

Interests in West Africa

Gerald Hainzl

Introduction

West Africa and Europe are intertwined by a long tradition of European interference in West African Affairs (see Marie Gibert and Martin Pabst) from the times of colonial oppression up to today's economic exploitation (as Sanou Mbaye analyses in his article). When following the European media coverage of West Africa one can get the impression that the perception in Europe largely depends on two ostensibly independent factors. The question of resources – especially the abundant deposits of oil and gas – is as often raised in the context of European interests in the region, as is the question of West African migrants trying to enter Europe illegally. Pictures of African refugees trying to reach the Canary Islands not only make it to the media in Spain (as the currently affected country), but also to the media in almost all countries of the European Union (EU). This leads to common actions within the EU in order to try to contain the phenomenon.¹ The issue of resources on the other hand seems to be more complex and is discussed along the question of access to resources. This issue is covered by economic rather than political analysts. The second narrative in this context covers the kidnapping and hijacking of foreign workers working for multinational oil producing companies (mostly in the Niger Delta in Nigeria) and is mainly discussed by political analysts.

A sincere understanding of the situation in Africa as a whole, and in West Africa in particular, seems to make it necessary to look at the different levels where policy is formulated, implemented, and influenced.

¹ See: France warns over Africa migrants, <http://news.bbc.co.uk/2/hi/africa/5164514.stm>, July 10th, 2006 and Spain to get migrant patrol help, <http://news.bbc.co.uk/2/hi/europe/5028506.stm>, Mai 30th, 2006 visited on August 29th, 2006.

International developments as well as international influence and effects of globalization, regional and sub-regional affairs and the political agendas of the states affect the region in question. Various authors have discussed the importance of these parameters.

In most analyses traditional local forms of political organisation do not play any role at all, although individuals in Africa are affected by both imposed European as well as inherited African political structures of government and governance.² A lack of understanding of all those influences on the different levels, which are equally important, will necessarily fail to provide a deeper insight into the whole region of West Africa, its opportunities, its problems, and its challenges. Some attempts have been made in the not so distant past to put traditional political structures and traditional forms of conflict management on the agenda of conflict research.³

Perhaps the most important phenomena in West Africa are the emerging interests of external players. Some of them already have historical ties with the region, while others are relatively new on the scene. The following chapters will look at the main external actors, who are trying to influence West African attempts to decide who first started to engage in the region during the last decade and why. Due to the multitude of possible actors in the respective field, this work does not claim to cover all of them. However some countries activities during the last years deserve analytical attention, namely countries and regions that have become political and economic competitors for West African resources. A crucial aspect to be discussed will be the possible effect on West African countries, political as well as economical and perhaps ecological.

² The question of Clashes of Sovereignty was already raised in an earlier article on conflicts in Africa. Hainzl, Gerald. 2004. Afrikanische Konflikte – Konflikte in Afrika. In: Feichtinger, Walter. Afrika im Blickfeld. Kriege – Krisen – Perspektiven. Baden-Baden: Nomos Verlagsgesellschaft: p. 13-16.

³ Cf. Eckert, Julia (ed.). 2004. Anthropologie der Konflikte: Georg Elwerts konflikttheoretische Thesen in der Diskussion. Transcript: Bielefeld as well as Böge, Volker. 2004. Muschelgeld und Blutdiamanten. Traditionale Konfliktbearbeitung in zeitgenössischen Gewaltkonflikten. Hamburg: Schriften des Deutschen Übersee-Instituts.

International competition for West Africa and Access to her Resources

Two countries entered the international political and economical competition for influence in West Africa during the last few years and have challenged the traditional foreign players in the region, the former colonial powers France and United Kingdom as well as the USA. Both new competitors, China as well as India, are said to be interested in gaining access to resources in the oil sector, but are also keen to get into other sectors. In addition India views African countries as a potential market for its products.

