.

For the numerous opposition parties, the unity they found so elusive in this election will be key if they are to defeat the UP in 2018. Observers note, however, that the Tubman-Weah ticket would have had a chance of defeating the incumbent if they had stood, and an even better one if they had had more money for their campaign. Also, an alliance between the CDC and Brumskine's LP could have made serious difficulties for the UP this year. Weah may resume the CDC leadership now, since at about 70, age is not on Tubman's side.

Johnson Sirleaf's second term is likely to be much rockier than the first. Many feel she needs to unite the country with an inclusive government, embracing all parties, while building up state institutions. Keeping up the momentum against corruption will be particularly important, especially if, as expected, oil is discovered in commercial quantities.

The President has now begun discussions with the former Interim President, Professor **Amos Sawyer**, who chairs the influential Governance Commission. For six years now, he has been trying to urge on Sirleaf the necessity of a national reconciliation project, to redefine national identity and break with the past but without success. Since 'Bloody Monday', Sawyer's office has attracted government, opposition and civil society members interested in his idea.

Before that initiative can succeed, however, the President was advised to remove the stain of the killings by setting up an independent inquiry that can restore confidence in politics. On 12 November, she appointed a prominent Catholic nun, **Mary Laurene Browne**, to head the Special Independent Committee to investigate the violence. Tubman rejected her on the grounds that she belonged to the UP. Sister Mary Laurene, head of the Stella Maris Polytechnic, denied being a member of any party. ●

Doubts about Sata's zeal arise

Two dubious appointments raise questions about whether the new President will be as hard on corruption as he promised

President **Michael Chilufya Sata** won September's election by making vigorous attacks on the corruption of the Movement for Multiparty Democracy (MMD) government and promising one based on Christian ethics, good stewardship of nature and the alleviation of poverty. Sata made a string of appointments and dismissals that encouraged ordinary Zambians and key donors, many of whom have been fighting hard for probity and a clean break with the disastrous legacy of the late former President, **Frederick Chiluba** (AC Vol 52 No 21).

In the first five weeks of his presidency, Sata seemed to be making good progress in sorting out what many people saw as the MMD legacy of favouritism and corruption. Then, however, came distinctly surprising nominations of senior cabinet officials, which were leaked to the press on 1 November. One was **Xavier Franklin Chungu**, the former Director of the Zambia Security Intelligence Service (ZSIS), who was named as Permanent Secretary in Luapula Province. The other was **Emmanuel Mwamba**, Chiluba's former Spokesman, who was appointed as Permanent Secretary for Northern Province. Chungu has been accused of corruption and is widely seen as a symbol of the type of government Sata has promised to break with.

The appointments angered not only supporters, civil society groups and members of Sata's Patriotic Front but even his own advisors, some of whom called Chungu's appointment 'a challenge to PF's fight against corruption'. The Zambian chapter of Transparency International said that it was difficult for Zambians to believe that Chungu and Mwamba shared the vision of zero tolerance of corruption that Sata has espoused.

Caritas Zambia, the aid arm of the widely influential Catholic Church in Zambia, described Chungu's proposed appointment as a 'real scandal'. *The Post* newspaper, long an outspoken critic of Sata's presidential predecessor, **Rupiah Bwezani Banda**, said 'it does not make sense'. Sensing a growing, and possibly highly damaging, wave of dissent, Sata cancelled Chungu's appointment but persisted with Mwamba's.

Chungu has been facing corruption charges resulting from his role as Chiluba's intelligence chief between 1991 and 2001. Alongside Chiluba and

other senior officials, he was charged in February 2003 with 168 counts of theft of more than US\$40 million of public funds. Most of Chungu's cases are still active in the courts. Chiluba, who died in June, was controversially acquitted in 2009, a judgement Sata said was 'engineered' by President Banda. The London High Court had in 2007 found that Chiluba and several allies had misappropriated \$46 mn. of public funds and ordered them to refund \$58 mn. (AC Vol 52 No 19). With his prosecution under way, in June 2004 Chungu fled Zambia. He was said to be in **Portugal** and briefly in **Mozambique**, where he attempted to seek asylum through the office of the United Nations High Commissioner for Refugees.

Before the presidential election of September 2006, Sata, the candidate of the opposition PF, assured the people of Chungu's and Chiluba's home province, Luapula, that he would not continue the prosecution of the duo when elected. Sata's relations with Chungu and Chiluba are of long standing and they were all considered friends to the point that, according to some, Sata lost the presidential election that year because of them.

After President **Levy Patrick Mwanawasa** died in August 2008 and was succeeded by Banda, Chungu returned to Zambia, encouraged by the flagging fight against corruption. The Chairman of the Task Force on Corruption, **Maxwell Nkole** (now Permanent Secretary at the Home Affairs Ministry) said the development brought to an end 'one of the most vexing issues that the Task Force has had to deal with working in international boundaries'.

ACTIVE PROSECUTION

The corruption prosecution of Chungu resumed and is still active, although stalled. In August 2009, Chungu was convicted and sentenced to nine months' imprisonment with hard labour for forging a passport. On 17 October, a media release from Sata's office said, 'We are resolute on combating corruption and all its offshoots even if it means losing friends.'

Mwamba is not accused of corruption but he faces a criminal charge before the Lusaka High Court for contempt of court, as the alleged author of two articles that circulated on the 'Zambian Watchdog' website, analysing a murder trial. In

political circles, some believe that the PF government is held hostage by the private interests of some of its wealthy supporters or other parties who may have potentially damaging information about Sata's activities while he was a minister in Chiluba's government.

Sata defended the appointment of Chungu and Mwamba on the grounds that they had been damaged by speculation, not fact, and had not been convicted of any crime, we hear. Chungu is said to be 'Sata's boy' and Sata is said to have been influential in getting him the job as head of ZSIS. Sata was a highly influential Minister-without-Portfolio in Chiluba's government at the time.

Sata is reluctant to abandon fallen comrades, sometimes at great political expense to himself, although in this case, a major obligation is suspected. From his position of privilege, Chungu is strongly believed to have passed Sata vital information about the Banda and Mwanawasa presidencies. During over ten years in opposition, Sata came to depend on leaks and on several occasions, was able to exploit them handsomely, at the expense of Mwanawasa and Banda.

It is not presidents who investigate or prosecute acts of corruption, though, and in Zambia, the agencies that are supposed to do so lack forensic evidence and other proof. In the past, prosecution in corruption cases has tended to succeed only when the government has received support from external specialists.

Despite the suspicion and disquiet over the appointment of Chungu and Mwamba, some argue that Sata's commitment to the fight against corruption is undimmed. On 9 November, Parliament unanimously ratified the appointment of **Mumba Malila** as Attorney General and **Rosewin Wandi** as Director General of the Anti-Corruption Commission. Malila, a respected lawyer, served in the same capacity under President Mwanawasa and says she is certain Sata is determined to fight corruption. 'Her employment at the Anti-Corruption Commission was prematurely terminated by the immediate past government because of her allergy to corruption,' said Deputy Minister of Justice **Ngosa Simbyakula**.

Wandi served the ACC for 28 years before the Banda government sacked her for her insistence on investigating reports of corrupt activities by people in power. This was her 'allergy to corruption'. Now she asserts that Parliament has placed its confidence 'in me, to go and fight corruption.' ●

CORRECTION: In AC Vol 52 No 21, 'Brothers in arms', we said that **Michael Sata** had been deported from **Malawi** in 2007 during the presidency of **Rupiah Banda** in Zambia. In fact, **Levy Mwanawasa** was then President.

SOUTH SUDAN/SUDAN

Implausible denials

As the Sudan Revolutionary Front is launched, the regime tries to parry opposition in the North by bombing South Sudan

Khartoum's bombing of a refugee camp in South Sudan on 10 November has drawn unprecedented condemnation and stirred fears of a return to full-scale war between North and South. The denial of responsibility by the regime's Ambassador to the United Nations, **Dafa'allah Haj Osman**, prompted a strong response from **United States UN Ambassador Susan Rice** on 11 November: 'This is not the only such bombing in recent days, but it is incontrovertible. And the fact that the representative of the government of Sudan came to the Council and blatantly lied is quite disturbing to the United States and to many other members of the Security Council.'

'This is a moment where both sides need to show maximum restraint. In the first instance, the government of Sudan needs to halt all offensive actions against the South immediately and the South needs to have the wisdom and restraint not to take the bait and not to respond in kind,' added the former Assistant Secretary of State for African Affairs.

Some 20,000 mainly Nuba refugees were the target at Yida camp in South Sudan's Unity State, some 50 kilometres from the border. No one was killed, though seven people died in an attack on Guffa village, Upper Nile, on 9 November. Foreign journalists were visiting Yida, so the bombing made the headlines. It was widely assumed the NCP had not expected this. However, as the white bomber first flew over, twelve tonnes of food for refugees were being unloaded from a UN M-26 helicopter. It took off and a UN Mi-8 approached. As it landed, the Antonov made a pass and bombed from straight overhead, say witnesses. It made two more passes and hit a building by a primary school for some 300 children but the bomb did not explode.

Southern President **Salva Kiir Mayardit** responded with unaccustomed fury, warning of a 'pending invasion' by Khartoum and ringing African and Western alarm bells. Some South Sudanese fear that cash-strapped Khartoum will try to retake the oilfields. A senior Sudan People's Liberation Movement-North (SPLM-N) official dismissed the idea of 'a full-blown war' because 'they realise their back would be exposed... They have a rebellion inside and are losing ground in Southern

Kordofan and Darfur.' This was more to do with Northern opposition.

The National Congress Party (NCP) may be attacked on all fronts but, like the Sudan People's Liberation Army-North, it had prepositioned plenty of materiel for a long haul. This allowed a wave of recent attacks by Southern rebels. The South Sudan Liberation Army attacked Mayom, Unity State, on 29 October, killing 65 people, said the UN, and injuring scores. Since leader **Peter Gadet (Gatdet) Yaka** signed a ceasefire with Juba in August, the SSLA has been led by **Bapiny Monituel** (originally with General **George Athor Deng**), **James Gai Yoach**, **Kol Chara Nyang** and **Matthew Pul Jang** and is fighting in South Kordofan, too. The SSLA, Athor's forces (now the South Sudan Democratic Army) and South Sudan Defence Forces jointly claimed the Mayom attack and warned the public and UN to evacuate Malakal, Bentiu and other areas.

THREATENING UN AND REFUGEES

The increased militia activity is restricting aid to over 100,000 refugees from Kordofan and Blue Nile, and Southern returnees from Sudan. Mines have exploded on roads previously demined, says an aid source. This suggests continued backing from Khartoum. A report by the Small Arms Survey this week quotes the SSLA's Major Gen. **Bol Gatkuoth** as admitting that Khartoum supplied weapons. Southern militia leaders now regularly acknowledge Khartoum's support in the media, noted a Sudanese source. A 10 November SAS report also found Sudanese-made ammunition but also in **Chad**, northern **Côte d'Ivoire**, **Guinea**, **Kenya** and **Mali**.

In S. Kordofan, the army is struggling against the battle-hardened SPLA-N but having it easier in ethnically more diverse Blue Nile. 'Strategising is difficult in Blue Nile', observed an SPLM-N official. 'It's hard to hold major towns and not advisable for a guerrilla movement'.

In early November, Khartoum's army and what President **Omer Hassan Ahmed el Beshir** hailed as 'mujahideen' recaptured Kurmuk, a Blue Nile former slaving town on the **Ethiopian** border, long held by the SPLA. 'It will return to be Muslim,' declared Field Marshal Omer, amid much celebration of 'jihad'.

Then, on 9 November, Information

Minister **Kamal Mohamed Obeid** told the government Sudan Media Centre there were 'no pending issues' from the Comprehensive Peace Agreement, effectively dismissing Abyei, the border, oil, Southerners in the North, and the popular consultations in Nuba and Blue Nile. The SPLM – both North and South – takes all this seriously, as do the many diplomats who have struggled to promote North-South dialogue. It is another reason for governments to support political change, say oppositionists.

Enter the Sudan Revolutionary Front (SRF), launched in the Nuba town of Kauda on 11 November. Its members are the SPLM-N (represented by **Yasir Saeed Arman Saeed**), Justice and Equality Movement (**Ahmed Tugud Lissan**), **Abdel Wahed Mohamed Ahmed el Nur's** Sudan Liberation Movement/Army (**Abu el Gasim Imam**) and **Minni Arkou Minnawi's** SLM/A (**El Rayah Mahmoud**, its Deputy President). Its Kauda Declaration states its 'resolve to overthrow the National Congress Party (NCP) regime using all available means, above all, the convergence of civil political action and armed struggle.'

This 'convergence' is key. The SRF hopes to attract the widest support and the first political task is to collaborate with other parties, as sketched out in the looser, broader alliance of October's London meeting (AC Vol 52 No 21). The NCP has proved adept at dividing opposition groups. Western governments point to the disunity among opposition parties as a reason for engaging with the NCP.

The Chairman of the National Umma Party Chapter for **Britain and Ireland**, **Mohamed el Ansari Ali**, says his party wants to reach 'a strong powerful union... to use all methods and all tools to remove the regime'. The SRF has staunch support in the two main traditional, religious-based parties, the Umma Party and Democratic Unionist Party. Their leaders, though, can be another matter and a modernisation struggle is going on in both.

The DUP has for decades responded to policy dilemmas by splitting but the Umma is far more cohesive and even more dynastic. Leader **El Sadig Sideeg el Mahdi** has always hoped to secure some undefined deal with the NCP, despite growing criticism, especially from the party's young people. 'He has no colours pinned to the mast so far,' observed an SPLM-N official, noting that in the summer, **Rabah el Mahdi** wrote to her father asking him to lead a movement aiming to remove the government. After months of talks with the NCP about a 'national consensus government', El Sadig left Khartoum last week for Cairo, Washington and, later, London. Sudanese of differing political stripes say this time he may not return to Khartoum. ●

'No monster' Jammeh heads for victory

The President can rely on foreign friends and weak opponents to stay in power

Putschist President **Yahya Jammeh** will win re-election for the third time on 24 November at the head of his Alliance for Patriotic Reconciliation and Construction (APRC). He may well poll at least as much as the 67% he received in 2006, although probably not the 90% he has been predicting. The opposition is too divided and too lacking in confidence to put up a strong showing.

Only two other candidates have won approval from the Independent Electoral Commission. One is the 63-year-old human rights lawyer **Ousainou Darboe**, veteran leader of the United Democratic Party, who stood against Jammeh in all his previous elections (1996, 2001 and 2006). Although his share of the vote has declined with each successive poll, he is still reckoned the most credible of the opposition politicians despite, critics say, losing some of the fire in his belly.

The UDP is in alliance with the People's Progressive Party, which held power under Sir **Dawda Jawara** for the 29 years between Independence and Jammeh's coup of 22 July 1994. Without the government patronage that gave it meaning, the PPP is a shadow of its former

self. The other candidate is **Hamat Bah**, who has stood against Jammeh twice before, without ever winning more than 10% of the vote.

Bah helped set up a united front in mid-October, consisting of his own National Reconciliation Party (NRP), the National Alliance for Democracy and Development, led by **Sidia Jatta**, **Mai Ahmed Fatty's** Gambia Moral Congress and the radical People's Democratic Organisation for Independence and Socialism of **Halifa Sallah**.

DIVIDE AND RULE

Although its newspaper *Foroyaa* is the most vocal anti-Jammeh outlet, the PDOIS has only a small power base. Sallah has been widely blamed for preventing the formation of a grand anti-Jammeh coalition behind Darboe, which had been envisaged earlier in October. Jammeh's only really robust critic, **Lamin Waa Juwara**, was coopted and is now Governor of Lower River Region.

The election observer missions, including one from the Commonwealth, will probably, as in the past, find that all is more or less in order on election day.

However, the electoral register stands at just under 840,000 and the population is put at 1.4 million. Half of the population is under 18, the voting age. This means the register is almost certainly inflated, probably by the large numbers of people who share the President's Jola ethnicity, perhaps from Casamance, Senegal.

Jammeh's most important foreign supporter is the **United States**. This may seem surprising in view of his welcoming two US bugbears, President **Hugo Chávez of Venezuela** and Iranian President **Mahmoud Ahmedinejad**, at the African Union Summit in Banjul in 2006. But Washington values moderate Muslim states highly and will have seen Gambia's breaking diplomatic relations with Tehran at the end of 2010 as a significant favour (AC Vol 51 No 24).

One of the State Department cables released by WikiLeaks revealed a cosy relationship in February 2010, when Jammeh told the then US Ambassador, **Barry Wells**, 'I want your government to know that I am not the monster you think I am.' Jammeh also made, Wells reported, 'a declaration of his commitment to remain a true friend of the United States.'

Despite Jammeh's record on homophobia and his severe restrictions on the media, Wells seemed ready to return the compliment. 'We have', he wrote, 'an opportunity to build on our constructive relationship with this majority Muslim country that has shown willingness to cooperate with us and has proven to be an influential key player in the region.' ●

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United Nations/Africa

NIGERIA AND SA STAND UP

■ This year, for the first time, Africa's two heavyweights, **Nigeria** and **South Africa**, were on the United Nations Security Council and both wanted to make their mark. The verdict is mixed. Nigeria did well, observers say, while most prefer not to mention SA backing the wrong horses in **Côte d'Ivoire** and **Libya**. Among diplomats, though, there is greater admiration for the lively South African team than for Nigeria's, whom many see as placemen.

South Africa started poorly by failing to endorse the Economic Community of West African States' planned military intervention to enforce the results of last November's Ivorian presidential poll, won by **Alassane Dramane Ouattara**. This gave **France** the initiative: it introduced Resolution 1975, authorising the UN to 'use all necessary means' to protect civilians. This cleared the old colonial power's troops to go in: their firepower settled the issue and captured **Laurent Gbagbo**. Nigeria has still not forgiven South Africa for allowing France back into the limelight.

Then came the African Union's paralysis over the Libyan revolution. Never one of Colonel **Moammar el Gaddafi's** allies (he once called for Nigeria to be broken up), Abuja spoke in favour of UN action, pushing South Africa into a corner. (**Gabon**, the other African country on the Council, wanted whatever France wanted.) South Africa's UN Ambassador, **Baso Sangqu**, now regrets voting for the resolution that authorised the North Atlantic Treaty Organisation campaign.

Nigeria was pleased to leave the Council with more than it had hoped for: a unanimous vote on 31 October backing its Resolution 2018 to curb piracy in the Gulf of Guinea. The Permanent Five members all showed up at its farewell reception at Nigeria House on New York's Second Avenue. South Africa hopes to restore its fortunes by sponsoring an open debate on UN-AU relations in January.

South Africa

THE GLOVES ARE OFF

■ **Julius Malema** will fight his five-year suspension – under which he retains the African National Congress Youth League (ANCYL) Presidency – with an appeal which he plans to take to the ANC's 100th anniversary 2012 national conference, and every weapon available. Leaning on powerful backers with their own agenda, like Human Settlements Minister **Tokyo Sexwale** and Sports Minister **Fikile Mbalula**, he will deploy street protests, activist demonstrations and heckling in

imitation of the tactics that **Jacob Zuma** used so successfully to dislodge **Thabo Mbeki** from the ANC presidency.

One of the proxy wars between Zuma and Malema is likely to involve a bid by Sexwale, using Malema's forces, to take over the ANC general secretaryship from Zuma ally **Gwede Mantashe**. Zuma, we hear, will probably launch an assault on Deputy President **Kgalema Motlanthe**, whom Malema has been pushing to challenge Zuma for the national presidency but who has not yet declared himself. Zuma is manoeuvring also to persuade the ANCYL Treasurer, **Pule Mabe**, to take over the league leadership, while he holds **Lebogang Maile**, the Gauteng ANCYL Provincial Chairman who unsuccessfully challenged Malema for the leadership this year, in reserve. If these moves fail – or even if they don't, we hear – Zuma wants to reduce the youth league to a youth 'desk' without independent powers.

