

# AFRICA CONFIDENTIAL

## NIGERIA II

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## NIGERIA

### It's the economy

Fearing that economic problems will jeopardise the transition to civil rule, Nigerian officials and their Western counterparts are discussing a rescue package which includes debt relief and new money. It seems the price of Western support for this is that Abuja agree to sell some of its equity in its joint ventures with the multinational oil companies.

## ERITREA-ETHIOPIA 3

### Pride and prejudice

On 6 February Ethiopia launched the first of several attacks to test how deeply the Eritrean forces were dug in along the disputed border areas which they had taken over in May-June. Both sides have deployed over 200,000 troops making this potentially one of the world's biggest conflicts. But the main issue in dispute is still a relatively narrow one of border demarcation.

## LIBERIA

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### Taylorland under siege

All the warlords who battled with Charles Taylor dragging out the civil war for seven bloody years have now left the country. Many of Taylor's civilian opponents are following suit. Yet the lack of opposition to Taylor hasn't brought either the hoped for post-war economic recovery or even peace and security.

## POINTERS

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### Djibouti, Swaziland, Britain/South Africa and Benin

Gouled's successor; new prime minister; spinning south; and jet set.

## The General's election

### Twenty years after he left power, Gen. Obasanjo looks set to return, this time with an electoral mandate

General **Olusegun Obasanjo**, Nigeria's first military officer to hand power to an elected government, looks set - 20 years later - to become the first officer to win a presidential election. Having won the nomination for the People's Democratic Party, which received the most votes in the local government and state elections, he has been further helped by disarray in the two rival parties, the Alliance for Democracy and the All People's Party, which have been trying to agree on a common anti-Obasanjo presidential ticket.

Seen by outsiders as the cleanest candidate (he was the Nigerian Chairman of the anti-corruption lobby Transparency International), Obasanjo had to negotiate his way through the country's money politics with as much grace as possible as well as convince his sceptical Yoruba kinsmen from the south-west that, once in office, he would be his own man and not a cipher for military or northern interests.

On the face of it, the PDP convention, meeting on 13-15 February to nominate its flag-bearer, was much more about money than policy. From the leaders of the state delegations to the street drummers, everyone had their price. The enthusiastic bands of supporters 'spontaneously' singing and chanting for one of the seven candidates cost 500 naira (US\$ 5.50) per person per day, while the more influential delegates could expect to earn N150,000-200,000 for their votes. Those contracted to chant the praises of defeated candidate **Alex Ekwueme** threatened that unless they received their wages immediately, they would join Obasanjo's supporters by dawn.

### Atiku the star

Money alone wasn't enough. As each candidate was willing to pay and the vote was secret, the 2,469 delegates could collect their payments from all sides and vote for whomever they wished. Indeed, the key players at the convention were the state governors-elect, who turned the convention firmly in Obasanjo's favour. The undisputed star of the show was Alhaji **Abubakar Atiku**, Governor-elect of Adamawa State and protégé of the late **Shehu Musa Yar'Adua**, from the far northern state capital of Katsina. The Yar'Adua political machine, which has long championed Obasanjo's cause, again proved itself the most formidable force in modern Nigerian politics.

What this machine lacks in money, it makes up for in organisational ability and social networks. Its importance to Obasanjo is also historical. While Yar'Adua was seen as part of the cabal which favoured **Shehu Shagari**'s National Party of Nigeria in the 1979 polls, his group broke with the NPN in 1983 and backed Yoruba leader **Obafemi Awolowo** (who died in 1987). This was part of Yar'Adua's plan to modernise politics, bringing together southern and northern interest groups on a social democratic platform, and to marginalise some of the traditional centres of elite politics. Both Gen. **Ibrahim Babangida** and Gen. **Sani Abacha** saw Yar'Adua's plans as threatening. Yar'Adua was gaoled under Abacha and appears to have been given a lethal injection prior to his death, ostensibly of a heart attack, in December 1997 (AC Vol 38 No 25).

Atiku and the 19 PDP governors-elect swayed the vote with promises of appointments and threats to withhold them if the correct vote was not registered. The slick street politics and biting newspaper advertisements of former Vice-President Ekwueme, who served in Shagari's NPN government, finished a distant second, with 21 per cent of the vote compared to Obasanjo's 67 per cent. Ekwueme's campaign was slicker and its acerbic press adverts won support but not from those with the convention votes. He packed the stands with non-voting supporters - one group of women dancing and singing his praises had been accredited as diplomats. Just before the vote, he did a lap of honour in front of the delegates, in violation of convention rules, and was met with a wall of silence.

Ekwueme's defeat is also bad news for the political careers of many of his former NPN associates, such as Shagari and former presidential contender **Adamu Ciroma**. They were comprehensively outpointed by the coalition of the Yar'Adua machine and a clique of former generals from the north

and Middle Belt, including Babangida, former Director of Military Intelligence **Aliyu Mohammed Gusau** and Lieutenant Gen. **Theophilus Danjuma**. The latter said he would flee the country unless Obasanjo was elected President on 27 February.

There is little chance that Danjuma will have to pack his bags. Obasanjo's opponents in the (mainly Yoruba) Alliance for Democracy and the fractious All People's Party have shown their anti-PDP marriage to be on the verge of breaking up. The APP conference, run simultaneously with that of the PDP, degenerated into farce. The run-up to the convention turned into a shambles when a faction led by party Chairman **Mahmud Waziri** and another headed by the party's chief financier, **Olusola Saraki**, the former Senate majority leader under Shagari, sacked each other.

At issue was the proposed APP alliance with the AD. Waziri, in league with northern political grandee **Umaru Shinkafi**, argued that the alliance would provide the APP with a legitimate candidate from the south, preferably Yorubaland. Saraki, a wealthy Yoruba from Kwara State (in the northern part of Yorubaland, which was conquered by the Sokoto Caliphate in the 19th century) wanted the nomination himself. This bitter struggle culminated in Waziri producing a bank draft of N30 million which he claimed Saraki had given him as a bribe.