India and China's growing trade with, and investment in, Africa holds great potential for economic growth, as African exports to Asia tripled since 1990 to 27%, while exports from Asia to Africa grow by 18% every year, faster than with any other region on the globe. Broadman argues that Africa should not only reform its economies to let competitive market forces work, but also to strengthen basic market institutions. Improvements in infrastructure and customs arrangements together with the aforementioned economic recommendations should be in the interest of African countries economic development as well as in that of China and India.⁴ On the other hand China and India may boost a problem often discussed in conjunction with African countries, namely corruption. Both countries lead the annual survey of 'Transparency International's Bribe Payers' Index of 30 exporting nations, indicating that companies from these nations are most prepared to pay bribes abroad.⁵

⁴ Harry G Broadman. 2006. Africa's Silk Road. China and India's New Economic Frontier. The World Bank: Washington, D.C.

⁵ China and India 'top bribe list'. BBC News <<http://news.bbc.co.uk/go/pr/fr/-/2/hi/business/5405438.stm>>, October 4th, 2006, visited on October 5th, 2006.

China

China notably has strong interests in the resource abundance, a fact proven by Chinese companies, who are eager to get stakes in production facilities in most countries. The China National Offshore Oil Corporation (CNOOC)⁶ and the China National Petroleum Corporation (CNPC) are both engaged in Nigeria and are attempting to acquire a significant share of the Nigerian oil output. According to the Nigerian Oil minister, Edmund Daukoru, CNOOC recently wanted to negotiate a deal directly instead of participating in a bidding process, where a competitive market process determines the price.⁷ The Chinese oil industry may commit itself to engage in the Nigerian oil industry, but is also interested in the resources of smaller West African countries. In November 2006 China and Liberia signed a Memorandum of Understanding for offshore oil exploration as well as four more Memoranda of Understanding, two of them on possible mineral and oil exploration ventures.⁸ China currently uses two strategies in dealing with African countries: Focusing on countries in Africa where political and security risks have scared off most competitors giving generous grants to its prospective and actual partners. This approach clearly dissatisfies its competitors, although India says it does not compete with China, since Africa offers a lot of opportunities for both countries. Nevertheless China “is stitching up deals with African governments at a pace that has unnerved the regions traditional partners, its former European colonial rulers, as well as the United States.”⁹

Politically, China outlined its policy towards Africa in “China’s African Policy”¹⁰ in January 2006. The focus lies on solidarity and co-operation

⁶ CNOOC is China’s largest offshore operator by output.

⁷ Winning, David. CNOOC Deal for Nigeria Oil Blocks Hits Snags. Dow Jones Newswires 11/2/2006.

⁸ Winning, David. China, Liberia sign offshore oil exploration MOU. Dow Jones Newswires 11/4/2006.

⁹ Mahapatra, Rajesh. In: Africa, India sees promise for its booming businesses. October 16th, 2006, Mail & Guardian Online <http://www.mg.co.za>, visited on October 16th, 2006.

¹⁰ Foreign Ministry of the People’s Republic of China. China’s African Policy. January 2006.

as well as on a new type of strategic partnership.¹¹ Non-interference, economic interests based on reciprocity with mutual benefit and common prosperity, co-operation in international organisations in terms of mutual support, and close co-ordination are the cornerstones of the bilateral relationships between China and her African partners. Of course, as outlined in the Chinese Africa policy the “one China principle is the political foundation for the establishment and development of China’s relations with African countries and regional organisations”. In regard to strengthening ties with African organisations the Economic Community of West African States (ECOWAS) will be the possible partner for Chinese external relations.¹² The focus primarily lies on gaining influence on existing organisations as well as stable or stabilizing countries, as in the case of Liberia.

In the economic field China not only views West Africa in terms of resources but also as a potential market for its products. While the Chinese government intends to “adopt more effective measures to facilitate African commodities’ access to Chinese market”, the government, too, “encourages and supports Chinese enterprises’ investment and business in Africa”. Like the European Union in its “Strategy for Africa”, China is willing to “help realize the Millennium Development Goals in Africa”.¹³¹⁴

¹¹ The document only mentions NEPAD and the AU at the end. It is not clearly stated whether the strategic partnership will be with regional and sub-regional organisations or bilateral.

¹² China’s African Policy notes that “China appreciates and supports the positive role of Africa’s sub-regional organizations in promoting political stability, economic development and integration in their own regions and stands ready to enhance its amicable cooperation with those organizations.”

¹³ Foreign Ministry of the People’s Republic of China. China’s African Policy. January 2006.

