# Privatizing and Militarizing Africa

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Introduction
Meredeth Turshen and Daniel Volman

This issue of the ACAS Bulletin is dedicated to our long-time supporter and friend, Warren “Bud” Day. Bud was an extremely active and tireless worker for peace and justice. Bud, Carol Thompson, and Marnie Lucas organized two ACAS-sponsored panels at ASA 2003 in Boston. The articles in this issue are drawn from presentations made there. The first set of papers is from the Roundtable on Privatization as Development in Africa: What Illusions? What Realities? What Alternatives? The second set is from the Roundtable on U.S. Wars: Impacts on Africa.

PRIVATIZATION

In the lead article, “Struggles for Power and Profit through Privatization in Africa with Special Reference to Nigeria, Ghana and South Africa,” Caroline Ifeka turns a spotlight on the privatization of water. Private companies and water TNCs are insisting that water is not a free social good but a commodity with a price that reflects supply and demand. They are imposing new regimes on the poorest communities, which are already hard-pressed to meet their basic needs. The companies are meeting with resistance from working class households, trade unions and radical NGOs that are organizing for affordable water of good quality. Working class women are spearheading protests at water taps in South Africa and Ghana. At the same time, national political elites and a global ruling class of bureaucrats, bankers and transnational corporations are slowing the pace of water privatization in order to continue siphoning off state funds. Ifeka produces astonishing data on patronage politics and illegal capital flight. The numbers on capital flight are staggering. Although it is difficult to penetrate the very opaque field of capital flight, it is estimated that worldwide up to half of all global wealth – at least $1 trillion a year, maybe more – flows into overseas bank accounts through the falsification of trade pricing (under/over invoicing) and criminal money laundering. In 1982-91 sub-Saharan Africa lost about $22 billion to Euro-American financial systems.

Eric Otenyo’s study of privatization in Kenya (written for the ACAS panel but not presented in Boston) focuses on corruption; he examines the relationship between privatization and corruption through a moral lens. He notes the immorality of privatization in the absence of guarantees of employment in privatized ventures or safety nets for those made redundant. Like Ifeka, Otenyo observes national political elites slowing the pace of privatization, which he attributes to nationalist motives. He argues that African states exercised moral judgment in preserving the collective good and defending the public interest by going slow on privatization. Otenyo also sees how the process of privatization has widened opportunities for corruption, which he blames on the international financial agencies that mandated the privatization policies.

Meredeth Turshen’s update on the privatization of health services in Africa describes the mechanics of the process as promoted by the World Bank. Copying commercial ventures in hotels and hamburgers, the World Bank recommends franchising in the health sector. Calling these “public/private ventures,” the Bank’s strategy emphasizes the disbursement of public funds to private providers and direct support to private companies. And, ignoring all the evidence on the failure of weak state infrastructures to police private practitioners of medicine and pharmacy, the Bank suggests that licensing and other forms of regulation are sufficient to guard against fraud and quackery. With health care expenditures (public and private combined) now a mere $6 per capita in sub-Saharan Africa, and with average life expectancy falling and infant mortality rising, the worst aspect of this push to privatize health care is the denial of services to the vast majority of the population. Studies show that people who cannot afford to pay fees will borrow, sell vital assets like land and livestock, and pull children out of school to put them to work – all to pay medical bills.

MILITARIZATION

Daniel Volman explains the Bush administration’s interest in African oil by exposing the security implications of U.S. energy policy. The administration explicitly characterizes reliance on imported oil as a threat to national security and, as a
matter of policy, encourages greater oil production throughout the world to enhance the diversity of sources for oil. African oil is now seen in Washington as a “vital national security interest” and the administration’s goals have a particular significance for the Defense Department. The Pentagon’s response is to consider creating a new African Command and strengthening the security forces of oil-producing countries. The U.S. is selling arms to African governments through the Foreign Military Sales program and the Commercial Sales program. It is providing military training and education both in Africa and in the United States for African troops and officers through a variety of programs. And the Pentagon is conducting joint military exercises with military forces throughout the continent in order to train local forces and to enhance the ability of U.S. forces to engage in military operations in Africa. All these programs are intended to bolster the capacity of African military forces to protect oil production and transportation facilities from any conflict that might disrupt oil shipments. Volman concludes that U.S. use of military force to make sure that African oil continues to flow across the Atlantic is a real possibility.

Al Kagan’s moving and honest case study of the Urbana-Champaign, Illinois, peace movement is especially appropriate in this issue of the ACAS Bulletin, which honors the work of Bud Day who throughout his life was dedicated to the ideals of peace and justice. Kagan’s lessons from his participation in AWARE, the Anti-War Anti-Racism Effort, are that a local peace group can have a significant impact on a small community, (Urbana in particular showed surprising support), and that activism is the antidote to depression.

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### SUMMARY OF ARGUMENT

In this paper I analyze global market forces and their impacts through privatization of water boards on national politics of patronage for profit and inequality in Africa. I focus on water privatization in Ghana, South Africa and Nigeria. Struggles over water control, like oil, involve international financial institutions, national level players in state patronage politics as well as local level citizens in working and bourgeois households. Global market forces for privatization involve players at local, national and international levels fighting for resource control—for corporate or personal profit or for the collective good.

I argue that patronage politics and illegal capital flight sponsored by national political elites and a global ruling class of bureaucrats, bankers, and transnational corporations is slowing the pace of water privatization. At the national and local levels water privatization is also experiencing some resistance from urban and rural working class households — bourgeois households are either indifferent or accept water costs levied at global rates per unit, as they share with private companies and water TNCs such as Suez-Lyonnaise, Vivendi and RWE-Thames Water the view that market forces should determine access to water. Water is not a free social good but a commodity with a price that reflects supply and demand. Struggles by working class households, trade unions, and radical NGOs against privatization and for affordable quality water are sharpening class consciousness and politicizing gender identities in South Africa and Ghana as working class women spearhead protests at water taps; likewise in the Niger Delta, Nigeria, fisherwomen now lead occupations of some oil terminals on behalf of communities claiming to own and use all oil revenues originating from their territories.

Though privatization is conceived by a global ruling class as an economic process to be implemented in the same way everywhere by national governments; in actual fact it is interpreted differently by African national and local players: national rulers’ perceive they have a ‘natural’ right to wealth from public utilities that they ‘share’ with clients who help them hold onto national power and ‘expatriate’ to overseas bank accounts; working class citizens know they are subjects who share with human beings everywhere a global right to life through free or affordable subsidized quality water. Privatization therefore...
impacts negatively, dividing African societies more than it unites, but also sharpening working class organizations like trade unions with a capacity to hold ruling elites to account for the way they distribute the spoils of office.

Growing demand for people’s human right to water is being taken up by international NGOs, academic forums, and some UN agencies who are working as concerned global citizens for a Global Water Contract that will guarantee the right of all human beings to water – to life itself.

I will now explain in more detail my argument about global water privatization and its impacts on national politics of patronage and class struggles for resource control.

ORGINS OF AN AFRICAN-WESTERN GLOBAL POLITICAL CLASS

I argue that privatization should be located in the context of an international political economy of patronage for profit. This system frames Western exploitation of African natural and human resources in collaboration with African elites and middlemen, who extract their ‘share’ of the spoils from Western companies. The patronage system goes back several hundred years. It began with the Atlantic slave trade: white slavers and African coastal middlemen traded for mutual financial gain, and in the process developed financial transactions as ‘comey’ (‘commission’) and ‘dash’ that have become an integral part of white and black engagement in the colonial and post-colonial ‘real’ trans-Atlantic political economy of patronage for profit. Today, some players in Africa and the West are merging legal and ‘shadow’ (illicit) political economies, using positions in international financial institutions, national governments and transnational corporations to do ‘legitimate commerce’ whilst facilitating capital flight for personal gain. They are reproducing a historic trans-Atlantic political economy of commerce that blurs boundaries between legal and illegal business, whilst some of them are stakeholders in an international ruling class of global wealth and power.

CAPITAL FLIGHT, WEAK AFRICAN ECONOMIES, AND A GLOBAL RULING CLASS

The disastrous impact of capital flight and patronage politics for personal gain needs to be situated in relation to negative trends in capital inflows. The total value of foreign direct investment (FDI) in Sub-Saharan Africa fell in the late 1970s from 17% of total FDI to nearly 5% of total FDI in 1998 (World Development Report 2001-02, 315). In Ghana net inflows of FDI in the mid-1990s represented just over 1% of domestic capital formation (Tangri 1999, 118). Meanwhile, agricultural output across Africa has declined dramatically along with manufacturing production and industrial capacity utilization, generating serious food shortages resulting in malnutrition widespread among urban poor and marginal rural groups like pastoralists.

Declining FDI in Africa in the 1990s has weakened Africa’s formal trade relations, encouraging national government compliance with loan conditionalities like removing fuel, housing and water subsidies and dismantling remaining tariffs; economic weakness and political necessity also encourage national political-commercial class interest in cooperation with overseas capital willing to do ‘business as usual’ by doling out to state elites ‘commissions’, white elephant ‘contracts’, ‘dash’, and ‘bonuses’.

Some researchers in the very opaque field of capital flight estimate that flight of capital into overseas bank accounts, falsification of trade pricing (under/over invoicing), and criminal money laundering involve worldwide at least $1 trillion a year, maybe more, or up to half of all global wealth flows (Robertson 2002, 1). In 1982-91 Sub-Saharan Africa lost about $22 billion to Euro-American financial systems. Western economies benefit, African economies are degraded.

Currently, Nigeria is thought to have a black market ‘shadow’ economy1 worth about 77% of all financial transactions in one year (Robertson 2002, 8). Capital held overseas is estimated at 39% of Africa’s GDP in the late 1990s and 133% of Nigeria’s GDP. Robertson (2002) used the Central Bank of Nigeria’s foreign exchange approvals in one quarter in 1999 to estimate Nigeria’s annual capital flight in the mid-1990s at $4 billion or 50% of mean petrodollar income (Robertson 2002, 16). This does not include the Gulf War oil windfall of $12 billion never accounted for. Access to inflated contracts paid en bloc to foreign contractors suggests that these companies facilitated capital flight of public money. A small number of individuals involved in Nigeria’s trans-Atlantic political economy of ‘legitimate’ and ‘shadow’ transactions may hold about $3.7 trillion between them, which may be the bulk of Nigeria’s capital flight since independence.
TRANSFORMING NON-MARKET GOODS INTO COMMODITIES FOR SALE TO CONSUMERS

Following Colin Leys (2003), I suggest that we need to analyze in more detail political strategies pursued by TNCs and national governments to ‘soften up’ citizens into accepting that water, everyone’s right to life, is a commodity subject to laws of supply and demand mediated by price. Before the World Bank imposed on national governments loan conditions including water privatization from the mid-1980s, informal privatization of water in African cities was taking place through private companies and individuals selling at local market rates borehole water in buckets, sachets of ‘pure’ drinking water, and household water carried in small trucks including old fire engines and municipal waste disposal lorries. At this time, in Ghana and Nigeria, municipal supply systems, however dysfunctional, were operating and some households did pay subsidized flat rates.

I use a formula developed by Leys (2003) to identify political strategies adopted by national governments and water TNCs to transform water supplies, popularly regarded as a non-market social good, into commodities bought and sold for unit prices set by international costs and profit calculations.

My search of web sites maintained by Nigerian state governments and Internet briefings by African news agencies on water privatization in Ghana and South Africa enabled me to find several popular applications of the following strategies.

(A) Water TNCs and state governments seek to induce people into believing that water is not a free ‘natural’ resource access to which is a universal human right, but merely a basic need that should be ‘rationed’ by people’s purchasing power.