## PC power

Since the demise of millionaire Yoruba businessman Chief **Moshood Abiola**, who won the annulled 1993 election and died in detention last July, it has been politically correct in Nigeria to advocate a 'power shift' to the south. And it's better still for a party's presidential candidate to be a Yoruba. This counted against Ekwueme, an Igbo (Ibo). Another Igbo, former Abia State Governor **Ogbonnaya Onu**, actually won the APP nomination by vote of the party's national executive amid riotous scenes at the national convention in Kaduna. That same executive dumped him on the following day (16 February), working out a backroom deal with the AD leadership to name its nominee, **Olu Falae**, as joint candidate of the two parties. Shinkafi, a former intelligence chief and member of the Sokoto royal family, has been named as his running mate.

Under the deal, the much larger APP would get some 70 per cent of ministerial appointments to 30 per cent for the AD, of which the ethnic base limits its influence to the south-west. It is doubtful that the alliance will last, as AD members robustly opposed the late dictator Abacha and significant APP leaders, such as Saraki and **Emmanuel Iwanyanwu**, supported him - so earning the APP the nickname 'Abacha People's Party'.

The key battlegrounds are in the east and north. Many Ekwueme-supporters have vowed to oppose Obasanjo on the grounds that he is a former general, though cynics say it's because he's not an Igbo. What effect they might have on the final tally is questionable, though, given their rout at the PDP convention, where despite the money changing hands beforehand, the voting process itself seemed free and fair.

In the north, Nigeria's traditional seat of power, it will be a straight fight between Shinkafi's Sokoto allies and the former northern generals who have ruled Nigeria for most of its 30-year independence. Behind Obasanjo sits a formidable alliance of elements of the old Kaduna mafia, the more powerful and youthful Minna mafia, led by Babangida and including the current head of state, Gen. **Abdulsalami Abubakar**, and even northern progressives, such as the former Kaduna Governor **Balarabe Musa** and **Abubakar Rimi** from Kano.

While most south-western electors should fall in line behind the

technocratic Falae, they will do so without the same passion they would have displayed for the more strident and charismatic **Bola Ige**. Falae is also vulnerable because he served in the Babangida regime as Finance Minister at the time of the universally hated structural adjustment programme. In recent weeks, Obasanjo has spent much time trying to convince his fellow south-westerners that his national coalition could still do things that they want, such as hold a national conference to produce a more decentralised constitution and embark on a wide-ranging restructuring of the military.

Obasanjo also has problems among the ethnic minorities of the oil rich 'south-south', particularly in the troubled Niger Delta area, who resented his inclusion of the Land Use Decree in the 1979 constitution. This effectively handed ownership of their land to the federal government. But Obasanjo increasingly looks a winner and the ethnic minorities, especially the Ijaws, might feel they can pursue their case for a greater share of the oil wealth by voting for the likely victor. It is a sentiment which favoured Obasanjo at the party convention and it is likely to do so again at the presidential election.

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## NIGERIA II

# It's the economy

## Amid the campaign razzamatuzz, politicians are ignoring the looming economic disaster

In the party conventions and in the lobbies of Abuja's smart hotels, the talk is of who should be the new civilian president - and of how to win through in the marketplace to which politics has reverted. As gifts and favours are solicited and received, few speak of the parlous inheritance a new government can expect in May. Yet the enlightened within General **Abdulsalami Abubakar**'s government, and those abroad who care, fear that Nigeria faces economic collapse, which could make the trumpeted return to civil rule a brief one.

At talks in Abuja in January with the International Monetary Fund's Senior Africa Advisor, **Hiroyuki Hino**, the Finance Minister, Mallam **Ismaila Usman**, acknowledged that the economy stood no chance of matching the President's forecast, in his budget speech for 1999, of 3 per cent growth this year. With oil prices at record lows, there will be a recession and a balance of payments crisis, undermining the new civilian government.

Things may prove worse than either the IMF or Nigerian officials have admitted. The forecast of an economy shrinking by 1.6 per cent in 1999, with the oil sector contracting by 10 per cent and a financial deficit of US\$1.3 billion, looks optimistic. One crucial assumption is that the world oil price will average, over the year, US\$11 a barrel. That was the top price in January, when the market seemed relatively strong. Most analysts expect a decline, after a mild winter in Europe and North America and with the world economy shaken by collapses in East Asia, **Russia** and **Brazil**.

A pre-budget paper by the influential Programme Implementation Committee (Pimco), which answers directly to Gen. Abubakar, speaks of a \$10 oil price as a 'worst case' scenario, while a price of \$8 would prove 'a disaster', prompting runaway inflation, massive devaluation of the naira, huge capital flight, loss of confidence in the economy and 'possible political instability.'

Even a price of \$11/b will almost eliminate the trade surplus in

1999, leading to a current-account deficit of \$4.4 bn. and an external financing requirement of \$3.9 bn. Abuja says that it hopes to close the gap by spending \$1.3 bn. in reserves and negotiating a new \$20 bn. debt initiative with creditors, wiping out arrears and releasing over \$1 bn. of new money. This would still leave the government more than \$1 bn. short and spending targets may already have been overrun by the unexpected cost of sending troops to **Sierra Leone** in January. Moreover, there are doubts whether an incoming civilian administration could maintain even the present degree of fiscal restraint. Pressures will hardly ease in 2000, even if oil prices and output recover, as state and local governments will demand a larger share of the federal government's income.

### Lost forex privilege

Gen. Abubakar has started reforming the economy but gradually. In January, the dual exchange rate, which allowed favoured government departments and individuals (including generals) access to foreign currency at less than a quarter of the market rate, was abolished. Efforts to reduce liquidity have, for now, proved successful. Privatisation of at least some parastatal companies is promised. A host of top merchant banks have been tipped to advise the government, with **Crédit Suisse** First Boston linked to the sale of the National Electrical Power Authority (NEPA), **Salomon Brothers** to that of Nigeria Telecommunications (Nitel) and **Nomura Securities** to the National Fertiliser Company of Nigeria (Nafcon). Yet the process has been delayed by a political battle for control between **Hamza Zayyad**, the Chairman of the Bureau for Public Enterprises (which was set up under Gen. **Ibrahim Babangida**'s regime) and the Chief of General Staff, Vice-Admiral **Mike Akhigbe**. Banks are, moreover, insisting on payment up front, rather than from the proceeds of privatisation, expected to be only \$95 mn. in 1999.