¹⁴ In the year 2000, 189 countries agreed upon eight Millennium Development Goals (MDGs), which should be achieved by the year 2015. The MDGs are (1) Eradicate extreme poverty and hunger, (2) Achieve universal primary education, (3) Promote gender equality and empower women, (4) Reduce child mortality, (5) Improve maternal health, (6) Combat HIV/Aids, malaria, and other diseases, (7) Ensure environmental sustainability, (8) Develop a global partnership for development.

The Chinese approach to peace and security issues comprises of military co-operation on the one hand and conflict settlement and peacekeeping operations on the other. Military co-operation means the promotion of high-level military exchange as well as the exchange of military related technologies. In terms of conflict settlement China wants to support the African Union and sub-regional organisations to settle regional conflicts and participate in UN peacekeeping missions in Africa.¹⁵

India

While China's approach in Africa seems to be realised and dealt with in a lot of publications¹⁶, the Indian engagement seems to draw less attention neither from the academic nor from the political community. India's position in the discourses concerning the so-called new scramble for Africa is slightly different from China. Contrary to China's offensive economical and political encroachment, India's approach appears to be not so forceful at present, at least on the political stage.¹⁷ Due to an expected increase in consumption in the foreseeable future India can be expected to enhance its engagement in the West African oil industry.

The Ministry of External Affairs (MEA) states that "India enjoys cordial links with the countries of West Africa".¹⁸ The interests and engagement of India can be seen in the creation of a new division within the ministry

¹⁵ Foreign Ministry of the People's Republic of China. China's African Policy. January 2006.

¹⁶ E.g. Taylor, Ian. 2006. China and Africa: Engagement and Compromise. Routledge: New York; Tull, Denis M. Die Afrikapolitik der Volksrepublik China. SWP-Studie. August 2005; Braud, Pierre-Antoine. La Chine en Afrique: Anatomie d'une nouvelle stratégie chinoise. Octobre 2005.

¹⁷ The state-run Indian oil company ONGC Videsh Ltd. won an auction for a planned oil and gas field at the end of 2005, but was blocked by the Indian government as the investment in Nigeria was deemed too risky although an unnamed ONGC official commented: "We had consulted the government at every stage. We were expecting an approval. It is a huge embarrassment". Cf. India blocks West Africa oil deal. <http://news.bbc.co.uk/2/hi/business/4534412.stm>. visited March 15th, 2006.

¹⁸ Ministry of External Affairs. 2005. Annual Report 2004-2005. <http://www.indianembassy.org/policy/30ar01.pdf> p. 71. visited September 26th, 2006.

to deal with West African countries.¹⁹ The reason for the engagement is bluntly outlined by the MEA: “The region holds great promise for India’s energy security and the Ministry took the initiative in exploring possibilities to access the oil and petroleum sector in this region, particularly in Angola, Nigeria, Côte d’Ivoire, Mauritania and Equatorial Guinea.”²⁰ India, however, not only views West Africa as a source of resources to cover their own needs, but also as an interesting market for Indian products. While India has an old tradition of exchange with East Africa,²¹ West Africa up to a few years ago played a relatively negligible role as a market for Indian products. The current trend of enhanced exchange should be retained, and cooperation between the trading partners should be increased significantly: “Trade and economic exchanges, which were limited, grew rapidly and Indian companies were encouraged to establish their presence in West Africa.”²² The Indian strategy towards West Africa encompasses two major interests: Resources and access to the market, with little mention of development aid. This policy is accompanied by assisting the ECOWAS Bank for Investment and Development (EBID) to finance India’s exports to West African countries.²³ In May 2006 the Indian Ex-Im Bank extended an operative Line of Credit (LOC) of \$ 250 million to the EBID.²⁴

The most important partner for India in West Africa is Nigeria, which also makes Nigeria the number one trading partner in Africa. The bilat-

¹⁹ The Indian definition of West Africa differs from the African definition of the region. West Africa for India not only comprises ECOWAS countries, but goes down to Angola.

²⁰ Ministry of External Affairs. 2005. Annual Report 2004-2005. <http://www.indianembassy.org/policy/30ar01.pdf> p. 71. visited September 26th, 2006.

²¹ As a consequence of European colonialism a lot of persons of Indian origin live in East and Southern Africa, who build a bridge between Africa and India, while ties to West Africa have to be built.