(B) Water TNCs and state governments seek to convert people working for water boards to labor not for the common good but to produce profits for owners of capital and subject themselves to market disciplines.

(C) Water TNCs aim to get the state to underwrite capital invested in privatizing, for example, water boards, so that public funds are used to protect private or corporate capital from undue risk

I will now show briefly how these strategies are important in different forms of resistance to privatization. Resistance reveals the ‘real’ political economy of patronage for profit at work, in one way or another.

RESISTANCE TO PRIVATIZATION: PROTECTION OF NON-MARKET SECTORS AGAINST GLOBAL MARKET FORCES

Strategy A: Commodifying Water

African governments’ need to protect sources of patronage and ‘shadow revenues’ triggers resistance to commodification by privatization. Is national governments’ hesitant privatization protecting the poor majority from even less access to clean water? Is political resistance by some elites blocking national government publicity and media advertisements to the effect that privatized water will be to everyone’s benefit, because they will now be drinking clean water and will have more reliable water supplies? If this is so, then in some cases Strategy A is being checkmated by the very elite that is supposedly promoting water privatization.

Strategy B: People working for water companies work to help the company make a profit

Contrary to privatization proponents, I argue that on account of the pivotal role of patronage in generating informal income generating activities, divestiture weakens African economies increasingly exposed through ‘free trade’ to global market forces. Therefore, the very manufacturing and agriculture that global market forces claim will grow through privatization, go into further decline. Opportunities decline further for large numbers of unemployed youth for training in plants, offices, and construction sites as waged staff working for the company’s profit, restiveness increases and so the pool of compliant young workers trained to work for company profit declines. Thus, it would seem that in some cases of water privatization, Strategy B might be checkmated.

Strategy C: Water TNCs use public funds to underwrite risk

This strategy operates in two ways. (a) On one level privatization promotes national dependency on increasingly integrated, globalized, centers of accumulation and so, as global market forces impose structural adjustment programs in weak economies, governments seek to impose customary patronage for profit strategies to retain a measure of resource control over national assets that help them generate ‘shadow’ revenues. This is the political class’s form of ‘underwriting’ privatization risks. A popular stra-
tergy is to draw up contracts for water boards that award the private investor full management rights for five to seven years (in exchange for periodic ‘commissions’ on top of the official purchase price), and to retain ownership of the water facility.

(b) On another level the state uses World Bank loans (public funds) paid to private water TNCs to underwrite private investor’s risk. Hence, the private company achieves its goal of getting risk underwritten by the state and aims to achieve its goal of maximizing profits by levying steep water prices. Poor households and some communities resist, and so conflicts between subaltern and bourgeois households, ethnic groups and nation states over access to and ownership of water escalate, weakening the social fabric of African societies even further and strengthening political rulers’ reliance on ‘shadow revenues’ for profit.

We can detect this two-way push-pull process in other contexts. On the one hand, we have statements at the international level by African heads of state (e.g. Presidents Obasanjo and Mbeki), leaders of political parties, and international bankers (G-8) to the effect that global market forces can bring dynamic growth and strengthen democracy in African countries. On the other hand, frequent newspaper articles and personal observation enable researchers to know that these same players in an international ruling class are also pulled by political necessity at home to observe deeper rooted national values and practices of patronage for personal profit. National politicians are most reluctant to say farewell to state enterprises and public utilities that they have milked for revenues for sharing with political followings and exporting to their bank accounts overseas. Privatization is resisted – elites ‘drag’ as clients and election funders demand shares in ‘shadow revenues’ extracted from state enterprises and public utilities; they have to shore up their political followings and power bases. So political cultures of patronage exert a force at the national level that can counteract global market forces demanding privatization.

**RESISTANCE TO PRIVATIZATION: WORKING FOR AND AGAINST TNCs IN COMMUNITIES AND ON CITY STREETS**

Responses to privatization and the impact of global market forces on national politics and community economies are not entirely unambiguous. These are some examples of social and political flexibility and their different impacts on the well being of the poor.

(a) At the community level, impoverished households are embedded in production for local markets as well as in production for subsistence. Ideally they look two ways – to the market for personal profit and to the collectivity for equitable apportionment of non-market social goods to which everyone has an entitlement. There are some examples of town and village communities over-riding individual interest (for the moment perhaps) and taking control over water supplies (e.g. Cameroon’s KWA community project managing water supplies to 40,000 residents of Kimbu, north west province). In this context people justify their actions by appealing to traditions of collective mobilization against national government and TNCs popularly perceived as ‘money moguls’: as they see it, in the Niger Delta oil TNCs extract community resources (oil revenues) for corporate profit, while in Johannesburg water TNCs such as Suez-Lyonnaise seize control of water and through cost recovery schemes seek to accumulate wealth from poor citizens.

(b) In yet other instances, youth and women are engaged in the market and in the non-market sector of community social values: they claim the right to be oil TNC ‘employees’ who must receive ‘stay at home allowances’, but they also remain true to community values when they attack TNC installations in order to pressure the company and national government to hand over oil revenues to community or clan councils responsible for the equitable apportionment of resources and revenues among all households for social justice and welfare. In these ways, national and local political cultures shape responses to global market forces embodied in economic institutions such as water TNCs.

(c) More saliently, and less ambiguously, global market forces are arguably weakening societal cohesion through privatization. Support for and opposition to water privatization seems aligned to class divisions between those managing the means of capitalist production and administration (elites, bourgeoisie in support) and those without control of dominant means of production (subalterns, in opposition). Levels of conflict in urban civil society in Ghana, Nigeria and South Africa are increasing on city streets as bourgeois households accept escalating water fees in the interests of private company cost recovery and contest with working class families who are campaigning for subsidized low cost quality water with regular supplies. On the one hand, these national and local struggles are divisive, as in Nigerian oil communities where radical youth and NGO elements claim rights of complete control over all oil revenues and engage in low level warfare with
oil TNCs and government security forces; on the other hand, they could be in the longer term cohesive as popular mobilization against privatization is contributing to the formation of stronger political institutions coordinated by trade unions, radical NGOs, and CBOs.

(d) Water privatization in South Africa and Ghana means impoverished urban and rural households unable to pay at the rates imposed by private companies resort to polluted sources of drinking water and in consequence experience ill-health, death from diarrheal diseases, cholera and typhoid bacteria. Is there a sense in which national elites’ resistance to non-market sector privatization on account of their commitment to patronage politics and capital flight for personal gain would be preferred by the poor majority compared to private water companies costly unaffordable water rates, pre-paid meters and the like? Many subaltern households in South African towns are demanding access to free or subsidized water — they rely variably on poor people selling water as a commodity: informal water vendors, sellers of pure water sachets and the like — but prefer the less conflictual ‘business as usual’ option with dysfunctional state owned and managed water utilities in command (McDonald and Page 2002).

PRIVATIZATION IMPLEMENTED:
INCREASING INEQUALITY, VIOLENCE AND FUNDAMENTALISM

Privatization promotes national dependency on increasingly integrated, globalized, centers of accumulation and so, as global market forces impose structural adjustment programs without end, governments seek a measure of ‘shadow’ revenue control through more venality and less transparency. The private water company or TNC also seeks to maximize its profits in the relatively brief period awarded by levying steep water prices on impoverished consumers, who resist, and so conflicts between subaltern and bourgeois households, ethnic groups and nation states over access to and ownership of water escalate, weakening the social fabric of African societies even further.

Societal strengthening supposedly comes from world religions claiming that their prayers and good works bring peace. (President Obasanjo is a well-known preacher of this ideology.) Scholars often consider Pentecostal Christianity in Sub-Saharan Africa on its own religious terrain, as a contemporary religious phenomenon situated in society, which they analyze in terms of its theologies, organizational systems, congregation composition, and perceived impacts on members’ lives. A less usual approach, adopted here, is to explore linkages between Pentecostal fundamentalism as a global phenomenon and global capitalism.

West African Pentecostal churches have strong links with Business Men’s Gospel Fellowships in the USA: faith leads to entrepreneurial wealth. Is an important but neglected explanation for the rapid growth of African Christian fundamentalism its unashamed advocacy, in the world’s poorest continent, of Jesus as a spiritual promoter of wealth seeking? I suggest that African gospel churches preaching the virtues of ‘winner takes all’ philosophies of neo-liberal capitalism lend indirect support to global institutions promoting privatization of non-market fields in the name of greater efficiency and cost effectiveness.

They also lend direct support at the national and local levels to the growth of violence as easy options for resource control ‘resolution’. This is because Pentecostal prosperity churches are flourishing in weak national economies that depend increasingly on global centers of accumulation and whose impoverished semi-literate populations at times adopt a ‘victim’ mentality and attribute their sufferings to witchcraft, and TNC and government elite ‘selfishness’. Pentecostal certainty — that they are absolutely right (and others of different faiths including Muslims are very wrong) about wealth achievement being ‘proof’ of God’s blessing — encourages militancy, extremism, and easy resort to violence to solve conflicts, especially among youth, largely unemployed or barely employed in the highly overcrowded informal sector. ‘Prosperity’ fundamentalism therefore tilts societies more towards extremism, polarizing around perceived ethnic, religious, and racial differences and class economic inequalities.

NEED FOR A GLOBAL WATER CONTRACT
AND REGIONAL WATER SUPPLY AGREEMENTS

I conclude with two suggestions: (a) We should seek to strengthen international action to regulate capital flight and TNC privatization ventures in Africa; and (b) We should support radical alliances, NGOs, and networks currently campaigning for a Global Water Contract and a World Center for the Monitoring of Economic and Social Water Rights. Steps towards regional agreements regulating privatization and water use could take some pressure off several hundred million poor people in Sub-Saharan Africa.
ENDNOTES

1 ‘Shadow revenue’ flows reflect the real costs and benefits of activities to a country by comparison with world prices. This enables the calculation of the economic value or cost of shadow revenue flows. A key feature is the creation of ‘economic rent’ or surplus profit. For example, abnormally low stumpage rates in forestry create excess profit, or drug dealers generate excess profit by making drugs illegal, so raising their street price way above production costs. Similar informal sector shadow revenue flows account for about 50% of the world’s movements of wealth, enriching Western economies in the short run and perpetuating African impoverishment.

REFERENCES


Privatization: The Key to Corrupt Government in Kenya

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INTRODUCTION

The 1980s experienced unprecedented waves of privatization. Several authors including Savas (1987) and David Linowes (1988) in widely circulated books reified the prevailing belief that the private sector was superior to the public in the delivery of goods and services. Margaret Thatcher and Ronald Reagan had already prepared the public for the ultimate ideological crucifixion of “big government.” Many public choice pundits saw privatization as a pragmatic response to “bureau-pathology.” Big government meant waste, intrusion into the private space and a danger to democracy. Africa was not left behind in this moral crusade.

The promise of better government through privatization was a moral imperative for another reason. Privatizing state owned enterprises would freeze dollars for debt repayment and support for human development projects in Africa. The logic was simple: privatizing state owned enterprises was a management innovation. It would usher in competition and give more chances and opportunities for the best performers (Anderson and Hill 1996; Hodge 2000). As one leading spokesperson for this school stated, “privatization, in its various forms, and the development of capital markets will be a primary catalyst for economic growth and globalization well into the twenty-first century”(McLindon 1996). Even though those authors were challenged, for example by a host of scholars and commentators including Donahue (1989), Hula (1988) and Kent (1987), the proponents won the ideological campaign. Their message found a prominent home in the architects of global finance – the World Bank and International Monetary Fund. The Bretton Woods institutions ignored the voice expressed in the opposing views that the conditions for successful privatization were not available all the time in all places. Donahue even successfully demonstrated that privatization did not necessarily lead to competition and efficiency. Citing the defense industry in the USA, he concluded that it was riddled with cases of massive corruption.