Zuma's people are trying to persuade Public Enterprises Minister **Malusi Gigaba** – a former ANCYL president – to stand as ANC Deputy General Secretary as a counterweight to Mbalula, should he prevail against Mantashe. Zuma's people are also encouraging anti-Malema provincial leaders to attack Malema in Limpopo Province, Malema's home base. Zuma will also try to keep Malema's associates away from lucrative state contracts, thus depleting his war chest while using the security establishment to find and publish compromising information. Malema is promising the same in return.

Egypt

ELECTORAL ALLIANCES

■ Egyptians set off on their democratic electoral road using a system designed by the army and with a confusing 42 or so parties to vote for, 31 formed since January's revolution (AC Vol 52 No 21). To add to the difficulties, parties keep shifting among the four alliances and many fear the system is intended to disadvantage smaller parties.

In a schedule drawn up by the Supreme Council of the Armed Forces (SCAF), voting begins on 28 November and stretches until 3 January. Two chambers will be elected: the People's Assembly and, later, the *Shura* (Advice) Council, with three groups of governorates voting on different days. This potentially opens the process to influence from exit polls and intimidation. The struggle to banish the formerly ruling National Democratic Party is bitter.

On 11 November, a court at Mansoura in the Delta banned six NDP ex-members from running; the Supreme Court in Cairo overturned the ruling. The alliances count because while 166 Assembly members are elected on a majority vote in a two-round system, 332 are elected on lists by proportional representation. The

Democratic Alliance is the most disparate, ranging from the Muslim Brotherhood's Freedom and Justice Party to **Ayman Nour's** liberal *Al Ghad*. Salafi parties withdrew in September to form a new coalition, *Al Tahaluf al Islami*. The FJP secured 70% of candidates on the DA's list and 90% of those running as independents. It may hold 30-40% of the Assembly, analysts say.

Secularists have been countering, mainly in *Al Ketla al Masriya* (Egyptian Bloc) but though it had 15 parties when founded in August, the latest count was only three, partly because of fears of NDP influence. *Istikmal al Thawra* ('Completing Revolution') groups left-wing parties and 'moderate Islamists', giving the 15 Islamist parties a presence in three of the four alliances and also standing alone.

Africa/Commonwealth

PERTH PANGS

■ The Commonwealth Heads of Government meeting (CHOGM) in Perth, Western **Australia**, at the end of October attracted 1,500 delegates, 80 of them from **China**. British Prime Minister **David Cameron's** threat to tie aid to lifting of homophobic legislation in Africa produced some drama but looked unlikely to be about to increase gay rights, which are not viewed as a human rights issue in most of the continent. In South Africa, however, gay rights are enshrined in the constitution.

The obvious reluctance of African governments to be at the forefront of any human rights issues was also in evidence when African delegations were prominent in opposing the proposal for a Commissioner for the Rule of Law, Democracy and Human Rights, put forward by the Eminent Persons Group. The idea was kicked into touch, being referred for further evaluation to the Commonwealth Ministerial Action Group (CMAG). The proposal is also meeting resistance in the Commonwealth Secretariat, where its cost and effectiveness are questioned.

The meeting accepted, on the other hand, proposals to strengthen CMAG in its monitoring of 'serious or persistent violation of Commonwealth values'. It agreed that the Secretary General 'will speak out publicly in expression of collective disapproval' of such violations. Cases that may now come up for public airing, as opposed to private pressure under 'good offices', could include human rights violations in **Gambia** (see Feature).

There were few other surprises but many were shocked to witness the apparently poor health of 80-year-old President **Mwai Kibaki of Kenya**, who could barely find his seat, let alone take part in proceedings. President Kibaki may have suffered a car crash and two rumoured strokes in recent years but he is indispensable to the Kikuyu aristocracy as it casts around for a successor.

BLUE LINES

The International Criminal Court has been having a good week. News that Gambia's Fatou Bensouda, a former justice minister and deputy to Luis Moreno Ocampo, will succeed him as ICC Chief Prosecutor next year may win back support from states who refer to it as the 'African Criminal Court'.

The surprise rendition of Côte d'Ivoire's former President Laurent Gbagbo to the Hague, charged with crimes against humanity, created little fuss in Abidjan; a successful prosecution could retrieve some of the court's lost authority. A few of Ouattara's more troublesome supporters are likely to follow Gbagbo. The ICC may also help the new regime in Tripoli to organise a trial of Seif el-Islam Gaddafi, son of Libya's deposed leader.

Another boost to the ICC came from Nairobi, where the International Commission of Jurists had asked Judge Nicholas Ombija to rule on whether Kenya, a signatory of the Rome statutes, should arrest Sudan's President Omer Hassan el Beshir if he visits again. Without hesitation, Judge Ombija said Kenya should arrest Omer on principle.

Not even abject apologies from Kenya's Foreign Minister Moses Wetang'ula, an avowed opponent of the ICC, could placate the furious Omer. The 1 December decision of the East African Community to reject Sudan's membership application may have reinforced the Islamist regime's fear of a regional plot. With an African at the ICC's helm, official efforts to protect Omer from trial for war crimes could rapidly diminish.

AFRICA/ECONOMY

Storm warning

Economic gloom in Europe and North America will slow African growth next year and may spark more challenges to incumbent regimes

For many African countries, the West's economic travails will translate into spiralling food and fuel prices, higher unemployment and less state spending on education and health. The rumbling Eurozone crisis and the United States' debt-burdened economy will not necessarily divert Africa from its more positive growth path but may slow its rate of progress, given its direct and indirect (via China) dependence on trade with the industrialised West (see Chart).

The West's slowdown has pulled back growth in China and India – and with it demand for African exports. That could prove a dangerous combination for some authoritarian regimes, already shakier as North Africa's revolutions resonate across the continent. With over 30 parliamentary and presidential elections due in 2012, savvy opposition parties will hope to capitalise on tougher social and economic conditions. Inflation and interest rates are spiralling across East Africa: inflation hit 33% in Uganda and 17% in Kenya in September.

As demand for minerals and oil falls in the West and Asia, resource-rich economies such as those of Angola, Congo-Kinshasa, Ghana, Nigeria and Sierra Leone will have to adjust policy quickly. Most economists and bankers are reluctant to prophesy financial doom but leave their options open. Some of those interviewed by *Africa Confidential* say that 2011-12 will not be as bad in Africa as the last Western crisis in 2008-09. However, this time most African economies will have fewer reserves than they had in 2009 to boost state spending to cushion against the slowdown. Over 70% of the 'counter-cyclical' spending came from African states' own revenue in

2009, according to the World Bank. Now, economists see demand shocks as more dangerous than another financial crisis. An out-of-control Eurozone would hurt growth both in Europe and in its trading partners. Sluggish Western demand is already slowing the growth of Chinese exports, according to Beijing's November trade figures. When that happened in 2009, China stopped buying Africa's metals and oil and prices dived. Recent weeks have seen sharp downturns in the world price of almost all commodities, except for oil and gold.

CHINA'S GROWTH ACCELERATOR

Citigroup's Africa economist, David Cowan, told us that a 1% slowdown in Chinese growth would have a greater impact on growth in low-income countries than a 1% slowdown in Western growth. China's impact as a growth 'accelerator' would be reduced, especially for African commodities and basic products. Some African economies are very sensitive to the Eurozone, through tourism, horticultural products and aid.

The 'transmission mechanism' to Africa for a European crisis would be fairly weak. Those Western banks with close links to Africa and Asia, such as Standard Chartered and Barclays, have been among those least affected by financial woes. Standard Chartered's Head of Research for Africa, Razia Khan, says that further bank recapitalisation and refinancing in Europe could reduce bank lending, affecting Africa directly. The Director of the African Development Bank (AfDB) governance division, Gabriel Negatu, says short-term economic shifts may not seriously affect

KENYA/SOMALIA	3	ETHIOPIA/SOMALIA	4	MALI	5	GHANA/GAS	6	CÔTE D'IVOIRE	7
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It rained on their invasion

The war gives President Kibaki's government a leading role for which it looks ill-prepared.

What's in Somalia for Ethiopia

Ethiopia wants to maintain its regional role and worries about losing influence over Somalia.

Poll wide open

Voters ask why President Touré wants to reform the constitution and boost women's rights before next year's polls.

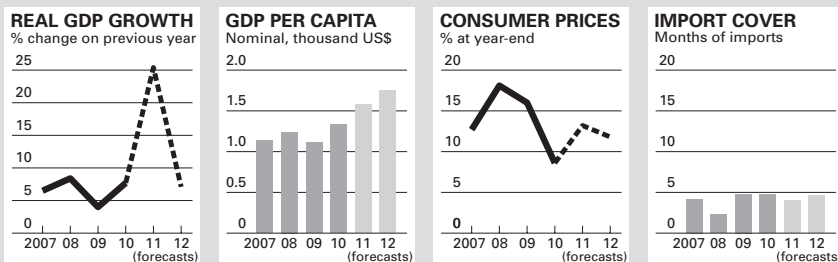
A pipeline of votes

Delays and disputes over a gas-fired industrial project could damage President Mills ahead of next year's elections.

GUINEA	8
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SOUTH AFRICA	10-11
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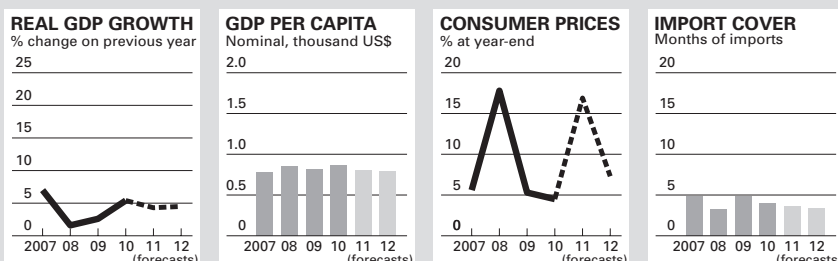
FIVE AFRICAN ECONOMIC SNAPSHOTS

GHANA Strong growth, driven by oil, against a background of still high inflation and interest rates, and increasing government debt

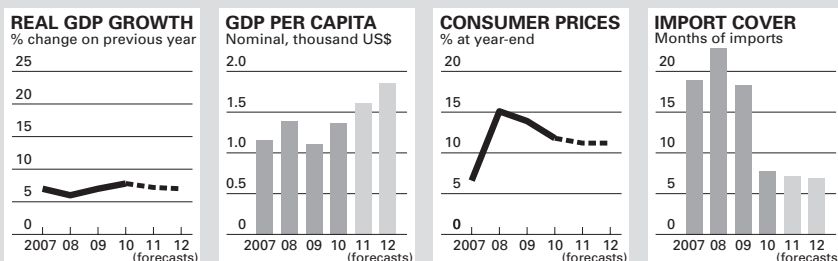


Sources: Government statistics; Renaissance Capital November 2011

KENYA Growth recovering after 2008 turmoil, but large hike in rates needed to control inflation, against backdrop of increasing public debt and declining current account balance

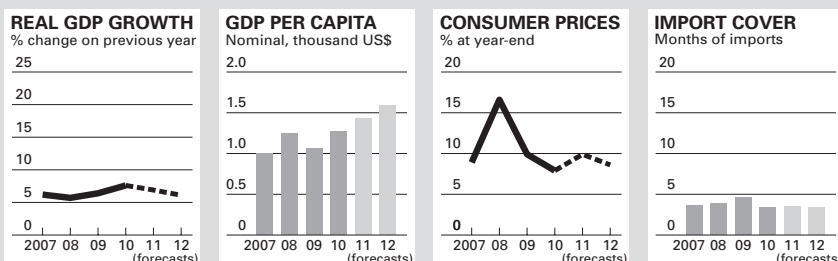


NIGERIA Strong growth, with large increase in rates to control inflation and support currency, although foreign exchange reserves have not yet recovered from earlier stages of crisis

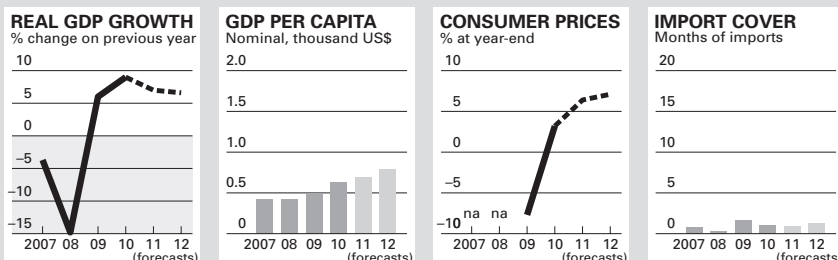


ZAMBIA

Minor decline in growth, yet public debt remains low and current account in balance



ZIMBABWE Better position than in 2008, but public debt still rising and foreign exchange reserves minimal – even if current account deficit is predicted to decline



demand for commodities because China, as well as importing for current use, is building long-term inventories, taking a decades-long view, similar to that of the USA with its strategic oil reserve.

Africa's oil-producing countries have fared better than their non-oil producing counterparts. Higher oil prices have allowed them to replenish their foreign exchange reserves and redress budget deficits but future demand is changing. Ecobank's **Angus Downie** points to the US and Canadian energy self-sufficiency policies, helped by shale gas discoveries, which will cut demand for African and Gulf oil in the longer term.

It will be ever more important for oil-exporting economies to diversify. Some analysts, such as Renaissance Capital's **Yvonne Mhango**, point out that Nigeria's non-oil sector is the 'primary growth driver' (it makes up more than 60% of the gross domestic product) in a large internal market. The AfDB's **Ousmane Dore**, based in Abuja, argues that Nigeria's economic outlook is positive, given its market size and the reform policies pushed by a strong economic policy team.

East African countries depend heavily on European growth. Kenya and **Tanzania** grew faster immediately after the 2008-09 crisis but are vulnerable to reductions in tourism and demand for luxury items, such as horticultural products, from a cash-strapped Europe. Events beyond government control, such as drought, increase their vulnerability.

The sub-Saharan African region is 'one of the strongest globally in a recessionary environment', says Mhango, assessing the 2011-12 global recession as milder than that of 2008-09. Yet she highlights Kenya as weaker than in 2008, partly because drought has harmed agricultural production and because of 'twin deficits', a current account deficit of over 14% in the first quarter of 2011 and high inflation, mandating restrictive monetary policy (such as higher interest rates) which may further dampen growth.

Lower-income countries or those with a large diaspora in the West may suffer as incomes and employment rates in Europe and the USA stagnate and hit remittances (which rose by 7.4% to Africa last year, says the World Bank). **Somalia's** economy, for example, is almost entirely dependent on remittances from the diaspora. Those countries more dependent on Western aid will see cuts as European governments worry about shortfalls at home. The CFA Franc Zone would be more affected by a Eurozone break-up than non-CFA countries. One economist speculated that it could cause a CFA devaluation, perhaps helping the Zone's trade competitiveness.

There may be less risk that investment will be withdrawn, as much offshore portfolio investment was withdrawn from

the region during the 2008 crisis. Countries receiving significant capital inflows in the past few years, such as **Ghana**, have generally been attracting longer-term foreign direct investment (FDI), which has remained strong in oil, information technology and telecommunications. FDI in Africa from emerging economies should increase in the longer term. Some cash-rich Western and Asian companies may see Africa as a better opportunity, having held back on investing elsewhere because of world economic conditions.

More countries are raising funds by issuing sovereign bonds, others have turned to China and its financial institutions and yet others are planning, with the AfDB, to issue 'diaspora bonds' to citizens abroad. Funding is critical not only to help Africa weather the storm but also for investment in the roads, power stations and factories that will promote faster long-term growth.

Domestic growth and regional trade would reduce sensitivity to global markets. Sub-Saharan intraregional trade has grown to 14% of total trade, up from 7% in 1990. Africa's informal economy, which expands regardless of foreign investment, offers another buffer against recession, says **Tchi Mbouani Ngaliae**, who heads London-based marketing intelligence outfit Kosia.

Peter Enti of Nubuke Investments

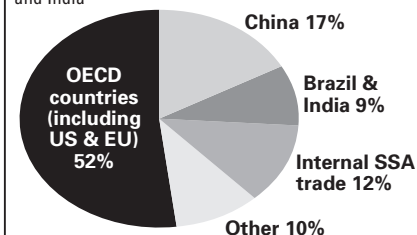
sees food prices as a driver of political risk. Higher demand in China and elsewhere for staples for human consumption, as fodder for livestock or for more resource-intensive uses as consumer tastes change, offers a huge opportunity for African agricultural companies to supply the world's biggest single market.

Some economists view the current world economic risks as less important for Africa than consolidating its long-term growth trend. Citigroup's Cowan argues that longer-term structural factors are more important for reaching the double-digit growth that would enable Africa to catch up with richer economies and relieve the plight of the poor. That would start, he argues, with much higher agricultural investment (as in China in the late 1970s) as food prices rise in the world economy.

In Africa's favour is its young, growing population (70% of people under 30) as much of the West, **Japan** and even China seek to manage their ageing populations. Cheap labour and China's shift to more advanced manufacturing and services could give Africa a chance to develop a stronger productive base. Improved infrastructure would enable the development of internal markets and produce the power that industries need. Changing the structure of African economies – processing and packaging more of its natural resources in Africa –

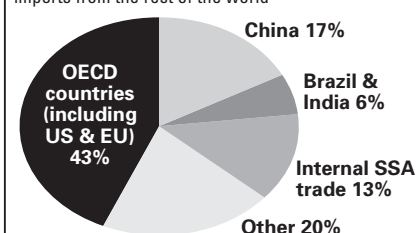
AFRICA'S EXPORTS, 2010

US, EU and other OECD countries only account for just over 50% of Sub-Saharan Africa's exports (down from 78% in 1990), with increasing shares to China, Brazil and India



AFRICA'S IMPORTS, 2010

US, EU and other OECD countries now account for under 50% of Sub-Saharan Africa's imports (down from 73% in 1990), with growth in Chinese imports outpacing imports from the rest of the world



Sources: IMF Direction of Trade Statistics 2011; Africa Confidential estimates

and breaking down the trade and transport restrictions that hold back regional integration will matter far more in the long term than what will admittedly be a difficult year for the continent's political economy in 2012. ●

KENYA/SOMALIA

It rained on their invasion

The war in Somalia gives President Mwai Kibaki's government a leading role for which it looks ill-prepared

Six weeks into the fighting, unintended consequences haunt Kenya's invasion of Somalia: rising xenophobia, terrorist attacks in Nairobi and other local insecurity, and changes in East Africa's security strategy, with **Uganda** and **Ethiopia** taking a more robust military role within Somalia (AC Vol 52 No 22). As regional governments step up their assault on *Haraka al Shabaab al Mujahideen*, President **Sharif Sheikh Ahmed's** feeble Transitional Federal Government (TFG) in Mogadishu has not taken advantage of the new political opening. Instead, it looks suspiciously at the growing regional presence in its country.

Kenya admitted its troops had crossed the border on 15 October, with bullish defence officials declaring they expected a military campaign of 'no more than three or four weeks'. It seems they had not noticed that the rainy season began

at the same time. For more than a week, military vehicles were bogged down in the Somali mudflats. The Kenyan media, now in jingoistic mode, have not asked why the expected showdown in the town of Afmadow had not taken place over a month after the war began.

The Defence Ministry has given no details on how it will achieve its objective of seizing Kismayo and choking off *Al Shabaab's* tax revenue, commodity exports and arms shipments or, indeed, what it plans to do once it has captured the port. As was the case with the African Union Mission in Somalia (Amisom) force since it wrested Mogadishu from *Al Shabaab*, the need will be for a tough peacekeeping force, rather than a scaled-down invasion. Until now, Kenya had refused to contribute to peacekeeping in its troubled northern neighbour.

