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KENYA I

A soldier's story

Political risk and ethnic balance weigh heavily as President Moi decides whether the army chief should go

His close friends wouldn't claim that Lieutenant General **Daudi Tonje** is a popular head of the armed forces but they insist he's a good one. Few in the elite ranks of the ruling Kenya African National Union agree. One of Tonje's achievements has been to cut political interference, particularly in the lucrative business of procurement. A news report last month that his tenure as Chief of General Staff (CGS) would be extended for a further three years was followed by a quickfire official denial.

One Nairobi business source claims Tonje has cut corruption in procurement by 90 per cent since he took over as CGS in November 1996 (mostly because the forces have been buying much less kit and making older equipment last longer). Anyway, the military budget has shrunk as the economy flags. We hear that the military cuts, and possible effects on stability, were raised in this year's negotiations with the International Monetary Fund.

President **Daniel arap Moi**, who survived a coup attempt in August 1982, doesn't want to take risks with the army ahead of the elections that are due by the end of 2002. If Moi intends to serve one more term, as ultra-loyalists such as Mombasa's **Sherriff Nassir** demand, the constitution will have to be changed, probably amid mass protests. Even if Moi goes promptly, he is determined to choose his successor as KANU leader, if not as national president. The next two years are sure to trouble the country. The loyalty of the armed forces is crucial.

The army and the parallel army

The army is 20,000 strong, organised (under Tonje's restructuring) in two divisions. It is seen as one of Africa's most professional forces and has served in peacekeeping operations in **Iraq**, **Kuwait**, former **Yugoslavia**, **Angola**, **Liberia** and most recently, **Sierra Leone** (where Kenyans were among the 500 United Nations troops taken hostage in May). The Air Force, which led the 1982 coup, has been completely restructured; it is now 2,500-strong and much reduced in firepower and influence. The 1,200-strong Navy, too, is under-equipped.

Of 18 generals, at least six are (like Moi) Kalenjin; of 20 brigadiers, seven are Kalenjin. Opposition politicians complain that Kikuyu and Luo officers are excluded from lucrative logistics posts and overseas training programmes. Recruitment policies are suspect: the press announces which districts recruitment teams visit - Kalenjin districts are well represented - but final decisions on ethnic balance are taken after physical examinations and mental tests. One military source claims that each Kalenjin sub-group - Nandi, Kipsigis, Tugen, Keiyo, etc. - is now classified as a distinct ethnic group, on a par with the far more numerous Luo, Kikuyu or Luhya, which would give Kalenjin a clear edge in recruitment; recruits make up about 5 per cent of the army each year.

Frontline public order duties are handled by the paramilitary police General Service Unit, 5,000-strong with its own naval and air wing, and better equipped and trained than the army. The GSU has been much strengthened since the 1982 coup. It works closely with two forces which are directly controlled by the presidency; the presidential bodyguard and the Recce Company, which combine intelligence and rapid deployment capabilities. There is rivalry between the army and the President's own troops, which are central to the government's security agenda. Human rights organisations have linked them and the GSU to the widespread 'ethnic clashes' in the Rift Valley before the 1997 general elections. Intelligence officers linked to the presidential bodyguard did surveillance during the bidding for the second cellular telephone licence (AC Vol 40 Nos 18 & 25).

KANU politicians and some retired senior officers have criticised Tonje's leadership. They have not been able to make allegations of corruption stick but they question his reliability if the going were to get tougher for Moi and his circle. As a professional soldier, Tonje is likely to see it as his duty to uphold the constitution, rather than any one politician. KANU's 'Total Man', **Nicholas Kiptayor Biwott**, has a comprehensive business and political network but no significant support in the army. He is said to favour Tonje's departure, before the elections, as does Moi's ambassador *extraordinaire*, **Mark arap Too**.

The theoretical retirement age for officers is 55; Tonje is 59. Gen. **Jack Mulinge**, revered by Moi, was retired as CGS promptly at 55. Tonje's predecessor, Gen. **Mahmoud Mohammed**, stayed on until he was 61. Tonje himself has ruled that no officer should hold the same post for more than four years; his four years as CGS will be up in November. Replacing a CGS is a complex process, though, involving commanders across the services. Such changes, carefully scrutinised for ethnic balance, take a couple of years to work through the system.

Tonje's blue book

Tonje himself is, like Moi, from the Tugen sub-group of the Kalenjin, born in Baringo, which is now in KANU territory. He shows little interest in politics and angered politicians by trying to purge the forces' civilian staff and cut corruption and by allowing junior officers to live outside barracks on allowances. Moi, who had been supportive, stepped in and ordered the junior officers back into barracks in late 1998. It was an expensive and dangerous row, with some disaffected officers privately threatening to disregard the reversal of the order.

Trained at **Britain**'s Sandhurst, in **Canada** and in **India**, Tonje was hailed in 1996 as the most professionally competent CGS since Independence - described by one military source as a 'thoroughly modern soldier but a poor manager'. Some of his efforts to boost discipline have proved counter-productive: his rule that officers should not use staff cars for non-military purposes (such as driving children to school) damaged morale to no great purpose. His introduction of the British army's Blue Book of military discipline was unpopular.

The CGS is Chairman of the Kenya Ordnance Factory Corporation (popularly known as the 'Eldoret bullet factory'). His colleagues on the board include Lt. Gen. **Augustine Cheruiyot** and Lt. Gen. **J. Lenges**, both former army commanders and confidants of Moi. The Chief Executive is Gen. **Ronald Chelegat**, based in the presidency. Setting up this sophisticated armaments factory has consumed millions of dollars. Poorly managed, it's running at way below capacity and recently failed to deliver a major consignment of materiel to an important regional client.

The original foreign partner, **Belgium**'s *Fabrique Nationale Herstal*, was bought out by **France**'s GIAT, which seems not to have retained an interest in the Eldoret operation. Along with the planned International Airport, the armaments factory is part of Moi's political campaign to turn Eldoret, capital of the Rift Valley, into Kenya's second city.

