

DRAFT SUMMARY

AFRICAN WARS **AND THE MECHANISM OF DISPARATE EXCHANGE** **- For the World Social Forum, Nairobi, January, 2007**

1.

This summary statement is complementary to the cases and documentation on the wars in Ivory Coast and Congo (DRC), and on the policies of neo-liberalism imposed by the world's financial institutions, as presented by the previous speakers. My task is complementary to theirs, and consists in delineating the methods of financing African war campaigns, and the relationship of these methods with processes of globalisation. Preliminarily, I wish to comment on the overwhelmingly destructive impact of contemporary African wars, which can in no way be slighted or belittled. The civil war in Liberia, to which I will refer more elaborately below, and which lasted for 15 long years, is believed to have cost the lives of some 300 thousand people, i.e. no less than a tenth of the population. The war of aggression in Congo (DRC), as Mfuni Kazadi has stated, has caused the death of over 4 million people over a period of just 5 years – implying that of all the contemporary African wars, that in Congo (DRC) has resulted in the largest number of lives lost in the shortest period of time. It would thus be terribly unjust towards the victims of African wars, if we were to treat these wars as 'side-line' events.

2.

Next, I wish to explain why it is necessary to focus on the theme of the financing of African war campaigns. In order to highlight the relationships between these wars and issues of globalisation, it is possible to start from different angles. One could, as no doubt will be done on various occasions at this World Social Forum in Nairobi, - look into the presence, on African soil, of armed forces or military personnel belonging to the world's hegemon, the US, or to former European colonial powers. One may also look into the way the structural adjustment policies of WB/IMF have contributed towards the outbreak of war, in particular in Ivory Coast and other West African countries. It is my understanding, however, that it is equally important to look into the methods for war financing, precisely because contemporary African civil and/or internationalized wars are so intimately related to Africa's integration into the world economy, via the export of the continent's rich natural resources. What is characteristic of the financing of most military campaigns in Africa, is that these occur via an international exchange mechanism, i.e. via parallel exports and imports, i.e. via the exchange of raw materials exported from the African continent, against arms imported into the continent.

3.

This exchange mechanism may be termed disparate exchange, as I have done in my theoretical study on global militarism. My speech at this hearing will focus on this international trading mechanism, and on its significance for the deliberations of a potential future African Wars Tribunal. Let me, to start - for those who are not familiar with the term disparate exchange – explain what is the meaning of this term. The term disparate exchange is linked to that of unequal exchange, - a term which became common currency among progressive academicians and activists in the fifties and sixties of the previous century, when economic researchers discovered that Southern countries (then referred to as the 'Third World') faced a problem of deteriorating terms of international trade, meaning that the prices of the goods they sold at the international market were deteriorating in comparison with the prices of the goods exported to the South by countries of the North. Disparate exchange refers to a different, interrelated, and even more problematic form of trade, being the parallel trade between goods which represent Southern wealth on the one hand – and goods which represent social waste, being the arms and armament systems exported by countries located in the North on the other hand.

4.

This trade mechanism has terrible consequences for Southern economies. Why? As already stated, under this mechanism the countries where the arms are manufactured belong to the privileged part of the world economy – whereas the countries where the arms are used, ‘consumed’, in particular African countries, are marginalized economies. In consequence of the given division between producer and consumer nations of arms, the destructive impact of the use of the arms is not reaped by countries where manufacturing takes place, but by others. The differentiation allows the producer nations to be completely indifferent towards the consequences of their arms’ manufacturing, and to reap profits in a manner which can only be termed callous, ruthless. Meanwhile, the nations where the arms are ‘consumed’ suffer twice, they suffer both because they surrender precious natural resources in order to procure arms internationally, and they also suffer the destructive impact caused by domestic war campaigns, - a destructive impact in terms of human lives lost, economic structures demolished or damaged, and environmental damages. In short, we can only expose all these unjust implications of the given trade, if this indeed be called disparate exchange.

5.