In spite of the deconstruction of the efficiency argument, the push for privatization became synonymous with the structural adjustments required of African governments. Privatization was touted as a component in the management of structural
adjustment programs. Millions of dollars were spent in conducting studies on how best to privatize state owned enterprises. Governments in Africa that had previously built governance and economic management based on a swollen state model were forced to rethink their economic strategies. For many, it was time to do away with non-strategic parastatals. It was time to change government and make room for partnerships. Indeed, privatization was not a plea but a condition for any further engagement in the world economy. The World Bank and IMF demanded a timetable for reforms. In Kenya, the issue was a challenge for the power elite and state.

**BRIEF HISTORY OF STATE OWNED ENTERPRISES IN KENYA**

At independence, African governments inherited colonial structures but allowed for changes to suit nationalistic exigencies. Because the economies were tied to western markets, colonial governments had instituted marketing boards and other parastatals to oversee the marketing of cash crops to the North. However, the first governments were unable to assemble the finances needed to create employment and provide jobs for people who had been economically marginalized and confined to “reserves.” No one expected the masses to possess a private business ethic in emerging African nations, in part because colonial governments had worked hard to stop the emergence of any serious private sector.

After independence the Kenyan government established state owned enterprises and nationalized a number of local multinational corporations (MNC). Few Kenyans thought of venturing into any meaningful business without state support. By establishing institutions such as the Industrial and Commercial Development Corporation (ICDC), Kenya Industrial Estates (KIE), Agricultural Finance Corporation (AFC), Kenya Commercial Bank (KCB), National Bank of Kenya (NBK), and a host of other enterprises, the state hoped to trigger development. Another overarching objective spelt out in numerous development plans was the expansion of industrial development into the rural areas as a means for providing employment, import substitution, export promotion, and to curb population flight to urban areas. Many of the state sponsored financial corporations provided subsidies to MNCs investing in manufacturing ventures. Others such as Kenya Industrial Estates were the main agent for small-scale industrialization, providing loans to Africans wishing to engage in low-level rural industrialization. In short, the need in the 1960s and 70s for state owned enterprises was first of all a moral issue to empower Africans.

Whether the parastatals were performing well was an issue only if state operatives captured the corporations for narrow self-interests. After all, poor performance due to corruption and incompetence was not any better than the pilferage and corruption of the MNCs. MNCs corrupted African governments into providing them with undue advantages and, after making returns to their investments, left the host nations worse off than they found them. The story of state owned enterprises and MNCs in Kenya is well documented (see for example, Langdon 1981; Swainson 1980; Kaplinsky and Sumitra 1978).

At the very least, the existence of parastatals represented a promise and a symbol of hope that independence was giving Africans control of their economy. Indeed, in a later study, Grosh (1991) determined that low capitalization was the reason the majority of the under-performing parastatals were not doing well, rather than their public status. As pointed out in other studies, ownership alone is not a sufficient excuse for poor performance (cf Starr 1990). The government initially identified more than 200 parastatals for privatization and at least another 33 for restructuring. Some parastatals earmarked for privatization by the IMF and World Bank were among the best performers.

Whether through divestiture or outright sale, would a mere change of ownership from public to private be an answer to mismanagement? Evidence from ENRON and AMTRAK in the USA suggests that it is not ownership per se as projected by the World Bank that was the problem. The next section of this paper puts privatization into a Kenyan perspective. The argument is that privatization has not delivered on its promise but rather has exacerbated poverty and created a new wave of corruption.

**PRIVATIZATION AND CORRUPTION**

Although the literature on corruption and privatization is now growing, the first bold statement about the correlation was made by Kaufmann and Siegelbaum (1997), who wrote about Russia, the former Soviet Union, East and Central Europe. Of course, the media is replete with comments on similar situations (e.g., Someshwar Singh [2000]; the Economist [August 2000]). Singh (2000) cites a report, Exporting Corruption - Privatization, Multinationals and Bribery, by the Corner House of Britain, which noted that “the growth of corruption across the globe was a result of rapid privatization of
public enterprises along with reforms to downsize and undervalue civil services pushed on developing countries by the World Bank, IMF and western governments supporting their transnational corporations.” According to the Corner House report, multinationals bribed their way to win concessions associated with the contracting out and privatization procedures.

Although it is clear that corruption is not an African creation, the combination of multinational-engineered corruption and that of state capture in Africa worsens its impact on development and the eradication of poverty. For Kenya, in particular, the ink on the story of corruption has not yet dried. If Chief Emeka Anyaoku (Otenyo 1998, 57; see also Ayittey 1993) was right in stating “Africans had given corruption a bad name,” then by all measures Kenya is one of those countries that informed his data. Kenya scores poorly in Transparency International Corruption Indices (for example, the rank in 2002 is 6 from bottom, at point 96 out of 102 countries surveyed). In other words Kenya is the 6th most corrupt nation in the world. The country is one of the few that fell from grace, not because of military coups, but from a viciously corrupt government.

GUIDING QUESTIONS

Although research on corruption has benefited from game theory and rational choice explanations, actual quantification and data testing are lacking; most studies are qualitative content analyses. After all, it is not feasible at the moment to gain access to primary data on actual practices. However, government and donor reports provide some evidence of the intricacies of the problem. For the purposes of this inquiry, a couple of questions are posed. First, did the intervening variable of privatization make a difference in the country’s drift to a corrupt bandit economy? The problem is that it is not easy to ascertain the actual linkage between corruption and privatization, given that the corruption process might have preceded the privatization wave. However, if privatization gives more power to certain groups and increases the potential for manipulation and private gain, then it must be an area of primary focus in understanding corruption. The research responds to the two related questions:

- Did the form of corruption change with the emergence of privatization?
- What was the motivation for the mega corruption scandals in Kenya?

EVIDENCE AND DISCUSSION:
CORRUPTION AND THE ENABLING ENVIRONMENT

The form of corruption changed with the emergence of privatization in a number of ways. Privatization created new avenues for corruption. For example, the process of reforming the enabling markets that preceded privatization was itself riddled with corruption. The IMF and World Bank required Kenya to liberalize its legal frameworks to undo the prevailing dominance of state owned enterprises. In tandem were a host of other foreign exchange requirements that would enable private western corporations or individuals to buy the state owned enterprises. Among the prescriptions was liberalization of foreign exchange controls. The results were phenomenal. Although private citizens hailed the move as a step toward freedom, the evidence suggests that wheeler-dealers made billions of shillings by taking advantage of the emerging policy environment. For example, in 1993, and as part of currency reform program, the government introduced the foreign-bearer certificates. Kenya made millionaires out of people who manipulated the market through speculation and capital flight.

There were also cases in which unscrupulous businesspersons colluded with Central Bank of Kenya operatives to steal billions worth of already redeemed certificates, which they later resold in the marketplace. The Weekly Review aptly reported this scandal in the following words:

Indeed, by the time the account was reconciled, internal auditors at the Central Bank of Kenya discovered that the Central Bank had redeemed more certificates than it had issued (an excess of US $10 million), a situation which pointed to the possibility that some unscrupulous businessmen had printed their own certificates and sold them in the marketplace (Weekly Review, 6/17/98).

There was a host of other problems associated with creating an enabling environment. For example, the government failed to reach a consensus about the timetable of privatization. It also took several years to agree on identifying the state owned enterprises for sale. The government also controlled the pace of capital market development by placing greater emphasis on methods rather than substance. Countless cabinet meetings and studies were commissioned at the expense of real effort. In fact the only privatizations of note were of facilities in the tourist sector, shares of which were floated on the Nairobi Stock Exchange. The big-ticket deals such
as the sale of the Kenya Reinsurance Corporation did not occur in 2000 as had been agreed upon. Furthermore, politicians from the Coastal Province vehemently resisted privatizing parts of the Kenya Ports Authority. Other examples of failure in the privatization of infrastructure, such as the Kenya Power and Lighting Company (KPLC), demonstrated the government’s discomfort with the whole process. Rather than completely withdraw from the market, it split the KPLC into two entities: KENGEN for the generation of power and KPLC for the distribution of power. It also licensed two independent providers to feed into the national grid, but this effort debunked the efficiency and market argument touted by proponents of privatization. Weather conditions in 2000 reduced water levels, rendering the entire scheme useless. The government went back to the World Bank for loans to improve its power generating capacity.

For Kenya Commercial Bank, one of the best-run financial institutions in Africa, the government had to relaunch its search for a partner in 2001 after an initial public offering of shares for the bank failed to find buyers. The slow pace in the privatization program spoke a million words. Beneath it was a psychological war between, on one hand, the World Bank and IMF representing MNCs, and on the other hand, the Kenyan power elite. The morality of disen-gaging national institutions from public control was a matter of great nationalistic concern. Kenya paid for going slow on privatization. The international lending institutions continued to deny the country loans.

Ironically, failure to privatize quickly and to enhance good governance through the elimination of corruption were the catch phrases upon which future disbursements hinged. In the larger scheme of things, were the World Bank and IMF missing the point? By demanding the sale of state owned enterprises, including institutions that performed well, the much-touted capacity building argument was being discredited. Privatization did not guarantee job retention. In reality it exacerbated unemployment. For example, in an assessment of the Voluntary Early Retirement Schemes (VERS) that enticed public officials to retire as a restructuring venture (a prelude to privatization), more jobs were lost than were created. Had the retirement benefits and Golden Handshakes been sufficient, retired civil servants might have started meaningful economic activities. The finding is corroborated in the Corner House report, which observes that eight out of 15 countries in Africa increased their wage bills after downsizing.

The process was also riddled with mind boggling moral questions. For example, could the Industrial and Commercial Development Corporation and the National Cereals Board equity holding in the Kenya Cashewnut Company processing plant in Kilifi be sold to foreigners without hurting local peasants represented by the Kilifi Cooperative Union? Morally, to privatize a state-supported factory employing 5000 peasant families was troubling, if there were no safety nets to guarantee their employment in a privatized venture. Almost all cases involving state withdrawal in rural based industries, such as in the Awendo Sony Sugar Company, the Chemelil Sugar Company, which was financed by the Development Finance Corporation of Kenya, and the partly state owned Athi River East African Cement Company, all resulted in job losses and less than transparent divestiture processes.

The case of the telecommunication industry is representative of the ugliness of corruption that accompanies privatization. In a well-received book, Ryan and his collaborators (1997) argued that privatization in the telecommunication industry progressed well and created competition leading to lower prices. Despite the promises by proponents that privatization would lead to competition, it has not done so for Kenya. A case in point is the contentious government licensing process. Witness this:

When Kenya liberalized and privatized parts of the state owned Kenya Post and Telecommunications, new players emerged on the scene. Under the Kenya Communications Act of 1998, KPTC was dissolved and succeeded by three new organizations: TelKom Kenya (telecommunications), the Communications Commission of Kenya (regulation), and the Postal Corporation (postal services). Two private companies, Kencell and Safaricom, were licensed to provide mobile phone services. TelKom maintained some shares in Safaricom. A well-connected Kenyan Asian company, Sameer Investments, owned Kencell. Different elite factions backed the two interests. When a third competitor, the Kenya Telecommunications Investment Group (KTIG), attempted to enter the market, the Ministry of Finance (Treasury) rejected its licensing bid on “technical grounds.” The news of the rejection was well publicized and led to the withdrawal of the government’s earlier support of a South African company, Econet Wireless International, that had a lower license bid. KTIG sued the Communications Commission of Kenya (CCK) for awarding the license to Econet in a controversial manner. It also lodged an appeal against the CCK Public
Procurement Complaints Review and Appeals Board. The court subsequently froze the license award to Econet.