Kenya's international diplomatic

offensive, apparently designed to win more money and a wider endorsement of the military campaign, has yielded more official nods than concrete assurances. Foreign Minister **Moses Wetang'ula's** trip to an Arab League meeting in **Morocco** was billed as a mission to secure Arab endorsement for the war but does not seem to have won much support.

Few foreign governments take Wetang'ula seriously: he remains under investigation by Kenya's Anti-Corruption Commission into claims that he benefited personally from land deals for Kenya's missions in Lagos, Tokyo and Brussels. After resigning in November 2010 when the corruption probe into his affairs started, he was bizarrely reappointed by Prime Minister **Raila Amolo Odinga** on the grounds that the investigation – inconclusive so far – was taking too long.

AVOIDING SCRUTINY

Kenya's first foreign military venture was announced jointly by the Internal Security Minister, **George Saitoti**, and his Ministry of Defence counterpart, **Mohamed Yusuf Haji**. By downplaying the scale of the operation, the government avoided parliamentary scrutiny, although the constitution of 2010 stipulates that war must have parliamentary approval.

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Few take seriously the official pretext for the war: that the government was going after *Shabaab* to end a series of tourist abductions. The Islamist militia has denied involvement in September's kidnappings near Lamu. Sources close to the military say the incursion was planned in November 2010, when Operations Command was moved from Nairobi to Garissa in northern Kenya and troop movements were scaled up there. Somalia's TFG and Amisom were willing to play along with Kenya but the Foreign Affairs Ministry and Prime Minister's Office had to work hard to assure Mogadishu that Nairobi was not interested in acquiring its territory. The doubts persist.

Diplomatic cables recently released

by WikiLeaks reveal internal friction among Kenyan securocrats over Somalia. The cables discuss the Jubaland Initiative (sometimes called the Azania Initiative) whereby Kenya would create a buffer zone in southern Somalia to protect its borders. The idea was broached in 2008 by Wetang'ula to the **United States** Assistant Secretary of State for African Affairs, **Johnnie Carson**. A cable records Carson's scepticism, arguing that if the initiative failed, it could prompt a nationalist alliance between TFG and *Shabaab*.

Later, Wetang'ula assured the USA that there would be 'no boots on the ground' but he failed to convince them that the TFG would back the plan. A US State Department analyst remarked that the TFG was nervous about semiautonomous regions; lacking political support among Somalia's clans, it was unwilling to back the creation of a Jubaland province, which would give the powerful Ogaden clan a strong political base.

Ethiopia and Uganda were not convinced that Kenya's untested military could carry out the plan. The cables confirm how competition between the National Security Intelligence Service and the military high command influenced the road to war. While Wetang'ula fronted

the Jubaland Initiative, NSIS Director General **Michael Gichangi** persuaded his patron, President **Mwai Kibaki**. This was opposed by the then Chief of General Staff, Lieutenant General **Jeremiah Mutinda Kianga**, who did not believe his troops could do it. As State House dithered, *Shabaab's* growing threats prompted the securocrats to agree on action.

Shabaab's bomb attack on Kampala in July 2010 undermined the argument that the militia could not attack outside Somalia and that it would not want to disrupt financing links with Kenya. Similar attacks on Kenya were planned but foiled, reinforcing the view of those securocrats who wanted tougher operations on the Kenyan-Somalian border. In August, Kianga retired, to be replaced by the more adventurous General **Julius Waweru Karangi**. The hawks were in charge.

Washington has long framed and financed East African security approaches to the Somali situation and has a substantial intelligence and counter-terrorism operation in Kenya. Both US and **British** officials knew about Kenya's plans but were reluctant to get drawn in.

Questions about about **France's** role: its forces have provided logistical and material support, and lent some international legitimacy to Kenya's unilateral action. The motives are hazy; it may have been coincidental that French special forces were sent to free an abducted French visitor, **Marie Dedieu** (who died in captivity). Conspiracy theories abound, with talk of a renewed appetite in Paris for intervention in Africa.

The incoherence of Kenya's war diplomacy raises doubts about the political commitment to the campaign. Nairobi justifiably complains that it bears a disproportionate burden for Somalia's crisis, housing hundreds of thousands of refugees and exposing itself to the insurgent threat. Politicians scent an opportunity, though. 'The politicians are all building war chests for 2012,' said a Foreign Affairs official in Nairobi. 'There is no political leadership invested in the war.' Somali money influences some Kenyan politicians. Assistant Internal Security Minister **Joshua Orwa Ojode** told Parliament of the government's intention to 'clean up' the mainly Somali neighbourhood of Eastleigh, getting rid of *Al Shabaab* rebels and others believed to be indoctrinated in radical mosques.

The swoop has been slow in coming. Somali businessmen have doled out huge sums of money to Kenyan politicians since the 1990s, when Mogadishu merchants transferred their business to Eastleigh. The same Foreign Affairs source says these links between Somali merchants and Kenyan officials weaken domestic security and make many, inside and outside the intelligence services, very uneasy. ●

WHAT'S IN SOMALIA FOR ETHIOPIA

Ethiopian troops have gone into Somalia to support the **Kenyan** deployment, although Prime Minister **Meles Zenawi** remains sceptical about the operation. Ethiopia wants to maintain its regional role and worries about its diminishing influence on Somali policy. Like **Ugandan** President **Yoweri Museveni**, Meles may resent the praise for Kenya while troops from **Uganda**, **Burundi** and **Ethiopia** have paid a much higher price for weakening *Al Haraka al Shabaab al Mujahideen*, to little applause.

Addis Ababa wants the last word on Somalia policy regionally but states with soldiers at the front are challenging it. They all oppose *Al Shabaab* but differ on tactics. Ethiopia publicly supports Kenya's intervention, partly because it reduces pressure on Addis Ababa on two difficult issues: its ambitious Nile dam projects, such as Gilgel Gibe 3, which affect the level of Lake Turkana; and raids by Ethiopian cattle-rustlers in north-western Kenya. The current Ethio-Kenyan cooperation may also reduce regional quarrels over Somalia's Transitional Federal Government (TFG). East African states have several times backed Somalia's President **Sharif Sheikh Ahmed** against Ethiopia.

Ethiopia has had a military presence in Somalia for years and crosses the border at will, even into Somaliland or Puntland, in pursuit of terrorists (or Ogadeni and other Ethiopian rebel groups). By the end of November, Ethiopia had deployed several hundred soldiers, mainly to reorganise its proxy forces in the buffer zone it has built. The Ethiopian-backed *Ahlu Sunna wal Jama'ah* (ASWJ) tends to divide along clan lines.

Ethiopia is concentrating on Hiiraan, where it wants to unify two Hawadle militias, the Shabelle Alliance and the remnants of the former TFG local administration; Galgaduud, where it wants to reorganise the Marehan, Dir and Habr Gidir ASWJ militias; and Gedo, where it is coordinating ASWJ forces mostly composed of Rahenweyn and Dir militias, plus the Marehan Bare Hirale forces, re-hatted as TFG soldiers.

Last month, the TFG former Speaker, **Sharif Hasan Sheikh Adan**, and Rahenweyn former allies, including **Mohamed Ibrahim Habsade** and **Mohamed Ali Atoosh**, went to Ethiopia to persuade Meles to help them build a Rahenweyn state (loosely, the union of Bay and Bakool). If Meles agrees, he will be accepting the balkanisation of south-central Somalia and the creation of spheres of influence for neighbouring states. Such an arrangement would fit in with the **United States'** 'dual track policy' on Somalia by which it simultaneously deals with the TFG and 'sub-state' entities such as Somaliland and Puntland. Such a move may allow *Al Shabaab* to regain some of its lost support and posture as the nationalist defender of national integrity or even a Greater Somalia. ●

Presidential poll wide open

Voters ask why President Touré wants to reform the constitution and boost women's rights before next year's elections.

Mali is looking forward to perhaps the most competitive presidential election since the advent of multiparty democracy two decades ago. The first round of the poll on 29 April marks the departure of President **Amadou Toumani Touré**, the former paratroop officer who ousted the dictator **Moussa Traoré** in 1990, opening the way to reform. His successor faces a worrying increase in violence and insecurity in the north. The largest party, the *Alliance pour la démocratie au Mali-Parti pan-africain pour la liberté, la solidarité et la justice* (Adema-PASJ), is putting up the National Assembly Speaker, **Dioncounda Traoré**, a less than charismatic former mathematics professor. A former Prime Minister and one-time Adema heavyweight, **Ibrahim Boubacar Keïta**, is a more formidable candidate. He now leads his *Rassemblement pour le Mali* (RPM) party. He suffered a crushing defeat to Touré in the 2007 election but looks stronger now.

Soumaïla Cissé, of the *Union pour la république et la démocratie* (URD), has a more technocratic image, after eight years heading the Ouagadougou-based commission of the *Union économique et monétaire ouest-africaine*. He too is a former Adema and government stalwart, backed by prominent religious leaders.

Several politicians have either declared themselves or are expected to do so, including ex-Prime Ministers **Soumana Sacko** and **Modibo Sidibé**; the Chairman of Microsoft Africa, astrophysicist **Cheick Modibo Diarra**; and radical oppositionist **Oumar Mariko**. Widely seen as the three front-runners, Keïta, Cissé and Traoré are evenly matched; a second round seems likely. Keïta will have extra pull in his home area of Kangaba in the south-west and Bamako's Commune IV, as will Cissé in Timbuktu and Niafounké, and Traoré in Kolokani and Nara, north of Bamako.

Tolerant, liberal, democratic culture has planted deeper roots in Mali than in most sub-Saharan countries, many believe, despite Tuareg restiveness and violence by *Al Qaida* in the Islamic Maghreb (AQIM, see Box). The presidential race, with parliamentary polls in July, will be the fifth set of democratic polls. While poor administration marred some, international monitors gave them a clean bill of health.

After overthrowing Traoré, Touré earned much admiration by quitting politics for ten years, for part of which he

was United Nations Special Representative in **Central African Republic**. His success in 2002's presidential election was triumphal. From the party perspective, Adema is best placed to win the presidency; it won 51 of 147 Assembly seats in 2007. Although Touré made great play of being above party politics, Adema was the bedrock of the multiparty *Alliance pour la démocratie et le progrès* which he used as an instrument of government. Yet the rival RPM and URD are also now well established, Adema sources admit.

The picture is further complicated by the *Parti pour le développement économique et solidaire* (PDES), founded by supporters of Touré with his encouragement, to carry on his agenda (AC Vol 51 No 15). It is unlikely to challenge strongly for the

presidency but has built a strong grassroots base and could drive a hard bargain for its support in the second round. In such a competitive landscape and with support for the parties so evenly spread, electoral pacts will be decisive, especially in the run-off, insiders say.

Touré is also campaigning for a 'yes' vote in the constitutional referendum also being held on 29 April. This proposes the formation of a senate, an independent electoral commission and a mechanism for non-partisan oversight of the broadcast media. It would also strengthen the office of the president at the expense of the prime minister. This could safeguard presidential authority if Keïta or Cissé wins the presidency but Adema retains its parliamentary dominance in July.

Touré's determination to strengthen democracy through this valedictory reform package and his new family law, which improved women's rights, initially met considerable scepticism. The groundwork, though, has been well laid by the non-party Premier, **Cissé Mariam Kaïdama Sidibé**: Touré appointed her to supervise the run-up to the elections. The signs are that electors will approve the reforms. ●

ENEMIES IN THE NORTH

The serenity of the elections contrasts starkly with deteriorating security in the north, with hundreds of well-armed Tuareg fighters and weapons streaming in from **Libya**, increased Tuareg banditry and more operations by *Al Qaida* in the Islamic Maghreb. During the night of 23 November, an armed gang probably linked to AQIM abducted two **Frenchmen** from a hotel in Hombori, on the road from Bamako to **Niger**. Two days later, gunmen killed a **German** tourist in Timbuktu and abducted two **Swedes** and a **Dutch** citizen. As *Africa Confidential* went to press, the Tuareg rebel *Mouvement national pour la libération de l'Azawad* claimed to be in hot pursuit of the kidnappers and all tourists had been evacuated from Timbuktu.

Sometimes AQIM's mostly **Algerian** or **Mauritanian** fighters stage attacks; sometimes local criminal gangs seize hostages and sell them to the jihadists. There is speculation about the identities and roles of the French kidnap victims, whose alleged names have been mentioned in internet reports from other African or Balkan trouble spots, and rumours that at least one local Tuareg leader may be sympathetic to AQIM.

The attacks have disrupted the work of aid agencies and hurt tourism focused on cultural attractions such as Timbuktu, Djenné, Mopti and Tuareg festivals. France advises its citizens not to stray north of Mopti. Until recently, the signs had been positive. President **Amadou Toumani Touré** has cultivated influential Tuareg and helped cool northern political passions. Jobless Tuareg fighters now combine with regular troops in a new northern security force. One of the government's biggest opponents, Tuareg rebel leader **Ibrahim Ag Bahanga**, died in a car crash in August (AC Vol 49 No 23).

Touré's northern strategy combines a more extensive military presence with development projects funded by the European Union and France. Soldiers are encouraged to bring their families to northern garrisons, using new schools and health centres and stimulating economic activity. The hope is to win the support of northern communities and undermine desert tribes' readiness to tolerate the presence of AQIM bands, who have earned local protection through kinship ties after marrying local women.

A wild card has been thrown into the mix with the return from Libya of hundreds of heavily-armed Tuareg fighters who had been serving Colonel **Moammar el Gaddafi**. Touré hopes the new Tripoli government will continue its Mali policy: Gaddafi tried to rein in Tuareg rebels and was fiercely opposed to AQIM. Libya also invested heavily in agriculture, especially irrigation, and in hotels. 'We had a powerful degree of commitment with Moammar Gaddafi. However, Mali recognises states. The new government in Tripoli and the government in Bamako have every interest in working together,' the outgoing President told AC. 'There is no reason why the two countries can't cooperate.' ●

A pipeline of votes

Delays and disputes over a gas-fired industrial project could damage President John Atta Mills ahead of next year's elections

The promise that an offshore gas pipeline and processing plant – a cornerstone of Ghana's new industrial plan – will be completed around the time of the presidential and parliamentary elections in December 2012 looks too convenient for the governing National Democratic Congress. The man making the promise on 25 November, the acting Chief Executive of the National Gas Company, **George Sipa-Adjah Yankey**, has been blamed for delays and mismanagement of the project.

So serious is the criticism that there are doubts the gas project will be finished until some time in the first quarter of 2013 at the earliest. Yankey insisted the timetable was achievable because the project was being built by **China's Sinopec International Petroleum Service** and full financing had been arranged under a US\$3 billion loan offered by the **China Development Bank** (see Box). In fact, there are still unresolved questions over the mechanics of the finance and how the other contractors on the project – **France's Technip** and **United States-based Itasca** –

are to be paid. Time is of the essence, for technical, more than political, reasons.

Under the petroleum agreement with the international companies operating the 2-billion-barrel offshore Jubilee oil field (US-based **Anardarko** and **Kosmos Energy**, and **Ireland's Tullow Oil**), the government is responsible for building the pipeline to carry the gas produced from the oil wells to a processing plant on land.

The Jubilee wells produce so much gas that the operators would have to reduce oil production unless the gas was evacuated, so if government fails to build the line within the agreed timeframe, then the foreign companies have the legal right to build their own line and processing plant and charge the government.

Political and bureaucratic wrangling have slowed progress. Yankey and the Chairman of the National Gas Company, **Kwesi Botchwey**, have differed fiercely with Energy Minister **Joseph Oteng-Adjei** over the gas plan. The state-owned **Ghana National Petroleum Corporation**, which wanted to work with **Trinidad and Tobago's** highly successful gas company,

has been sidelined in negotiations.

This June, **Botchwey**, **Yankey** and Presidential Energy Advisor **Amarquaye Armar** were on the brink of persuading President **John Evans Atta Mills** to sign a deal giving **Italy's Eni** and **Russia's Lukoil** (alongside oil trader **Vitol**) exclusive rights to build all the gas infrastructure in Ghana. **Eni** and **Lukoil** are partners in the gas-rich **Sankofa** reservoir. Then Energy Minister **Oteng-Adjei** (who had also favoured working with **Trinidad**) refused to sign the memorandum of understanding, arguing that it wasn't in Ghana's interests. **Mills** was duly persuaded and finally blocked the **Eni-Lukoil** deal.

That left the National Gas Company to pursue its master plan, which was to run an offshore gas pipeline from the Jubilee field to a new gas processing plant at **Bonyere** and then an onshore pipeline to the **Aboadze** thermal power station at **Takoradi**. The government wanted the **Bonyere** plant to provide gas for an ambitious gas-powered industrial centre, which would, it hoped, create tens of thousands of jobs in **Western Region**, which will be strongly contested by the two leading parties in the elections. The **Bonyere** plan had become the prize project for the influential **Western Region** chiefs.

Time ran out and the **Bonyere** plan was looking impractical by September. The government faced tough decisions because of the build-up of associated gas in the Jubilee field. It could agree to cut oil production by 40% and accept that some of the gas would be flared; it could try to buy time by drilling a relief well to re-inject some of the gas; it could accept a plan for a pipeline straight to **Aboadze** that was being pushed by **Tullow** and partners; or it could try to add some of its own requirements (such as the development of a plant at **Bonyere**) to the **Tullow** plan.

From **Yankey's** announcement that **Sinopec** would build the pipeline to **Aboadze**, it seems the government is trying to marry **Tullow's** plan with its own objectives of developing **Western Region** with industrial plants, and road and rail links. It may now promise the chiefs and their constituents that it will run an onshore pipeline back to **Bonyere** but the economics for that have changed.

Much technical work needs to be done, taking several more months. Most importantly, the government has to negotiate gas supply agreements with the oil production companies: they want to know how much they can sell the gas for. Having criticised his predecessor **John Kufuor's** government for making poor tax and royalty agreements for oil exports, **Mills's** government now risks doing the same thing unless it quickly corrals some world class advisors to lead the negotiations on gas sales. An election may turn on whether **Mills** gets this right. ●

THE IMF AND THE CHINESE LOAN PUZZLE

The view of Ghana as an economic success, one held by the World Bank and the International Monetary Fund, comes with a price tag. Last year, the first recalculation of national income for 20 years increased the reported gross domestic product by US\$500 to over \$1,300 a head. That means Ghana becomes a lower-middle-income country and within three to five years will lose its access to cheap loans from the Bank and IMF. The principal repayments on its existing soft loans will immediately double.

Now Ghana is in a transitional phase, where the IMF and Bank continue with concessional lending on condition that strict ceilings on other borrowing are respected. The first test is the government's decision to borrow \$3 billion on commercial terms from the **China Development Bank**. In an emergency session in Parliament on 26 August, the governing National Democratic Congress unanimously approved the loan but the opposition New Patriotic Party (NPP) abstained in the vote, complaining that the government had provided inadequate details about the intended use of the money.

In recent weeks, sensing it has hit on an election issue, the NPP has stepped up criticism of the government's management of relations with China. That strategy served President **Michael Sata's** Patriotic Front well in **Zambia**, where it posed as the doughty defender of the national interest, won the presidential election in October (*Africa-Asia Confidential* Vol 4 No 12) and then made up with Beijing.