²² Ministry of External Affairs. 2005. Annual Report 2004-2005. <http://www.indianembassy.org/policy/30ar01.pdf> p. 71. visited September 26th, 2006.

²³ The 15 member countries of EBID are Benin, Burkina Faso, Cape Verde, Ivory Coast, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo.

²⁴ Harry G Broadman. 2006. Africa’s Silk Road. China and India’s New Economic Frontier. The World Bank: Washington, D.C. p. 250.

eral trade is around US\$ 3 billion with a balance of trade in favour of Nigeria. Oil constitutes more than 96% of Nigerian exports. The remaining 4% are metal scrap, wood, cashew nuts, iron and steel. In contrast, the imports from India consist of pharmaceutical products, machinery, mechanical appliances, electrical machinery, rice, automobiles, paper, and cotton textiles. To put it in short, India exports finished and semi-finished products, while Nigeria's exports are made up of commodities.²⁵

Indian presence in West Africa should not be reduced to economic engagements. The country has a long tradition of providing personnel for peacekeeping missions in West Africa and made significant contributions to various missions, troops, military observers and police.²⁶ During the past decade West Africa has presented itself "from Liberia to Sierra Leone to Guinea to Guinea-Bissau to Senegal as an interconnected web of instability".²⁷

USA

The United States were often said to have lost their interest in engaging in Africa following the debacle in Somalia due to intervention, and the genocide in Rwanda due to non-intervention. Although the US seems to be rather reserved to committing themselves to African issues, a report by the National Security Strategy (NSS) 2006 tells a different story. "Africa holds growing geo-strategic importance and is a high priority of this Administration."²⁸ Here we can see Africa returning to the focus of the US. The NSS refers to the linkage between America and Africa through

²⁵ Cf. Biallas, Axel und Jan Knauer. Von Bandung zum Ölgeschäft: Indien und Inder in Afrika. Giga Focus Nummer 1. Januar 2006. p.6; Nigeria Fact Sheet. High Commission of India in Nigeria. <http://www.hicomindlagos.com>. Visited August 30th, 2006.

²⁶ Detailed facts and figures for current and past operations are provided by the UN. <http://www.un.org/Depts/dpko/dpko/>. Visited August 14th, 2006.

²⁷ Adebajo, Adekeye. 2004. Pax West Africana? Regional Security Mechanisms. In: Adebajo, Adekeye & Ismail Rashid. West Africa's Security Challenges. Building Peace in a troubled region. Lynne Rienner Publishers: Boulder, London.

²⁸ The National Security Strategy of the United States of America. March 2006. p. 37.

history and culture, yet they also tie in commerce and strategic significance. Colonialism and bad governance are mentioned in the report. However, the slave trade, as well as proxy wars during the cold war are not. “Africa’s potential has in the past been held hostage by the bitter legacy of colonial misrule and bad choices by some African leaders.”²⁹ Like the European Union the United States argue for partnership in order to promote economic development as well as effective, democratic governance. According to the NSS the United States intends to support the African Union in its efforts in post-conflict transformation, consolidating democratic transitions, and improving peacekeeping and disaster response.³⁰

The economical interests of the United States are commodity driven, oil and gas being crucial. Access to the West African market for goods from the United States plays only a minor role in macroeconomic considerations, if any. The importance of African oil to the US was mentioned by the Secretary of Energy, Samuel Bodman, in 2006: “Over the last forty years, we have seen significant energy production growth in Africa, especially in the Gulf of Guinea. Africa as a whole, contributes more than 10 million barrels per day to total world output – 84.5 million barrels per day. Africa account for almost 12 percent of world oil supply and supplies approximately 19 percent of U.S. net oil imports.”³¹ Nigeria is among the top ten suppliers to the US. The Gulf of Guinea is, according to Bodman, projected to play a greater role in international energy markets and the US expects imports of oil to rise in the future. What is true for oil holds for gas also. The dependence on natural gas and liquefied natural gas imports has increased and, again, Nigeria joins the important overseas sources. The rising demand for West African³² gas led to an

²⁹ See FN 28.

³⁰ See FN 28.