Tonje's predecessor Mohammed, a Somali from the North-East Province, fell out with Moi's key aides, such as the Chief Security Advisor, Brigadier **Wilson Boinett**, whose power has grown impressively since he was appointed Moi's first *aide-de-camp* in 1978. By 1995, his criticisms of Mohammed's alleged partisanship in the war in neighbouring **Somalia** secured the departure of the CGS the following year. However, Mohammed remains close to Moi (who remembers that he helped put down the 1982 coup) and was Vice-Chairman of Moi's presidential election campaign team in 1997; he is less cerebral than Tonje but a better military manager. Moi calls both Mohammed and Cheruiyot for their views on military affairs: neither thinks Tonje should stay on, we hear.

Boinett's views on Tonje are harder to read, as he has been at odds with Biwott (avowedly anti-Tonje) over the past year. Significantly, Tonje hasn't opposed the gradual expansion of Boinett's intelligence empire. First, Boinett expanded the Directorate of Security and Intelligence (still known as Special Branch) into the National Intelligence Service, with wider powers. Then Boinett took over the work of the presidency's internal and external military intelligence liaison officers, Major Gen. **Lazarus Sumbeiyo** and Brig. **N.K. Nkaissery**. Boinett vets Moi's appointments; any successor to Tonje (or indeed to Moi) would have to pass the Boinett test.

Contenders for CGS

The four main contenders for Tonje's job are: Lt. Gen. **Jo Kibwana** (Coastal), a former Chief of Military Intelligence annd Naval Commander; the Vice-CoS, Lt. Gen. **Daniel Opande** (Luo); the Army Commander, Lt. Gen. **Abdullahi Adan**; the Chief of Staff at Defence Headquarters, Maj. Gen. **John Koech** (Kalenjin). Kibwana as the most senior officer is the logical choice: he is engaging, popular with the troops and wouldn't upset Kenya's Western allies.

Opande is grey but highly professional, popular in the ranks since he commanded peacekeeping troops in **Namibia** and Liberia. Opande would probably be the troops' favourite: he's seen as scrupulously professional and politically neutral, if a touch dull. That's enough, some think, to convince Moi that Tonje should stay on. Opande would be unlikely to back any unconstitutional scheme to keep Moi in power beyond 2002 and might hesitate to deploy the army in KANU's defence. Similar misgivings apply to Adan.

Koech is ahead on charisma and business contacts but has little experience of military command. After working in logistics, which helped him to build his business network, Koech commanded the Western Division at Lanet in the Rift Valley where his brief included trying to end the cattle-rustling and Pokot-Turkana conflict there. He is popular among soldiers and has worked to improve conditions for junior officers, a politically astute move, especially for a potential CGS. Above all, Koech is the KANU elite's candidate (who are impressed by his business contacts) and like Mohammed, his political partisanship has never been in doubt. Loech, now a two-star general, would have to be promoted to Lt. Gen. before he could be appointed CGS, which would then trigger another round of promotions and retirements in the senior ranks.

If Moi wants to change his military chief, his first choice will be Kibwana but if he has serious doubts about the reliability of the military, he may go for the flamboyant Kalenjin, Koech. Either way, there would be a risk of disruption, making Tonje's attractions as 'the least worst option' strong, and the decision is urgent.

KENYA II

Breakfast at the Bank

The Moi government had to beg and now cannot choose

The World Bank and the International Monetary Fund wanted to keep secret their breakfast meeting with President **Daniel arap Moi** on 7 September in New York. It was meant to be a discreet get-together with Bank President **James Wolfensohn** and IMF Managing Director **Horst Köhler** during the United Nations Millennium Summit.

Ten days earlier, Moi had complained that the agreement signed between the IMF and his government in early August (see Box) was unfair. The bankers had hoped to impress upon him the grave consequences of failing to stick by its terms.

That same evening, the Presidential Press Unit filed a glowing report, stating that Moi had had a most fruitful meeting with the heads of the IMF and World Bank on how to strengthen the Kenyan economy. In fact, Wolfensohn and Köhler had sought yet another pledge from Moi that parliament, dominated by his Kenya African National Union, would pass into law the Code of Conduct for Public Officials bill, which requires all senior public officials (Moi excepted) to declare their wealth.

The act should be in operation by 15 December, to coincide with the first programme review of the US$150 million Poverty Reduction and Growth Facility which the IMF approved last month. Wolfensohn and Köhler also sought reassurance that privatisation would be speeded up and full political support accorded to the Anti-Corruption Authority and the Auditor General's office. Moi's inner circle is dismayed to find that practically all spending now needs IMF approval, cutting them off from patronage and plunder. There has been a backlash, especially among the Kalenjin inner circle, whose members think they are the IMF's target.

Three pronged attack

At least three key groups were involved in reaching the agreement:

● Wolfensohn and his contacts. In May 1999, with external reserves and investment falling and with insecurity swelling, political and economic disaster lay ahead. On his own initiative, Wolfensohn arranged a secret meeting in London with Moi to see if they could break the stalemate between Kenya and its donors. Officials in the Bank's African Division had until then been awaiting an (elusive) certificate of good conduct from the IMF.

At this time, **Richard Leakey** was talking to Moi about coming into government as head of the civil service. Leakey had in 1995 asked Moi for that job, threatening to defect to the opposition Safina Party (which he eventually joined). Leakey and Wolfensohn share many **American** friends, who acted as intermediaries. It was agreed that as soon as Leakey joined the government in July 1999, the World Bank would second a team of top-notch Kenyan technocrats from the Bank and other international organisations to help him reshape key public institutions (AC Vol 41 Nos 6 &14).

In preparing a list acceptable to Moi and Leakey, the key link was **Ruth Kagia**, a Kenyan education expert at the Bank, a personal friend of the Wolfensohns and liked by Moi. He had appointed her head of publishing at Kenya's Ministry of Education and she was important in the Bank's approval of a much criticised $60 mn. loan to Kenyan universities in 1990. Kagia remains at the Bank but keeps good contacts with Moi's staff.