For Ghana, much hangs on the \$3 bn. China loan, not least the financing of its gas industry plans. Despite bluster from officials, President **John Evans Atta Mills's** government is not about to break with the IMF over this. Both sides are treading carefully after a similar impasse in **Congo-Kinshasa** over some \$10 bn. of Chinese loans that breached IMF rules and would have scuppered a debt relief deal. Ghana's problems are different and a deal looks likely, although tricky to achieve. If it broke with the IMF, Ghana would lose its access to most international finance just as it reaches middle-income status. The IMF and World Bank want to remain relevant as more African countries turn to Asia to finance big development projects. ●

Gbagbo to the Hague, nation to the polls

Former coalition partners divide up the parliamentary spoils

The arrest of former President **Laurent Gbagbo** by the International Criminal Court and his rendition to the Hague on 30 November prompted surprisingly little protest, given that 46% of Ivoirians had voted for him in elections almost exactly a year ago. The political careers of Gbagbo and his wife **Simone Gbagbo** (who remains under house arrest in Korhogo) are clearly over but there are also doubts about the future of their political party, the *Front populaire ivoirien* (FPI), which is boycotting parliamentary elections due on 11 December.

There are also worries about the credibility of the coming polls. The two former coalition partners – the mainly Muslim and northern *Rassemblement des républicains* (RDR), led by President **Alassane Dramane Ouattara**, and the mainly southern, once ruling, *Parti démocratique de Côte d'Ivoire* (PDCI), led by ex-President **Henri Konan Bédié** – have effectively split up the countries' constituencies between them. Top officials of both parties met to parcel out the seats in October, say political insiders in Abidjan. The reason for the deal is that Ouattara believes his government needs an RDR majority in the *Assemblée Nationale*. To win PDCI consent, he had to promise to 'compensate' the PDCI with rewards, including the premiership.

The Parliament is unicameral, with 225 members elected in single and multi-district constituencies by direct popular vote for five-year terms (AC Vol 52 No 19). The last elections were in December 2000, with by-elections in February 2001. As a United Nations resolution noted, the lawful mandate of that Assembly expired in December 2005 and could not be prolonged. Just before that deadline, its members signed a joint declaration to continue sitting until elections were held. President Gbagbo, whose supporters then held the majority, agreed. He disregarded opposition calls for fresh elections and the old Parliament has continued till now.

Guillaume Soro, once a rebel leader and now Prime Minister, is running on an RDR ticket (AC Vol 52 No 10), as are several other former commanders of the *Forces Nouvelles*. Soro is expected to be elected Speaker of the Assembly, although we hear the PDCI has been objecting. A compromise candidate is being sought. This post will act as a counterweight to the PDCI premier.

Whatever the political understandings, the logistics of the elections themselves are far from certain. New administrative posts and structures need to be set up because the electoral map is being redrawn, with 32 constituencies replacing the previous 19. By late November, the *Commission électorale indépendante* had not printed the new map and materials destroyed during the recent fighting have not yet been replaced. A UN official told *Africa Confidential* his organisation was struggling to make its own plans to provide logistical support because the government had given no reliable deadlines. The same official believes the key barrier to smooth and timely polls is financial.

ATTACKS AND GAOLBREAKS

There are few worries over the security of the poll, yet tension is rising in Abidjan. On 22 November, the *Front populaire ivoirien* (FPI), Gbagbo's ex-ruling party, tried to hold a meeting when at least two dozen men armed with guns and machetes attacked. Only one was arrested. There is anecdotal evidence that gun crime is increasing in the capital, with shops, restaurants and fuel stations suffering armed robberies, usually by young men armed with Kalashnikov rifles. There have been at least two gaolbreaks from the main prison.

Tension continues, too, in the western area that includes Duekoue, Bangolo and Guiglo and where the FPI is traditionally strongest – and a short boat trip from **Liberia**. Scars of war remain visible here, with bullet-pocked buildings and shelled structures still not cleared up. Fears for its supporters' safety is one reason the FPI has decided to boycott the elections. A senior party official says there are no provisions for the security of his people: 'It would be suicide for us to participate.' There are also fears about the numerous offshoots of the rapidly disintegrating FPI.

The de facto Assembly Speaker, **Mamadou Koulibaly**, a former FPI man, has formed his own party, *Liberté et démocratie pour la république* (Lider, AC Vol 52 No 19). A northerner, he is a widely respected moderate within the FPI, though many members call him a traitor. He says Gbagbo has few supporters left and they are at risk of being killed during the elections. The FPI also lacks funds for campaigning. Despite this, most observers think its boycott a mistake.

Security is a vital question. Gbagbo kept tight control of the security forces, which Ouattara may find harder, given the range of armed factions. There is tension between the soldiers, gendarmes and police who served Gbagbo and the former guerrillas now incorporated into the *Forces républicaines de Côte d'Ivoire*. The long-serving regulars, who regard themselves as properly trained in the service of the state, cannot bring themselves to accept the guerrilla-based FRCI as equal, one FRCI officer told us. 'Well, we may be irregulars but we're the ones who won the war.' Ouattara's critics point out that the police still have no weapons, making their jobs all the harder. ●

ICC BAGS GBAGBO FIRST

The International Criminal Court may have accelerated the arrest and rendition of ex-President **Laurent Gbagbo** to the Hague because of the discovery of an apparent plot to spring him from house arrest in the northern town of Korhogo, we hear. **Séka Anselme Yapo**, aka **Séka Séka**, the reviled chief of Gbagbo's wife **Simone**'s security operations, was captured at Abidjan airport when a huge gamble failed to pay off. It is not known where Yapo boarded, but his aeroplane's route began in Lomé and went to Accra, where many pro-Gbagbo exiles are in residence (AC Vol 52 No 22), before landing in Abidjan.

The plane was about to take off for Conakry after a brief stopover when a sharp-eyed fellow passenger recognised Yapo under his beard, which he had grown since going into hiding just before Gbagbo fell. He was seized and put on display with his false passports for the television cameras. He is widely suspected of being responsible for the disappearance in 2004 of **French Canadian** journalist **Guy André Kieffer** and other crimes. Yapo has been charged with recruiting mercenaries, obtaining arms and reorganising pro-Gbagbo elements with the aim of springing Gbagbo from his confinement, said United Nations' sources. Rumours persist that Gbagbo's supporters are reorganising.

A diplomat who visited Gbagbo several times in Korhogo told *Africa Confidential* he had accepted that he was powerless but not that he had lost the November 2010 presidential election. 'He has become just an old man now', he said. After pressure from the UN, President **Alassane Dramane Ouattara** asked that Gbagbo be allowed more exercise. Following his rendition, unrest had been expected but as AC went to press, Abidjan was quiet and Simone Gbagbo remained under house arrest in Korhogo. ●

Condé talks to rivals

Regional diplomacy has dampened down another political confrontation as the President tries to relaunch the mineral-rich economy

The parliamentary elections due on 29 December have been postponed until early next year following a meeting between President **Alpha Condé** and opposition leaders on 15 November under the auspices of the Economic Community of West African States. It was the first meeting between Condé and his political opponents since the bitterly contested presidential elections a year ago. Political tensions had been rising since September, when three people died and at least 300 were injured as security forces shut down an opposition protest in the capital. Credit for the latest breakthrough goes to veteran diplomat and Ecowas Special Envoy, **Togo's Edem Kodjo**, who was in Conakry on 11-12 November to broker an agreement on a revised voters list and date for the parliamentary polls.

Condé's rival in the second round of last year's presidential vote, **Cellou Dalein Diallo**, said the new election date would be set after all parties had agreed to the schedule. **Mamady Diawara**, a senior aide to Condé, said the President had acknowledged that mistakes had been made. Most of Condé's efforts so far have been economic, not political. It took six months of tough negotiations to hammer out a new mining code. Then on 9 November, the government put it before the interim Parliament, the *Conseil national de transition*, for further amendments (AC Vol 52 No 14). Mines and Geology Minister **Mohamed Lamine Fofana** said changes were needed because

weakening commodity prices made import charges of 8% and 6% on equipment and processing seem excessive. He worried about deterring investors.

A senior Mines Ministry official blamed 'amateurism' among the authors of the code, which was based on the ideas of former Mines Minister **Ahmed Kanté**, an ally of Condé and now Minister-Counsellor on Mining in the President's Office. He is also Director General of the *Société guinéenne du patrimoine minier* (*Soguipami*), whose job, in theory, is to manage the nation's mineral wealth. The same senior official said the entire structure of the mining business, including *Soguipami*, needed changing.

In January, Condé released over US\$5 million to repair three generators at Tambo that supply Conakry with power. He had promised to end power cuts within six months of taking office but Conakry and the environs still suffer regular cuts.

Other facilities are benefiting from Rio Tinto's windfall payment of \$700 mn. from its joint venture with the Aluminium Corporation of **China** in the Simandou iron-ore mines. In October, Budget Minister **Mohamed Diaré** announced that this bonanza would be put to use quickly and presented a law which would allow government to spend \$240 mn., 45% of the sum, on electricity, 16% on roads and public works, 10% on the armed forces and security, and about 1% each on justice, food, security education and so on. One senior finance official complained to *Africa*

Confidential that proper groundwork had not been done.

There is still some discontent. Local human rights organisations complained when police broke up a banned march that was supposed to be peaceful but turned violent, with at least three deaths and the arrest of more than 300 opposition activists, more than 50 of whom were sent to prison for one to twelve months.

The trades union movement has been at the heart of political changes since 2006 but the main association, the *Confédération nationale des travailleurs de Guinée*, is split between Condé's critics, led by **Amadou Diallo**, and his supporters, led by **Yamoussa Touré**. In October, the two sides threw stones at each other and police had to intervene. Yamoussa Touré got on television first.

On some fronts, Condé is winning. He persuaded the army to return to barracks and on 1 November, he announced that he planned to retire some 4,000 soldiers as a step towards reorganising the army. He has also managed to unify the running of the various state budgets, a feat not achieved by any of his predecessors. Above all, state revenue is rising.

Talks with foreign mining companies are under way and a Finance Ministry insider said that revenue could top a record \$200 mn. this year. The Treasury is no longer in debt to the Central Bank. Despite the junta's massive printing of money in 2008, inflation is down to 22% and the Guinean franc is almost stable at about GF7,000 to the **United States** dollar. Revenue has come in on target and, says our source, 'the signals are on green.'

Guinea is rich in resources but more than half the population lives on less than a dollar a day. Foreign earnings and foreign support are desperately needed. The government opened negotiations with a team from the International Monetary Fund in Conakry on 11-12 November for concessional loans and debt relief. The IMF board is due to discuss loans and a technical assistance programme early next year. Its economists reckon the economy grew at around 4% this year and that will increase to 5% in 2012, following one-off payments from big mining companies such as Rio Tinto.

Political stability remains elusive, with Condé haunted by the attempt on his life in July (AC Vol 52 No 15). Lawyers are boycotting the courts in protest at the abduction of one of their senior colleagues, **Foromou Frédéric Loua**, by agents of the Governor of Conakry, Commandant **Sékou Resco Camara**. Loua's alleged offence was to visit Conakry gaol, in conformity with a court ruling, to oversee the hospitalisation of two sick prisoners who had been awaiting trial for six years. Condé's promised stable government is still some way off. ●

PALACE PLOTTERS

Since the assassination attempt in July, President **Alpha Condé** has shut himself up in the Sékoutouréyah palace behind a massive guard, some trained by his ally, President **Blaise Compaoré** of **Burkina Faso** (AC Vol 52 No 15). As in the old days of military rule, every presidential outing looks like a military parade. Some officers accused of involvement in the plot await trial, expected to start soon.

Condé blames a group of civilians controlled by **Tibou Kamara**, who was Secretary General of the Presidency under General **Sékouba Konaté**, along with **Amadou Oury Bah**, deputy head of the opposition *Union des forces démocratiques de Guinée* (UFDG), and **Amadou Oury Diallo** (known as **Sarakadji**), a businessman. All deny involvement.

Condé told a private radio station, *Sud-FM*, that he knew very well that Oury Bah was one of the main organisers of the attempt. Condé had waited for a proper warrant to be issued for Bah's arrest but the delay had allowed him to escape. Condé added that his attackers had met in the *Méridien Président* hotel in Dakar and he had told the **Senegalese** and **Gambian** foreign ministers, reckoning they must also have been in the know. (Kamara is Gambian President **Yahya Jammeh's** brother-in-law.) Kamara dismissed the accusation and claimed Condé was simply taking revenge for his refusal to help him fix the presidential election. ●

MPLA curbs the media

The ruling party appears anxious to restrict free speech and ensure positive coverage in the lead up to the elections

The *Movimento Popular de Libertação de Angola* may take its time over deciding who it wants as the next president and when elections will take place but it is taking no chances on ensuring positive media coverage (AC Vol 52 No 22). It is relying not only on state-owned but also on ostensibly independent media to create the best possible environment for MPLA success at the polls. That also means cracking down on free speech and intimidating journalists.

The state-controlled media miss no opportunity to heap praise on President **José Eduardo dos Santos** and his government and to discredit the opposition. Public spending has risen and the media are there constantly to remind the public whom to thank. Editorials in the only national and only daily newspaper, the government-owned *Jornal de Angola*, regularly lambast opposition parties and activists for seeking to destabilise Angola with anti-government protests. One article even called on the **Portuguese** media to stop criticising Dos Santos and nominate him for the Nobel Peace Prize instead.

At the same time, police raids and arrests have disrupted conferences, protests and concerts which civil society activists have arranged in recent weeks. The main tactic is intimidation: some lawyers and opposition politicians claim to have received death threats and their cars and other property have been vandalised.

It is much worse in the oil-rich Cabinda enclave, where the separatist *Frente para a Libertação do Enclave de Cabinda* (FLEC) continues its low-level insurgency. On 27 October, armed men in plain clothes with walkie-talkies raided the house of **José Manuel Gimbi**, a journalist with the Voice of America, and threatened his family, apparently because of an interview with a local priest which had criticised the President. Reporters in Luanda also claim undercover police officers attacked them while they were covering anti-government protests. Some journalists who string for overseas publications and agencies have had tape recorders and laptop computers stolen in what could have been but probably were not simple robberies.

Staff from private media continue to be arbitrarily refused entry to government buildings, at times including Parliament, and overseas journalists find it hard to obtain visas. Several independent papers have been hit by hefty lawsuits which

threaten to put them out of business. The independent Roman Catholic-run *Radio Eclézia* appears to have weakened its resistance to editorial interference and to have accepted a government blacklist. Some guests are no longer invited to take part in social debates and phone-ins. Business people who use shell companies to hide links to the government are buying up independent media and subtly altering their editorial profiles (AC Vol 52 No 15).

In 2009, a new company called *Media Nova* set up Angola's first private television station, TV Zimbo, a radio station and several newspapers and magazines. It later emerged that the consortium behind it includes **Manuel Vicente**, Chairman of the state oil company Sonangol, General **Leopoldino Fragoso do Nascimento 'Dino'**, head of communications in the presidency, and **Manuel Hélder Vieira Dias 'Kopelipa'**, Angola's most powerful general and Minister of State.

At first, TV Zimbo offered a fresh approach to news and a platform for critical and opposition voices. Earlier this year, however, a new management team flew in from **Brazil**. They have curbed live interviews, banned a number of opposition politicians and non-MPLA analysts from the microphone and, just like the state-owned *Televisão Pública de Angola*, have barely covered the recent anti-government protests, focussing on reporting arrests.

Kopelipa and others have been buying up previously critical weekly papers and

giving them TV Zimbo-style editorial and staff makeovers. In October, the weekly *A Capital* was published with several blank pages after management pulled an interview with outspoken academic **Vicente Pinto de Andrade**, hours before printing. A few publications that resisted buyouts folded because they could not attract enough advertising.

DEBATE GOES ONLINE

The shrinkage in space for the media has driven independent debate online, in spite of the low rate of internet use in a country where electricity is still a luxury and internet access on mobile telephones a novelty. Membership of Facebook, previously a distant second to the online Hi5 network, has exploded. The government is acutely aware of the power of social media and is working on legislation as part of a new penal code to give it powers to monitor online content more closely. A draft law which was scrapped at the last minute would have made it a crime to receive an electronic message which called into question the judgement of organs of state.

While the new laws gestate, the authorities resort to cruder tactics. They appear to be responsible for jamming and viruses that target popular websites such as Club-K. In October, in what appears to be a deliberate cyber-attack, several days of Angolan tweets (mostly about the recent protests) were wiped out by a nonsensical message hash-tagged '#Angola' which was re-tweeted thousands of times.

Notwithstanding such blatant attacks or the constant physical and telephone surveillance of journalists, activists and oppositionists, the government holds regular conferences and 'debates' (extensively covered by state media) where it extols the wonderfully plural, free society and media landscape. ●

BANKS STRIKE OIL

On 29 November, Angola enacted a law forcing foreign oil companies to use the local banking system for their financial transactions, rather than hold their accounts offshore. When the idea was first raised some years ago, oil companies were in uproar and forced its withdrawal. While they are said to be grumbling about some cost increases, they are not standing in its way now. The official news agency, *Angop*, said the law would 'increase the availability of financial information' about the companies. Legislators said the banking system was mature enough for the task.

The main beneficiaries will be local banks such as *Banco Africano de Investimentos*, in which the President's daughter, **Isabel dos Santos**, has a major interest. They will earn fees on the passage of the hundreds of millions of dollars in tax, royalties, local procurement transactions and currency exchange. The International Monetary Fund is dubious about the capacity of the local financial system, calling it 'underdeveloped'.

It is the kind of reform, however, that any developing country should be instituting for economic progress, said a banking source. Reform of the financial sector and new regulations on private investment, including an anti-money-laundering law, are coming in. Angola now has its own credit rating (albeit only BB-) and several major banks are understood to be seeking licences, including **British**-based HSBC, **South Africa's** Nedbank and ABSA, and **Germany's** Commerzbank. ●

Selling the state

Politicians, trades unionists and business people join battle for control of the state-owned companies

As budgetary pressures and unemployment mount, the government faces a dilemma over how to reform its state-owned enterprises. Business interests and some cash-strapped ministries eagerly demand sweeping privatisation of state conglomerates such as South African Airways (SAA), the transport company Transnet, and the electricity utility Eskom. Other ministries, senior officials in the governing African National Congress and their trades union allies rail against such sacrilege and demand these 'crown jewels' be kept in public ownership, not least because privatisation would mean the loss of tens of thousands of jobs (AC Vol 52 Nos 18 & 23). As some in the ANC favour extending state ownership to mining companies and farms, the issue is more politically charged than ever in the country.

To coordinate policy on the state companies, President **Jacob Zuma** launched the Presidential Review Committee in 2009 to examine ways to

restructure or sell some of the major state companies. Yet two years on there is no consensus on the matter in the government. Ministers and ANC officials have their own plans and have been refusing to cooperate with President Zuma's Review Committee. Unable to impose his will on the factions, Zuma has allowed the wrangling over state companies to drag on.

Trades unionists want to maintain most of the state companies because their sale would mean job losses; they also favour some of them as engines of welfare. Politicians, in particular, see jobs in parastatal companies as useful patronage. Managers and directors of state companies – even loss-making ones – often earn fat salaries and bonuses. In 2010, Transnet's top management received 63.6 million rand (US\$7.6 mn.) in bonuses on top of their R49.7 mn. in salaries. Eskom's Chief Executive **Brian A. Dames** and Financial Director **Paul O'Flaherty** earned over R10 mn. between them in 2010/11.

Spooked by the political rows in

the party over the voluble ANC Youth League leader **Julius Malema**, credit rating agency Moody's Investors Services downgraded Eskom's rating from 'stable' to 'negative' on 11 November. The agency referred to 'political risk issues'. Within a week, an ANC disciplinary committee had suspended Malema for five years. Zuma's Review Committee was meant to finalise its report by mid-2011 but many state companies are obstructing its work and refusing to hand over important data.

An important section of the ANC wants bigger, more powerful state companies – as part of plans for a 'developmental state'. Public Enterprises Minister **Malusi Gigaba** has told companies under his remit they should build infrastructure, provide cost-effective public services, offer industrial opportunities for local (especially black) suppliers, create jobs and develop skills.