Nigeria is looking for large concessional loans. The rules of the Paris Club of official lenders are that governments become eligible for debt relief only after agreeing an IMF Enhanced Structural Adjustment Facility and a World Bank Medium Term Economic Strategy. That would normally take several months, leaving a new government in desperate straits, vulnerable to the temptations of the interventionist, economic autarchy policies preached by those in the camp of the Chairman of the National Economic Intelligence Committee, Professor **Sam Aluko**.

Abubakar has already agreed to a staff-monitored programme, which is expected to be approved by the IMF Executive Board at the end of February. In it, the government promises to restrict spending and limit dipping into foreign exchange reserves to solve financing difficulties. In return, it hopes for IMF money before June. Such a move, with the Fund bending some of its own rules, is unlikely to generate more than \$300 million this year.

**Britain** believes a quick package can be put together by mobilising resources from the G-7 group of the richest nations - although there is no question of a rescue package on the scale of those arranged for **Indonesia** and **Russia**. Since Britain is by some distance Nigeria's biggest official creditor, other rich countries may see this as opportunism. Other G-7 members, including **Germany** and **Japan**, are less enthusiastic, arguing that Abuja's plans to spend some \$580 mn. on 'priority projects' such as the notoriously inefficient and incomplete Ajaokuta steel complex, raise questions about the real commitment to reform, as do the 290,000 barrels of oil allocated every day to domestic refineries which have been out of action for most of the past year.

Nigeria: balance of payments					
Figures in \$bn	1995	1996	1997	1998 (estimate)	1999 (projection)
Exports	11.7	16.1	15.2	9.7	7.9
of which: oil	11.4	15.8	14.9	9.3	7.3
Imports	8.2	8.2	9.3	9.8	9.4
Current account balance	-0.9	4.0	1.9	-3.1	-4.4
Financing requirement	2.3	0.8	0.2	3.1	3.9

  

Nigeria: gross domestic product					
	1995	1996	1997	1998 (estimate)	1999 (projection)
Real GDP (% change)	2.5	4.3	3.6	2.3	-1.6
Oil GDP (% change)	2.5	6.9	4.4	-0.4	-10.1
Price of Nigerian oil (US\$ per barrel)	17.2	20.8	19.8	12.8	11.0

Sources: International Monetary Fund, Nigerian authorities

British finance minister **Gordon Brown** hinted at a rescue initiative in a speech to the World Economic Forum in Davos, **Switzerland**, in early February. UK Foreign Secretary **Robin Cook** has been trying to cut short his proposed trip to Nigeria in early March, since real business is more likely to be talked when, shortly thereafter, the Treasury Permanent Under-Secretary, **Nigel Wicks**, visits Abuja. Talks will continue at the end of February, when the Nigerian Finance Minister, with Planning Minister **Rasheed Gbadosi** and other senior officials, is due in London at a conference organised by the UK Department of Trade and Industry. London says it might persuade its G-7 partners to back debt relief in 1999 and new funds in 2000, if the new Nigerian government keeps up the pace of reform.

UK officials want a quick sale of at least part of Nigeria's stake in oil joint ventures with Western partners. Discussions began some months ago; early proposals included cutting the government's 57 per cent equity to 37 per cent. Political realism has brought that down to the sale of a more modest 6 per cent stake, leaving Abuja with a majority interest while generating \$2-\$3 bn. (according to a complex oil price-based formula under negotiation with Western oil companies). We hear that Banker's Trust, of the **United States**, is advising the government.

However, Nigeria's arrears (for its share of production costs) to the oil companies were running at some \$1.6 bn. at the end of January. Thus most oil companies in joint ventures with government will try to swap those arrears for increased equity and so hand over a much smaller sum. In turn, Abuja is looking to cut a deal with those oil companies (such as **British Petroleum/Amoco** and maybe **Total**) to which it doesn't owe vast arrears. This, for example, would allow **BP/Amoco** to buy equity as a third party in Nigeria's joint ventures with **Shell** or **Mobil**, which would avoid receipts from the sale being cancelled out by arrears. That still leaves the matter of how the government will fund this year's cash calls to the joint venture companies, budgeted at \$2 bn. (the companies wanted \$3.7 bn.) though many in Abuja believe the oil majors have overestimated their budgets for years.

The staff-monitored programme agreement now before the IMF Board makes only modest demands, including government commitments to limited privatisation, some concessions on transparency in oil and foreign-exchange transactions, and tight fiscal discipline (AC Vol 40 No 3). Privately, officials in Washington say the short-term financing gap can be bridged only by selling oil

equity, making the G-7 more likely to offer substantial help, including debt relief and new credit. They look forward to the medium-term prospects, with higher oil prices, new deep-water developments and the start of liquefied natural gas exports. Yet the Washington experts are gloomy about 2000, with sluggish growth, huge balance of payments problems and financial pressures on the central government from individual states.

If the new government proves strong enough to persist with reform, thereby qualifying for G-7 support until the economy turns the corner, Nigeria could avoid the disaster which appears to loom. Worryingly, though, at this year's political rallies there has been almost no realistic debate about the country's dangerous economic state or about possible remedies. Meanwhile, some of the senior army officers sitting on the sidelines have been nodding to each other, knowingly.