● **Charles Njonjo** and his contacts. Persecuted and disgraced by Moi in the early 1980s, Njonjo was brought back into government as the Chairperson of Kenya Wildlife Services early last year. Before that, he had been carving out a role as manager of the transition to the next presidency, should Moi retire - much the same role that he played as Attorney General during the succession to **Jomo Kenyatta** in 1977 and 1978. Njonjo's wife's parents were **British** missionaries who served in Moi's home district of Baringo and some of their retired colleagues have known Moi long enough to address him informally in Kalenjin. Through that network, the Njonjos have urged the President to back Leakey and the Bank's plans. Njonjo's old London contacts in the City and Whitehall have urged the British government to back the World Bank plan. Development Minister **Clare Short** was in Nairobi in early August, promising aid once the IMF gave the go-ahead.

● **Sally Kosgei** and her contacts. Kosgei is Permanent Secretary in the Ministry of Foreign Affairs and International Cooperation, the most influential of the old-guard Kalenjin civil servants and one of Kenya's wealthiest women. Like Tourism and Trade Minister **Nicholas Biwott**, she advises Moi on foreign affairs and writes most of his speeches on such subjects. For Moi, Sally Kosgei is the ultimate embodiment of Kenyan womanhood. At a meeting with a select group of Kenyans in New York during the UN Millennium Summit, Moi said that Kosgei was living proof that 'Kenyans now accept women in positions of power'. Indeed, Kosgei was so effective that she has 'men kneeling and worshipping at her feet', Moi gushed.

The Smith Hempstone extension

Although she holds a history PhD from Stanford University in California, Kosgei has been hostile to **United States**' policy in Kenya since Ambassador **Smith Hempstone** began to speak out in the early 1990s; she sees the IMF programme as an extension of that policy. She was much in evidence at the New York and Washington summits. Her former husband **Yusuf Nzibo** (a Kamba) is Kenya's Ambassador to the USA and its Ambassador to the UN in New York, **Phares Kuindwa**, was her classmate at the University of Dar es Salaam. In late August, Nzibo and Kuindwa played host to several pro-Moi academics and KANU activists, praising Kenya and its

Heavy commitments

No African government has faced stricter conditions than those approved for Kenya by the International Monetary Fund board in late July, in its Memorandum of Economic and Financial Policies of The Government of Kenya, 2000-2003. The document was wholly drafted by IMF and World Bank consultants in Nairobi, never mind those organisations' recent pieties about ownership and African capacity building. Even the letter requesting funds, addressed on 12 July from Central Bank Governor **Micah Cheserem** and **Chrisanthus Barnabas Okemo** to the IMF's Managing Director **Horst Köhler**, was written by the people from Washington.

Few of these experts had deep knowledge of Kenya. In the section on agricultural reform they recommend streamlining the Coffee Marketing Board, which was abolished in 1956. They presumably meant the Coffee Board of Kenya. The memorandum also refers to the Public Service Committee, rather than Commission; the Kenyans evidently signed without proofreading.

The report's highlights are: the Kenya government commits itself to addressing governance issues (that is, corruption), poverty reduction, macro-economic reforms, crime and insecurity, the current drought, layoffs in the public service, more privatisation, and liberalisation in agriculture.

All ministerial spending and district treasuries are subjected to the Ministry of Finance. No new projects will go into the budget without IMF and World Bank approval. The daily balance sheet of the Central Bank of Kenya is to be transmitted on a weekly basis to the IMF, to check on fiscal prudence and external reserves. The government is to introduce an Anti-Corruption and Economic Crimes Bill - a provision intended to satisfy vocal opposition MPs, whose attempt to identify corrupt officials was killed by Kenya African National Union MPs in Parliament in August.

Monthly figures on domestic bank and non-bank debt incurred by the government are to be sent to Washington, as well as monthly figures on internal and external debt servicing. Public officials and their immediate families must declare their assets and liabilities three months after enactment of the public service ethics bill, supposed to be tabled in parliament next month. It is hardly surprising that Moi and his supporters argue that Kenya's sovereignty is threatened. They had little choice about whether to sign. Whether they will comply is a more interesting question.

President and proclaiming that Kenyans and not the IMF would save the country. One guest, **Kavetsa Adagala**, a Professor at Nairobi University, on a tour billed as tourism promotion and paid for by Biwott's ministry, told Kenyan students in Toronto, **Canada**, that their country could do without donor conditions.

In 1993 and 1995, the Moi government signed, then broke, agreements with the IMF and World Bank. Both worry a lot about the latest agreement, especially since the US government was at first against it, fearing criticisms from the religious and other non-governmental organisations which led anti-IMF demonstrations last April in Washington; these lobbyists claim that Moi's dalliance with Wolfensohn and Köhler is a conspiracy by money-lenders against the poor, noting that the Kenyan opposition says Moi's government should not be trusted with donor money.

Meanwhile Kenya has won no new friends. On 16 August, thugs from the ruling coalition of KANU and **Raila Odinga**'s National Development Party attacked a peaceful rally in Nairobi organised by the constitutional reform lobby, which is led by **James A. Orengo**, member of parliament from the Forum for Democracy-Kenya. An opposition supporter was beaten to death and the police joined in breaking up the rally.

On 24 August, a popular American Catholic priest, Father **John Kaiser**, was found murdered in the bush near Naivasha in the Rift Valley. He had campaigned against the ethnic massacres of 1991-94, identifying the perpetrators as cronies of Moi, Biwott and **William Ole Ntimama**. Washington's Federal Bureau of Investigation has been asked to help investigate.

On 31 August, Moi told the Attorney General, **Amos Wako**, to initiate legislation banning FM radio broadcasts in African languages other than Kiswahili - a blow aimed at the immensely popular (and profitable) Kikuyu FM Station *Kameme*. It covers Nairobi and central Kenya. Though it avoids news and politics, KANU sees it as a medium for Kikuyu cultural regeneration. Moi is not backing down.