³¹ Corporate Council on Africa Oil & Gas Forum Keynote Address. Remarks for Energy Secretary Samuel Bodman. Press release by the United States Department of Energy. Office of Public Affairs. December 1st, 2006.<http://www.energy.gov/news/4498.htm>.

³² Some authors, especially from the USA, do not use the term West Africa or Western Africa in security political discussions according to the definition of the UN, but include the almost the whole west coast of Africa, from far north to Angola in the south.

increasing development of cross-border gas projects such as the West African Gas Pipeline (from Nigeria to Benin, Togo and Ghana).³³

The most significant development in US military engagement in West Africa will be the establishment of an African Command (Africom). This shall be a significant strategic shift and an important structural move for the coordination of defence policy in Africa.³⁴ It reflects the need for more emphasis on proactive, preventative measures instead of maintaining “a defensive posture designed for the Cold War”³⁵ and shall be the fifth regional operations base. According to Defence Secretary Robert M. Gates the African Command will have “to oversee security cooperation, building partnership capability, defence support to non-military operations on the African continent”.³⁶ African leaders will be consulted by the United States on the command’s base. The US already started military co-operations in West Africa some years ago by training soldiers of West African armed forces. Since the Gulf of Guinea is expected to provide up to a quarter of US oil imports within the next decade,³⁷ it seems to become apparent, that the US will raise its military profile in the region.

³³ Corporate Council on Africa Oil & Gas Forum Keynote Address. Remarks for Energy Secretary Samuel Bodman. Press release by the United States Department of Energy. Office of Public Affairs. December 1st, 2006. <http://www.energy.gov/news/4498.htm>.

³⁴ Up to now Africa is divided among three commands: Central Command, responsible for Djibouti, Eritrea, Ethiopia, Egypt, Kenya, Somalia, and Sudan; Pacific Command, responsible for Madagascar, the Seychelles and the Indian Ocean area off the African coast; and European Command, which has responsibility for all other African countries.

³⁵ Donnelly, Sally B. The Pentagon Plans for an African Command. Time magazine. 24th August, 2006.

³⁶ Garamone, Jim. DoD Establishing U.S. Africa Command. Armed Forces Press Service. 6th February, 2007.

³⁷ Charles F. Wald, the then Eucom Deputy Commander assumed even higher figures in 2004: “In 10 years, thirty percent of U.S. oil will come from the Gulf of Guinea. We will also become very dependent on natural gas from Africa.” Cf. Cobb, Charles Jr. General Sees Expanding Strategic Role for U.S. European Command In Africa. Posted to the web April 15, 2004, <http://allafrica.com/stories/200404150758.html>, visited 24th August, 2006.

European Union

The European Union (EU) and its policies towards Africa are – at least in perception – sometimes mingled with the policies of its member states. The following paragraphs will not cover the national policies of individual member states, but concentrate on the Union as a strategic player on the continent and in West Africa in particular. Due to the geographic vicinity of the continent and colonial history, the perception of Africa in Europe differs for several reasons from players like China, India, and the US. Former colonial powers brought their colonial heritage into the partnership and still have strong ties with African countries and their governments. Migration from Africa to Europe has been on the agenda of the EU for quite a long time.³⁸ Due to huge socio-economical differences between African countries and Europe one must not be a prophet to expect this topic to remain on the table.

Politically the EU started to hold annual Ministerial Troika Meetings with ECOWAS in 2000. This political dialogue aims at building a partnership in order to discuss topics of mutual interest and to explain issues of importance to the partner. Questions of mutual interest raised during those meetings include peace and security, human rights and good governance, migration, economic integration and trade, as well as institutional aspects.³⁹ Another point influencing the relations between the EU and West Africa is the Strategy for Africa adopted on December 15th 2005. The aim of this strategy is to create a comprehensive partnership between Europe and Africa. The strategy's core topics coincide in most aspects with the discussions held between the EU and ECOWAS. A planned European-African summit in 2007 in Lisbon is expected to frame a common strategy for both partners.

³⁸ The migration of Africans to Europe via the Italian island of Lampedusa in the Mediterranean Sea was nearly replaced in the public and political discussion in summer 2006 by reports about migration from West Africa to the Spanish Canary Islands.