MORTGAGING CAPITAL INVESTMENT

The government wants state companies to partner with local and foreign private companies, in imitation of the public-private partnerships of **Britain's** ex-Prime Minister (and close friend of South Africa's former Finance Minister, **Trevor Manuel**) **Gordon Brown**. Trades unions and the South African Communist Party (SACP) back this view. Yet many black business tycoons want the more promising state companies sold off to the Black Economic Empowerment entities.

The Youth League, the 'African nationalist' wing of the ANC and some BEE business people want preferential access to jobs, business and contracts to redress the dominance of white capital under apartheid. White businesses argue that this wouldn't work and are pushing hard for privatisation. **Chris Hart**, an economist at Investment Solutions, says the state should not be in the business of running businesses at all: state-owned enterprises tend to be undercapitalised and uncompetitive.

Members of the Review Committee fear their forthcoming report will be sidelined as ministers such as Gigaba have already started their own reforms of state companies. We hear that Gigaba is considering the direct appointment of some managers, who would be accountable not to the company boards but to his ministry and himself. He also controls the strategic direction of the companies, whose executives report to him every quarter.

Trevor Manuel, now Minister in the Presidency for the National Planning Commission, is also looking at how state companies should fit into long-term national development. The NPC's first report proposed that companies' chief executives should not be appointed by government. Instead, government should appoint the boards of directors, who would

THE GORDHAN KNOT

A mix of principled ideological differences, intra-party rivalries and commercial interests are stalling efforts by government and the African National Congress to reform state-owned companies. Within the government there are at least three camps: the centrists, Finance Minister **Pravin Jumnadas Gordhan** and National Planning Commission Chairman **Trevor Manuel**, who want to cut the burden of state companies on the Treasury; the leftists, Economic Development Minister **Ebrahim Patel** and Trade and Industry Minister **Rob Davies**, who want the companies to spearhead a state-led development strategy; and Public Enterprises Minister **Malusi Gigaba** and Mineral Resources Minister **Susan Shabangu**, who want to run their own reform programme without interference from the plethora of committees and commissions examining the issue.

Patel has wrested control of the Industrial Development Corporation, the most successful and biggest state company, from the Treasury: it now reports to him and follows his policy aims. Gordhan won the struggle against Patel for control of the Development Bank of Southern Africa, the other state-owned finance institution. Gigaba is challenging both Patel and Gordhan over state companies: he wants to consolidate control of all non-financial companies under his Ministry, especially those responsible for infrastructure. He already controls South African Airlines.

In his budget speech, Gordhan said that government and state companies would spend more than 800 billion rand over the next three years on infrastructure including power stations, roads, railways, schools and hospitals. Gigaba argues that since his department received most of that R800 bn., he should lead on infrastructure development. His department is responsible for Transnet, which has been allocated R110 bn. and Eskom R549 bn. of the total.

Gordhan and Manuel lost an ally in cabinet when **Roy Padayachie** was moved from Communications Minister (controlling Telkom, the Post Office and SA Broadcasting Corporation) to Public Service and Administration. Yet Gordhan effectively controls many state companies outside his jurisdiction since he holds the purse strings. Typically, President **Jacob Zuma** allows all the faction-fighters to believe he backs them so the disputes rumble on. The result is time-consuming, fruitless conflict, and policy drift. ●

appoint their own executives. Manuel has no vote in cabinet and his committee's work runs in parallel, but not in coordination with the Review Committee, which is at odds with Gigaba's ministry.

Finance Minister **Pravin Jammadas Gordhan** has his own ideas for those companies under his purview and plans a Development Finance Council to control them. His rival, Economic Development Minister **Ebrahim Patel**, fears that Gordhan is expanding his powers still further. Another state body dealing with economic strategy, the Industrial Development Corporation, now reports to Patel; under Gordhan's plan, it would come under the Treasury (see Box).

The ANC's own Economic Transformation Committee under **Thabadiawa Mufumadi** is also trying to carve a role for itself by starting yet another review of state companies. This committee will present its report to an ANC conference in mid-2012, but it isn't collaborating with Zuma's review. Deputy Economic Development Minister **Enoch Godongwana** is assessing proposals to nationalise the mines, land and banks, as pushed by Malema and the ANCYL. His team is comparing the role of state companies in other emerging economies.

The ANC's Deployment Committee, chaired by Deputy President **Kgalema Motlanthe**, influences the appointment of state company boards and chief executives, so ANC cadres usually get those jobs. Zuma's faction usually gets its people in. Chief executives under President **Thabo Mbeki** – like **Khaya Ngqula** (SA

Airways), **Dali Mpfu** (SA Broadcasting Corporation) and **Jacob Maroga** (Eskom) – have been unceremoniously fired. The Black Management Forum and Black Lawyers' Association are pressing Gigaba to ensure that state companies give preference to black-owned firms instead of big white-owned accounting firms such as KPMG. Gigaba agreed to intervene 'proactively', we hear.

CORRUPTION PROBES

Company chiefs appointed by the dominant faction in the ANC are hard to dislodge, even if they have not performed well. Last week, Manuel annoyed members of Zuma's faction when, at the launch of the NPC's National Development Plan, he said that state company board members and chief executives should be insulated from political interference.

With Zuma's blessing, State Security Minister **Siyabonga Cyprian Cwele** has told his intelligence agencies to probe the corruption, instability and leadership battles in the state companies. Such probes could be used against Zuma's opponents in the run-up to the 2012 ANC elections. Some BEE business leaders close to Zuma want state companies privatised and sold to them. Gigaba says that 'does not make sense': he promises extreme caution on 'who we trust with the ownership of strategic national assets'.

There is growing pressure to privatise Transnet and some members of Manuel's NPC wanted to include the privatisation of state companies in the development plan released at the beginning of November.

That was strongly opposed by trades unionists on the Planning Commission, such as **Christopher Malikane**.

While the rival committees bicker, ministers continue to reshape the state companies in their own way. Gordhan has set up a jobs fund in the Development Bank of Southern Africa, which is working with Eskom and Transnet to help raise capital. Eskom has secured loans of R21 bn. from the African Development Bank and R28 bn. from the World Bank. Gordhan has instructed the DBSA to explore the possibility of financing other state companies' capital investment.

The Communications Ministry plans to launch a new Postbank as a division of the Post Office, offering cheaper banking services. The ANC may put the state-owned mining company under the Department of Public Enterprises rather than Energy and Mines. Its nucleus would be the African Exploration Mining and Finance Corporation, a wholly-owned subsidiary of the Central Energy Fund.

Cosatu and its affiliate, the National Union of Mineworkers, say they will oppose the state taking a majority share in a mining company. The NUM's **Madoda Sambatha** said private shareholders 'irrespective of race' should hold a 49% share, the state should have 31% and workers 10%, with the remaining 10% held by communities, traditional authorities or workers' cooperatives.

The ANCYL wants the state to have a majority stake in a mining company, as a precursor to full-scale nationalisation of the mines. ●

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Congo-Kinshasa

FRAUD AND VIOLENCE

■ Calls for the election results, due on 6 December, to be annulled have revived fears of violence. More than a score of people died on 26-28 November, five of them when the Republican Guard fired on demonstrators in Kinshasa's Masina district on 27 November.

Violence and fraud were rampant. On 29 November, the day after polling, leading candidates **Léon Kengo wa Dondo**, **Vital Kamerhe**, **Antipas Mbusa Nyamwisi** and **Adam Bombole** demanded the cancellation of the results. Kamerhe blamed massive 'premeditated' fraud by the *Commission électorale nationale indépendante* (CENI). Reports of malpractice abound. On 25 November, Socialist member **Dirk Van der Maelen** told Belgium's Parliament that Belgian company Zetes, which had supplied 10,000 electoral registration kits, estimated several hundred thousand double registrations had occurred. A confidential European Union observer mission report said over 100,000.

Before the vote, many sources reported fictitious polling stations. United Nations-sponsored *Radio Okapi* found that CENI's list contained 107 non-existent ones just in Selembao, Kinshasa. Opposition sources said that the list gave 15 stations in a school in Eastern Kasai with only six classrooms. **Fidèle Babala**, a member of parliament for the opposition *Mouvement de libération du Congo*, said he could identify only twelve of the 32 stations listed at Collège Saint-Robert in Barumbu, Kinshasa.

CENI President Rev. **Daniel Ngoy Mulunda** denied ghost stations existed, preferring 'stations whose location is not well established'. The head of the *Ligue nationale pour les élections libres et transparentes*, **Jérôme Bonso**, was unimpressed, arguing that all provinces reported similar cases. On 26 November, police seized five ballot boxes and ballot papers in Thsuapa, Equateur. Ballots were circulating in Goma four days before polling day, *Africa Confidential* has learned. Only 700-800 international observers were in the field, far too few to monitor the 63,850 polling stations, real or imagined.

Nigeria

THE UNPROSECUTABLES

■ Rumours of **Farida Waziri's** imminent demise as head of the Economic and Financial Crimes Commission had been circulating for weeks before President **Goodluck Jonathan** administered the *coup de grâce* on 23 November. Waziri had come to office in June 2008 with a reputation as a stooge of the then Attorney General,

Michael Aondoakaa. He in turn was a man who did little to deflect the impression that his job was to shield from prosecution **James Ibori**, ex-Governor of Delta State and a major contributor to President **Umaru Musa Yar'Adua's** presidential campaign. No sooner had Waziri's predecessor, **Nuhu Ribadu**, arrested and charged Ibori than he was sent off on 'study leave'.

Like Ribadu, Waziri faced strong criticism but for different reasons. While Ribadu was accused of selectively targeting corrupt people who just happened to be political enemies of the then President, **Olusegun Obasanjo**, her sin was to slow down the whole anti-corruption process, critics said. Donors, which funded a large part of her budget, were especially unimpressed. In 2009, **United States** Secretary of State **Hillary Clinton** observed while on a trip to Nigeria that the Commission 'had fallen off' in its work. Donor funds shrank.

Waziri spent a lot of time rebutting such accusations but was not without occasional zeal; the EFCC prosecuted executives accused of running banks aground and recovered hundreds of millions of dollars in the process. The Acting Chairman is the former Chief of Operations, **Ibrahim Lamorde**, who brings to the job experience, a reputation for efficiency and a store of prominent enemies in the political class who thwarted past investigations. Success will depend on his relationship with Attorney General **Mohammed Bello Adoke** and the cooperation of a deeply dysfunctional judiciary (AC Vol 52 No 17). The President has yet to decide whether to nominate him as permanent head, after which he would face parliamentary confirmation hearings.

Uganda

TAX DEDUCTION

■ As the political fallout over corruption spreads in Kampala, the legal battles are getting messier over US\$434 million in tax which Kampala says oil companies owe it (AC Vol 52 No 21). On 24 November, the Uganda Tax Appeals Tribunal ruled that Heritage Oil must pay capital gains tax on its \$1.45 billion sale of Lake Albert oil licences to Tullow Oil in 2010. Heritage denounced the decision as 'fatally flawed', arguing that ongoing arbitration proceedings in London between Heritage and Tullow should take precedence.

In London, meanwhile, Tullow and Heritage are preparing for a court battle over \$313 mn. that Tullow says Heritage owed in capital gains tax to Uganda but which Tullow was forced to make to Uganda. Now, Tullow wants the money back from Heritage. Heritage says it owes Tullow and the Ugandan state nothing. Evidence in the case should prove highly illuminating about Uganda.

Tullow Chief Executive **Aidan Heavey**

arrived in Kampala on 16 November for further talks with Museveni. Amid the legal wrangling and political point-scoring, his company's proposed \$3 bn. sale of a share to **China** National Offshore Oil Company and Total remains expensively delayed. Total's Chief Counsel, **Mary Begg-Saffar**, has also been in Kampala for meetings at State House. The litigation could end with Uganda having to pay back vast sums to the oil companies. The problem then would be that the government has just spent large sums on February's elections and \$720 mn. on fighter jets from **Russia**.

At the same time, a parliamentary select committee investigating corruption has been looking at whether or not Prime Minister **Amama Mbabazi** may have been involved in private meetings about oil licences in Dubai. President **Yoweri Museveni** is standing by him, we hear.

Zimbabwe

ZANU'S HONEY TRAP

■ The Zimbabwe African National Union-Patriotic Front's tacticians once more showed their talent for wrong-footing Prime Minister **Morgan Tsvangirai** when he decided to cancel his wedding to a Harare commodity broker on 1 December. Tsvangirai said he had become 'a bystander' in his own relationship and was calling it off because of machinations by the Central Intelligence Organisation.

Ever since his wife, **Susan Tsvangirai**, died in a car crash in March 2009, there has been speculation as to whether the Premier would marry any of the various ladies he has been seen escorting on public occasions. After a liaison in Johannesburg earlier this year, he made a big cash compensation payment to the woman, **Locadia Tembo**, for getting her pregnant. Yet when the story broke, this had become a payment of *lobola* (bride price). She also denied being pregnant.

Whether it was a honey-trap or not, it was sprung when **Simon Khaya Moyo**, ZANU-PF's National Chairman moved a motion in the Senate on 23 November congratulating Tsvangirai on his marriage. The Lower House took it up and ZANU-PF members of parliament broke into congratulatory song as the Prime Minister took his seat for Question Time. MPs from his Movement for Democratic Change initially joined in the singing but then fell silent as it dawned on them they were being set up. The sister of the 'bride', a ZANU-PF MP and a leading figure in the **Joice Mujuru** faction, fell to her knees before the Premier in traditional supplication to a new in-law.

ZANU-PF media portray Tsvangirai as a cad who flouts traditional values but it is a welcome change from the 'Morgay' handle they hung on him over the homophobia issue (AC Vol 52 No 23). This promises to be but the first of many dirty tricks in the coming election campaign.

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AFRICA CONFIDENTIAL

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most distinguished figure is Buhari), has made space for *Boko Haram*. Their plan is to deny territory to the security forces, hoping to provoke massive, indiscriminate retaliation that further alienates local people. This is working with deadly

predictability. The movement is backed by the regional clout of *Al Qaida* in the Islamic Maghreb (AQIM), which has helped the home-grown militia with weapons and bomb-making skills, and overseen the indoctrination of young Muslims, many taken across the border to **Chad, Niger** and, we hear, **Somalia**, for training.

The relative sophistication of its attacks this year on the national police headquarters and the United Nations' office in Abuja (AC Vol 52 No 13) marked the first successes of the *Boko Haram*-AQIM collaboration and ensured the internationalisation of the civil conflict. A portentous document from a subcommittee of the **United States** House of Representatives, led by **Patrick Meehan**

and **Jackie Speier**, claimed last month that *Boko Haram* represented a threat to the US mainland as well as to Western targets in Nigeria and the wider region and that it has ties to the militants of Somalia's *Al Haraka al Shabaab al Mujahideen*. Back in 2002, the then President, **George Bush**, suggested the USA might intervene if oil supplies were threatened by insurgents in northern Nigeria; he said oil imports from the country were 'a strategic national interest' which the US military would be obliged to protect.

Such threats are music to the ears of *Boko Haram*, which claims to be a grassroots movement against poverty, railing against Nigeria's winner-takes-all capitalism, in which the winners are always the same. It operates from the north-eastern Borno State to Bauchi State and into Middle Belt states such as Plateau and Niger. It targets churches and Christians, provoking violent responses. By exacerbating tension between faiths, *Boko Haram* promotes social chaos, polarises society and wins recruits or tacit acceptance for its hardline Islamist creed.

A security analyst with a big oil company, **Idowu Ogunlade**, said the insurgency was driven partly by the loss of political power, which the north held for 40 years. A northern businessman in Abuja spoke of regional resentment against President Jonathan: 'His people have the oil, the money, the media companies... and now, the political power.'

Northerners have been pushed out of their traditional military bastion; there are more Middle Belt and Southern officers in the army than at any time in the last 40 years (see Box). Amongst them is the Chief of Army Staff, Lieutenant General **Onyeabo Azubuike Ihejirika**, an Igbo from the south-east. In the Biafra civil war of 1976-70, Igbos fought to secede from the rest of Nigeria, memories of which were stirred on 26 November with the death of the rebel leader, Colonel **Emeka Ojukwu**, to whom Jonathan offered a fulsome tribute. Now Azubuike leads the defence against the north's Islamist militias; some say history is repeating itself in reverse.

The army's Joint Task Force has been sent to the heartland of the insurgency. In the Delta, the JTF is already seen as an instrument of federal oppression. Northern leaders demand the JTF's withdrawal. Major **Abubakar Dangiwa Umar**, a former military Governor of Kaduna who remains popular, says military approaches will not solve the *Boko Haram* problem. Some northerners want *Boko Haram* to be offered an amnesty like that granted to the Delta militants. Yet they were protesting against environmental despoliation and federal control of their region's oil reserves, as well as demanding money. *Boko Haram* wants a theocratic state and secession, not piecemeal reform.

INSIDE THE SECURITY HIERARCHY

● National Security Advisor: General **Owoye Andrew Azazi**. The former Chief of Army Staff gets mixed reviews: many applaud his relaxed manner, others accuse him of being lackadaisical. Relations with the **United States'** security agencies have been difficult, we hear. Like President **Goodluck Jonathan**, he is an Ijaw from the Niger Delta, which has helped secure his job but he gets much of the blame for government failures against *Boko Haram*. He has no foot soldiers of his own, which makes it hard to get things done.

● Director General, State Security Service: **Ita Ekpeyong**. He is a hardworking career civil servant from Akwa Ibom State. Critics of the SSS point to the odd television performances of Public Relations Director **Marilyn Ogar**. She complains the SSS is poorly funded, not properly trained and lacks a coherent plan to combat *Boko Haram's* bombing campaign. Morale is low. Ekpeyong was preparing for retirement but may have to stay on. His Western counterparts rate him more highly than his organisation.

● Chief of Defence Staff: Air Marshal **Oluseyi Petinrin**. Academically successful at the University of Ibadan, a career officer and a Yoruba, he was appointed by ex-President **Olusegun Obasanjo**. Some call for him to do more about corruption in the armed forces. After complaints from northern leaders about the army's Joint Task Force (JTF) in Borno, he said he would court-martial five soldiers for 'alleged excesses'.

● Chief of Army Staff: Lt. Gen. **Onyeabo Azubuike Ihejirika**. The first Ibo army chief in over 40 years, he is accused of being a closet People's Democratic Party man. The army is run on business lines; the PDP government keeps the generals on side by releasing funds for expensive purchases of outdated equipment and the JTF supervises the theft of crude oil in the Niger Delta. It is said that officers pay huge bribes for a posting to the Delta. The army rank-and-file is mainly northern Hausa and Muslim, along with Middle Belt Christians: many are suspicious of Ibos in uniform. The balance of northern to southern officers has shifted in favour of the south over the last decade.

● Defence Minister: **Mohammed Haliru Bello**. A former Acting National Chairman of the PDP, he is an ally of ex-President **Ibrahim Babangida**. Defence budgets contain plenty of money to fund election campaigns. He is a reliable link to the PDP's northern hawks but has little grassroots credibility in northern towns, where he is seen as having sold out.

● Minister of State for Defence: **Erelu Obada**. Formerly Deputy Governor of Osun, she is another Obasanjo-appointee and, as a top PDP women's leader from the south-west, where the party has lost all its elected posts, was chosen from political expediency.

● Chairman of Senate Intelligence and Security Committee: Gen. **Mohammed Magoro**. A close ally of Obasanjo's and twice Works Minister, he is from Kebbi state. Has strong links to the local oil conglomerate Oando PLC. With his military background, he might contribute to the fight against rebels but, says one observer, 'His kind are the target of the *Boko Haram* insurgents and they are the symbols of all that is wrong with the north.'