MAURITIUS

Disproportional

A quirky election result brings old faces back to power again

This was not what was supposed to happen. The last-minute opposition alliance of the *Mouvement Socialiste Militant* (MSM) and the *Mouvement Militant Mauricien* (MMM) won three-quarters of the seats in Parliament in the 11 September polls, making the MSM's **Aneerood Jugnauth** the new Prime Minister, again. He held the post for 13 years until his electoral debacle of 1995.

The MMM-MSM won 54 seats and gets another two nominated members of the 70-seat Parliament. The notorious quirks of the first-past-the post electoral system that Mauritius inherited from **Britain** gave this result, although the alliance won only 49.5 per cent of the total votes cast. The Labour Party, under the outgoing Premier, **Navinchandra Ramgoolam**, won six seats with 35 per cent of the vote. It gains another four under the 'Best Loser' system, designed to give a voice to minorities. For the first time ever, the people of Rodrigues Island get four MPS: two, elected, from the *Organisation du Peuple Rodriguais* and two Best Losers from the *Mouvement Rodriguais*.

So, although the parliamentary result is clear, it leaves plenty of room for argument - especially about the deal under which the MSM's Jugnauth gets the prime ministership for three years, then moves up into the (largely formal) presidency to give **Paul Bérenger** of the MMM his turn at the head of the government. Since Jugnauth's reputation (and manner) is outspoken and since the canny Bérenger is said to walk around with his resignation letter ready in his pocket, there is a good chance of fresh elections before the electoral pact is fully complied with.

This was the fifth time that Bérenger and Jugnauth had made an electoral accord. Each one has ended in a noisy row, with Bérenger's MMM on the losing end - except in 1995, when Ramgoolam saved the MMM's bacon and a Labour-MMM alliance won that year's elections, and governed until, after a series of scandals, Labour forced the MMM out of government. Labour then ran an unprecedented one-party government for three years, until further scandals arose. The anti-corruption agency within the Prime Minister's office forced the resignation of two popular ministers and Ramgoolam was forced to call a snap poll before things got worse. He thought a brisk campaign lasting less than a month would send the divided opposition back into five more years of opposition. The MMM joined the MSM to spite him.

No regrets Ramgoolam

The Labour Party has suffered humiliations before and still has many strengths. Navin Ramgoolam's father, Sir **Seewoosagur Ramgoolam**, was born a century ago and was the father of the nation. Navin's party has broad electoral support, especially among younger people. With his tiny parliamentary following and his reputation intact, he has every incentive to attack. He said he had no regrets about not contracting an alliance with the MMM or the MSM but preferred to go solo for the elections and let the people decide. They were clearly keen to have their say: 80 per cent of the electorate (720,000 registered voters, in a population of 1.2 million) voted and smaller parties garnered almost 15 per cent.

There may be some discontent that the new government emerged less from the electoral process than from electoral mathematics and that Bérenger was the kingmaker - although, after his recent offensive remarks about the intricate question of Muslim personal rights, many of the MMM's usual Muslim supporters voted instead for the *Hizbullah* party of **Cehl Meeah Fakeermeeah**, which won a surprising 5 per cent. Voters in predominantly Muslim areas also surprised by voting in Labour candidates for the first time. This represents a backlash against the MMM. For 30 years, Muslims have backed Bérenger and his party unconditionally but signs of change were detected in 1995, when *Hizbullah*'s Islamic ally, the since defunct *Mouvement Libéral Mauricien*, won a seat in Parliament under the Best Loser system. This time around, *Hizbullah* got no best losers yet it won more votes, some 12,000, than in 1995. Bérenger said the party constituted a '*danger communal*', a threat to the islands' multi-cultural population.

Jugnauth, despite his rough manner, will need all of his gift for containing the ethnic tensions inevitable in the mixed population of Mauritius, which is approximately 52 per cent Hindu, 28 per cent Christian (of many races, mostly mixed) and 17 per cent Muslim, plus people of Chinese descent and some others. The fact remains that Ramgoolam's Labour government was perceived as responsible for a collapse in law and order. He did not keep the police in order and there was rioting in the capital, Port Louis, in February 1998. There followed a two-year stand off between Ramgoolam and the ex-police chief, Colonel **Raj Dayal** who, during the election campaign called for rejection of the old parties, recommending his own party, the right-wing *Mouvement National Mauricien* (MNM).

The outgoing government failed to maintain the country's precarious economic prosperity, partly because it was plagued by natural catastrophes. The worst drought for years badly affected cane harvests, reducing sugar production to less than 250,000 tonnes, against the usual 600,000t. This hit everybody, especially those who buy imported goods or use foreign exchange.

The new government is thought to be favoured by the white-owned sugar industries and the new opposition calls the MMM-MSM win 'the victory of the capitalists'. Yet the prospect of Bérenger as Finance Minister will not reassure investors, foreign or domestic. His past term in the job, in 1983, ended unhappily with the divorce of the MMM and **Harish Boodhoo**'s *Parti Socialiste Mauricien*. Many still view Bérenger as a communist.

After their victory, Bérenger and Jugnauth declared that they would give priority to economic 'reconstruction'. They feel the Labour Party has wasted the country's money and abused foreign currency reserves. Nevertheless, forex reserves stand at three months' coverage, which is considered sufficient for Mauritius.

The economy has slowed in the last few years, with a downward trend in the real growth rate of gross domestic product. Figures released for 1999 shows that GDP slipped to three per cent from its high of 6.2 in 1996, a year after Ramgoolam took over as Premier.

Analysts still see the economy's fragility lying in the agricultural sector, whose performance has weakened. Inflation has been maintained at about 6.5 per cent per annum since 1995. Per capita income has risen steadily, though, increasing people's purchasing power. Yet a trade deficit of US$15 mn., thanks to an increase in imports from $34 mn. in 1995 to $49 mn. in 1999, did not help the cause of the outgoing government. Less noticed by voters, perhaps, was the increase in exports from the Export Processing Zone (EPZ) to Europe and the **United States**. These rose from $7 mn. in 1995 to $11 mn. last year.