Old style corruption continued or was not tied to the privatization regime. For example, corruption as a system of buying influence by minority groups such as Asians (described in Scott 1972, 25) did not end. We know it continued because some of the most prominent scandals included mention of Kenyan Asians. A number of Asian exporters were compensated between 1991 and 1993 for exporting non-existent gold in a scandal involving the dubious company, Goldenberg International. According to conservative estimates, Goldenberg International received about US $100 million (Szlapak 2002). The important connection is that money from such schemes was to be used for political corruption as well as purchasing state owned enterprises. In other words, rather than let a foreign based bourgeoisie purchase the state owned enterprises, the local operatives employed any tricks to extract money from the public in a bid to stop sales to foreigners. Stated differently, privatization was an excuse for further corruption because the principal reason those local entrepreneurs could not compete with better-endowed foreign interests was that they were undercapitalized.

Finally, the current “privatization wave” implies a move toward dangerous anti-people programs that control the very essence of humanity. If a basic life-sustaining commodity such as water is privatized, the poor communities of Africa are simply being deprived of the remaining life support system they cling to. Although evidence from Europe suggests that the privatization of municipal water services failed to attain its stated goals, the Kenya government was forced to accept the arm-twisting of the French company Vivendi and subsidized the MNC to provide water for Nairobians. The City Council of Nairobi paid millions of additional shillings to the MNC when it installed a new billing service, for which no provision had been made in the budget. The Kenyan press reported disagreements between cabinet level Ministry of Water officials and the city mayor over the privatization scheme. But since policy issues are made above, city residents will have to live with the privatized regime. After water, the World Bank asked Kenya to privatize most of its roads. Bearing in mind that most Kenyans live below the poverty line, where is the moral high ground if the poorest of the poor have to pay high bills to subsidize MNCs that care only about profits? It is so true that state operatives now more than ever have to tilt government business first to the interests of MNC and then worry about citizens later.

**MOTIVATION**

Theoretically, the motives of the proponents of privatization were to increase markets, create wealth and enhance the possibility of grabbing or retaining power. In reality, however, the power elite in Kenya viewed privatization in a political rather than an economic sense. This is hardly unusual, as examples in Europe show, though to a limited extent (Clarke and Pitelis 1993). In the advanced polities, privatization was a safer option than outright withdrawal of government from the provision of certain services. As Shleifer and Vishny (1998) point out, state owned enterprises are rooted in a political game, the theoretical logic of which is that politicians care more about votes and jobs than for the private sector; this is to be expected in countries that have limited traditions of a private sector.

One wonders what choices are available when no local interests are willing to invest. The moral imperative of the states to take over as the primary providers cannot change with the exigencies of MNCs. What matters to the states are the outcomes rather than the microeconomic arguments for efficiency. The preferred moral choice was to have state owned enterprises in a utilitarian sense rather than have the global giants and their subsidiaries with their narrow interests. Arguably, African states exercised moral judgment in preserving the collective good and defending the public interest by going slow on privatization. The specific problem of Kenya was that elements in the government were primarily concerned with meeting World Bank directives and with enhancing their political clout. For Kenya, the political culture of patron clientelism would not be sustained without control of the state owned enterprises. It was partly a defense of economic nationalism and parochial ethnic clientelism.

Privatization gave the ruling elite the excuse for fighting to remain in power. If they could dish out state largesse, they would be assured of political power. In a sense, it worked against democracy. The legal frameworks and political environments in Kenya in the 1990s were not conducive to a transparent privatization process. Few groups outside the power elite could even access the ministry documents to bid for state owned enterprises. In spite of the external pressure to privatize in a transparent fashion, there was no political will, and the opposition was weak and divided.
CONCLUSION

My purpose is not to revisit technical analyses and debate the merits of privatization. Rather, the issues are moral in nature: we are either for or against this strategy. The question to ask is, “Privatization in whose interest?” The evidence suggests that privatization undermines democracy and makes capitalism look good but does little to alleviate poverty. The process of privatization has not led to the empowerment of the indigenous private business sector, especially the homegrown Jua Kali informal sectors that provide the bulk of employment outside the government. In particular, the now privatized state owned enterprises, or even those enterprises from which the government withdrew, are not necessarily more viable economic entities. The obvious link between state withdrawal and the return of greater share holding by MNCs begs the moral question, “Was privatization a reinvention of MNC governance?”

To sum it all up, for Kenya the current continuation of the process of privatization is morally questionable. It has not led to better and efficient government. Instead, it has led to more corruption. Indeed, the more the country privatized, the more its ranking on the Transparency International corruption index worsened, the more the pool of unemployed and underemployed youths grew. Privatization leads to more losers than winners. In fact shrinking the state by selling off parastatals doesn’t make mathematical sense in Kenya. If we have more than 19 million government employees in the USA to serve more than 280 million people, what is the problem with half a million Kenyan public employees serving a population of 30 million? Something is not right. It is time to unpack the lie in this falsehood.

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Privatizing Health Services in Africa: An Update

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Author’s note: In 1994 I went to Zimbabwe to research changes in the health care system that had occurred since my first visit in 1987. Bud Day and Carol Thompson helped organize the fieldwork that eventually led to the publication of Privatizing Health Services in Africa. They generously shared with me their many contacts, which they had cultivated over years of teaching and research in Zimbabwe. I thank them for facilitating the study and for the many hours of stimulating conversation debating the ideas in the book. The loss of Bud’s critical voice has saddened all of us. It was Bud and Carol’s idea to have an ACAS roundtable on privatization in the many sectors in which it is taking place in Africa, and it was their work to contact speakers that made the roundtable a reality and a success at the 2003 ASA meeting in Boston. I thank them for including me and for giving me the opportunity to update this work. All of us will miss Bud’s energy and commitment to ACAS and to our work for and in Africa.

In the five years since publishing Privatizing Health Services in Africa, privatization has leapt forward in ways I did not imagine when doing the original research. In the 1990s privatization meant divestiture, the sale of publicly owned health care facilities to private companies, but this was rare in Africa. Privatization also meant the introduction of private insurance; U.S. insurance companies are active in Latin America but have found the market in Africa limited by poverty and the AIDS epidemic. (Even in South Africa, only 8% of Blacks held health insurance policies in the 1990s; far fewer were insured elsewhere in Africa; and in Zimbabwe the government-supported scheme collapsed). Most commonly, privatization meant fee-for-service schemes; user fees became entrenched at public and private health facilities everywhere, even though the World Bank admitted the failure of the policy and eventually withdrew the requirement. In another sign of the withdrawal of state funding of public facilities, many hospitals forced people into the private medical supplies sector by requiring patients to bring hypodermic needles, antiseptic solutions, bandages, etc., as well as food and bed linens. All of these policies are highly regressive as they tax the sick and their families at the moment of greatest need.

In the new millennium, privatization is more aggressive, more business oriented, more concerned with the business risks of health care provision and less with financial risks to patients. Among the options now considered by the World Bank are: service contracts, in which the government pays a private company to provide such routine procedures as laboratory work, radiology, or even a health education campaign (Marek, Yamamoto, and Ruster 2003). Little risk is transferred to the private company as the government retains responsibility. A second arrangement is the management contract, in which the government pays a private company to manage public facilities, including the procurement of labor, supplies, medicines, and equipment. Marek, Yamamoto, and Ruster (2003) believe that management contracts are a good way to be more efficient while keeping commercial risks low. A third arrangement is the lease, in which a private company pays a government a fee to use public facilities, which they then manage and operate. Revenues go to the private company, which bears all the risks. Fourth are concessions, in which a private company pays a government a fee to operate, maintain, and make capital investments in a public facility, including construction of new facilities, eventually transferring ownership to the government. The private company
assumes the risks. Fifth is free access to the health care market with no contractual relation to the government. Licensing, certification, accreditation, and other regulatory instruments supposedly provide oversight.

Finally, there are health franchising schemes, popular with family planning and maternal and child health care providers. The franchise licenses independent businesses (franchisees) to operate under its brand name for a fee (Ruster, Yamamoto, and Rogo 2003). I call this the Holiday Inn model; in 1987 a South African company operated the Holiday Inn in Harare as a franchise, paying the parent company for the Holiday Inn name and the advertising it provided. Health care franchisers establish protocols, provide training for health workers, certify those who qualify, monitor performance, and procure equipment and supplies. This description is not idle speculation about how a business model might be applied in the health sector; it reflects current reality.

For example, the Kisumu Medical Educational Trust in Kenya runs family planning, post-abortion, and sexually transmitted disease clinics (over 125 franchises as of October 2001). The franchisees are nurses, midwives, and clinical and medical officers. The training consists of one week’s instruction in family planning and reproductive health, manual vacuum extraction (for abortion), treatment of sexually transmitted diseases and AIDS, and the prevention of infection. Franchisees also, in the space of a week, receive business training in the use of revolving funds and record keeping. The monitoring consists of monthly visits from “coordinators”. The type of training the coordinators receive is not noted.

Options for privatizing hospital services run parallel to the health sector schemes. Some of these options are: co-location of a private wing within or beside a private hospital (a practice criticized in Britain thirty years ago); outsourcing non-clinical support services such as cleaning, catering, laundry, and security; outsourcing clinical support services such as radiology and laboratory services; outsourcing specialized clinical services such as cataract removal; and the sale of public hospitals for alternative uses (Taylor and Blair 2002).

The World Bank’s private sector development strategy emphasizes the disbursement of public funds to private providers and direct support to private companies (Bijlmakers and Lindner 2003). This strategy crowds out investment in the public sector, which desperately needs infusions of cash. The Bank ignores mounting empirical evidence that identifies problems like market failures in the health sector – for example, the inability of private services to ensure coverage of all people (and not only in Africa; one might mention that 44 million people are currently uninsured in the United States). The Bank does not adequately address the need to regulate the private sector or the inability of weak African infrastructures to provide effective oversight. Minimum regulatory standards are meaningless without inspection and enforcement sanctions.

The Bank’s strategy focuses on charging patients the full cost price for using services. For those who cannot afford the full cost price, there are supposed to be exemptions and subsidies. Yet we know (and the Bank knows) from experience with user fees that exemptions and subsidies don’t work (Turshen 1999, 34-36). Rises in out-of-pocket costs for public and private health-care services are driving many families into poverty and are increasing the poverty of those who are already poor.

The effects of health care privatization are fourfold (Whitehead, Dahlgren, and Evans 2001). First, sick people who are denied treatment because they cannot afford to pay risk further suffering, deterioration in health, and higher eventual costs for hospitalization and surgery. Second, user fees significantly reduce the access of low-income people to basic social services and reinforce gender inequality. Third, people buy care even if it costs them their long-term livelihood, incurring loans and debt; to raise money for health-care bills people work for others, sell off assets such as land or cattle, and withdraw children from school, saving on school fees and using the children’s labor on the farm while parents seek temporary jobs to pay off loans for hospital bills. Finally, the high cost of drugs and their irrational prescription contribute to rising poverty (see Turshen 2000 for a full discussion of this issue).

Hanging over all these arrangements is the menace of the World Trade Organization, which increasingly promotes commercial interests and strives to open up public services to foreign investors and markets. Private companies use WTO and GATS rules, which govern international trade, to forestall government attempts to ensure equity and equal access to health care for the poor.