³⁹ All documents on EU-Africa relations including relations between West Africa and the EU can be found at http://consilium.europa.eu/cms3_fo/showPage.asp?id=400&lang=DE&mode=g. Issues discussed may vary from meeting to meeting, but the mentioned topics seem to be core ones.

Of course, Europe has, like all other external actors, an interest to have access to resources. In 2004 around 27 million ton of oil was exported from West Africa to Europe.⁴⁰ However oil and gas are not the only resources of importance. Due to decreasing fish stock in nearby waters, European fishermen are forced southward. In 2006 the EU signed the biggest-ever fisheries deal with the African nation Mauritania worth more than 500 million Euro. This gave 200 European vessels permission to fish off the Mauritanian coast.⁴¹ Market access does not seem to be an issue for the EU, although economic integration and trade are mentioned in almost all documents dealing with the relationship with Africa. The perception that the European Union views their connection with Africa in terms of access, for African product to the European market in exchange for political interests of the EU (human rights, good governance, and, of course, migration) may not be totally wrong.

Military engagement in international crises management in West Africa so far has not been on the EU agenda. However, member states like the United Kingdom and France on an individual basis intervened in the region during the last decade.⁴² In the wider context of the European policy towards Africa, there is a discussion on security issues, which clearly outreached the discourse on migration policies,⁴³ but does not imply a common European military engagement within the region.

⁴⁰ Bundeszentrale für politische Bildung. Haupthandelsströme – Erdöl und Erdgas. http://www.bpb.de/wissen/JD8DP9,0,0,Haupthandelsstr%F6me_%96_Erd%F6Erdgas.html

⁴¹ Castle Stephen. EU trawlers get fishing rights off Africa for pounds 350m. *The Independent*. July 24th. 2006.

⁴² See for example Williams, Paul. Fighting for freetown: British military intervention in Sierra Leone. In: *Contemporary Security Policy*, Volume 22, Number 3 pp.140-168 for UK engagement or visit the homepage of the French MoD (<http://www.defense.gouv.fr>) for information on Opération Licorne in Côte d'Ivoire.

⁴³ Nivet, Bastien. Security by proxy? The EU and (Sub-)regional organisations: the case of ECOWAS. Institute for Strategic Studies. Occasional Paper n°63. March 2006, which discusses security issues, partnerships, achievements and challenges concerning the relationship the EU has with ECOWAS.

A New Scramble for West Africa?

The competition for West African resources has influenced both political and military engagements in the region. This trend started some years ago, and there are several reasons for China and India, as well as the US and the EU to engage. Depending on the position one adopts, either political or economical viewpoints might dominate the discussion, but it seems to be rather clear that all external actors are competing for access to resources.

The engagement of external actors in West Africa is neither good nor bad in itself. Of course, one can argue that self-interests are the main motivation for the new players. However it would be presumptuous to assume that international competitors like China and India have only self-interests, while Europe does not have any self-interest at all and only tries to assist African countries on the road to democracy. Exerting influence covers all fields of engagement, be it political, economical, or other. The so called new scramble for Africa⁴⁴ touches all these fields and made the then Secretary General of the United Nations, Kofi Annan, to warn against a new exploitative rush: “We have to ensure that this new scramble for Africa benefits the women and men of the continent – and that the agreements that are signed with foreign investors are fair, equitable and stand the test of time.”⁴⁵

What seems to be threatening West African achievements made during the last few years in areas like human rights, democracy, good governance, debt reduction and so forth is the possibility of political and economical “partner shopping” in the international arena. The external partner, who fits best into the political elite’s pyramid of interest, may be

⁴⁴ The new scramble for Africa has been located in various fields. Cf. Commey, Pusch. The new scramble for Africa: biopiracy. *New African*. December 2003; Bouzaglou, Hila. Terrorism: The new scramble for Africa. *Mail & Guardian Online*. August 30, 2006; Dawood, Abdullah. New Scramble for Africa. *Al-Jazeera*. July 21, 2005. Abramovici, Pierre. United States: The new scramble for Africa. *Le Monde Diplomatique*. July 2004.

⁴⁵ The New Zealand Herald. UN’s Annan warns of new scramble for Africa. July 02, 2006.

chosen in order to pursue their somewhat selfish motivations. However, this situation may not necessarily be in the interest of the countries or the people involved.

AFRICA - Administrative map