The Labour government invested a lot in the information technology sector, creating avenues for progress in the 'new economy' which is the Internet. Tourism has always been a strong earner, with half a million in 1999, mostly of the higher spending variety. The MMM-MSM has promised to create no fewer than 10,000 jobs in this sector and increase the number of rooms by building new hotels.

MALI

Playing the offside rule

The football cup, botched polls and graft threatenKonaré's political legacy

In 18 months' time, Mali is supposed to run two big events almost simultaneously - the African Nations' Cup and a presidential election. Malians may find the football more interesting; the chaos of the last general elections, in 1997, bodes ill for both events. President **Alpha Oumar Konaré** ('AOK') wants a successful outcome, hoping to go down as a statesman on the lines of **Tanzania**'s late President **Julius Nyerere**.

Konaré was re-elected in 1997 with a '**North Korean**' score of 98 per cent, amid mass voter indifference and an opposition boycott. The man in charge of the poll this time is Prime Minister **Mandé Sidibé**, a quiet but well connected technocrat and former International Monetary Fund official. From the start, his government has been paralysed by factionalism and increasingly blatant corruption in the *Alliance Démocratique Malienne* (Adema), formed around AOK in 1991-92 during the transition to elective rule, and now split (AC Vol 40 Nos 15 & 22). One faction is Konaré's, the other is led by **Ibrahim Boubacar Keïta** (IBK), sacked as Premier in February (nominally to revitalise party networks).

The big fight is over who will be Adema's candidate in 2002. IBK's backers, strong in the party Executive Committee, include Secretary General **Bocary Tréta**, Douentza member of parliament and party Vice-President **Bocar Sall**, Administrative Secretary **Abdramane Niang** and Economy Secretary **Bakary Traoré**, known as '*Pionnier*' (Pioneer). All have links to the old leaders of the *Union Soudanaise-Rassemblement Démocratique Africain*, which dominated Mali in the 1960s.

Personality politics

President Konaré's younger supporters are known as the 'CMDT clan', after the *Compagnie Malienne pour le Développement Textile*, the state-owned cotton company, where many of them used to work before entering government after IBK's departure. The senior survivor of IBK's previous cabinet is **Soumaïla Cissé**, with four portfolios: Public Works, National Development Planning, Town Planning and Environment. He is independently wealthy through business, has a power-base in the key Fifth Region around Mopti and is no friend to IBK.

The anti-IBK group includes **Soumeylou Boubèye Maïga**, Minister of the Armed Forces and War Veterans, whose relatively modest life-style earns him grassroots support in Bamako. Other members are **Ousmane Sy**, National Administration and Local Government Minister, seen as the country's best informed fixer; **Mohamed Madani Diallo** at Rural Development; and **Sy Kadiatou Sow**, ex-Housing Minister.

'*Tout sauf IBK!*' ('Everything but IBK!') is the rallying cry of the new cabinet - and of the support committees for **Amadou Toumani Touré** (ATT) which have sprung up across the country with Konaré's quiet blessing. Touré, formerly Transitional President, is almost certain to stand in 2002. The newcomers in government, especially Sy and Maïga, have much to gain from running an ostensibly clean poll but must first decide whom to back. In a fair vote, IBK would probably lose to ATT.

Since Adema's party conference last October pushed the CMDT clan out of its leadership, the clan wants to use its control of the state apparatus to take over the party and turn this October's annual conference into an extraordinary congress at which they could eliminate IBK from the leadership and the presidential race. The clan's power stretches beyond politics into banking and business, and Konaré's backing reinforces its self-confidence. Meanwhile, ministers focus on factional squabbles rather than national problems.

Even decisions about the football championship are treated as state secrets. Two years ago, the government promised that matches would be played in five towns - Bamako, Kayes, Mopti, Ségou and Sikasso - raising huge expectations among their inhabitants and business people. Yet little has been spent on the necessary stadiums, hotels, airports and so on. The government therefore had to restrict the games to two towns, Bamako and Sikasso. How can it tell the other three towns? A delegation from the African Football Confederation is due in November and the nation will then learn whether it is after all to host the championship. The elections seem more likely to happen.

Malian politics have long been a family affair: under dictator **Moussa Traoré**, things were blamed on the FMI - not the French acronym for the International Monetary Fund but short for '*Famille Moussa et intimes*', Moussa's family and friends. Now, Foreign Affairs Minister **Modibo Sidibé** is the younger brother of Premier Mandé Sidibé; Mandé is admired by Konaré but not by his wife, high-born historian **Adame Bâ Konaré**. Ousmane Sy replaced his own wife, Sy Kadiatou Sow, who was Housing Minister, while Mohamed Madani Diallo replaced his wife, **Diallo Fanta Camara**, who was Primary Education Minister. Two ministers, **Diakité Fatoumata N'Diaye** (Social Development) and **Bouaré Fily Sissoko**, are the wives of close friends of **Demba Konaré**, a younger brother of the President (and a specialist in **Russian** linguistics) whose influence is rising.

Cellphone connection

In September 1988, as one of the IMF's star students, Mali was declared eligible for debt relief under the Heavily Indebted Poor Countries Initiative. Now the economy is in bad shape and so are relations with the IMF and World Bank. The Bank badly wants Mali to qualify for help: it hopes to move towards relieving the debts of 20 states by the end of the year, to deflect the protests expected at its annual meeting with the IMF in the **Czech** capital, Prague, from 29 September. Bank officials think economic reform is too slow and privatisation lacks transparency.

An example is the process of tendering for a cellular telephone system. The ramshackle *Société des Télécommunications du Mali* was instructed to grant a GSM licence to Malitel SA, a firm created for the purpose by business people close to power. To get the equipment delivered quickly, a deal was done with the **French** manufacturer Alcatel for five billion CFA francs. Alcatel's Bamako representative is the Director General of Malitel. In a confidential letter to the World Bank, Communications Minister **Ascofaré Oulématou Tamboura**, declared the Malitel GSM affair a matter of national sovereignty. The Bank promptly insisted on termination of all GSM contracts and demanded a transparent tendering process.