In sub-Saharan Africa, where average per capita incomes are now lower in real terms than they were at the end of the 1960s, the 1990s were a lost decade for health systems development; expenditures on health care (private and public combined) fell to an estimated $6 per capita (Rowson 2001). Upwards of
50% of the population of most African countries live in absolute poverty; 46% in sub-Saharan Africa are without access to safe water, 52% are without access to sanitation, 41% of adults are illiterate, and 31% of children under the age of five are underweight (UNDP 2000, 171). Indicators of health system effectiveness showed a decline in many countries. Average life expectancy is falling (and not only due to AIDS), and 35% are not expected to survive to age 40. Reversing decades of gains, infant mortality is now rising. The privatization of health care can only worsen this unconscionable situation. This is experimentation at the expense of the poor.

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“It’s been reliably reported,” former U.S. Ambassador to Chad Donald R. Norland announced during a House Africa Subcommittee hearing in April 2002, “that, for the first time, the two concepts — ‘Africa’ and ‘U.S national security’ — have been used in the same sentence in Pentagon documents.”

When U.S. Deputy Assistant Secretary of Defense for African Affairs Michael A. Westphal held a press briefing that same month, he noted that “fifteen percent of the U.S.’s imported oil supply comes from sub-Saharan Africa” and that “this is also a number which has the potential for increasing significantly in the next decade.” This, Westphal explained, is the main reason that Africa matters to the United States and why “we do follow it very closely,” at the Pentagon. And during his July 2002 visit to Nigeria, U.S. Assistant Secretary of State for Africa Walter Kansteiner declared that “African oil is of strategic national interest to us” and “it will increase and become more important as we go forward.” While American interest in oil and other strategic raw materials from Africa is not new, the Bush Administration’s decision to define African oil as a “strategic national interest” and, thus, a resource that the United States might choose to use military force to control is completely unprecedented and deeply disturbing.
BUSH ADMINISTRATION ENERGY POLICY AND AFRICAN OIL

This new attention to African oil is a direct consequence of the Bush Administration’s new strategy to ensure U.S. national energy security. The administration’s new strategy is based on the conclusions of the May 2001 report of the president’s National Energy Policy Development Group, chaired by Vice President Richard Cheney and known as the Cheney Report. According to the report, the only way to satisfy the growing demand of American consumers and producers for energy and maintain America’s economic well-being and its national security.

While most public attention has been focused on the implications of the new strategy for the expansion of oil exploration and drilling within the United States, the Cheney Report itself makes clear that most of the additional oil that America wants will have to come from abroad. At present, the United States gets about 53% of its petroleum requirement from foreign sources; by 2020, according to the Cheney Report, that figure is expected to rise to 62% because overall U.S. oil consumption will continue to rise. This means increasing America’s oil imports by 50%, from 11.5 million barrels per day in 2000 to 17.7 barrels per day over the next two decades.

The Bush administration has explicitly characterized this reliance on imported oil as a threat to national security. “On our present course,” the Cheney Report warns, “America 20 years from now will import nearly two of every three barrels of oil — a condition of increased dependency on foreign powers that do not always have America’s interests at heart.” Of particular concern to the Bush administration, according to the Cheney Report, is the “policy challenge” posed by the “concentration of world oil production in any one region of the world” (i.e. the Persian Gulf region). The Persian Gulf has long been an area of turbulence and war, which have led to the periodic interruption of oil exports, and concerns about U.S. access to oil resources has only been fueled by the events of 11 September 2001 and the outbreak of the war with Iraq in March 2003. “To meet our long-range energy needs,” Energy Secretary Spencer Abraham told the House International Relations Committee on 20 June 2002, “we must expand and diversify our sources and types of energy. To assure energy security, we need to maintain a diversity of fuels from a multiplicity of sources.” So, as a matter of policy, the Bush Administration will encourage greater oil production throughout the world to enhance the diversity of sources for oil available for import and to make sure that American industries and consumers (particularly car owners) can get cheap and reliable supplies of oil. This emphasis on diversity has led the Bush Administration to devote its attention to several other oil-producing areas, the Caspian Sea region, Latin America, and — of particular note — to Africa. Thus, the Cheney Report declares that, “greater diversity of world oil production remains important,” most “notably through deep-water offshore exploration and production in the Atlantic Basin, stretching from off-shore Canada to the Caribbean, Brazil, and West Africa.” Sub-Saharan Africa, the Cheney Report observes, “holds 7% of world oil reserves and comprises 11 percent of world oil production,” and “is expected to be one of the fastest-growing sources of oil and gas for the American market.” In 2000, the Cheney Report states, African countries provided 14 percent of total U.S. oil imports (equivalent to the percent provided by Saudi Arabia) but by 2015, according to the U.S. Central Intelligence Agency, West Africa alone will supply 25% of America’s imported oil. Of particular significance is the fact that “many West African streams are lighter, higher-valued crude oils that are tailor-made for U.S. East Coast markets and are able to offer an alternative to Middle Eastern supply sources.” In its efforts to promote greater diversity in oil supplies, the Bush Administration is focusing its attention on six African countries: Nigeria, Angola, Gabon, Congo-Brazzaville, Chad, and Equatorial Guinea.

In 2000, the Cheney Report notes Nigeria “exported an average of 900,000 barrels of oil per day to the United States, out of its total production of 2.1 million barrels of oil per day;” and “has set ambitious production goals as high as 5 million barrels of oil per day over the coming decade.” This constitutes 9.7% of U.S. oil imports and made Nigeria the fifth largest crude oil exporter to the United States, behind Saudi Arabia, Mexico, Canada, and Venezuela. The country has estimated proven oil reserves of 22.5 billion barrels and approximately 65% of its main crude oil is what is known as light and sweet (oil that is easy to pump and refine because it is more fluid and has a low sulfur content). Along with the Nigerian National Petroleum Corporation (the state-owned oil firm), companies with major interests in Nigerian oil include the American firms ExxonMobil and ChevronTexaco, Anglo-Dutch Shell, the Italian firm ENI/Agip, and Franco-Belgian TotalFinaElf.
The country has resolved disputes with Equatorial Guinea and São Tomé over the division of oil production in contested maritime border regions, but refuses to accept the 10 October 2002 decision of the International Court of Justice awarding control of the nearly all of the disputed Bakassi Peninsula to Cameroon. This dispute has led to several clashes between Nigerian and Cameroonian troops in recent years and remains a potential flashpoint for war.\textsuperscript{15}

The Cheney Report observes that in 2000, “Angola exported 300,000 barrels of oil per day out of its 750,000 barrels of oil per day of total production to the United States, and is thought to have the potential to double its exports over the next ten years.”\textsuperscript{16} In fact, according to the U.S. Energy Department, “Angola’s oil production will increase to levels of 2.1 million barrels per day by 2010, almost tripling current levels, and to 3.3 million barrels per day by 2020.”\textsuperscript{17} Therefore, “there is a long-term strategic value to Angolan crude oil supplies that should not be underestimated.”\textsuperscript{18} Angola is the ninth largest supplier of imported oil to the United States and the second largest non-OPEC supplier outside the Western Hemisphere. The leading foreign oil companies operating in Angola in association with the state oil company, Sonangol, are ExxonMobil, ChevronTexaco, and TotalFinaElf.\textsuperscript{19}

“Other significant exporters to the United States,” the Cheney Report remarks, “include Gabon and the Congo-Brazzaville.”\textsuperscript{20} Gabon (which left OPEC in 1996) is sub-Saharan Africa’s third largest oil producer and exported about 140,000 barrels of oil per day to the United States in 2001, accounting for over 46% of Gabon’s crude oil production. The country’s proven oil reserves have increased to 2.5 billion barrels in 2002 and are composed chiefly of the more desirable light and sweet variety. Major oil companies operating in Gabon include Anglo-Dutch Shell, TotalFinaElf, ENI/Agip, and Amerada Hess.\textsuperscript{21} In March 2003, Gabonese paramilitary police occupied the island of Mbagne, a tiny territory in the oil-rich waters in the Bay of Corisco that has been claimed by both Gabon and Equatorial Guinea since 1970.\textsuperscript{22} The Republic of Congo (Congo-Brazzaville) is sub-Saharan Africa’s fourth largest oil producer and while most of its exports are destined for France, it exported 38,000 barrels of oil per day to the United States in 2001. The country’s estimated proven reserves stand at 1.5 billion barrels and are generally of the medium-to-light and sweet type. TotalFinaElf and ENI/Agip dominate oil production in Congo-Brazzaville, but ChevronTexaco and ExxonMobil are partners in the development of several oilfields.\textsuperscript{23}

In Chad, ExxonMobil (40%) and Chevron (25%) and Malaysia’s state-owned Petronas (25%) are investing 3.7 billion to develop major oilfields in the Doba Basin in the southern part of the country and to build a pipeline to carry the oil through Cameroon to a storage and off-loading facility near Kribi on the Atlantic coast. Construction of the pipeline was completed in 2003 and Chad is expected to export 225,000 to 250,000 barrels per day.\textsuperscript{24} In recent years Equatorial Guinea has also become a major exporter of oil from offshore deposits. Production reached 181,000 barrels per day in 2001, of which almost two-thirds was purchased by the United States. Four American companies — ExxonMobil, Marathon Oil, Amerada Hess, and Ocean Energy — dominate oil production and exploration in Equatorial Guinea.\textsuperscript{25}

In addition, there is no doubt that the Bush Administration wants America to regain access to Sudan’s oil. Crude oil production in Sudan averaged 227,550 barrels per day in 2002; the country’s oil output could surpass 300,000 barrels per day in 2003, with plans to reach 450,000 barrels per day by 2005. And Sudan’s estimated proven reserves of crude oil stood at 563 million barrels, as of January 2003. At present, U.S. law prohibits American trade with Sudan, as well as investment by U.S. businesses in the country and all business dealings with the Greater Nile Petroleum Operating Company (the international consortium of companies currently extracting oil from Sudan). Along with the Sudanese national firm Sudapet (5%), the consortium is made up of the Chinese National Petroleum Corporation (40%), Malaysia’s state-owned Petronas (30%), and the Canadian firm Talisman Energy (25%). In October 2002, Talisman agreed to sell its oil assets in Sudan to Oil and Natural Gas Corporation, the Indian state oil company, and in March 2003, Talisman announced that it still expected to complete the sale, despite months of delay.\textsuperscript{26}

The Bush Administration is now making a concerted effort to promote a negotiated settlement of the civil war in Sudan, which would make it possible for American oil companies to return to the country. President Bush appointed former Senator John Danforth, an influential Republican and an old friend of the president, to be his special envoy to Sudan in a move intended to give new life to the negotiation process being undertaken by the Intergovernmental Authority for Development under the leadership of Kenya. With Ambassador Danforth’s involvement, the government in Khartoum and the leadership of the Sudan People’s Liberation Army has reached a partial ceasefire and are now moving toward agreement on a framework peace agreement.
although vital issues — including the distribution of political authority, the application of sharia law, and the distribution of revenues from oil exports — remain unresolved. Oil is not the only reason for the administration’s efforts to end the Sudanese conflict. But it is certainly one of the main factors — along with the pressure from human rights groups, African-Americans and Africanist activists, rightwing groups with an interest in U.S. policy toward Islamic extremist governments and toward China, and Christian churches and missionary organizations — that got President Bush’s attention.27

U.S. NATIONAL SECURITY AND AFRICAN OIL

As a result of the Bush administration’s strategy of increasing oil imports and ensuring that the United States has access to as many sources as possible, African oil is now seen in Washington as a “vital national security interest”. Achieving the goals of the administration’s energy policy, including that of maintaining and expanding access to African oil, will be the central preoccupation of the entire Bush Administration, but they obviously have a particular significance to the Defense Department. What then is the Pentagon doing now to ensure that African oil will continue to flow to the United States?