Let’s now go into the historical background to the growth of this form of trade in Africa. The pre-history of the mechanism goes very far back, it goes back to the time when the African continent was ruled by European colonial powers. A notable instance illustrating this, is that cited in Adam Hochschild’s chilling book on King Leopold’s holocaust-like policies executed in the Congo, when the country was in the Belgian king’s private possession. During the given period, at the end of the nineteenth century, ships reaching Belgium’s port of Antwerp regularly brought in ivory and raw rubber, obtained from Congolese villages through a system of slave labour, enforced by taking hostages. These ships did not carry back to the Congo other types of civilian commodities, but instead mainly military commodities: thousands of ball cartridges and guns. The arms and ammunition shipped from the colonizing state to its colony were no transfers between formally independent states, as is the case today. The example – which is all the more significant in view of the millions of victims which king Leopold’s rule over Congo cost – nevertheless brings out initially that the roots of disparate exchange lie way back in history.

6.

My next point is on the formal institution of the destructive trade mechanism of disparate exchange. This occurred in the first part of the seventies of the last century. At that time, as you will recall, Middle Eastern and other Southern countries producing and exporting oil successfully waged their struggle to raise the international price of oil, and to bring down the level of economic exploitation of their oil wealth by countries of the North. The battle of OPEC at that time was celebrated, it was seen as an effective show of strength by countries of the South. What was not generally noted amongst the euphoria, was that US imperialism approved of the price rises enforced by OPEC, with the aim of instituting a new and even more unjust trading mechanism than the one that had prevailed before. For the US calculated that, once the oil rich countries would have a larger taxation income at hand, - this could and would be channelled towards the importation of armament systems. The US’s arms manufacturers and the arms’ manufacturers of other Northern states would then be its prime beneficiaries! And indeed – as Sipri’s annual reports on international arms’ trade confirm - by the late 1970s the new trading mechanism was in place; Saudi Arabia and Iran by then headed the South’s list of arms’ importers.

7.

In order to understand why disparate exchange has become so widespread in Africa, we also need to refer to the policies which have been and are being pursued by the World Bank and the International Monetary Fund. As participants of this Tribunal hearing will be aware, - the WB/IMF tandem for long has been advising African governments that they should stick to export-oriented economic strategies, since these presumably will result in Africa’s ‘development’ and in its uplift from poverty. It is not my mission to offer you here a comprehensive review on the idea of export-oriented economic growth, - though I am of course aware of the fact that the results of the given strategy for African countries

which are continuing to depend on the exports of minerals and other raw materials - have been vastly different from the results for countries exporting processed commodities in Asia. What's crucial to mention, however, for the discussion on disparate exchange, is the fact that the WB/IMF's export-oriented strategies in Africa have transited towards export-oriented thinking by African warlords and governments, in the context of Africa's multiple wars. – with a massive drain of African wealth as result.

8.

To get a clear historical perspective, let's lastly refer to a broad transition in the way the African poverty crisis has been and is being structured. All through the quarter century since the late 1970s, Africa's participation in world trade, in globalisation, has centrally affected the deepening of the poverty crisis in the continent. Thus, African experts regularly refer to the fiscal- and monetary crisis of the late 1970s and early 1980s, caused by a general deterioration in the terms of trade of non-energy primary commodities traded by African states. I have already mentioned this phenomenon above, the phenomenon known as 'unequal exchange'. As the poverty crisis in the continent deepened, in the course of the 1980s and 1990s, - the crisis has increasingly been structured around, or primarily around, disparate exchange, i.e. the international exchange of raw materials against arms. This type of war financing has occurred as part of the war in Angola (recall the trade in 'blood diamonds' by the rebel movement UNITA, but also the surrender of oil for arms by Angola's government); in Sierra Leone; in Liberia; in Ivory Coast; in the Congo (DRC); as also in Sudan. Disparate exchange has literally mushroomed in Africa, - further promoting the continent's marginalisation and the persistence of deep poverty.

9.

I have now come to the more 'judicial' part of my speech. The idea of an African Wars' Tribunal is based on the assessment that in the public image, as built via the world's media, contemporary African wars are largely the result of African cruelty and backwardness. The role which international political and economic actors have been, or are now playing in unleashing and/or prolonging these wars, is rarely reflected on. Yet international actors do play a role, and therefore do bear their own responsibility for war crimes and other human rights' violations committed in the context of African wars. Below, I would like to illustrate this by briefly narrating three examples – each of which shows that international companies and corporations which have their headquarters outside the African continent, have cynically, nay ruthlessly, pursued their profit interests, without any regard for international norms and rules on respect for human rights. These three examples are: * the example of the violence perpetrated by the Oriental Timber Company (OTC) and its militia in the Liberian civil war; * the support of international oil companies towards the 'depopulation policies' of the Sudanese army, executed in the country's Southern region; and * war crimes and the purchases of coltan, by international companies from zones occupied by aggressor armies as part of the war in Congo (DRC).