The Malitel deal coincided with the latest report from the 'ad hoc committee' on corruption set up by Konaré last October amid scandals at the CMDT and *Energie du Mali*. The committee is now firming up suspicions of property speculation by senior people, linked in part to the hoped-for soccer bonanza. Fifteen former bosses of state companies have been in nominal police detention for months; there is little sign of trials.

The scandal at the CMDT - the main export is cotton and nearly three million people live in the cotton-growing area - is larger still. An audit by Ernst and Young has shown that FF CFA 57 bn. are unaccounted for. In 1999, Malian farmers produced a record 518,000 tonnes of cotton. Because producer prices crashed in 1999, cotton-growers this year planted only about 43 per cent of the usual area and the most optimistic forecasts predict a harvest of only 200,000t. The fall in exports will hit the public purse (and private purses) very hard.

Bankers were already worried about the size of the CMDT's debt. At the beginning of August, a secret crisis meeting was held at the Bamako headquarters of the West African central bank, the *Banque des Etats de l'Afrique de l'Ouest*. It reviewed the CMDT's national and foreign debts, and tried to minimise the damage. The CMDT owes CFA 32.5 bn. to a consortium of foreign banks headed by the *Banque Nationale de Paris*, CFA 14.5 bn. to the **Togolese**-based *Banque Ouest-Africaine de Développement* and to the *Agence Française du Développement*, and CFA 36 bn. to local banks. On 22 September, the government will launch a loan of CFA 15 bn. from the regional Bourse in Abidjan, **Côte d'Ivoire**.

Konaré's diplomatic triumphs include the election of Mali to the United Nations Security Council and its presidency of both the West African monetary union, the *Union Economique et Monétaire Ouest-Africaine*, and the Economic Community of West African States. But his relations with **Moammar el Gadaffi** are more complicated. In his eight years in power, Konaré has made 30 trips to **Libya** but in July, at the Organisation of African Unity summit in Lomé, Gadaffi refused to welcome Konaré to his tent. The Colonel had made a pre-summit grand tour of his old allies, driving to Togo through **Niger** and **Burkina Faso** (three days each), **Ghana** and **Benin**. He carefully avoided Mali and this was taken as an insult.

The squabble is about Gadaffi's project for an 'African Union', which Konaré unreservedly backed until May when, at a jamboree in Tripoli, Konaré tried to find a compromise between the Libyan and **South African** positions. In a huff, Gadaffi withdrew the aircraft he'd lent to Konaré to travel around as head of Ecowas. Konaré has asked Burkina's President **Blaise Compaoré** and **Chadian** President **Idriss Déby** to intercede on his behalf - and the first country to ratify the African Union treaty was Mali.

Relations with **France** are dim. Konaré refused the '*convocation*' from the recently elected President **Jacques Chirac** to Dakar in 1995, a snub which has not been forgiven in Paris. Chirac stopped Mali hosting next year's France-Africa summit, now to be held in Yaoundé, **Cameroon**. And Konaré's invitation to France did not turn up until last February. He accepted 'eagerly', wanting to attend the national day celebrations on 14 July but Chirac put him off until 25 September. Premier **Lionel Jospin** was persuaded by his colleagues to visit his fellow-Socialist in Bamako in December 1997. French sources say Jospin, shocked by Konaré's verbosity, later accused his advisers of failing to warn him. Jospin is accused of being too cold, Konaré of being too warm.

CONGO-KINSHASA/ZIMBABWE

Soldiers of misfortune

Mercenaries and miners will play a key role inPresident Kabila's latest offensive

President **Laurent-Désiré Kabila** is increasingly relying on mercenary soldiers and bomber pilots as he prepares for a new round of fighting with the disparate rebel factions across the country. His once enthusiastic allies in **Angola**, **Namibia** and most of all, **Zimbabwe**, are immersed in local problems and losing patience with his gamesmanship with the United Nations and the Southern African Development Community. Kabila's allies have failed to reap much benefit from their military assistance. The failure of Oryx Diamonds, in which the Zimbabwe military and the Congo-Kinshasa government had stakes, to secure a listing on the London Stock Exchange has been a financial blow. President **Robert Mugabe**'s and Kabila's hope now is that they will be able to deepen the splits in Congo rebel ranks.

Yet tensions have also risen sharply between Kinshasa and Harare in the past three months. This hampers Congo's military strategists and has complicated the role of a Zimbabwean-based military company, Avient, and one of its supply companies, AntonAir, based in **South Africa**. Since Avient and AntonAir were incorporated in Zimbabwe in November, they have played a key role in Congo-K alongside the Congolese and Zimbabwean troops.

Formed under the aegis of **Anthony Kates**, who is Chief Executive of Harare-based CIE Mercantile, Avient Aviation and AntonAir are well plugged into the commercial network of the ruling Zimbabwe African National Union-Patriotic Front. Avient has also registered an off-shore entity in **Britain**'s Channel Islands.

Kates is close to **Jayant Joshi**, Managing Director of Zidco Holdings, which is ZANU-PF's commercial arm. Both men, along with former Justice Minister **Emmerson Mnangagwa**, have taken a close interest in Avient's operations. Joshi was a major financier of ZANU's liberation war in the 1970s and has held a privileged position in its highest councils ever since. Mnangagwa told *Africa Confidential*, seemingly with relief, that as new parliamentary Speaker he was no longer connected with Congo policy.

Avient Aviation is run by **Andrew Smith**, a former captain in Britain's Royal Gurkha Engineers. He says he is the major shareholder in Avient. Military sources in Harare say the firm is part-owned by the ZANU's Zidco Holdings, which also holds a major stake in Oryx Zimcon, the joint venture between the Zimbabwe Defence Force and Oryx Natural Resources, established for mining operations in Congo-Kinshasa. No documentation on Avient is held at Companies House. Smith's office manager, **Lewis Kling**, is coy. He says Avient is simply an air cargo company but concedes it has operations in war-torn Congo: 'We are doing certain things for the authorities here [Zimbabwe] in the Congo but which fall very short of allegations...' [of military activity].