One possibility now being considered is to assign responsibility for Africa within the Defense Department to a new Africa Command. At present, responsibility for Africa is divided between the European Command (which is primarily responsible for military operations in Europe, but is also responsible for operations in north Africa and most of sub-Saharan Africa), the Central Command (which is responsible for operations throughout a wide region stretching from Afghanistan and Pakistan in the east to Egypt, Sudan, and the Horn of Africa in the west), and the Pacific Command (which is responsible for operations in the Indian Ocean). This means that Africa is neither a focus of attention for either command nor a priority for their staff officers, whose career prospects depend upon their service in the protection of American interests in other parts of the world. A new Africa Command would have direct authority over military units that are currently dispersed among the other commands, just as was done in 1980 when the Central Command was created in response to growing concern about access to Persian Gulf oil in the wake of the Iranian Revolution. “I know it’s been discussed,” Deputy Assistant Secretary of Defense Michael A. Westphal disclosed at his April 2002 press briefing, and “I’ve actually engaged in a couple of discussions” about creating a separate Africa Command.28 Consideration of an African Command will continue, but the prospects for its creation in the near future appear slight, due to the inevitable bureaucratic resistance from the other commands and the scarcity of funding and resources at a time when the Pentagon is preoccupied with developments in the Middle East, the Korean Peninsula, Central Asia, the Philippines, Colombia, and Venezuela.

In the immediate future, therefore, the attention of Mr. Westphal and other Defense Department officials will be engaged chiefly with efforts to strengthen the security forces of oil-producing countries and enhance their ability to ensure that their oil continues to flow to the United States. It is doing this through three main channels. The first of these is the sale of arms to African governments through the Foreign Military Sales program and the Commercial Sales program. The second is the provision of military training and education programs both in Africa and in the United States for African troops and officers through the International Military Education and Training program, the African Contingency Operations Training Assistance program (the successor to the African Crisis Response Initiative program created by the Clinton Administration in 1997), and the African Regional Peacekeeping Program. Finally, the Pentagon is conducting joint military exercises with military forces throughout the continent in order to train local forces and to enhance the ability of U.S. forces to engage in military operations in Africa.

As the chart below indicates, the principal target of U.S. military assistance programs is Nigeria, the country that is America’s most important source of oil imports from sub-Saharan Africa. In Fiscal Year (FY) 2003 (1 October 2002-30 September 2003), the Defense Department intends to sell $4.5 million worth of arms to Nigeria (funded by low-interest U.S. loans for which repayment is generally waived) along with another $12.6 million worth of military equipment that will be sold directly to Nigeria by private U.S. arms-producers under licenses issued by the State Department. The Pentagon also plans to give nearly $1 million worth of military training to Nigerian troops at military facilities in the United States through the IMET program, an amount that will cover the costs of training some 200 Nigerian officers in a wide variety of combat operations and administrative functions; this is the second largest IMET program for sub-Saharan Africa, exceeded only by the IMET program for the Republic of South Africa. The Pentagon also proposes to give military training through the IMET program to significant
numbers of military officers from all the other major oil-producing countries of sub-Saharan Africa: Angola, Chad, Congo-Brazzaville, Equatorial Guinea, and Gabon. And two of these countries — Angola and Gabon — are expected to buy substantial amounts of U.S. military equipment from private U.S. arms-producers under licenses issued by the State Department.  

The Bush Administration has worked vigorously to promote these security relationships at a series of high-level meetings between American officials and African political leaders and government representatives. On 4 June 2002, U.S. Energy Secretary Spencer Abraham appeared before the Third U.S.-Africa Energy Ministers Meeting in Casablanca, Morocco. “All of us here face one overriding energy challenge: energy security,” Secretary Abraham declared. “We all agree that we must have plentiful, reliable and affordable supplies of a mix of energy sources, produced both at home and abroad,” because “energy security is essential to economic growth and prosperity.”

### U.S. Military Assistance Programs for Selected African Countries, Fiscal Year 2003

(Requested Expenditures in Thousands of Dollars)

<table>
<thead>
<tr>
<th>Country or Program</th>
<th>FMS Estimated</th>
<th>FMF Requested</th>
<th>IMET Requested</th>
<th>PKO Requested</th>
<th>CS Requested</th>
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<tr>
<td>Angola</td>
<td>100</td>
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<td>Gabon</td>
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<tr>
<td>ACRT</td>
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Acronyms:

ACRT = African Crisis Response and Training program (program to deploy U.S. military trainers to Africa to conduct classroom and field training exercises in peacekeeping, crisis response, and humanitarian relief operations to African troops)

ARP = African Regional Peacekeeping program (program to provide U.S. military equipment and training in Africa to African troops involved in peacekeeping, crisis response, and humanitarian relief operations)

CS = Commercial Sales program (program administered by the U.S. State Department’s Office of Defense Trade Controls for the licensing of sales of U.S. military and police equipment by private U.S. firms to foreign governments and agencies)

FMF = Foreign Military Financing program (program administered by the U.S. Defense Department’s Defense Security Cooperation Agency that provides low-interest loans to foreign governments for the purchase of U.S. military equipment)

FMS = Foreign Military Sales program (program administered by the U.S. Department of Defense’s Defense Security Cooperation Agency for the sale of U.S. military equipment to foreign governments)

IMET = International Military Education and Training program (program administered by the Defense Department’s Defense Security Cooperation Agency to provide military training to African military officers at U.S. military facilities)

PKO = Peacekeeping Operations (budget category for U.S. peacekeeping operations)
When Assistant Secretary of State Walter Kansteiner traveled to Africa on 21-26 July 2002, the two countries he visited were Nigeria and Angola. During his visit to Nigeria, he met with President Olusegun Obasango to discuss oil production and cooperation on counter-terrorism, counter-narcotics, and other security matters. Kansteiner denied reports that the United States was pressing Nigeria to leave OPEC, proclaiming that “it was never raised” and “it’s not for us to weigh in on that.” But “what we did discuss was how the Gulf of Guinea writ large, from, you know, Côte d’Ivoire to Angola, how it is continuing to provide additional barrels per day to the United States, and as we look in the future, West Africa will probably play an increasingly important role in providing the United States with imported oil.” And he publicly announced, “African oil is of strategic national interest to us.” In Angola, Kansteiner met with President Jose Eduardo dos Santos for talks on oil production and other topics, including the food crisis in southern Africa. On 3-11 October 2002, Assistant Secretary Kansteiner traveled to four countries, two oil-producing states — Gabon, São Tomé and Principe — and two other west African states — Côte d’Ivoire, and Guinea — threatened by conflict and regional violence. And on 5 September 2002, during his three-nation tour of Africa, Secretary of State Colin Powell visited Angola and Gabon, both important oil-producing countries, after attending the UN conference on sustainable development in Johannesburg, South Africa.

When President Bush went to speak at the United Nations on 13 September 2002, he took the opportunity to meet with the presidents of eleven African countries: Burundi, Cameroon, the Central African Republic, Chad, the Democratic Republic of Congo, the Republic of Congo, Equatorial Guinea, Gabon, Rwanda, South Africa, and São Tomé and Principe. Along with topics such as corruption, investment, HIV/AIDS, and conflict resolution, President Bush took the opportunity to discuss America’s need for energy security with the heads of state of four current oil-producing countries (Chad, the Congo Republic, Cameroon, and Gabon) as well as those of two countries that could become important producers in the future (São Tomé and the Democratic Republic of Congo).

In advance of the talks, President Fradique de Menezes of São Tomé confirmed that President Bush and he would be discussing the possibility of increased cooperation in security matters. In recent months, São Tomé has repeatedly been mentioned as a potential site for a major new military base that would be used by the U.S. military. In July 2002, General Carlton Fulford, deputy commander of the U.S. European Command, visited the country for talks on security cooperation. In October 2002, Assistant Secretary Walter Kansteiner declared after visiting São Tomé that there was no question of building a U.S. base there, although the administration was thinking of providing patrol boats to build up the country’s maritime and customs controls and would be supplying other types of security assistance as well. “There are no plans to set up U.S. military installations in São Tomé. In fact, there are no plans to set up U.S. military installations anywhere in Central or West Africa, so there were no discussions per se on that.” However, when São Tomé and Nigeria settled a dispute about the division of oil production in a contested maritime border region, Nigeria pledged to fund the construction of a deep-water port in São Tomé and Prime Minister Maria das Neves has indicated that the facility will be made available to the United States for use as a “sheltering port.” And in May 2003, NATO Supreme Commander, U.S. General James Jones told defense correspondents that “the United States plans to boost troop presence in Africa and, specifically, that “the [aircraft] carrier battle groups of the future and the expeditionary strike groups of the future may not spend six months in the Mediterranean Sea but I’ll bet they’ll spend half the time going down the West Coast of Africa.” In addition, the Bush Administration has expressed interest in expanding its small training program for the countries’ naval forces. “Nothing specific is on the table right now,” stated Theresa Whelan, the director of the Pentagon’s Office of African Affairs, but “it is true that we do have legitimate security interests in ensuring that the offshore oil is protected and that the states that own those offshore rigs are able to protect them, so we have discussed the possibility of providing limited amounts of assistance to the coastal navies of such states.” These plans may have been put in question, however, by the recent military coup in São Tomé.

To further bolster the ability of African military forces to protect access to oil resources, the Bush administration is in the process of transforming the African Crisis Response Initiative (ACRI) — the program created in 1997 by the Clinton administration to enhance the ability of African troops to participate in peacekeeping operations — into a new, “more robust” program to be known as the African Contingency Operations Training Assistance (ACOTA) program. The transformation process began in December 2001 and continued through March
2002; in May 2002, the ACOTA program of military assistance and training began operating and the Pentagon is now recruiting new partner countries. The new initiative will provide “more robust training and assistance relative to the likely threat environment,” including training in “convoy escort, logistics, protection of refugees, negotiations, robust force protection, and command and control.”

It will also provide “basic equipment appropriate to the full range of peace support operations, such as a comprehensive communications package, portable electric power generators, mine detectors, night vision devices, portable light sets, and water purification units.” The Pentagon is requesting $10 million to fund the new project in Fiscal Year 2003.

According to Greg Engle, the Director of the Office of Regional and Security Affairs at the State Department, “we’re moving ahead with Ghana, with Senegal... we’re going ahead with Kenya, with Botswana. Ethiopia has indicated interest in going ahead. We’re in discussions with the South Africans to build a program for that country and also with Nigeria.”

According to a U.S. government official in Kenya speaking on condition of anonymity, the new scheme will constitute a more aggressive, military-style training initiative and will likely involve more training with weapons. It will include training of the sort that the Pentagon provided to Nigeria in 2000 through “Operation Focus Relief (OFR)” to enhance their ability to intervene in the civil war in Sierra Leone. “What we’re looking at is something that retains the peacekeeping mission of ACRI and combines it with the military training component of OFR,” the official stated. In FY 2003, the Pentagon has also requested to spend $30 million to fund the Africa Regional Peacekeeping program. This program will be used to assist ongoing peacekeeping operations in Sierra Leone, Guinea, the Democratic Republic of Congo, Sudan, Burundi, and on the Ethiopian-Eritrean border. Perhaps the most important proposal contained in the Pentagon request, however, is to use some of the money to supplement Defense Department funding of the U.S. European Command’s “Operation Shared Accord.” Through “Operation Shared Accord,” the European Command will sponsor yearly sub-regional peacekeeping and disaster response exercises jointly with troops from African countries.

All these programs are intended to bolster the capacity of African military forces to protect oil production and transportation facilities from any conflict that might disrupt oil shipments. But many oil fields lie in contested territory, as noted above, and most oil-producing countries are experiencing serious internal unrest. This is especially true in the case of Nigeria, which is by far the most important country from Washington’s vantage point, where the dispute with Cameroon over control of the Bakassi Peninsula remains unresolved and where sectarian conflicts, political violence, and ethnic strife in the vital Niger River Delta area continue to escalate and spread.