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## **ERITREA/ETHIOPIA**

# **Pride and prejudice**

### **Both sides seem to be keen to fight to the death in one of the least explicable wars**

On 6 February, Ethiopia launched the first of several attacks to test how deeply Eritrean forces were dug in along the disputed border areas which they had taken over in May-June. Fighting at first focussed on a ridge commanding the Baduma plains near Badme and around Eritrean defences at Gaza Gerehlase. Ethiopian troops overran part of those defences on 7 February but were forced out again, having made surprisingly limited use of their helicopter gunships and MiG-23 fighter aircraft. Eritrean commanders later claimed that they had lured the Ethiopians into an ambush by a feigned retreat. Ethiopia took journalists to the front on 15 February in an unconvincing effort to prove it had taken and held Gaza Gerehlase.

Ethiopia's second attack, on 8 February on the Tserona front, was apparently intended to cut off the Eritrean troops holding Zalemessa, which they had occupied since May (AC Vol 39 No 21). Again, Ethiopia made surprisingly little use of airpower and little headway. On 14 February, Ethiopia launched a third attack on the Assab front in the east, with a heavy artillery bombardment. Eritrea shot down an Mi-24 helicopter gunship; Ethiopia claimed it had first knocked out two Eritrean tanks. The armoured units on this front include Ethiopia's tenth mechanised division with at least 100 tanks. Eritrea claims Ethiopia intends to take back the now empty port of Assab, which is hardly a practical proposition. Ethiopia has, though, built up significant defences in the area and, according to local sources, laid vast numbers of mines. Both sides are bidding for support from the local Afars.

With Eritrea still insisting on 'reserving its position' on the international mediation process, the timing of the recent attacks was also dictated by Ethiopia completing its build-up last month. There had been several weeks of shelling by both sides, each blaming the other. Ethiopia also claimed Eritrea bombed Adigrat on 5 February, though it refused to allow diplomats to take a look. Eritrea said there was no attack and we understand that no aircraft took off from Asmara that morning. Most of the airforce has been dispersed, though, to the air base on Grand Dahlak island and the upgraded airstrip at Sawa, western Eritrea, to guard against a pre-emptive strike.

Ethiopia tried, not very convincingly, to use the alleged Adigrat bombing to justify its own abrogation of the air moratorium imposed on the unwilling parties last June, under pressure from **United States'** President **Bill Clinton** (AC Vol 40 No 1). Both sides made caveats on security and Ethiopia excepted the border area where the recent operations have occurred; two Ethiopian Antonov raids behind the lines killed civilians.

Ethiopia's new Sukhoi 27 fighters, like Eritrea's recently acquired MiG-29s, have not been in action. Neither country has pilots trained for these planes; training and maintenance is handled by pilots and technicians hired from Eastern Europe. It's unclear whether their contracts include combat duty but we hear two Ethiopian Sukhois flew over the border, presumably using their advanced avionic equipment to detect if radar locked on to them. Shortly afterwards, on 7 February, Eritrea's radar station at Adi Quala, a central part of its air defence system, was destroyed, probably by rockets from a helicopter.

The arrival of the MiG-29s and Su-27s worries **France**, which is responsible for **Djibouti's** air defence. It has sent the 3,900-tonne frigate *Jean Bart* to lie off Djibouti, equipped with medium-range (50-kilometre) surface-to-air Tartar missiles and long-range radar. The vessel reinforces France's aging Mirage F-1 fighter-bombers based in Djibouti, which match the old MiG-21s and 23s used by Eritrea and Ethiopia but not the newer 29s and Su-27s.

Despite the rhetoric, there has been surprisingly little fighting, considering that both sides have deployed over two hundred thousand men, making this potentially one of the globe's biggest conflicts. Ethiopia has not yet noticeably exploited its air and armoured superiority; none of its main battle tanks have been used, even on the Assab front, which is ideal for armoured operations. Once the recent clashes have been studied, bigger attacks are expected. Ethiopia might make further probing attacks at Humera, in the west on the **Sudanese** border, and at Rama, on the road to Adi Quala, between Badme and Tserona.

### **Sudan's opposition under pressure**

Since Eritrea has had several months to establish defences in depth, Ethiopian commanders expected and suffered heavy casualties. Eritrean claims of several thousand Ethiopians killed and wounded are more plausible than similar Ethiopian claims a few days later. Also serious for Ethiopia are reports of tension over the tendency of some junior Tigrayan officers to give orders to senior non-Tigrayans. Eritrea, too, has had difficulties between ex-fighters and Sawa national service trainees. And both sides suffer from a predictable unwillingness by troops to fight their 'brothers' and erstwhile comrades. Meanwhile, Sudan's National Democratic Alliance has rebuffed Eritrean attempts to persuade NDA forces which Asmara has been arming and training to join its fight against Ethiopia: this would be suicidal for an opposition already badly damaged by the Ethiopian-Eritrean dispute.

Both sides remain intransigent on mediation, refusing to give up an inch of land. Ethiopia has accepted the totality of the **US-Rwandan** mediation initiative, now continued by the Organisation of African Unity and United Nations. Eritrea balks at this process, which accepts Ethiopia's version that the conflict began with Eritrea's move into Badme in May. Eritrea is prepared to accept a mutual withdrawal and a third force in the disputed territory but not its return to Ethiopian administration, as the proposed return to the status quo before 6 May 1998 implies. Eritrea is especially indignant that Ethiopia has deported more than 50,000 Eritreans in the last few months. Amnesty International has criticised the force

## My enemy's enemy

Each side hopes to support the other's dissidents - even when this means helping Khartoum's National Islamic Front government, its Islamist protégés and its own enemies' enemies. Eritrea recently added an Oromo-language programme to the 'Voice of the Broad Masses of Eritrea' in Asmara. The same news-reader had previously broadcast over Radio Omdurman for the Oromo Liberation Front, before the 'Voice of Oromo Liberation' closed in 1992. After talks last year in Asmara, Eritrea agreed to send the OLF weapons: some arrived last year and revived OLF activity along the Ethiopian-Kenyan border.