● Deputy Chairman of Senate Intelligence and Security Committee: Senator **Mohammed Shaaba Lafiagi**. Briefly Kwara Governor in 1992, he is a protégé of Kwara's political strongman, **Abubakar Bukola Saraki** and a PDP trustee: 'He is on the [security] committee and I don't think he has said a word,' says another senator's aide.

● Chairman of House of Representatives Internal Security Committee: **Aliyu Ibrahim Gebi**. He represents Bauchi Local Government Area for the Congress for Progressive Change, which is widely suspected of Islamist leanings. He argues that the federal government should negotiate with *Boko Haram*, which is very active in his constituency and may threaten his life. He makes no intellectual contribution to the Committee. ●

The Inspector General of Police, **Hafiz Ringim**, a close ally of Jonathan's, is under scrutiny for his failure to tackle gross corruption and inefficiency in the force. *Boko Haram* exploits that. Few accept government claims that 'the attacks could have been more sustained if the national security agencies had not been very proactive'. We hear that **Israeli** intelligence experts (mostly ex-Mossad officials) may be retained as security consultants. A delegation of Israeli business people visited Nigeria on 11-18 August and Israeli Ambassador **Moshe Ram** oversees security cooperation. Nigerian (and **Kenyan**) officials have also been on counter-terrorism trips to Israel.

For years, Muslim military leaders such as Babangida used former Mossad agents for advice and close protection. Buhari hired some to kidnap an exiled politician, **Umaru Dikko**, from London in 1984 and bring him back to Lagos for trial – a plan whose absurd outcome caused a diplomatic falling out with **Britain**.

After August's suicide bombing of the UN in Abuja, Jonathan's government consulted US officials from the Federal Bureau of Investigation and Central Intelligence Agency. Some security people suggest that surveillance unmanned aerial vehicles (drones) may be used against the militants, as they were in the Delta. Police chief Ringim has recently been shuttling to Washington to talk to his counterparts.

Security analysts claim that some senior northern officers, sacked after the return to civilian rule under President **Olusegun Obasanjo** in 1999, sell their knowledge of training and logistics to the Islamists. Some military-controlled printing presses have been producing religious tracts, we hear.

MAKING MONEY OUT OF MAYHEM

The fight back against *Boko Haram* has been hugely lucrative for some. Contracts for training and security equipment are heavily inflated. So-called security officers and associated political appointees sell questionable services to state security agencies. Private security companies, such as the USA's once again re-branded Blackwater, operating in **Iraq**, **Pakistan** and the Middle East, are doing business in Nigeria, along with those who were fighting insurgencies in the Delta.

Down south, the Odua People's Congress, a Yoruba outfit that was powerful during the struggle against the late dictator General **Sani Abacha**, asked Yoruba leaders for finance during a street protest last week in Lagos. They brandished weapons and called for *Boko Haram* to restrict its bombing to the north. Security officers stood by, powerless.

In the Delta, the current amnesty programme is said to be another driver of militancy, with ex-militants represented in government by the former rebel **Tompson**,

who now prefers to be called **High Chief Government Ekpemupolo**. The JTF, led by Lt. Col. **Hassan Mohammed**, has done more harm than good in the region.

Very few northern politicians have the moral authority to negotiate on behalf of the government and there is mutual distrust among leading northern politicians in the PDP. Although *Boko Haram*'s attacks are growing more sophisticated, it has no central command or formal structure with which the government can negotiate. This is the view of retired Air Vice-Marshal **Lucky Ochuko Arariri**, formerly coordinator of the amnesty programme for Delta ex-militants. In September, the federal government set up a committee to open talks with *Boko Haram*, one of whose members was Senator **Mohammed Ali Ndume**. He was recently arrested for being a sponsor of *Boko Haram*; his fellow senators call his trial a witch hunt.

The political confusion over his case mirrors the wider chaos in policy towards the militants. A veteran Nigerian intelligence officer told us the country had been turned upside down: 'You used to have southern militants fighting a northern regime, now we have northern militants fighting a southern one – the difference is the southern militants could use their control over oil as a weapon, the northern militants have nothing to use but mayhem and bloodshed.' ●

ANGOLA

Opposition picks its champions

Isaias Samakuva looks certain to be re-elected head of UNITA while the other parties prepare for the polls

The leadership contest for the *União Nacional para a Independência Total de Angola* is widely seen as an empty affair since the ambitious **Abel Chivukuvuku** decided not to stand. Chivukuvuku is a savvy politician but he may be moving to pastures new (AC Vol 51 No 1). A former intelligence officer, **Estevão José Pedro Kachiungo**, is challenging **Isaias Samakuva** but he is so little known that he has been labelled a dummy candidate. UNITA is still licking its wounds after haemorrhaging 54 seats in Angola's 2008 elections.

The ruling *Movimento Popular de Libertação de Angola* is still keeping its options open. **Manuel Vicente** was tipped to head the MPLA list in the polls, which are expected in 2012. However, Vicente has just been reconfirmed as Chief Executive Officer of state-owned oil giant Sonangol for another three-year

term, although that does not rule him out at all (AC Vol 52 No 18).

The opposition *Bloco Democrático* was formed in 2010 from the *Frente para Democracia* (FPD), which polled only 0.27% of the vote in 2008. Its leader is the respected economist and *Radio Ecclésia* commentator, **Justino Pinto de Andrade**, a former member of the MPLA aristocracy. The BD has little financial clout but can claim a growing following among urban and educated Angolans and the diaspora.

REGIONAL DIFFERENCES

The third opposition party, with eight seats in Parliament, is the *Partido de Renovação Social* (PRS), which was founded in 1990. Its support base is in the diamond-rich Lunda Norte and Lunda Sul provinces, but it lacks a presence in Luanda. The PRS President,

Eduardo Kuangana, leaves the energetic parliamentary leader **Sapalo António** to do the talking. The *Frente Nacional de Libertação de Angola*, which holds three seats, has serious funding problems and is embroiled in an internecine conflict between its President, **Lucas Ngonda**, and parliamentary leader **Ngola Kabangu**. The FNLA lacks appeal in Luanda but retains a strong following in its northern heartland of Zaire Province.

The only other opposition party in Parliament, with two seats, is the *Nova Democracia* (ND). Led by **Quintino de Moreira**, it is widely suspected of being an MPLA creation designed to channel votes away from the other opposition parties.

In 2010, a new electoral pact, *Partidos da Oposição Civil*, embraced several small parties, including the *Partido Popular*, headed by the respected lawyer **David Mendes**. The *Partidos da Oposição Civil* was created, *Africa Confidential* understands, to enable an independent candidate to run for the presidency since according to the constitution the head of state must be chosen from the top of a party list. Women's rights campaigner **Luisete Araújo** and **Vicente Pinto de Andrade** are interested but may face a challenge from Mendes. ●

Kabila: from farce to tragedy

Having stayed silent on corrupt mining deals, the United Nations and the West want the embarrassing election crisis to disappear

Millions of Congolese question the spending of more than US\$300 million on national elections on 28 November – if the true results aren't released. There is a broad acceptance by the public – except by President **Joseph Kabila's** supporters – that the results published on 9 December were the product

of widespread electoral fraud (AC Vol 52 No 24). They gave him 48.9% of the vote to **Etienne Tshisekedi wa Malumba's** 32.3%.

Voters may never know the true results. The only way to get them would be for each polling centre to publish its results, which could then be checked against the central

tally. That is how it was meant to work but state security and the Presidential Guard chased away voters and monitors in many opposition-supporting areas. Most local and foreign election observers (except the African Union) pointed to gross irregularities and statistical discrepancies in the official results yet there is little prospect of outside pressure forcing the publication of credible results. Kabila may not be well regarded in the West or even in **China**, which he has courted as trading partner and investor, but diplomats and companies are even warier of long-time oppositionist Tshisekedi, 79.

The fraud ranged from the brutally simple – the assassination of civic activists or the bludgeoning of voters in opposition areas – to the costly and ambitious: three chartered aircraft carried election materials, including pre-marked ballot papers, from **South Africa** on 30 November, just as the poll was ending and vote counting began. Several returns by the *Commission électorale nationale indépendante* claimed that Kabila had won 100% of the vote on a 99% or above turnout (see photographs of CENI results sheets on www.africa-confidential.com).

Kabila's aides broke the electoral law, silenced critical media and presided over an extended vote count. Several constituencies, where he won, saw more than 100% of registered electors turn out, according to the CENI. Reverend **Daniel Ngoy Mulunda**, the CENI Chairman, is a cousin of Kabila's late father, **Laurent-Désiré Kabila**, suggesting a conflict of interest. More significant still was a comment made to us by a senior diplomat in Kinshasa that CENI Vice-President **Jacques Djoli** had at first refused to sign the CENI's final count that gave victory to Kabila. Then some Western ambassadors warned him that such a move could spark a post-election conflict akin to that in **Côte d'Ivoire** and that no one would intervene. We hear Kabila phoned Djoli to reinforce the same point.

Most Supreme Court judges were appointed only weeks before the polls and few expected them to consider seriously the election petitions presented by presidential contender **Vital Kamerhe**. Kabila's main challenger, Tshisekedi, who claims he won 52% of the vote, refused to recognise the Court because it had been packed with Kabila's supporters.

In **Côte d'Ivoire**, the UN role was to organise, observe and certify the 2010 elections. France proposed a more active role for the UN as election certifier in Congo, which UN Special Representative **Roger A. Meece** and Secretary General **Ban Ki-moon** firmly rejected, fearing it would be caught up in a violent election dispute. Despite their efforts, that now seems to be the most probable outcome of this worsening crisis. ●

TIMELINE OF A TROUBLED VOTE

- September 2011: The International Crisis Group reported that the registration of electors by the *Commission électorale nationale indépendante* (CENI) showed 'surprising results', with higher rates in areas favouring President **Joseph Kabila** and much lower ones in opposition strongholds.
- 26 November: The last day of the campaign, when the Republican Guard shot at least twelve supporters of **Etienne Tshisekedi wa Malumba's** *Union pour la démocratie et le progrès social* (UDPS) at Kinshasa's N'djili Airport. Later, Republican Guards fired indiscriminately into crowds of opposition supporters along the road, says Human Rights Watch. Four unidentified armed men attacked a parliamentary candidate for **Vital Kamerhe's** *Union pour la nation congolaise* (UNC), **Dieudonné Lowa Opombo**, at his home in Kinshasa with knives and hammers, then dragged him to a waiting jeep.
- 28 November: National presidential and presidential elections: supporters of Tshisekedi and Kamerhe claim they were the victims of massive fraud.
- 1 December: The European Union observer mission stated that four of the CENI's seven members were close to the President's *Parti du peuple pour la reconstruction et le développement* (PPRD).
- 3 December: The government banned text messaging and closed down two opposition radio stations and a newspaper. At Mbuji-Mayi (stronghold for Tshisekedi), Radio Lisanga TV was closed down with no reason given. At Kananga, capital of Kasai-Occidental, three broadcasters were closed down.
- 5 December: CENI began to publish partial results. The (Catholic) Bishops' Conference asked CENI to abide by the rule that published results should match those posted at polling stations, listing the numbers of registered electors, valid votes, spoiled ballots and votes for each candidate.
- 8 December: CENI published only provincial totals, not where votes had been cast.
- 9 December: CENI published final results, which gave Kabila 48.97%, Tshisekedi 32.33% and Kamerhe 7.7 %, on a turnout of 58%.
- 10 December: At least ten people died, six of them by gunfire (including one looter and a woman of 19, on her way to buy bread). Shooting was heard near Tshisekedi's headquarters in Kinshasa's Limete suburb: cars were burned, a few streets were barricaded. Young boys threw Molotov cocktails; at Masina, a police station was looted; at Bandalungwa, police used tear gas. There was violence in some pro-Kabila areas: attacks on Kasaians (assumed to support Tshisekedi) in northern Katanga; 300 people fled towards the railway station. The Atlanta-based Carter Center said the results lacked credibility – a strong statement in the nuanced world of election observation reports.
- 12 December: Archbishop **Laurent Monsengwo Pasinya** said the results reflected 'neither truth nor justice.' The United Nations noted with 'deep concern' successive observer reports condemning electoral fraud and urged CENI to investigate them.
- 13 December: Kabila admits organisational flaws but says there is no doubt he was legitimately elected. He accused Western critics of failing to understand the country.
- 14 December: **United States** Ambassador **James F. Entwistle** said the 'management and technical execution' of the polls were 'seriously flawed' and 'lacked transparency': Kamerhe submits a petition to the Supreme Court claiming massive voter fraud and calling for a rerun of the elections.
- 17 December: The deadline for the Supreme Court's decision on whether to validate provisional election results. ●

Pachyderms in the parlour

The threat to the economy from the indigenisation policy is becoming a big issue but for Mugabe's party it's non-negotiable

The Minister of Economic Planning and Investment Promotion laid it on the line: 'As long as the Indigenisation and Economic Empowerment Act remains in its current form,' warned **Tapiwa Mashakada**, 'investment will not flow in... It's an elephant in the living room. We can't market the country with this legislation. The sooner we amend or replace it, the better.' Economic consultant **John Robertson** went further, suggesting last month that the programme was a ploy by the Zimbabwe African National Union-Patriotic Front to undermine the incipient economic recovery and prevent the Movement for Democratic Change from reaping an electoral reward. In fact, the MDC's Mashakada may be understating the problem as there seem to be several elephants crashing around the room, most of them bedecked in ZANU-PF colours.

The leader of the herd, President **Robert Gabriel Mugabe**, never did have a firm grasp of economic theory or an eye for those who did. Most ZANU-PF successors to the late **Bernard Chidzero**, who was Finance Minister in 1985-95, have been dismal, sycophantic failures. Mugabe subscribes to the view that everything flows from political power and with enough determination, the laws of economics will succumb. The result is confusion. In early November, he heaped praise on the mining sector for its cooperation at a ceremony in Ngezi where Zimplats made over a 10% stake to a local community trust (AC Vol 52 No 23). Two weeks later, at an identical handover at the Angloplats Unki mine, he railed against companies that resisted the programme, who should pack their bags and 'go now'.

Even the jumbo-sized **Saviour Kasukuwere**, the Youth and Indigenisation Minister, has had difficulty dealing with the mood swings. After Ngezi, he had hastily issued a clarification as to the intended beneficiaries of the indigenisation programme, with community-based trusts and worker-participation taking precedence over individuals (the reverse of what he originally hoped for).

After Unki, it appeared Mugabe was reverting to his earlier stance to punish 'Western imperialist interests' for not removing targeted sanctions and attempting regime change. The President's famed 'Look East' policy is increasingly exempted, including **South Korean** interests, despite ZANU-PF's historical

identification with **North Korea**.

These shifts have further unsettled already depressed business confidence and the light for potential new foreign investors has changed from amber to red. In his weekly column in *The Independent* in late November, chartered accountant and commentator **Eric Bloch** noted that in the past year, foreign direct investment in Southern Africa had approximated to US\$20 billion. Of that, Zimbabwe's share was a paltry \$541 million, mainly from **China** (on highly favourable terms to the investor) but much of this amount had not yet reached Zimbabwe.

Robertson points out that one thing domestic investors are united on is that they will not put up new funds which could be liable to a 51% asset snatch. He also refers to a legal opinion from two of Zimbabwe's leading lawyers, **Sternford Moyo** and **Nicholas Wilsmer**, that the existing Indigenisation and Economic Empowerment Act and its supporting statutory regulations are a badly drafted mass of contradictions in conflict with other statutes, including the Companies Act and the constitution. Kasukuwere chooses to ignore these points, says Robertson, and is forging ahead with threats and bullyboy tactics before amendments or court challenges can intervene.

ZANU-PF HITS CAMPAIGN TRAIL

ZANU-PF quickly realised that with elections looming, the indigenisation programme could not immediately replicate the rewards of the land reform for individual apparatchiks and cronies—hence the newfound emphasis on community trusts and worker participation: it hopes that will be a winner with the electorate. MDC formations and ministries have little involvement in the programme, underlining the dysfunctional nature of the Government of National Unity. As a result, Mugabe's participation in the handover ceremonies is party campaigning in all but name, with the advantage that the rallies, entertainment costs and Ministry's promotional advertisements are a drain on the despoiled company, not the party.

Interestingly, in the mining sector, the first take under the Act has been in the 10%-15% range, with credits being negotiated for surrendered mining rights and social and other infrastructure, such as roads to mines and workers' housing, which would have been undertaken

anyway. RioZim has so far escaped the Minister's wrath as it tries to negotiate its massive debt into equity with its creditor banks. Mines Minister **Obert Mpofu** jealously regards mining as his territory and is not keen on other jumbos, such as Kasukuwere, threatening to withdraw operating licences (AC Vol 52 No 5). The Meikles Group, with its London Stock Exchange listing, has demerged the indigenous Kingdom Bank and made 20% of its own shares available to a worker/management trust. South Africa's Old Mutual has made \$10 mn. over to a social trust and given policyholders a bonus share issue. During the hyperinflation debacle, Old Mutual became a Mugabe *bête noire* as he misinterpreted the differential between the share price on the London and Harare stock exchanges as a cause rather than a reflection of the collapse of the Zimbabwe dollar.

Kasukuwere's next goals are the manufacturing and commercial sectors, where he wants yearly targets to achieve 51% indigenisation in four years. With little leeway for the social or infrastructure credits of the mining sector, resistance is likely to harden. Capacity-utilisation has yet to break through the 60% level, though is well up on the nadir of 10% in 2008. Bloch points out that over 100 industries and businesses have closed down. Most are cutting operations with much of the commercial and financial sectors close to collapse.

Against this background, the budget that Finance Minister **Tendai Biti** presented to Parliament on 14 November was up a third on 2011 while economic growth is projected at 9%. This is essentially a trajectory recovery from the 2008 crash. Much of the cash is from a pot of an optimistically valued US\$2 bn. worth of diamonds. Over 60% of the budget will go on government salaries, with the MDC-controlled ministries being allocated far less than those led by ZANU-PF.

Both Robertson and Bloch conclude that the investment opportunities in the current recovery—and in new development—would be huge if the environment were conducive. The resources are extensive and the skills are available. Instead, ZANU-PF has opted for an authoritarian dirigiste economic model with no respect for property rights. Mugabe's assertion that it has the capacity to step in if there is further disinvestment is chilling. With few exceptions since Independence in 1980, when ZANU-PF place men have been parachuted in, chaos, mismanagement, collapse and plundering have turned viable concerns into white elephants. The thinking among economists is clear: the indigenisation drive and rhetoric are making a once-promising country among the least attractive destinations for investment on the planet. ●

Brothers unbound

From Cairo to Casablanca, the Muslim Brotherhood is giving shape to the Islamist parties that are profiting from the Arab Spring

In North Africa, only the rulers of **Algeria** and **Morocco** have survived the Arab Spring: in Morocco, because the King has now allowed Islamists to form a government and in Algeria, because memories of civil war are still too raw for

another revolution. Into the democratic opening created when the old dictators fell have stepped a variety of Islamists, most bred in the tradition of *Al Ikhwan al Muslimeen* (the Muslim Brotherhood, MB) and most adhering to what they call

ALGERIA: WAITING FOR A BREAKTHROUGH

Islamists are manoeuvring to take centre stage in Algeria, where efforts to create a national protest movement have been stifled. Parliamentary elections will be held next year, reshuffles in the military-security establishment are expected and the politics of the elite are spiced up by the prospect of the 2014 presidential poll, when three-term President **Abdelaziz Bouteflika** is expected to stand aside amid much speculation about his health. Some legalised Islamist parties aspire to an electoral breakthrough if the 'moderate Islamist' trend holds up.