It is clear that Washington would prefer to rely on Africans to ensure the free flow of oil, thus avoiding the need for any direct American military involvement, much less military intervention. However, the United States is also preparing for the day when American troops may be sent to Africa by conducting military exercises in Africa.

In February 2002, for example, 2,100 U.S. Marines from the 13th Marine Expeditionary Unit aboard the amphibious assault ships U.S.S. Bonhomme Richard and U.S.S. Pearl Harbor were redeployed from the Indian Ocean — where it was participating in the war in Afghanistan — to East Africa to conduct three weeks of joint maneuvers with Kenyan troops on that countries coast, including helicopter operations and amphibious landings. In April and May 2002, two U.S. Navy hospital ships, the U.S.S. Dallas and the U.S.S. Minneapolis, conducted the regular West African Training Cruise and Medical Outreach Program mission, spending two weeks stationed off Togo and Ghana. In August 2002, U.S. military medical personnel and Special Forces troops held a two-week long medical training exercise, known as MEDFLAG 02, in Entebbe and Sorotti, Uganda. And in September 2002, 200 U.S. Air Force personnel went to the Waterkloof Air Force Base in South Africa to participate in the first bilateral training exercise with South African forces. And in December 2002, 300 Marines from the 24th Marine Expeditionary Unit, Navy explosives experts, and Kenya troops took part in exercises at Manda Bay on the Kenyan coast that included an airfield seizure scenario and combat engineering.

Moreover, the Bush Administration is now engaged in an unprecedented effort to shift the forward lines of its existing overseas deployments deep into oil-rich regions of the world, specifically into Central Asia, Southeast Asia, and Africa. While the deployments will be small, in terms of numbers, they will pave the way for the establishment of equipment stockpiles and periodic training exercises for American troops. In addition, the United States will make major improvement to local airfields and other military facilities to prepare for future operations. In North Africa, Pentagon officials are looking at bases in Algeria, Morocco, and possibly Tunisia. South of
the Sahara, they are examining the prospects for using bases in Senegal, Ghana, Mali, and Kenya. According to Marine General James L. Jones, head of the U.S. European Command, the Pentagon was seeking to acquire access to two kinds of bases. Some would be forward outposts that could house up to a brigade (made up of 3,000 to 5,000 troops) and “could be robustly used for a significant military presence.” Others would be prepared locations where Special Forces, Marines, or Army units could be moved quickly in times of emergency. As General Jones explained, “we’re trying to come up with a more flexible basing option that allows more engagement throughout our area of responsibility.” According to one Pentagon official, the United States could increase its troop strength to as many as 5,000 to 6,500 troops at up to a dozen bases.48 The Bush Administration has also reached access agreements allowing American troops to use airfields in Senegal, Uganda, Ghana, Cameroon, Gabon, Equatorial Guinea, Zambia, and Namibia, and is discussing access agreements for the use of airfields in Nigeria, Benin, and Côte d’Ivoire.49 In the coming years, thus, the Bush administration will be strengthening American military ties with Africa (particularly with oil-producing countries) and ensuring that U.S. troops are ready to launch operations throughout the continent.

CONCLUSIONS

Does this mean that Washington will use military force to make sure that African oil continues to flow to the United States in the event that insurgents, civil wars, other internal conflicts, or conventional wars between African states threatens to disrupt it? This seems unlikely in the immediate future, if only because Washington has so much unfinished business in the Middle East to absorb its attention: the military occupation of Iraq, continuing operations in Afghanistan, and the crisis in Israel/Palestine. In the longer term, however, it appears that this is a real possibility, especially since African oil supplies will become ever more important to the United States over time. Washington is already committed to use military force to ensure the steady flow of Persian Gulf oil to the United States. “An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States,” President Carter proclaimed in his State of the Union address in January 1980, “[and] will be repelled by any means necessary, including military force.”50 As African oil supplies become ever more vital to the United States, the prospects for direct American military intervention are sure to rise/mount.

ENDNOTES


5 ibid., p. 60.


18 ibid.


41 ibid.

42 ibid.


The U.S. Peace Movement: Lessons from a Local Case Study

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INTRODUCTION

I am not sure if I should call myself an activist academic or an academic activist. In any case, I am the African Studies Bibliographer at the University of Illinois at Urbana-Champaign as well as an activist in the peace movement, on a local level and in national and international organizations such as ACAS and the Social Responsibilities Round Table of the American Library Association. In fact, I try to merge these two roles as much as possible so that each role informs the other in my daily work. I will go out on a limb and say that the more a person can do that, the more likely she or he will be satisfied with living in this world full of wars, repression, and bigotry.

United States wars in Western Asia not only impact the peoples of those countries directly, but also obviously have major repercussions at home and generate local opposition movements in the U.S. and throughout the world. My intention today is to look at the question from the domestic U.S. side by using a case study of one local peace movement. I want to see how the movement has affected the local community, how this relates to racism, and how all this relates to Africa solidarity work which obviously intends to have some impact on U.S. policy towards Africa.

Of course, the background to this discussion is how the Bush Administration has exploited the horrific September 11th attacks to carry out already developed right-wing Republican policies. The Bush Administration has used war to secure oil fields and pipeline routes, project U.S. power, and to demonstrate to all governments that they must follow U.S. dictates or possibly face physical destruction. Bush’s recent Africa trip must be seen in this context. Emira Woods and William D. Hartung called the trip “Compassionate Conservatism Does Africa” (The Nation, 4/11 Aug. 2003, 6-7) referring to the public relations angle, but they go on to discuss the real agenda: oil, minerals, and military access. The Bush Administration is focusing aid to expand military ties or secure bases in Djibouti, Tunisia, Morocco, Algeria, Senegal, and Uganda. And they are demanding that African countries sign “impunity agreements” to exempt the U.S. from the International Criminal Court. Note that the countries listed either have oil or are near oil fields.

The Bush Administration’s imperial foreign policy uses a subservient mass media to generate support for their foreign adventures, but has also instituted new laws (such as the U.S.A. Patriot Act) and regulations (such as “Special Registration” for people from 21 mainly Muslim countries) to try to stifle dissent. This repression of civil liberties has focused on Muslims, especially Arabs, and has created a climate where racial profiling has been relegitimized in the name of national security. This revival of racist stereotyping is actually a policy of scapegoating in order to distract the American population from the basic problem, that is, imperial U.S. foreign policy.

AWARE

I am active in the local Champaign-Urbana, Illinois peace movement, specifically in an organization called AWARE, the Anti-War Anti-Racism Effort. Our goals have been to mobilize the community by trying to elucidate the connections between current wars, and repression and racism in the United States. And we have not shied away from addressing the issues around Palestine and Israel. AWARE came together almost spontaneously just after the September 11th attacks. A few local activists made some phone calls resulting in a mass meeting of people from both the campus and community. Although the key organizers and many of the participants had worked around the Gulf War, there are a surprising number of people who have not done much political work before. This ranges from high school and new university students to retired folks, to members of the community from all walks of life. However, I must note that we often have more men
than women at the meetings, which sets up negative informal power relationships. And I will come back to the mostly white character of the group.

Initial meetings were large for the size of our small community (100,000 to 150,000). Meetings with 100 to 200 people lasted for a while, but recent meetings especially in the summer have been much smaller, lately around 25 or so. Several thousand people have signed up, events can bring out several hundred people, and our weekly demonstrations hit a plateau of 100 to 150 people just before the beginning of the Iraq War. The initial idea was to form a network of existing groups, but over time the organization took on an identity of its own. The great strength of the organization has been its loose structure, lack of designated officers, and reliance on working groups of people who do what they are motivated to do (literature, weekly demonstrations, special events, non-violence, tabling, speakers bureau, military recruitment, etc.). We have a website (www.anti-war.net) and several listservs, and we meet every Sunday evening at 5pm at our local Independent Media Center (IMC). Meetings always include a discussion of news of the week and sometimes further internal education or a cultural performance.

AWARE has had four teach-ins, two vigils, two town meetings hosted by the local public radio station (on the Iraq War and the Patriot Act), several fun fundraising events with music and an auction of local artists’ “Postcards for Peace.” We have addressed the wars against Afghanistan and Iraq, the struggles in Palestine and Israel, civil liberties and racism, and especially discrimination against Muslims and Arabs in the United States. All of our activities strive to place wars and repression within the larger framework of American foreign policy. Our events have featured academics, speakers from the local Iraqi community, and long-time activists. We have invited speakers from Chicago and elsewhere including Kathy Kelly from Voices in the Wilderness and Jeremy Glick from Families for Peaceful Tomorrows (a group started by family members of victims of September 11th). We have also had several speakers on Israel/Palestine including an Israeli “refusnik” who has refused to serve in the Occupied Territories, The Palestine Truth Tour, and members from the International Solidarity Movement who try to protect Palestinians in dangerous situations on the ground. In the summer and fall, we set up a literature table at the local weekly Farmers’ Market. We have marched with great joy and surprising success at two July 4th parades, and had planned to march again on Labor Day but the parade was rained out. At Christmas we have gone caroling for peace. We have been able to get 1000 post cards signed in 24 hours to send to Congress. We have sent delegations to our local representatives in Congress, and we have supported two local Green Party candidates. As part of the national Cities for Peace campaign, it was heartening when we passed a resolution against the Iraq war through the Urbana City Council (but the Champaign City Council is currently hopeless). We write letters to the editor to our local mainstream, weekly and alternative newspapers, do commentaries on our local community radio station, and produce local community TV programs through our Independent Media Center. We had an excellent one-month display in the Champaign Public Library. And we have also organized against military recruitment in the high schools and corporate recruitment for war industries on the University of Illinois campus.

We have had a major presence in the community by using hundreds of yard signs, and have had a regular weekly presence on the road leading to our major shopping area on Saturday afternoons. We continue to be part of the largest protest in history against wars of aggression. We have seen some huge coordinated worldwide demonstrations, especially just before the U.S. attacked Iraq. Millions of people demonstrated throughout the world to try to stop that war. The movement puts human needs and resisting empire before the greed of the ruling elites. The anti-corporate globalization movement has a mighty overlap with the peace movement, and the recent protest at the Cancun World Trade Organization meeting provides a direct tie-in with African issues. It was heartening to see the Group of 22 nations emerge to challenge agricultural subsidies in the rich countries, and it was a nice surprise to see South Africa finally take some leadership in this context.

AWARE’s local actions have not been without some danger and controversy. We do not have complete agreement on organizational structure or on degree of militancy. Some of us are anarchists, some are pacifists, and some of us would like to more tightly direct our activities. Some of us like confrontation, but most of us think we should strive to win people over. At one point, our weekly protests led to a pro-war counter-demonstration in the same place for quite a few weeks. We ended up negotiating a buffer zone and using monitors, but there have been a number of ugly incidents. One of our local activists was provoked by pro-war demonstrators. When she tried to grab their camera, the police tackled her from behind. She was arrested and ended up being fined. And we have had to negotiate with the police to exercise our rights in handing out leaflets and pamphlets to passing motorists stopped at the red
light. Two activists were fined before we worked out ground rules. We have also had some disagreement over what kinds of signs to use, especially on showing photos of U.S. military personnel who have died in combat and provocative signs such as “Bomb Texas.” The signs of the military dead were moved to the opposite corner, and we have agreed to try to bring signs to win folks over rather than possibly offend them. Some of the signs are: “Occupation Is Not Liberation,” “Peace is Patriotic,” “Think, Its Patriotic,” “Honk for Peace,” “No Blood for Oil,” “Jobs Not War,” “Support Our Troops, Bring Them Home,” “Immigrants Are Not the Problem,” etc.