More recently, five Antonov plane-loads of arms were sent to **Somali** warlord **Hussein Mohamed Farah 'Aydeed'**, who was in Asmara in January. In October, he had been welcomed in Addis Ababa and Ethiopia thought it had mended fences with him. Now it seems that President **Issayas Afeworki** has outbid Premier **Meles Zenawi**. Some of the arms are for Hussein, who returned on one of the arms-flights via **Yemen** to Balidogle. Most are intended for two Ethiopian opposition movements, the OLF and Ogaden National Liberation Front, plus *Al Itahad al Islami*, which was the target of Ethiopian incursions into Somalia in 1997-98. Some of Hussein Aydeed's opponents claim Eritrea is organising a shipment of heavier arms from Massawa to Mogadishu. Another possible recipient is General **Waku Guta**, an Oromo guerrilla leader from the 1970s who still has admirers in southern Ethiopian Oromo circles and is said to have agreed to take the field again.

In turn, Ethiopia is still supplying arms to Aydeed's opponents, the *Rahenweyne Resistance Army* and the newly created *Digil Salvation Front*, both fighting for Baidoa, and to General **Mohamed Siad Hirsi 'Morgan'** in Kismayo. Another possible recipient is Somaliland's opposition Somali National Movement, whose leader, **Abdurahman 'Tour'**, accompanied Aydeed to Asmara. Although Somaliland's President, **Mohamed Ibrahim Egal**, says it is not so, Eritrea would like to make sure Ethiopia does not import arms through Somaliland's port of Berbera.

Eritrea is also bidding for Afar support, from a faction of the divided Afar Liberation Front of Sultan **Alimirreh** of Assieta (who prudently went to **Saudi Arabia** for Ramadan and has not returned to Ethiopia). One of his sons, **Habib Alimirreh**, appeared in Asmara a couple of months ago. Habib was the first President of Ethiopia's Afar Regional State in 1992 but was ousted in the 1995 elections and replaced by his elder brother, **Hanfare**, after a split in the ALF. He fled to Saudi a year later. Now Hanfare supports Ethiopia while Habib is reported to be in Assab with another brother, **Oumar**, sent by Ethiopia a few weeks ago to try to persuade Habib to return. Eritrea also backs the **Djiboutian**

Afar opposition movement, **Ahmed Dini's Front pour la Restauration de l'Unité and de la Démocratie**, which attacked an Ethiopian convoy on the Djibouti-Ethiopia border in October (see Pointer).

Ethiopia, too, has been wooing the Afars, setting up a 'Red Sea Liberation Front' to win support among Eritrean Afars and even handing out a little ammunition to an opposition group within Ethiopia, the Afar Revolutionary Democratic United Front and the associated *Ugugumo* militia. Ethiopia has shown no sign of greater interest, though, in ARDUF's demands for an Afar state embracing the Afars of Eritrea and Ethiopia, even though this might provide a pretext for Ethiopia quietly to revive its claims to Assab. A new radio station, the 'Voice of Peace and Democracy in Eritrea', began broadcasting in early February from Makelle in the Tigrinya and Kunama languages. The biggest Eritrean opposition group, the Eritrean Liberation Front-Revolutionary Council, has also started broadcasting in Tigrinya and Arabic, apparently using **Sudan** government transmitters.

Ethiopia has been trying to unite the (long-divided) two main Eritrean opposition groups, the ELF-RC and ELF-**Abdulla Idris**. They will reportedly be allowed to open offices in Ethiopia, and their members will get identity cards to prevent deportation. ELF-AI recently fell out with Islamic Jihad, which the ELF-RC has always refused to ally with, removing a large bone of contention between these two ELFs. Since it apparently broke with ELF-AI, Islamic Jihad has supported Eritrea against Ethiopia and has moved its operations away from the western lowlands. Asmara has adopted the rash policy of giving Jihad leave to operate in the east around Irob and Alitiena, to undercut Ethiopian support among the Saho who live there. Ethiopia is reactivating its relations with the smaller but ideologically more acceptable Eritrean Marxist movements, the Democratic Movement for the Liberation of Eritrea and the ELF-Central Command (*Sagim*), which it armed and trained until 1991.

Interestingly, another anti-Asmara organisation, the (Kunama) Democratic Front for the Liberation of Gash and Setit, is apparently getting increased support from Khartoum. The Kunama, an agro-pastoral people whose lands include the now contested Badme area, have traditionally opposed the Eritrean liberation fronts and, since 1991, the Asmara government.

The Democratic Movement for the Liberation of the Eritrean Kunama, together with the previously unheard of People's Democratic Front for the Liberation of Eritrea-Central Leadership and Eritrean Revolutionary Democratic Front, are reported to have made an alliance at the end of January under Ethiopian auspices.

used in the deportations.

Eritrea's position puts current mediation efforts in a bad way. Both President **Issayas Afeworki** and Prime Minister **Meles Zenawi** have refused to take calls from Clinton several times in the last fortnight, *Africa Confidential* understands. Issayas has given several interviews since the fighting restarted but Meles, who reportedly visited the front on 6 February, has, as we go to press, made no public appearance or statement since. UN Special Envoy **Mahmoud Sahnoun** of **Algeria** has made no progress, it seems, and the latest efforts by the European Union, which backs the OAU proposals, look to be heading for failure.

Both leaders need to be able to claim victory, if not necessarily complete victory. The political cost of a climb-down increases every day, as does the human cost of the war. The UN Food and Agriculture Organisation reckons Eritrea has the world's second lowest per capita calorie intake and Ethiopia the fifth lowest; two of the world's poorest countries are estimated to be spending at least a million dollars a day on an inexplicable and obviously unwinnable war. Eritrea is issuing treasury bonds and even raffling houses in Asmara to raise funds - a registration fee of US\$500 carries a chance of buying one of 300 government houses at half price. Overseas fund-raising has been intensified and an old anti-

**Mengistu** slogan has been dusted off and updated for use against 'Tigrayan fighters': 'A dollar a day keeps the Woyane away'.

Ethiopia's funding is equally dependent upon 'voluntary' contributions, both internally and from the Diaspora. Eritrea believes, almost certainly correctly, that Ethiopia's war effort is being supported by assets seized from expelled Eritreans. Equally plausibly, Ethiopia claims Eritrea has taken 134,000t. of food and other goods left stranded at Assab last year. Both sides have been seeking funds elsewhere, with limited success (though Eritrea has 'Arab Lake' support from **Libya** and **Qatar**).