Conflicting information

This conflicts with documents and information obtained by *Africa Confidential* which show Avient has provided vital logistical and operational support to the Congolese and Zimbabwean forces. Its core contribution was air power. For this it hired some 35 **Ukrainian** pilots and crew, who were lodged in Kinshasa's Intercontinental Hotel. The Avient fleet, mostly leased from AntonAir, included four Antonov AN26s, one Antonov A12 and an Mi24 ground attack helicopter. Crews hired by Avient also flew two MiG-21 jets owned by the Congo government.

Avient became known in Kinshasa after one of its A12s blew up just before take off. The explosion killed six crew members as the plane was carrying a heavy payload of bombs. Avient also sold aircraft and spare parts, sourced through AntonAir, to Kabila's government. Anton's headquarters are in South Africa's Gauteng Province and it maintains a workshop in Bulawayo. Anton is run by **Russian** former test-pilot **Victor Granov**, who helped to recruit the Ukrainians for Avient. By the end of August, the Kabila government had run up some US$1.2 million in arrears to Avient. About half of this was paid in early September after ZANU-PF officials strongly urged Kabila to settle up.

Avient is likely to concentrate on air operations for Zimbabwean forces in the coming fighting. Avient's support has proved critical to Zimbabwe. In February, a Zimbabwean battalion was surrounded by rebel *Rassemblement Congolais pour la Démocratie* forces and their erstwhile **Rwandan** and **Ugandan** allies at Ikela, Congo. The Zimbabweans were under mounting pressure after the rebels cut their supply lines. An Mi24 helicopter flown by an Avient crew carried out several ground attacks on rebel positions and successfully reopened Zimbabwe's supply lines.

A senior Rwandan military intelligence officer told *Africa Confidential* that RCD and Rwandan forces had been tracking bombing missions and logistics drops by planes hired by the Congolese and Zimbabwean governments. 'We have evidence that the Congolese and Zimbabweans have been using *Interahamwé* fighters in their operations and that these fighters have been supplied by air drops for offensive operations against Rwanda.' He claimed that captured *Interahamwé* had given information about air drops of light weaponry and ammunition. His forces claimed to have intelligence about the Antonovs operated out of Kinshasa. These are converted for bombing missions by running home-made bombs down a makeshift railtrack in the aircraft, say local sources.

(There is no shortage of companies offering military services to the Congolese and Zimbabwean governments. *Africa Confidential* has also obtained documents about the operations of PTC International Inc., based in Las Vegas, **United States**. In them, **Andrew Glome** of PTC complains about the misdirection of a payment cheque through Devin Bank in **Slovakia**.)

There are questions about the effectiveness of the Antonov bombing missions: Kabila's military position is weaker now that it was a year ago despite new quarrels in rebel ranks. The key question is how this military strategy is going to be be paid for. The Zimbabwean government hoped that the Oryx Diamonds operation in Mbuji Mayi would quickly cover its costs and generate income for an increasingly cash-strapped exchequer. That looks unlikely.

The Oryx affair remains confused. The Managing Director of Oryx Resources, **Geoffrey White**, says the deal will go ahead and that Oryx is prepared to sue financial advisors Grant Thornton, who withdrew from the project the day before the company was due to make a public offering. He says Grant Thornton has offered no explanation of why it withdrew at that critical moment, which effectively scuppered the reverse takeover of Petra Diamonds by **Thamer al Shanfari**'s Oryx Natural Resources. In turn, Grant Thornton says it was hired only by Petra Diamonds, to which it has already given detailed reasons for its withdrawal. Petra Diamonds' Managing Director, **Adonis Pouroulis**, wrote to Oryx last month that the merger was off unless they could get LSE approval and resolve remaining legal doubts about the mining contract.

For now, the collapse of the Oryx deal is also a blow for Avient Aviation, which had been doing much of the mining logistical work, ferrying officials and equipment from Zimbabwe to the Mbuji Mayi area in south-eastern Congo for the diamond mining project. Avient handled protocol for Oryx when it sent staff and equipment through Kinshasa. This went badly wrong when an Oryx-chartered plane and crew (with eight trunkloads of Congolese francs) was arrested at Ndjili Airport on 13 March this year. White says all those detained have since been released and Oryx has received an apology from the Kabila government but the incident is a sharp reminder to Avient and Oryx of the vicissitudes of business in war-time Congo.

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Pointers

TELECOMS/SUDAN

A bell rings

A multinational part-owned by the World Bank's International Finance Corporation is making a deal with Sudan Telecom (Sudatel), a majority of whose shares are controlled by the National Islamic Front government. **British**- and **Netherlands**-based MSI Cellular (Mobile Systems International) announced on 31 May it had 'acquired a 60 per cent stake in Mobitel, Sudan, from Nile Waters Investment Company', through a share swap. Nile Waters belongs to **Salah el Din Ahmed Mohamed Idriss**, now suing the **United States** for bombing El Shifa Pharmaceuticals Factory in August 1998. Salah Idriss, who owns the factory, complains of harrassment by the UK and US security services.

Salah agreed to exchange his 60 per cent of Mobitel (Sudan's mobile phone monopoly, officially valued at US$8 million) for 6.3 per cent of MSI. Mobitel's remaining 40 per cent belongs to Sudatel, the state telephone corporation privatised in 1993 with a monopoly till 2004 of landline phones, international gateways etc. Its first Chairman was **Mahmoud Shareef**, officially declared a martyr after dying as a volunteer with the People's Defence Forces in Equatoria in January 1995. Salah is now Chairman.

MSI's website posts the deal as done but we've been told there's a hitch. After agreeing, Salah discovered that to sell his Mobitel shares, he must offer them first to Sudatel, we're told. Negotiations are said to be continuing, with MSI insisting on a full audit and management control.