Probably one of the most ironic and nicest things about our local situation is that September 11th has really fostered a sense of community and has brought together a wonderful group of people who want to work together as well as socialize with each other. We enjoy regular lunches at our local Palestinian restaurant, have parties, and generally have a better quality of life. We have gotten to know many communities through our networking with the local mosque, local Iraqi businesses, activist church organizations, and student peace groups. (Student Peace Action passed an anti-war resolution through the Student Government last year.) And I like to think that AWARE served as a catalyst for the formation of the campus group, Teachers for Peace and Justice. I am also working on doing more anti-war work with local unions, including work with the new national group, U.S. Labor Against the War.

Perhaps I have presented too rosy a picture up to now. We have had to confront physical threats like the truck that nearly ran us over when we were out demonstrating, slashed tires, dead animals left in front of our houses, slander in the local press, and the fines and arrest previously noted.

CONFRONTING RACISM

As usual in the United States, confronting racism has probably been our hardest task. Let me present the best side first. We have made an excellent connection with our local mosque and have spoken at their programs several times. We have heard about the local increase in discrimination against Muslims, especially against women wearing headscarves. Several women have been told to remove their scarves in order to remain employed or interview for work. There has been some petty vandalism at the mosque and there have been one or two serious fights. Furthermore, one of our local Palestinian students was detained for his Palestine solidarity work. We have established a Mutual Aid Pact to try to support people targeted for their ethnicity, religion, or political views under the September 11th so-called anti-terrorism legislation and regulations. This pact of individuals pledge various kinds of support, and it did help significantly in finally getting this student out on bail.

Although our small twin towns have a significant African-American population, it is unfortunately surprisingly unorganized. The mainstream organizations like the Urban League and NAACP do exist, but they are not prominent in the larger community. There is no organized Black Radical Congress although we do have some BRC leaders in residence. Although AWARE was organized with the words “Anti-Racism” in its name, our efforts in this realm have been mainly limited to the Mutual Aid Pact, solidarity with the Muslim community, and a few efforts around the Martin Luther King Holiday. AWARE has invited only a few black cultural performers and educational speakers. We have recently been called to task about our lack of work in networking with the black community and have started to more consciously address our mostly white orientation. We have written a pamphlet on the connections between war and racism, attended black student meetings, and we have watched videos and scheduled speakers to better inform ourselves. Our pamphlet connects war policies to the racist dehumanization of enemies, the exploitation of people on the bottom of the socio-economic ladder, how poverty and unemployment recruit for the military, and how rising military budgets drain money from needed social programs. Of course people of color are disproportionately affected in all of these areas. It makes the link between racist crime policies and the “prison-industrial complex”, and it explains how the so-called “War on Terrorism” hurts Arabs and Muslims in the United States.

I have to say that mainstream prejudices do unconsciously creep into our work. Many of our members have little experience with the black community and have not thought enough about racism and the unconscious things that they may do that could mitigate black participation in our work. We may take up some African solidarity work, but considering that there is so much to do with Iraq, Afghanistan, Palestine-Israel, and new threats against Iran, North Korea, Colombia, Cuba, etc., it is hard to forecast how this will play out. At least, we are likely to do more internal education on African issues.

In a recent discussion led by two local activist educators, we discussed the interconnections between
race and class while noting that overwhelming opposition to the Iraq War throughout the black community cuts across class lines. While white opposition to the war fell after the war started, black people were able to better see through U.S. propaganda and maintained their opposition. We noted that white people tend to share a mythical worldview that leaves out blacks and other minorities. And we discussed the fact that it costs more for blacks to participate in the peace movement. People of color are more likely to be targeted for police violence or arrest. Furthermore, people of color often have much more immediate survival issues that must get a higher priority than peace work.

Some New York City peace and justice activists published an open letter where they noted that activists of color face “vexing decisions” about whether or how to interact with predominantly white peace groups. They explain that white people assume that their experiences are the norm, and view people of color’s experiences as the exception. They give numerous examples of how whites have alienated people of color by their conscious or unconscious practices. (An open letter to activists concerning racism in the anti-war movement, Feb. 13, 2003, contact antiracismmovement@yahoo.com).

CONCLUSION

We have learned that a local peace group can have a significant impact on a small community. Our close relationship with the Independent Media Center has been crucial in promoting our aims. We not only meet in the IMC space, but we also publish in the IMC monthly newspaper, the Public i, do radio on the IMC radio group program on the community radio station, and do community access TV programs. Given the subservience of mass media to U.S. Government interests, we also try to get our voices into the local newspapers through letters to the editor and try to get TV coverage of our events. The difficulties we face show the critical importance of the alternative media.

We have found surprising support in the community. Many are initially afraid to speak up, and we have been reticent about organizing some public events, yet we are often heartened by the positive public response.

We still have much to learn in confronting the racist structure of society. This is nothing new for left/progressive groups in the U.S., particularly outside major cities with majority black and Latino populations. The New York City activists admonish us that we must understand the racist roots of militarism and war and call for whites to acknowledge leadership from those most directly affected on the ground here at home. In our relatively small community, the only activist black movement is around racism and quality in the public schools. We have been urged to draw the links between racism in education and war. Furthermore, we need to figure out our goals. There is a distinction between organization and mobilization. I do not think that we necessarily need to have more active people of color within AWARE. Our goal should rather be to network with local ongoing struggles in the black community, support each other’s projects, and build a progressive movement. When we do this, we will see that ending the current war cannot be the end of our work. Where there is no justice, there cannot be peace.

As we learn more, we may be able to better address African solidarity issues and the effects of U.S. empire policies on the African continent. I expect this to be a slow and ongoing project.

Finally, in these depressing times where we confront war and new repressive policies every day, it is important to note that activism is the antidote to depression. New activists become empowered and older activists are better able to cope. People who are afraid to join us do let us know how much they appreciate our work. This is particularly true with Muslims and soldiers and family members recently returned from battle. We must keep on.
A Tribute to Bud Day

Betsy Schmidt

In April 1985, as I stepped off the plane in Harare, Zimbabwe, a stranger announced that she would help me through immigration and take me home. That was my introduction to Bud-and-Carol and their big-hearted generosity. I had long heard about Bud Day and Carol Thompson, their sojourn in Tanzania, their anti-apartheid activities in the United States. But, living on different coasts, our paths did not cross until we met in Zimbabwe nearly two decades ago.

It was always Bud-and-Carol. Even when they pursued separate interests, their bond was so strong, you couldn’t think of one without the other. It was Bud-and-Carol who founded Concerned Americans in Zimbabwe, the eclectic group that unsuccessfully lobbied the American mission to “Sanction South Africa, Not Nicaragua,” wrote pointed letters to the newspaper, and finally, organized demonstrations in front of the U.S. Embassy. Bud-and-Carol were the people who knew everyone, who hosted exquisite dinner parties where one met Zimbabweans and South Africans and talked politics over fine Indian cuisine. (Bud’s decades-long love for India may have been even greater than his passion for Southern Africa.)

When we returned to the States, I knew Bud-and-Carol as a major force behind the Association for Concerned Africa Scholars, the Mozambique Support Network, and always, the divestment movement. They were the ones who always asked the hard questions, disrupting comfort levels – sometimes driving others to distraction. But they were invariably right. We all learned enormously from them. Their energy, drive, determination, and most of all, their refusal to compromise principle put the rest of us to shame. Yet, there was always laughter. After arguing vociferously on some point, Bud’s eyes would twinkle. His earnest look would melt into a sly grin, and there would be laughter all around.

When Bud-and-Carol left California for Arizona, Bud turned his skills to another arena. Although his love for Africa never died -- he and Carol returned to Zimbabwe again and again -- Bud began new work with Native Americans. Everywhere, he was welcomed as the brother that he was.

When Bud learned that he had inoperable brain cancer, he protested, in his own inimitable way, that there was still so much work to be done. We protested, unable to imagine our work without Bud. When the inevitable happened, far sooner than anyone could have known, we grieved for our loss. But we know that Bud is with us still. The thousands of people he touched carry his memory on. Carol and others continue his work. Taking our cue from Joe Hill, we take comfort in knowing that where people strike and organize, we know we’ll find Bud Day.

ACAS Remembers Bud Day

Warren J. “Bud” Day was born in 1927 and died in Flagstaff, AZ on December, 17 2003. He had lived and worked in Angola, Bangladesh, India, Mozambique, Puerto Rico, Swaziland, Tanzania, and Zimbabwe, as well as with the Navajo Nation. His activism encompassed fights for diversity and against racism, for national liberation and against war and militarism. Here are but a few highlights from his amazing life.

In 1971-72, Bud coordinated the Bangladesh Airlift of Understanding, Emergency Relief Fund, and led a delegation of 70 Americans from 35 states to meet with people of Bangladesh to demonstrate solidarity in opposition to US foreign policy, which supported Pakistan. Three million Bangladeshis died from Pakistani atrocities.

From 1970 to 1994 Bud was active in southern African national liberation movements. He co-founded the Southern African Liberation Committee
at Michigan State University (1970), which supported students and the liberation struggles in Rhodesia/Zimbabwe, Mozambique, Angola, Namibia and South Africa. MSU became the first U.S. university to divest from U.S. corporations doing business in apartheid South Africa. Bud founded the Southern Africa Resource Project in Los Angeles in 1980. The project provided materials for public education and direct support for the liberation struggles, including opposing apartheid athletes in the 1984 Los Angeles Olympics; successfully campaigned for Los Angeles City Council to divest from US corporations in South Africa; worked with Hollywood Artists Against Apartheid; and led a bank campaign to encourage citizens not to bank with those profiting from apartheid (e.g. Bank of America).

From 1980 to 1990 Bud worked with Central American organizations in Los Angeles to end U.S. destabilization of Nicaragua and El Salvador in order to retain military dictatorships in Honduras and Guatemala.

Bud’s anti-war work included opposition to the Vietnam War as chairperson of the Committee on the City and the Vietnam War and as director of the Peace Education Center in East Lansing, Michigan. He was peace education secretary of the American Friends Service Committee, campaigning against the wars in Nicaragua, El Salvador, Panama, Grenada, and Iraq. He founded the Peace and Justice Network in Northern Arizona in 1996 and led the Campaign to Ban Land Mines. In 2000 he convened the Justice and Peace Coalition in Flagstaff, opposing the wars in Afghanistan and Iraq.

Bud resisted U.S. militarism with the legacies of Mahatma Gandhi, the Black Panthers, and Nelson Mandela. He was a founding member of Veterans for Peace at Michigan State University in the 1970s and initiated the Northern Arizona branch of the National Veterans for Peace (NA-VFP) in Flagstaff in 2002, which he presided over until shortly before his death. Bud had enlisted at 17 because his Dad wanted him to do so. During the Vietnam War, he was an officially designated and trained Conscientious Objector (C.O.) counselor. Bud always encouraged young people, when counseling or lecturing as a C.O., to think for themselves.

Bud was trained as a civil engineer and was an ordained minister in the Presbyterian Church. His work in preventive (not curative) health care took him to India, Bangladesh, Tanzania, Zimbabwe, Mozambique, Swaziland, and Angola. His commitment was to provide water, sanitation and health care to “under-served areas” at home and abroad -- as he would often state, “to put medical doctors out of work,” for 70% of diseases in warm climates are water-related. His issues included sanitation, sufficient (not even clean) water, free rural primary health care clinics, and free mother-child health care.

In Arizona, his commitment extended to serving on the Boards of the Arizona Rural Health Association and the Arizona Health Education Commission. He also worked for the campaign to fluoridate Flagstaff water, expressly because the poor cannot afford oral treatments for their children.