UN calls for an arms embargo look futile as **Russia** sells sophisticated aircraft to both sides; Ethiopia gets ammunition and light arms from **China**, tanks from **Bulgaria** and communications equipment from France; Eritrea acquires ammunition, tanks and artillery from **Romania** and Bulgaria. Officials in Antwerp, **Belgium**, seized 91 containers of allegedly military supplies, sold to the Gedam Construction Company of Asmara by East and West **German** companies in a deal brokered by a **British** firm.

Each side remains excessively confident, firmly committed and utterly dismissive of the other. In an interview on 12 February, Issayas said the conflict had been 'caused by the behaviour of a government afflicted by schizophrenia' and suggested that 'admission of failure' was not part of Ethiopian culture: 'They deceive themselves and they deceive the population'. Critics of Issayas and Eritrea make precisely the same points.

A crucial issue mediators have still not fully addressed is how the disputed areas will be administered if and when both sides pull back. Eritrea insists that it alone has right on its side, that it is up to Ethiopia to find a way out, that it did not start the war and therefore cannot be held responsible for it. Ethiopia still argues that it is up to Eritrea to find a solution, that it did not start the war and that Eritrea must withdraw. If the relatively narrow technical issues of the border demarcation can be somehow resolved away from the increasingly bellicose rhetoric from both sides, then there is hope that what many regard as Africa's most avoidable war can be stopped before it further delays the chances of the Horn's political and economic revival.

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## **LIBERIA**

# Taylorland under siege

## The victorious warlord hasn't made the transition to civilian politics

The voters' mood, when they elected President **Charles Taylor** in July 1997, was summed up in a slogan: 'He killed my ma, he killed my pa but I will vote for him!'. As the leading warlord, Taylor promised he would stabilise the country. But Liberians' modest hopes have been dashed and the cycle of West African insurgency and counter-insurgency, in which his role is central, is rebounding on him. The coastal belt between Liberia and **Guinea Bissau** has become one of the most politically unstable areas on earth, a lucrative market for arms and gem traders. Distrusted abroad and with a collapsed economy at home, Taylor grows weaker.

Since launching his own war against the late **Samuel Kanyon Doe**'s regime in December 1989, Taylor and his National Patriotic Front of Liberia have made thousands of enemies. All the warlords whose battles with Taylor dragged the fighting on for six more brutal years after Doe's murder are now outside the country but

they're unlikely to give up. **Prince Yormie Johnson**, the NPFL's tactical genius in the early months, is in Nigeria. So is **Roosevelt Johnson**, whose United Liberation Movement for Democracy (Ulimo-J) militia fought Taylor's security men in Monrovia's streets last September, when hundreds, perhaps thousands, of civilians were killed.

The battle started when Taylor's troops demanded that Johnson's men open the road to their headquarters to traffic. The argument soon became a shootout, which ended in the **United States** Embassy compound with the wounding of two American diplomats. Johnson's men were shot dead as they tried to scramble over the compound walls. Johnson made it into the compound and was airlifted out by a **Nigerian** helicopter. Alhaji **Kromah**, leader of Ulimo-K, and **George Boley** of the Liberia Peace Council, left the country less dramatically.

## Besieged from within

Buzzing with plain-clothes and uniformed security officers, Monrovia still feels like a city under siege. Centre-stage is the treason trial in which 32 defendants (including Johnson and Kromah *in absentia*) are charged with trying to overthrow the Taylor government. The prosecution claims that the September shootout was part of a wider conspiracy by Johnson, which looks doubtful; yet many people say Johnson's actions were unduly provocative and local human-rights monitors say government security officers reacted by mounting a pogrom against the Krahn, Johnson and Boley's ethnic group.

Ten state witnesses, some of whom claim to have helped plan the conspiracy, provide most of the prosecution case. One witness attempted to implicate **Ellen Johnson-Sirleaf** of the United People's Party, Taylor's main electoral opponent in 1997 and former Director of the United Nations Development Programme's Africa Division; however, when Johnson-Sirleaf protested, the accusation was withdrawn.

The judge, **William Metzger**, has established some credibility, fining the five prosecution lawyers for delays, demanding the security agencies release detainees held without charge and insisting that the Minister of National Security, **Philip Kamah**, should testify in person. When he at last came to court, he made some gruesome allegations, claiming that one of the accused, **Ted Quiah**, had called him by radio in the midst of September's fighting and told him he would drink water from his skull.

The USA and Nigeria, together with the governments in Freetown and Accra, have accused Taylor's government of backing the Revolutionary United Front's rebellion in **Sierra Leone**. In Monrovia, the links between the government and RUF are common knowledge; RUF commander **Sam 'Mosquito' Bockarie** has a house in the Congo Town district and drives about openly, guarded by Taylor's security men. Senator **Charles Brumskine**, a senior member of Taylor's New Patriotic Party whom Taylor failed to remove as Deputy Speaker of the chamber, has called for an investigation of government links to the RUF and helped draft a law making it a felony for Liberians to fight in Sierra Leone. Nigeria and **Ghana** want US backing for a UN observer mission to monitor the flow of arms and other supplies across the Liberia-Sierra Leone border, with access to both countries' territory.

Access to the areas north-east of Gbarnga where the RUF has its training camps is tightly restricted and Taylor's security apparatus is forbidding. Three new agencies patrol Monrovia and beyond: the (Executive Mansion) Special Security Unit, Special Operations Division (known as SOD) and the Counter Force, a presidential

guard commanded by Taylor's son **Chucky**, who plays an increasingly muscular role. Taylor's powerful cousin **Joe Tate**, the police chief, had Justice Minister **Peter Bonner Jallah** dismissed last year; in theory, the Justice Ministry has supervisory powers over the police.