Sudatel has a two-tier shareholding structure: the government as such holds 20 per cent of over 14.6 million ordinary shares but all 6.6 mn. special shares; added to the shares of other state bodies, e.g. the (central) Bank of Sudan, it has over 50 per cent of votes on 'all other matters' than choosing the Board. Other shareholders include Islamic organisations, Shifa's first co-owner **Beshir Hassan Beshir** and diverse business people, including two members of **Saudi Arabia**'s **El Amoudi** family. Fresh shares were issued last summer, when MSI bought 6.7 per cent of Sudatel.

MSI Cellular grew from MSI Group, founded in 1989 by **Mohamed Fatih Ibrahim** (known at MSI as 'Mo Ibrahim'), a Sudanese former Technical Director of BT Cellnet (British Telecom), credited with inventing the software allowing mobile phone cells to talk to each other. MSI, whose Chairman is Mohamed Fatih with British former minister **James Prior** as Deputy, is in **Egypt** (Click GSM), **Zambia** (Zamcell), **Congo-Brazzaville**, **Malawi**, **Sierra Leone** and **Uganda** (all Celtel), and has plans for **Burkina Faso**, **Chad**, **Congo-Kinshasa**, **Gabon** and **Guinea**.

Till this year, **Nigeria** and Sudan were on MSI's no-go list. Nigeria now has a civilian government and MSI may be expecting change in Khartoum. The NIF government may want MSI's expertise and the respectability of shareholders such as IFC, CDC Group (ex-Commonwealth Development Corporation); three US companies; **Japan**'s Mitsui; and WorldTel, private arm of the International Telecommunications Union.

Salah's interests keep growing and he's acknowledged that he has eased government cash-flow problems for sugar and fuel imports. In mid-1998, he bought a $3.8 mn. majority share in IES, a London security company whose surveillance cameras are in Parliament, the Law Courts and the Metropolitan Police. Last year, he quietly acquired the Saria Complex, known as 'the civilian part' of that section of the vast Military Industrial Complex that lies south of Khartoum. Saria makes plastics and metals, including televisions, car batteries, military uniforms and boots. The military part makes ammunition,weapons and vehicles (AC Vol 37 No 21).

NAMIBIA

Murderous border

The new chief of the Namibia Defence Force is Major General **Solomon 'Jesus' Hawala**, which worries many Namibians (AC Vol 31 Nos 19 & 20). In the undeclared war along the north-eastern border with **Angola**, the security forces are widely believed to involve harmless civilians when reacting to cross-border raiders from the *União para a Independência Total de Angola*. Hawala, now NDF army commander, takes over on 1 December from Lieutenant Gen. **Jerobeum 'Dimo' Hamaambo**, NDF chief since its formation in 1990. President **Sam Nujoma** announced the change at Luiperdsvallei military base, while launching a new armoured vehicle the government hopes to sell to United Nations peacekeepers.

Before Independence in 1990, Hawala earned the title of the 'butcher of Lubango', when he supervised the torture and execution of alleged **South African** spies within the South West African People's Organisation. While Hamaambo was mainly in the field or at SWAPO headquarters in Luanda, Hawala headed a 250-strong military security organisation, not accountable to SWAPO's Central Committee or defence secretary, which from the early 1980s until Independence imprisoned some 1,000 SWAPO members and forced them to confess to being spies. Hamaambo feared this reign of terror would disable SWAPO's armed wing, the People's Liberation Army of Namibia, which he commanded. South Africa's African National Congress has fully apologised for maltreating its members during the 1980s but SWAPO has refused to make full disclosure of the events, in the interest of national reconciliation.

Nujoma and senior ministers have repeatedly warned that civilians suspected of collaborating with rebels face harsh treatment. In August, the NDF tortured seven Kavango villagers in retaliation for the mistaken killing of a Namibian soldier, shot by bow and arrow as a suspected UNITA member after drunkenly threatening to kill villagers with a hand grenade. Regional councillors have tried to ban the sale of alcohol to soldiers.

NDF indiscipline has made border patrols ineffective and most of the Angolan troops sent last year for 'logistical' cooperation with the NDF have been withdrawn after persistent complaints by locals, backed by SWAPO regional councillors and some SWAPO MPs. Most cross-border attacks have occurred along the Okavango river and almost all Kavango tourist lodges are empty and on the verge of bankruptcy.

ANGOLA

Social oil

Government officials unofficially promise to spend at least US$16 million of new oil money on social projects. This may be a first tangible sign of the state oil company Sonangol's Social Bonus Fund, worth many tens of millions of dollars supposedly earmarked for social spending. The Fund benefits from secretive flows of money from oil companies; they have almost lost control of it and it risks becoming another vehicle for credit to the Angolan elite.

Some oil companies have also given money to a non-governmental organisation called ADPP, which runs orphanages and other social projects in Angola. ADPP is part of a cult-like empire called Tvind, overseen by a reclusive **Dane** called **Mogens Amdi Petersen**. Tvind's international offshoots, with names such as Humana People to People, Planet Aid and UFF, have been investigated by Danish and **British** journalists; they make tens of millions of dollars annually by collecting donated clothes and selling them, in Angola and elsewhere, at commercial rates, even enjoying state subsidies. Tvind's new headquarters in **Zimbabwe** were opened by President **Robert Mugabe**.

Chevron, in partnership with Elf and Agip, plus BP, has earmarked millions of dollars for ADPP, which calls Norsk Hydro, Ranger Oil, Conoco and Texaco 'project partners' and whose website lists BP, De Beers, Elf, Odebrecht and Texaco as members of its general assembly. ADPP's links to Angola's elite run partly through the *Fundação **Eduardo dos Santos***, a charity formed in 1996 to polish the image of Angola's President. **Christine Messiant**, a **French** academic, describes Fesa as the 'ultimate fruit' of state privatisation; the causes it has supported include beauty contests, the army and the police.

International companies could face major embarrassment from their dealings with ADPP and their failure to stand up to corrupt figures involved in supposed social welfare projects. A source in Angola said: 'The shit-fan interface on the ADPP front is a long way off compared to the immediate risk of offending Sonangol and losing the bid for the next (exploration) block'.