The latest incarnation of *Al Adala* (Justice), under the veteran Skikda-based leader Sheikh **Abdallah Djeballah**, is one of four parties expected to be approved once a new law for political parties is passed. **Bouguerra Soltani**, the leader of the smallest party in the ruling Presidential Alliance, the *Mouvement de la société pour la paix* (MSP), has been 'galvanised' by the Muslim Brotherhood's breakthrough elsewhere, meeting Tunisian **Ennahda's Rachid Ghannouchi** when he visited Algiers in November and celebrating the victory of **Abdelillah Benkirane's Parti de la justice et du développement** (PJD) in **Morocco**. Soltani may overstate his party's appeal. The bigger presidential parties, the *Front de libération nationale* (FLN) and Prime Minister **Ahmed Ouyahia's Rassemblement national démocratique** (RND), have more muscle in a political system where few believe major change is coming yet.

Social and economic disputes trigger daily protests across the country. **Saïd Sadi** of the *Rassemblement pour la culture et la démocratie* (RCD) and civil society activists tried to build up Arab Spring protests in Algiers in January-February but failed, bottled up by an ever-growing police force and widespread concern that Algeria should not risk again the political violence that left over 100,000 people dead in the 1990s (AC Vol 52 No 3). Bouteflika has offered reforms.

Political battles play out behind the scenes, notably between the FLN and RND, whose leaders are eyeing the main prize, Bouteflika's succession. The regime does not want to give much ground to Islamist parties which it cannot control and blocked efforts to form a party by former Premier Ahmed Benbitour, a respected economist from the Mزاب region, who suggested he could do business with former members of the banned *Front islamique du salut* (FIS). Several of Bouteflika's promised reforms have been bitterly debated in Parliament, including a controversial new law on political parties which the MSP claims has been neutered by FLN and RND apparatchiks.

The regime has again ruled out the return of former FIS leaders to active politics. Bouteflika made a rare foreign visit to **Qatar** in mid-November, officially for a gas exporters' meeting but also for talks with the Emir, Sheikh **Hamad bin Khalifa al Thani**, a big sponsor of Islamist influence. The presence in Qatar of the 80-year-old FIS founder **Abbasi Madani** causes jitters in Algiers; in mid-November, Foreign Minister **Mourad Medelci** publicly fell out with Qatari Prime Minister **Hamad bin Jassem bin Jabr al Thani** at an Arab League ministerial meeting. Sheikh Hamad, as fabulously rich in political connections as in money from Qatar's huge gas reserves, played a crucial role in Libya (where his protégés include the heavy-hitters **Ali Mohamed el Sallabi** and **Abdel Hakim Belhadj**, see Feature). Algeria is wary even of old friends such as Qatar and Bouteflika's new law on parties bans anyone deemed to have 'exploited' religion through founding a political party – such as the Emir's guest, Madani.

When **Ennahda's Ghannouchi** visited Algiers in November, Bouteflika organised a bridge-building state banquet. Yet neither 'Boutef' nor the wider military-security elite nor indeed the political class is ready for more than a stage-managed opening to the opposition. Weary of politics and violence, most Algerians seem prepared to wait. ●

a 'moderate' definition of that ideology.

King **Mohammed VI** has permitted a government led by the 'moderate Islamist' *Parti de la justice et du développement* (PJD, AC Vol 52 No 13) which, like the *Hizb Ennahda* (Renaissance Party) of Tunisia, also now in government, claims to admire Prime Minister **Recep Tayyip Erdogan's Adalet ve Kalkınma Partisi** (AKP, Justice and Development Party) in **Turkey**. The direction that **Egypt's** Freedom and Justice Islamist coalition, which has done extremely well in early polling, will take is anxiously awaited but should follow similar lines to their neighbours to the west (AC Vol 52 No 23).

The parties that did best in the first Arab Spring elections are rooted in the Egyptian MB which, although technically illegal, was long tolerated by ex-President **Mohamed Hosni Mubarak's** regime as a foil to more radical Islamist or socialist opposition. Forming governments is going to be unexplored terrain for the previously underground movements.

In **Tunisia**, the decisive winner in the 23 October elections for a 217-member National Constituent Assembly, which must draft a new constitution, was **Ennahda**. Its government is to be led not by its leader, Sheikh **Rachid Ghannouchi**, but by **Hamadi Jebali**, a former Editor of the party newspaper, who spent 15 years in gaol (including a decade in solitary confinement) from 1992. Originally inspired by Brotherhood hardliners, **Ennahda** has long claimed to have moved to the centre like Turkey's AKP.

Now, **Ennahda** has to govern and to deal with realities such as violent protests over jobs and resources in hotspots such as Gafsa and Kasserine, as well as maintain foreign confidence for the sake of the economy, not least in the crucial domain of tourism. To that end, the government is expected to keep on the interim administration's internationally respected Finance Minister, **Jalloul Ayed**, and *Banque centrale de Tunisie* Governor **Mustapha Kamel Nabli**, as well as Defence Minister **Abdelkrim Zbidi**. The governing coalition also includes respected former liberal opponents of ex-President **Zine el Abidine Ben Ali** such as the President-Designate **Moncef Marzouki** and the Assembly Speaker, *Ettakatol* Secretary General **Mustapha Ben Jafaar**. Whether they are window dressing or part of a genuine compromise remains to be seen.

Few were surprised when Egypt's Freedom and Justice Party (FJP), the electoral incarnation of the MB, took the lead in the first round of the three-stage parliamentary election process. The real shock, which surprised as many Tahrir Square inhabitants as foreign pundits, was that the ultraconservative Salafists polled 24% in the first round. The Salafist cause is promoted by **Saudi Arabian**

money and Wahabist preachers from the Gulf, although it has Egyptian intellectual origins. The ruling Supreme Council of the Armed Forces (SCAF) has lent it tacit support to balance the influence of the MB and liberals.

The complicated polling system, an amendment of the previous electoral law, has baffled Egyptians across the board. Two-thirds of the 508 members of parliament in the lower house are chosen according to list-based proportional representation. The remaining one-third of the assembly – called ‘independents’ – will consist of candidates not necessarily belonging to a party standing for election in a two-round system, with two candidates being elected by each constituency. In these constituencies, a candidate must poll over 50% to win outright, in which case the other MP will be chosen from a run-off between the two candidates who polled the second and third highest number of votes.

All voters must make three votes for their choice to be valid: one vote for the list and two, in order of preference, for candidates in the ‘independent’ set of 166 seats. In the latter seats, the two victorious candidates must be from the old Nasserist ‘worker/farmer’ or ‘professional’ categories (into which all candidates must place themselves), not both.

Irregularities have been reported but are not generally thought to have been systematic. **Tharwat Ahmed Helmy**, a judge supervising a polling station in Helwan, south of Cairo, filed a report to the High Electoral Commission accusing the Freedom and Justice Party of trying to bribe him. The FJP and *Wafd* have both been reported for attempting to buy votes. The results for the independents see the FJP leading (36.6%) followed by the Salafist party, *Al Nour* (24.4%), the Free Egyptian Party of **Naguib Sawiris** (13.4%), *Wafd* (7.1%), the centrist *Al Wasat* (4.3%) and the Revolution Continuing Coalition (3.5%). The final results will be released on 13 January after the last round of polling but analysts expect no big change in the balance among the parties.

Libya has not yet tested Islamist appeal at the ballot box but the predominant politicians are also of the MB stripe. Salafist fighters showed their mettle during the conflict to overthrow Colonel **Moammar el Gadaffi** but how electors will reward that is unknown; the conventional wisdom is that the jihadists will remain a minority. Arguably Libya’s most important Islamist political leader, Sheikh **Ali Mohamed el Sallabi**, cites *Ennahda*’s Ghannouchi as an influence and many Libyans say they are impressed by the AKP. No one, however, knows what political configuration will eventually replace the National Transitional Council (NTC).

With weapons abounding and regional quarrels festering, Libya is far behind Tunisia and Egypt in building credible electoral institutions. Some 150 militias operate in Tripoli alone and the larger Misurata and Zintan militias have national reputations. The latter has taken over security in the oil-producing Ghadames and Murzuq basins, and clashed with the Tripoli militia under the prominent Islamist fighter and Tripoli Military Council leader, **Abdel Hakim Belhadj**.

The Zintan Military Council, not the NTC, holds the late dictator’s senior surviving son, **Seif el Islam el Gadaffi**,

which may have helped the ZMC leader, **Osama el Juweili** to outflank his rival Belhadj to become the interim government’s Defence Minister.

Belhadj, a Muslim Brother strongly backed by **Qatar**, intimated that he had stepped back from government in order to consolidate; many potential power-brokers think it too early to show their hands. The Defence Ministry row pointed to political fissures: the Tripoli Military Council, for example, has a secular rival, the Tripoli Revolutionist Council, which lobbied against Belhadj getting any government job. ●

MOROCCO: THE KING’S OWN ISLAMISTS

Morocco’s *Parti de la justice et du développement* (PJD) formed the main opposition in the previous National Assembly and took 107 of its 395 seats in the 25 November elections, the biggest share ever won by a single party. King **Mohammed VI** invited its leader, **Abdelillah Benkirane**, to form a government. Next came the *Parti istiqlal* (Independence Party, PI) with 60 seats, then the *Rassemblement national des indépendants* (RNI) with 52 and the *Parti authenticité et modernité* (PAM) with 47. Following the usual slow horse-trading over a coalition, the PJD government will include the PI, some liberal Berber politicians and possibly the ex-communist-turned-liberal *Parti du progrès et du socialisme* (PPS), led by former Communications Minister **Mohammed Nabil Benabdallah**.

Benkirane is popular and will accept the King’s offer, despite speculation that another Islamist, such as PJD Secretary General **Saad Eddine el Othmani**, could become prime minister. The coalition will include the conservative PI, whose leader, **Abbas el Fassi**, under-performed as Premier in the previous government. Leading PI modernisers such as **Yasmina Badou** and **Adil Douiri** have rejected working with the PJD, suggesting that the next crop of *Istiqlal* ministers will include many more traditional politicians. Also involved in talks are the PPS and Berber politicians from the *Mouvance Populaire* (MP).

Benkirane’s government will face robust opposition in Parliament. The vote of the *Union socialiste des forces populaires*, the largest leftist party, has declined to only 39 seats but its militant core is still strong. The main ‘loyalist’ parties are the RNI, under outgoing Finance Minister **Salaheddine Mezouar**, and the PAM, created in 2008 by the King’s friend **Fouad Ali el Himma**. PAM has declined since ‘M6’ opened up the political arena (AC Vol 52 No 11). Himma has split with the PAM and returned to the Palace as a royal advisor – albeit a less powerful one than before, insiders told *Africa Confidential*.

Morocco’s ‘Arab Spring’ opposition is led by the *Mouvement du 20 février*, whose ideas attract many people. It is deeply split between the student/liberal elements who started their campaign on Facebook and the Islamists of the unrecognised *Al Adl wal Ihsane* (Justice and Charity) under Sheikh **Abdessalam Yassine**. Long the mainstay of resistance to royal rule, the AAI has lost support as the more conciliatory PJD gains it and the public has lost its illusions about political violence. AAI matters on campus but is no longer seen as a major challenge to the Palace. The PJD’s election win suited the King well, one political analyst told us: ‘Sufficient to put Islamists into government whom we can all do business with but in a very Moroccan coalition. Meanwhile AAI has been distanced from the action and 20 février is a mess.’ The King is determined to make space for politics but remains the ultimate arbiter.

As Benkirane opened his coalition talks, the mood of business as usual was underlined by the glitzy opening of the huge Morocco Mall shopping complex in Casablanca, which is expected to receive 15 million visitors per year and promoted by **Selwa Akhannouch**, wife of a Berber entrepreneur-turned-politician, **Aziz Akhannouch**. The building is fronted by an enormous *Galeries Lafayette* store, reflecting Morocco’s deep **French** links (a 1% fall in French gross domestic product is said to shave 0.2% off Moroccan growth) and its growing consumer class.

The PJD is not expected to overturn Morocco’s liberal economic policies and may have to accelerate them as it confronts a deepening budget deficit aggravated by wage rises and other costs of warding off the initial 20 février challenge. Yet its election win is a boost for the poorer lower-middle and working classes, whose conservative values will start to influence politics and social priorities. Casablanqan analysts believe that, with a majority of ministers from the inexperienced PJD and conservative PI factions, the government will be less ‘technocratic’ than its predecessors. Delivering the PJD’s promise of greater social justice will not be easy. ●

Economy faces royal crisis

Social unrest has been strong but not revolutionary. Could the cash shortage achieve what campaigners could not?

Swaziland is resorting to desperate measures to meet its public sector payments amid fiscal problems that the International Monetary Fund warns have reached a 'critical stage'. Africa's last absolute monarchy could find itself swept away by bankruptcy rather than revolution (AC Vol 52 No 8). 'Government revenue collections are insufficient to cover essential government expenditures, including the wage bill. More importantly, key social programmes, like the fight against HIV/AIDS, free primary education, the support for orphaned and vulnerable children, and elderly grants, are being negatively affected,' said the leader of the IMF delegation that visited Swaziland in November, **Joannes Mongardini**. Despite a population of just over one million, a quarter of whom are HIV-positive, the public sector wage bill is the second highest in sub-Saharan Africa, accounting for over half of government expenditure.

The IMF has long been telling the government to slash 7,000 public sector jobs and bring spending under control. In its latest statement, it welcomed the proposed supplementary budget cutting 556 million emalangenis (US\$66.27 mn., 2% of gross domestic product) of public spending. However, resistance to the proposals is so ferocious the government – and the monarchy – fear for their survival should they implement them.

The cuts would have serious consequences for public sector staff. Every employed Swazi has an estimated six others dependant on his or her wage. Unemployment stands at some 40%. The government is not paying its bills and has run up a deficit of E1.5 billion or 5.3% of GDP, squeezing an already weak private sector. Since the government can't get money from official lenders, it has gone to friends such as **Kuwait** and **Qatar**, into whose royal families King **Mswati III** married some of his daughters – but with no luck so far.

What had once been conventional trade union protest against public expenditure cuts has become rapidly politicised since the protests of March. Fearful of provoking further protests the authorities have kept the riot police in their barracks. Noisy picket lines have been almost permanent fixtures outside offices and factories ever since.

There is another option. Neighbouring **South Africa** offered the kingdom a 2.4 bn.

rand (\$290 mn.) loan. South Africa fears another influx of migrants and refugees: it experienced serious social tension after **Mozambicans** and **Zimbabweans** came in large numbers. The loan would come in four instalments and be guaranteed by Swaziland's Southern African Customs Union payments. The catch, however, is that Swaziland has to promise political reform and open a dialogue with civil society. Though the King publicly congratulated himself on the loan in August, South Africa has so far paid nothing because of Swaziland's failure to meet those conditions.

Then came Finance Minister **Majozi Sithole's** shock news. Having already announced that civil service salaries would not be paid, he declared that the emergency was over thanks to 'private loans' from undisclosed financial institutions. The shadowy nature of the loans alarms observers. Persistent but unconfirmed reports say the companies putting up the cash are close to the royal business empire and the King may even benefit financially from the emergency bailout. The alleged loan, thought to total around R1.4 bn., has been secured by the sale of shares in parastatals and by using other state assets, such as the state-owned SwaziBank as collateral, we hear.

A diaspora opposition movement, the Swaziland Solidarity Network, named one of the companies supposedly providing R1 bn. of the money as African Alliance, which runs financial and credit agencies in Swaziland, as well as operations in South Africa and **Nigeria**. AA's South African-based boss, **Tony da Costa**, has categorically denied providing the money but the company's Chief Executive Officer, **S'thofeni Ginindza**, is a close business associate of Mswati III and also former Chairman of the Board of the Swaziland Electricity Company, another parastatal named in connection with the bailout.

SELLING THE FAMILY SILVER

There are fears that if shares have been sold, this was at below market rates. 'This is unbelievably short-sighted. Once the money has been spent, they will have nothing left. They are effectively selling off the family silverware,' commented one observer. 'They are not dealing with the underlying issues but just sticking their head in the sand and making the problem much worse in the long run.'

Ginindza is also a personal shareholder in Swaziland Empowerment Limited, which holds 19% of mobile telephone operator Swazi MTN, in which Mswati III also holds shares. Prime Minister **Barnabas Sibusiso Dlamini** and others also have shares in SEL. In March, it recorded a 238% increase in profits thanks to a dividend of R58.9 mn. from MTN, which has a monopoly on mobile phone services in Swaziland.

The Cape Town-based asset management company Interneuron has also been named as providing the remaining R400,000 in return for parastatal shares. It has subsidiaries in Swaziland, **Congo-Kinshasa** and Zimbabwe, and other operations elsewhere in Africa, plus dedicated property arms and a hedge fund run out of the Bahamas. Its founder and portfolio manager, **Willi Jonker**, has said Interneuron was not commenting on any of the rumours and that it was company policy not to reveal details of its clients.

Amid the financial desperation, one aspect of Swazi life that sits increasingly uncomfortably with the public is the luxury which government members, royals and members of parliament enjoy while most people live in mud huts without running water or electricity. There is also anger about the millions lavished on 'vanity projects' such as the R500 mn. airport which, after six years, is still not finished and lacks a firm commercial rationale. Yet, wary of the unrest that more job cuts would cause, the government has decided to unleash the Swaziland Revenue Authority, which according to the IMF collects only around 25% of what it should, on tax evaders.

A new sales levy of 14% came into force on 1 December and, in addition to stopping as many drivers as possible, hoping to find people over the limit and fine them, and increasing tax on beer, officials are cracking down on those who buy cars in South Africa and don't pay local road duties.

As the government struggles to keep the country afloat, the King has retreated into ritual seclusion before the annual *Incwala* (Kingship) ceremony. He was last seen in public at the end of October and is expected to stay behind closed doors until January, taking part in prayers, cleansing and other rituals. International critics deplore that this also removes him from the political arena but Swazi traditionalists, even many in the trades unions, respect the ancient ceremony. Nevertheless, the country he emerges to face in the New Year may not be quite the one he left behind. South Africa is close to persuading Swaziland to accept democratic reform, mainly because it simply has no other options, *Africa Confidential* understands. ●

N'Dour wades in

Against all the odds, the opposition is failing to challenge Wade seriously but the popular singer could make a difference

The entrance of international pop star, media mogul and child of the Dakar slums **Yousouf N'Dour** on to the political stage has galvanised the race for the presidency and introduced a note of desperation into the campaign of a hitherto complacent President **Abdoulaye Wade**. Wade's prospects for victory in the 26 February presidential poll were good until N'Dour announced he was giving up music from 1 January to run his '*Fekkee ma ci boole*' ('I am witness, so I will react' in Wolof) campaign. The musician's intervention has had an equally dramatic effect on the opposition.

Wade has always been thought vulnerable to a unity candidate, especially in the second round, but opposition divisions have proved intractable. On 1 December, *Benno Siggil Senegaal* ('United to boost Senegal'), the opposition electoral alliance formed to fight Wade's *Parti démocratique sénégalais* (PDS) in the 2007 polls, elected a single candidate for next year's vote, **Moustapha Niasse**, leader of the *Alliance des forces de progrès*. **Ousmane Tanor Dieng**, leader of the poorly-regarded *Parti socialiste*, which ruled from Independence in 1960 to 2000, lost that vote but on the same day said he would run anyway, thus splitting the vote and offering a handsome gift to Wade.