Security officers armed with Kalashnikovs and rocket-propelled grenade launchers guard the state's telecommunications and electricity corporations and Monrovia's Free Port; some were involved in the street battles with Roosevelt Johnson's followers and the subsequent massacres. These security agencies override both police and army.

Disarmament and security were central to the 1996 Abuja peace accord and made 1997's elections possible. The warring factions then agreed that the armed forces would be rebuilt on the basis of ethnic and regional balance, plus merit, under supervision by the Economic Community of West African States' Monitoring Group and the UN. Taylor now rejects any foreign involvement: 'I don't play with my security', he told journalists in Monrovia last month. City streets are closed off hours before and after a Taylor visit, and the entire cabinet accompanies him on presidential outings. The traffic chaos is appalling.

No warring faction disarmed completely but Taylor's NPFL kept the most weapons and many of its fighters camp out in NPP headquarters in Congo Town. The rebuilding of the national army is still shrouded in mystery. After a press report that 2,000 NPFL fighters had been inducted into the 'new' Armed Forces of Liberia, the Deputy Defence Minister, Colonel **Philibert Browne**, said, puzzlingly, that these soldiers were on the 'orders but not the payroll' of government.

Taylor has disbanded the old Executive Mansion Guard battalion and the 7th and 8th battalions of the old AFL, each of which had a large Krahn contingent and fought against the NPFL. The former AFL Commander, Brigadier **Moses Wright**, one of the few professionally trained soldiers left in the country, has been demoted to military advisor to the Chief of Staff. The armed security forces and most of the AFL are now Taylor-loyalists with no formal training but with an armoury of artillery, RPGs and automatic rifles. We hear former officers of the **South African** Defence Force are training Liberians and others on a contract basis, for service with the RUF in Sierra Leone. The prospect of a trained - let alone disciplined - army is remote.

## Reconciliation dormant

The government's reconciliation and reunification efforts haven't gone much further. The Reconciliation Commission appears virtually dormant; its head is Taylor's former media supremo, **Victoria Reffell**, whom Washington accused of organising the smuggling of confidential papers from the State Department. When the Catholic Archbishop, **Michael Francis**, proposed a national reconciliation and rehabilitation conference, the government tried to turn it into a grandiose economic planning conference; it provided a sounding board for unease but few of its recommendations have been implemented.

There were hopes of a power-sharing government after Taylor appointed some opposition politicians to his post-election cabinet. They included Information Minister **Milton Teajay** from Johnson-Sirleaf's UPP; retired General **Hezekiah Bowen** as Rural Development Minister; and Deputy Defence Minister Kamah. Cabinet Director General **Blamo Johnson** is a UPP member but also a close friend of Taylor's. Two other opposition appointees, Kromah and Johnson, have fled abroad. The ministers of Education,

Planning and Finance have no declared political affiliation.

Senior NPP officials dislike even this level of power-sharing. Pressure on Taylor to fire opposition ministers could become irresistible, NPP Secretary General **Cyril Allen** told *Africa Confidential*. After Taylor and Senator **Grace Minor**, Allen is third in the government hierarchy and a rich man after a long business career in West Africa. Reffell, too, is one of the NPFL loyalists who toughed it out with Taylor in Gbarnga during the war and he listens to her.

Senior NPP sources say Taylor is increasingly tired, suffering from throat cancer (for which he is treated in South Africa) and frustrated that most foreign donors and investors are steering clear. After the US government said in January that it had evidence Taylor was arming the RUF, he threatened to expel all the foreign aid agencies (many funded by the US Agency for International Development) that provide basic services. Few health and sanitation facilities have been restored since the war. Outside Monrovia's Bushrod Island suburb, there is almost no piped water; outside the Mamba Point diplomatic district, there's no steady electricity supply.

More widely, the hope for post-war dividends has not lessened. If anything, the economic position has deteriorated. According to figures we obtained from the National Bank of Liberia (Central Bank), Liberia's total imports and exports trade fell to \$119 mn. in 1998 from \$239 mn. in 1997 when the economy enjoyed an election time boom. But both years represent a massive fall from the pre-war figures: total import and export trade was \$707 mn. in 1988. In keeping with this shrinking of the formal economy, President Taylor announced a total budget for capital and current spending of just \$64 mn. To meet the government's fiscal stringency there will have to be further cut-backs in public spending.

Johnson-Sirleaf specifically asked to what use a \$1 mn. grant from the **Moroccan** government and a \$3 mn. grant from the **Taiwanese** government had been put. Finance Minister **Elie Saleeby** was unable to give a convincing reply.

Those outside government grow more fearful of speaking out. The prominent human rights campaigner at the Catholic Commission for Justice and Peace, **Kofi Woods**, moved to the **Netherlands** after threats from Taylor's securocrats. Johnson-Sirleaf is a strident critic of the government, whose media vilify her as a national saboteur, claiming that criticism of Taylor's human rights record drives away foreign donors and investors. Johnson-Sirleaf lives in neighbouring **Côte d'Ivoire**, where she works as a development consultant, but makes regular trips home. Nearly all Taylor's other vocal critics - civilian and military - are now in exile.

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# Pointers

## DJIBOUTI

### Paris and the prince

Nomination by the ruling *Rassemblement Populaire pour le Progrès* on 4 February has formally set **Ismael Omar Guelleh** on the path to succeed **Hassan Gouled Aptidon**, who steps down in May. In fact, Gouled's nephew and head of *Cabinet* has called the shots since his uncle, in his mid-80s, fell gravely ill in 1995. Ismael Omar masterminded the military defeat and division of the mainly Afar *Front pour la Restauration de l'Unité et de la Démocratie* in 1993-94 (AC Vol 39 No 21) and then gaoled rival Issa-Somali politicians and confirmed his ruthlessness as head of the city-state's police, intelligence and paramilitary forces.

The presidential poll, due on 9 April, is little more than a formality; the RPP swept all 65 seats in the December 1997 elections and the two minuscule opposition parties have both suffered leadership struggles. But it could be interrupted by an overspill from the **Eritrean-Ethiopian** hostilities. Ismael Omar is on good terms with Ethiopia and Djibouti suspended diplomatic relations with Eritrea after President **Issayas Afewerki** criticised Hassan Gouled during Organisation of African Unity peace-keeping efforts.