In November, Wade had offered both Dieng and Niasse jobs in his government, not to bring them into coalition but to buy them off. However, he made no such offer to the younger candidates, **Macky Sall** and **Idrissa Seck**. Sall and Seck are former prime ministers and were heirs apparent before their fall from grace: Sall for challenging presidential son **Karim Wade** over the Organisation of the Islamic Conference fiasco in 2008 (AC Vol 52 No 14) and Seck after he was accused of stealing 17 billion CFA francs (US\$34.17 million) from the *Thiès* road project, which he denies. Neither man can escape controversy over other corruption scandals, any more than they can their past association with Wade. With a potential split in the vote, Benno is banking on the hope that the Constitutional Court will declare Wade's run for a third term illegal. A close ally of Wade, Sheikh **Tidiane Diakhaté**, heads the Court, making a ruling in his favour almost certain.

All eyes turned to N'Dour after he threw his hat into the ring on 27 November. Members of his circle told

Africa Confidential they don't believe he will stand in the presidential election but his options are open, as he has amassed the required CFA 5 mn. deposit and the 10,000 signatures needed for a nomination. While he keeps everyone guessing, his Dakar headquarters crawl with political campaign managers desperate to win his endorsement for their man. Many of a liberal disposition are hoping he will throw his weight behind a popular candidate such as **Ibrahima Fall**, a former United Nations Assistant Secretary General for Political Affairs (AC Vol 52 No 11).

All the candidates need endorsements. One highly influential and much wooed figure is the marabout Sheikh **Béthio Thioune** of the Mouride Brotherhood, whose backing would be hugely valuable. Seck is one who hopes for his support. Some enthusiastic electors believe that when Seck speaks he is, literally, 'channelling the words of God' and he misses no opportunity to play the religion card. However, he was damaged by local newspaper reports that when the 23 June riots were going on, he was in Paris negotiating for Karim Wade to join his ticket as vice-presidential candidate. Wade Senior could then stand down and a post-election anti-corruption witch-hunt would have been headed off at the pass. Seck also lost credibility for not speaking out about the summer power cuts.

BIGGER PROJECTS

The President is doing everything he can to clear 50% in the first round because of the danger of the opposition rallying around his second-round opponent. To that end, he is enthusiastically unveiling large infrastructure projects and plans even larger ones. After the embarrassing overspending on the attractive but unnecessary improvements to the *Corniche de l'Ouest* and the grandiose **North Korean**-built African Renaissance Monument, which cost the state over US\$20 mn., Wade was keen to get more useful projects open in time for the poll.

In November, he inaugurated the extension of Dakar port, a CFA 71 bn. project financed by Dubai port company DP World, and on 28 October, the first section of the Dakar-Diamniadio toll road. Wade also announced that work would start in February on the extension of the toll road to Mbour, 60 kilometres south

of Dakar, which would link the capital to its new international airport. This would bring the cost of the road to CFA163.2 bn. Saudi Binladin Group is building the airport for CFA230 bn. The wisdom of closing the current airport, at the end of the Dakar peninsula, has been widely questioned because of the depressing effect it would have on local business. Should he get a third mandate Wade also plans to build a new port, which he calls 'Africa's biggest on the Atlantic coast', with help from the **United Arab Emirates**.

If the June riots had not already undermined Wade's electability, the chronic power cuts could have been a serious threat. However, under Karim Wade's *Plan Takkal*, expensive short-term loans from banks have covered fuel supplies for the generating plant, ensuring 35 days' supply and an 80-megawatt power surplus, instead of a 64 MW deficit. Karim himself seems to have taken a vow of silence since one of the lords of *Françafrique*, **French** lawyer **Robert Bourgi**, told the world about his desperate telephone request for French military intervention during June's riots.

These were prompted by proposed changes to the constitution – then abandoned – which would have enabled President Wade to win in the first round without clearing the 50% hurdle. This dealt a massive blow to Karim's confidence and he has not been heard of since. Nevertheless, if he can allow the public to forget about him and continue to keep power cuts at bay, it will help his father's chances in the poll.

In spite of having the deck stacked in his favour, the President is not taking any chances. The Criminal Investigation Division of the police has been rounding up anyone speaking up too loudly against the 85-year-old incumbent. On 20 October, an opposition activist, **Malick Noël Seck**, received a two-year gaol sentence for making death threats to judges on the Constitutional Court. He had written a letter saying that the Senegalese people would 'hold them accountable' if they did not rule a third term for Wade unconstitutional. Wade banned all protests during October and the army has been turning out to every protest since.

Members of the powerful social movement '*Y'en a marre*' ('We've had enough!') have received threatening text messages calling them 'the walking dead' for encouraging young people to vote against Wade in the presidential election. On 25 July, one of the group, **Omar Touré**, known as '**Thiat**', was arrested and questioned by police after the popular rapper gave a speech to the thousands gathered at a peaceful opposition rally. He was soon released without charge. Even N'Dour, we hear, has been warned to get out of politics. ●

Return of the Chissanoistas

President Guebuza's bid to stay on looks dead, which could mean a Chissano comeback

After seven years of consolidating his position, **Armando Emílio Guebuza** now faces the failure of his bid to change the constitution to permit him a third term as president. Factions and figures within the governing *Frente de Libertação de Moçambique* are already manoeuvring for support, although Frelimo will not decide the succession formally until its congress in September 2012. The intensive process will delay any government decision-making and non-essential business until then.

Since he came to power in 2004 as an avowed hardliner, Guebuza has delivered on his commitment to restore Frelimo's historic hegemony. Party structures have been revitalised and Frelimo is in a stronger position than at any time since

the days of the one-party state, although internal debate has suffered. Guebuza has centralised power in his own and his loyalists' hands. Despite support from the party's lower and middle echelons, who have done well under Guebuza, he has not succeeded in imposing his will throughout the party. That's why his attempt to secure a third term foundered. Frelimo reluctantly agreed to look into this but the constitutional committee formed in 2010 includes few of his supporters. No changes can happen before the next election in 2014. Instead, Guebuza is attempting to maintain his influence by choosing his successor. No candidate has yet emerged. Ultimately, a compromise figure is likely.

Guebuza will wish to avoid the fate of his predecessor, **Joaquim Chissano**,

whom he outmanoeuvred to gain the party leadership, forcing Chissano to serve out his term until 2004 as a lame-duck President. Once in power, Guebuza purged Chissano-loyalists: they remain excluded from cabinet. Now, however, the 'Chissanoistas', Frelimo's moderates and technocrats, are well placed to make a comeback in the post-Guebuza era. They never lost their party jobs and are well represented on the Central Committee and Political Commission. A coalition of Chissanoistas and others pushed aside by Guebuza could form an influential block in the succession battle.

Several key people who went to work abroad during Guebuza's years may return to political life – ex-ministers **Tomaz Salomão** and **Hélder Muteia**, former Prime Minister **Pascoal Mocumbi** and possibly even Chissano himself or **Leonardo Simão**, the moderate former Foreign Minister, now Director of the Chissano Foundation.

Guebuza's faction may be less cohesive than most think because this disparate group of hardliners, as well as the protégés and young technocrats (who have no base in the party), depend on state patronage. Planning Minister **Aiuba Cuereneia**, advisor **Renato Matusse** and others, could rapidly lose influence. The party also houses a strong, rising current of resentment at the increasingly avaricious Guebuza faction, a group of 10-20 people and their families who are accelerating their accumulation of wealth in anticipation of losing power.

Once a key constituency of his coalition, the party's 'dinosaur faction', who revere the golden age of the one-party state, may be moving out of Guebuza's reach. Even though the hardliners got everything they wanted from him – at great expense to political pluralism and economic liberalism – they now believe they can regain control of the party for themselves, rather than as junior partners.

Graça Machel, widow of Founding President **Samora Machel** and Frelimo's 'Mother of the Nation', retains her own constituency. Despite her image as an honest broker above the fray, she and her faction remain part and parcel of 'Frelimo Inc.', with the former First Family involved in front companies and business deals with foreign investors to which they contribute little or no capital or management expertise (AC Vol 52 No 18).

Despite the excitement, anticipation and politicking in the leadership fight, fundamental change is unlikely. The baton may pass to a new generation, possibly from outside the south, which has provided all party leaders to date, but the party barons will almost certainly retain control and resist change. Renewal for Frelimo and Mozambique is unlikely before the succession contest, in 2017. ●

COMRADES AND COMPROMISERS

● **Eduardo Mulémbuê**: Parliament's former, long-serving Speaker, is a low-key, neutral figure with support across the *Frente de Libertação de Moçambique* (Frelimo) factions and a good compromise candidate. Moderate and tireless in party work, he has strong support; hardliners call his conciliatory approach weakness but it could attract those who think him controllable. From the north, he is not part of the 'liberation aristocracy'.

● **Luísa Dias Diogo**: a political heavyweight sidelined by **Armando Guebuza** after serving as his first Prime Minister, she can count on considerable support in the party. Once a World Bank official and then President **Joaquim Chissano**'s Finance Minister who oversaw successful market reform in the 1990s, she is a technocrat and Frelimo's presentable face abroad. Hailing from the centre – Tete Province – and relatively young (53), she would give the appearance of renewal. Negatives include the hostility of the Guebuza faction and the fact that her husband, **António Albano Silva**, a lawyer who has represented controversial clients in high-profile cases, is of white Portuguese descent.

● **Alberto Chipande**: lionised as the man who fired the first shot in the Independence war, he personifies Frelimo's 'dinosaurs' and is one of its most powerful members. He held various positions in post-Independence governments but Chissano shelved him when multiparty democracy arrived in the early 1990s, along with other worthies revered in the party but reviled by the public. Guebuza brought him back and at 72, he is the old-guard's unlikely candidate and holds unreconstructed views from the revolutionary era. His candidature reveals the old-guard's boundless self-belief and sense of entitlement.

● **Manuel Tomé**: Frelimo's former Assembly leader and Secretary General 1997-2002, he rose through the ranks after the war. He could be a compromise candidate if the main factions cannot succeed with their own nominees.

● **José Pacheco**: a Guebuza protégé, he is well-regarded, representing Frelimo's younger, modernising side. Once a government rising star, he was damaged by stints as Interior Minister (September 2010's Maputo riots, AC Vol 52 No 1) and now Agriculture Minister, both graveyard portfolios. Although a Guebuzista, he could win support as a technocrat bringing renewal and competence, acceptable to the Chissano and **Machel** factions. Lacking heft in the party, he could be useful to those opposing a strong presidency.

● **Tomaz Salomão**: a liberal manager credited with the post-war economic miracle as Chissano's Finance Minister during the 1990s, he ultimately earned the old-guard's ire for reforms that reduced the public sector and their opportunities for wealth-accumulation. Guebuza did not favour him but he may make a political comeback; having rebuilt relations with party factions, he could appeal as a consensus candidate. He was Secretary General of the Southern African Development Community. ●

Donors challenge Bingu

Aid providers wring some concessions from an increasingly arbitrary president

President Bingu wa Mutharika has stood up to his opponents in civil society and shows no sign of meeting their demands or of loosening his grip on power. However, faced with the imminent reality of extreme economic austerity, he has made concessions to donors and hopes to restore the foreign funds that normally support 40% of the annual budget.

Outside Parliament, the non-party opposition had seemed to be gaining ground and the President pledged to engage in dialogue after the civil society protests on 17 September. Nothing followed, however, and civil society organisations found themselves unable to mobilise strong opposition. Intimidation followed and the homes of some civil society leaders and church people were firebombed. It looked as though the President had everyone under his thumb. His confidence was such that following the Commonwealth Heads of Government Meeting in **Australia** at the end of October, he disappeared on holiday without saying where he was going. He went shopping in Hong Kong, it later emerged.

Mutharika may well feel politically secure, with the opposition unable to

achieve critical mass in their protests but donors are harder to ignore, given the austerity of this year's 'zero-deficit' budget and the massive increases in taxation that are soon to bite. Foreign exchange shortages are already causing mass layoffs in industry and if the President cannot bring in major financing, the opposition may receive the necessary boost that has eluded it so far.

DONORS AND THEIR GRIEVANCES

Foreign donors and multilateral lenders in the Common Approach to Budgetary Support (CABS) group, which the World Bank chairs, met in October and reported on 7 December that they still wanted their long-standing concerns about governance and economic issues dealt with (AC Vol 52 No 13), in addition to 'non-economic' issues, i.e. human rights. The group comprises visitors as well as permanent, resident representatives of the African Development Bank, the European Union, **Germany, Norway**, and **Britain's** Department for International Development. The International Monetary Fund and the United Nations Development Programme sit as observers.

In particular, they want changes that can enable the currently suspended IMF Extended Credit Facility to resume. They are taking things in stages, however. Once the ECF is back, the CABS will only then consider restoring the funds they have withdrawn.

On 9 December, the President showed signs of acceding to donor concern by sending a number of laws to the Malawi Law Commission for review and possible repeal. They include the notorious laws against homosexual acts, Section 46 of the Penal Code that enables the banning of newspapers by the information minister, the ban on civil law suits against the government and provisions in the Penal Code that allow police to make arrests without giving reasons.

The reopening of Chancellor College and the reinstatement of four lecturers (AC Vol 52 No 8) in late October, together with the announcement of an inquiry into the 20 July killing of demonstrators, comprised earlier efforts to assuage donor concerns. It looks as though they were not enough to satisfy the donors, since the referral of the laws to the Law Commission followed six weeks later.

Finance Minister **Ken Lipenga** made conciliatory noises in response to the CABS report but the President, himself a former World Bank economist and Finance Minister, is the only authority on national economic policy that matters and he has announced no change in economic policy. Lipenga said it was possible a revision of the budget could take place in January 2012 but he made no commitment. ●

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South Africa

HIGH UNIT COSTS

■ The police Special Investigations Unit, which will gather evidence for President **Jacob Zuma's** new board of inquiry into the 1999 multibillion-rand arms deal, may now produce results more pleasing to the President after a change at the top. Senior African National Congress officials, we hear, offered unrestricted testimony from party members on the details of the deal to the Unit's head, **Willie Hofmeyr**, in return for amnesty. He refused and **Willem Heath** has now replaced him. Heath is the lawyer who advised Zuma on how to win the dismissal of corruption and rape charges against him. Zuma set up the new inquiry, over which he has control, rather than face the possibility of a Judicial Commission, over which he would have had none.

Zuma has filled several posts with loyalists as he attempts to win re-election at next year's Bloemfontein conference for the ANC nomination as presidential candidate (AC Vol 52 No 24). His ANC critics expect the inquiry to turn into a witch-hunt to eliminate his rivals. Zuma's friends perceive Hofmeyr as supportive of the main rival candidate, Deputy President **Galema Motlanthe**.

On 30 November, Zuma suffered a defeat. The Supreme Court of Appeal ruled that his appointment of **Menzi Simelane** as head of the National Prosecuting Authority was unconstitutional, after a legal challenge by the opposition Democratic Alliance. But such bad news for Zuma may well become rarer now that Parliament has passed the Protection of State Information Bill, which penalises the distribution of information classified as in the 'national interest', making it risky for the media to report government wrongdoing or corruption.

Mozambique

SMALL COUP IN QUELIMANE

■ The victory of the *Movimento Democrático de Moçambique* in the mayoral by-election in Quelimane on 7 December was a humiliating – and unnecessary – defeat for the ruling *Frente de Libertação de Moçambique*. It also confirmed the widespread belief that the MDM is set to replace the moribund *Resistência Nacional de Moçambique* (Renamo) as the main opposition party. Another loser was President **Armando Guebuza's** reputation within Frelimo: it was his demand that Frelimo mayors in five towns stand down after irregularities were found that gave the opposition this opportunity (AC Vol 52 No 19).

Guebuza seemed to believe that Frelimo would sweep the board, before it

woke up to find a real fight on its hands in all three northern cities. Quelimane's MDM candidate, **Manuel de Araújo**, a former employee of Amnesty International in London, mounted an effective campaign, appealing to the youth vote through a savvy social media effort and channelling popular frustration with Frelimo. He won 62% of the vote. Frelimo held on in the Cuamba and Pemba by-elections (claiming 64% and 89% respectively), where MDM candidates were less prominent and less well prepared. This enabled Frelimo to block the opposition candidates.

Frelimo attempted to strangle the infant MDM before the 2008 general elections, using procedural obstructions to disqualify it from 80% of constituencies. In Quelimane, the MDM deployed every opportunity for electoral scrutiny, restricting Frelimo's opportunities for interference. The Cuamba battle was marred by Frelimo's use of racially charged rhetoric against the MDM's **Maria Moreno** (formerly of Renamo) – who is of mixed race – when opinion polls pointed to Frelimo losing. The MDM is now building momentum for the national polls in 2014.

Somalia

EXPLORE SOMALILAND

■ Somaliland has launched an aggressive effort to attract oil companies. At the *African Oil Week* conference in Cape Town last month, the Minister of Mining, Energy and Water Resources, **Hussein Abdi Dualeh**, wooed foreign oil and mining investors who, the government hopes, will not only develop Somaliland's mineral wealth but also improve the prospects of international recognition. The offensive will continue at the African Mineral Indaba, also in South Africa, in February.

Dualeh says that since Somaliland declared independence in 1991, every government has attempted to bring back **United States'** oil majors Conoco Phillips and Chevron, who abandoned exploration, claiming *force majeure*, during the Somali civil war. For 20 years, they have refused all entreaties to return but Dualeh is hopeful about other, smaller concerns. Those currently trying to develop oil assets in the territory are **British-based** Asante Oil, Prime Resources and Ophir Energy, now the only holders of exploration permits. **Ireland's** Africa-focused Tullow Oil met Dualeh in November and the oil distributor Hass Petroleum is involved in a lucrative contract to develop liquefied natural gas facilities at Berbera port.

This month, Hargeisa granted Ophir a licence to explore for oil and it has already started work. Asante has begun exploring blocks 10 and 13 and is trying to spread the cost of seismic survey by bringing other companies on board. Funding from foreign companies would also enable Somaliland to diversify its income sources; about half

of its gross domestic product comes from remittances from abroad, says Planning Minister **Saad Ali Shire**.

Ethiopia

CRITICS STILL NOT WELCOME

■ The Addis Ababa newspaper *Awramba Times* has all but closed following the late November flight abroad of Deputy Editor **Wubishet Taye**. It is the latest manifestation of Prime Minister **Meles Zenawi's** well-known distaste for dissent, which appears to be growing amid fear of Arab Spring-style unrest and sensitivity over the regional impact of the colossal Grand Millennium Dam (now called the Renaissance Dam) project, which the local media has criticised.

Wubishet had reached an arrangement with prosecutors under which he would go free if he pleaded guilty to 'terrorism'. This is an apparently common plea bargain which the government makes with journalists to keep them in line, according to **Mohamed Keita** of the Committee to Protect Journalists (CPJ). Wubishet learned, however, that the government claimed he had broken his side of the bargain and was about to arrest him.

In 2009, the newspaper *Addis Neger* closed after its editorial team fled abroad after threats. The government has frequently taken issue with local journalists, claiming that it is their duty to engage in 'developmental journalism' in support of national goals, instead of independent reporting. The government is putting more pressure on the Amharic-language press than the English, the CPJ says, because the latter is read only by foreigners and the elite. Meles is also relying on the latest technology to monitor the internet – and in spite of a poor national telecommunications infrastructure, is believed to have some of the most sophisticated keyword-filtering software in Africa. In 2010, it admitted jamming the official **United States** radio station, Voice of America.

Swedish journalists **Johan Persson** and **Martin Schibbye** remain in detention after being arrested in July near the Somali border. They were with fighters from the (Ethiopian Somali) Ogaden National Liberation Front and were investigating claims of maltreatment of Somalis by Ethiopian police.

Addis Ababa's ruling Ethiopian People's Revolutionary Democratic Front may not wish to remind the public that in the long struggle against Colonel **Mengistu Haile Mariam**, Meles's Tigray People's Liberation Front and **Issayas Afeworki's** Eritrean People's Liberation Front depended on enthusiastic foreign journalists to spread the word and help to attract the military and financial support abroad which in turn helped the fronts to overthrow the Derg in 1991.