Most Ethiopian imports, including weapons and fuel, are trucked in from Djibouti port. Within Djibouti, as far as the border at Galafi, the road is open to sabotage by Eritrea and by guerrillas loyal to the rejectionist FRUD leader, **Ahmed Dini**. In Ethiopia, the road continues along Djibouti's northern border, where fighting or at least bombing seem inevitable. That's too close for comfort for the **French** garrison of 3,200 troops which sent in an anti-aircraft frigate on 9 February to keep an eye on Ethiopian and Eritrean activities (see Feature). This raises the question of whether Paris will offer aerial photography and intelligence to other parties. France has long been wary of Ismael Omar but thinks he may help keep things stable. On 21 January, Cooperation Minister **Charles Josselin** visited the former colony to announce both new aid and greater military vigilance.

## SWAZILAND

### King's move

The political relaunch of a former Prime Minister, **Obed Dlamini**, could revive the anti-monarchist opposition. This has been marking time since the 70,000-strong Swaziland Federation of Trade Unions failed to get support for a general strike in 1997 or for a boycott of last October's parliamentary elections (when, to the delight of royalists, there was a 60 per cent turnout).

King **Mswati III** made Obed Premier in 1989; he ran a liberal government until palace advisors had him dismissed in 1993. At a secret meeting last December, he was elected President of the Ngwane National Liberatory Congress, the main opposition party in the 1970s. He has more prestige and is better known than **Mario Masuku**, head of the other significant party, the People's United Democratic Movement; if they sank their differences, the two could make a real mark on politics. On 19 January, Obed described the parliamentary elections as a 'sham' because parliament had no real power and denounced Mswati's new Constitutional Review Commission as a waste of taxpayers' money.

In October and November, a group calling itself the 'Black Tigers' put bombs under a bridge over which the King had just passed and near the Deputy Premier's office. The government responded with the Swazi Administration Order, giving the 200 chiefs powers to arrest and try suspects without warrants or lawyers - and threatening the same chiefs with fines or dismissal if they 'fail to prohibit any act or conduct which might cause a riot or disturbance'. The Swazi Youth Congress plans public rallies to test the Order. Swayco is illegal, as are all political parties. Yet if the government used its full repressive powers, it would risk frightening the foreign investors it desperately needs and whom the monarch himself will be trying to attract at an investment conference in London early next month.

## BRITAIN/SOUTH AFRICA

### Spinning south

Conflicting reports have emerged about British former Trade and Industry Minister **Peter Mandelson's** offer to help the African National Congress 1999 election campaign. The project doesn't look particularly challenging: most independent analysts reckon the ANC will win a two-thirds majority, even without Mandelson's advice. Known at home as a spindoctor and dubbed the 'Prince of Darkness', the often abrasive Mandelson is seen as architect of the Labour Party's 179-seat majority in May 1997. Premier **Tony Blair** was quoted as saying that one of his political aims was to get Labour 'to love Peter Mandelson'. Now, he may have to extend that project to South Africa.

On 10 February, Labour and ANC officials gave diametrically opposed explanations for Mandelson's trip to Cape Town that week. ANC national spokesperson **Thabo Masebe** insisted Mandelson was on holiday but might be having 'informal chats' with party officials. Certainly, he went on, there was no question of Mandelson advising the ANC on election strategy.

Labour headquarters in London's Millbank insisted Mandelson was on a prearranged working visit. To make the point, party officials released a personal letter from Pretoria's former High Commissioner to London and now ANC

National Treasurer, **Mendi Msimang**, responding to Mandelson's offer to help the ANC election campaign. But, noted Masebe, Msimang had no authority to invite foreign politicians to official meetings: that would have to be done by the ANC Secretary General, as the Labour Party knew.

So for now, Mandelson's offer of campaign advice seems to be on ice. We hear senior ANC figures thought it irrelevant, as they were going to win anyway. A rather defensive Labour press office is now also playing down the possibility of a Mandelson consultancy: 'There are no proposals at this stage for any representative of the Labour Party to advise the ANC on campaign strategy', adding that no conclusions on the consultancy were reached during Mandelson's South African trip.

Yet friends insist that Mandelson, who resigned from the government after failing to declare a £373,000 home loan from Paymaster General **Geoffrey Robinson**, is keen to do 'something useful', preferably in Africa. South Africa looms large in Labour's ideological spectrum; the Party regards the ANC as a sister party sharing its centrist 'third way' approach to politics, a point which Blair made much of during his South African trip last month. Other Labour professionals work alongside the ANC - **Mike Elrick** in the Chief Whip's Office and information technology expert **Ben Coffman**, the son of one of Blair's press officers and Party fund raisers, **Hilary Coffman**.

Both Elrick's and Ben Coffman's expenses are met through the Foreign and Commonwealth Office-funded Westminster Foundation's international programme to promote democracy. Should the ANC change its mind about Mandelson's offer of help, it would most probably be financed through the Foundation, which offers the same funding to all major UK political parties and their sister associations overseas. Perhaps other Labour Party spin doctors have detected a problem with that: that Mandelson might have appeared to be rebuilding his political profile through the South Africa job, with the help of public money.

## BENIN

### Jet set and match

The latest leader to succumb to the need for personal air transport is President **Mathieu Kérékou**, who has secured three billion CFA francs to buy a second-hand personal jet. He has an unfortunate history with presidential planes. Towards the end of his 17-years as military dictator, he bought an old Boeing 707 from **South Korea's** Reverend **Moon**. He enjoyed the jet - luxuriously transformed, with panelled bedrooms, gold-plated taps and a wine cellar - for only a short time. It was impounded in **Belgium** to pay a repair bill.

Back in power in 1996, he had it sold against the US\$371,000 debt: it's now used as a restaurant in the Belgian town of Genk.