10.

The example that needs to be described first, is that regarding the Oriental Timber Company (OTC)'s operations in Liberia. I have consciously placed this example first in queue, since there is little doubt that the company mentioned is directly responsible for human rights' violations that have been committed during Liberia's prolonged domestic war. The civil war in Liberia erupted at the end of a decade during which the country's military government implemented a series of structural adjustment programmes that were ineffective in promoting economic growth. In course of the second phase of the war, in 1999, the OTC was granted a huge concession, which ultimately comprised 1.6 million acres. The OTC then emerged as dominant exporter of wood logs from Liberia. At the same time, as recorded in reports of the London based research centre Global Witness, - the OTC also was closely involved with importing arms, - which imports were illegal under international law, since they were prohibited under UN resolutions. The OTC-operated port of Buchanan reportedly functioned as a key importation- and storage-point for weaponry. The company's responsibility for human rights' violations amongst others consisted in the fact that it used 'forced labour', imposed through preventing people from farming their land, and in the fact that the company's militia (!) displaced villages by force, as part of their task to defend OTC's logging interests.

11.

The second example is that of corporate responsibility for war crimes, committed in the context of the Sudanese war. Here again, evidence has been well documented, and company responsibility again is rather direct. The case has amongst others been documented in reports brought out by Human Rights' Watch. The Sudanese civil war, which (re)started in the 1980s, underwent an important transition in 1999, when an oil pipeline was completed, running from oil exploration and extraction areas in the South up to Port Sudan. From then onwards, Sudan became a net exporter of oil, with a greatly enlarged government taxation income from oil. Oil income further strengthened the country's capacity to import bigger armament systems, such as helicopter gun ships and tanks. Sudan's war came under the sway of disparate exchange. Moreover, in the years that followed, some of the newly imported arms were employed for a policy known as the Sudanese army's depopulation policy: areas earmarked for oil exploration and oil extraction 'were cleared' and villagers were killed or forced to flee, via a combination of aerial bombardments with operations of the Sudanese regime's ground troops. And since international oil companies have provided infrastructural support to the army when it executed its war crimes, - they do bear co-responsibility for crimes committed under international law.

12.

My third example, as stated, is drawn from Congo (DRC)'s war, which erupted in 1998. It concerns the buying of coltan by international companies from war zones in Congo's East. Here, international company responsibility for war crimes and other human rights' violations appears to be more indirect, but it is nevertheless very significant. Mfuni Kazadi has focused on the aggressor armies, the armies which invaded Congo (DRC), amongst others in order to loot various minerals present in Congo's Eastern provinces, and on war crimes committed by these armies and their Congolese rebel allies. While these crimes surely need to be exposed, - for an African Wars' Tribunal entrusted with the task of exposing the role of world political and economic actors for injustices committed in relation to African wars, it is crucial that we focus on the links between resources exploitation during Congo's war, and multinational corporations and companies. Reports and articles drafted on this theme have documented: * the illegal income which notably Rwanda has reaped from illegal exports of Congolese coltan; * the imports of coltan into the US, Germany and other Northern states; * and the identity of multinationals which have traded in, or purchased and processed the stolen coltan. To my knowledge, these practices have not yet been adjudicated.

13.

In conclusion: in this speech I have focused mainly on one aspect of the relation between contemporary African wars and globalisation processes and policies, being the international exchange of raw materials against arms. I am aware of the fact that an African Wars' Tribunal, if founded, needs to have a much broader agenda than the topic discussed. Surely – it would have to also expose the presence of military forces belonging to imperialist countries in different parts of the African continent, such US armed personnel, and troops belonging to the former colonial ruler France. Surely – such a tribunal would, also, have to carefully scrutinize the multiple links between African wars and the neo-liberal policies which the WB and IMF pursue unceasingly. Still, an African Wars' Tribunal would also have to adjudicate, and towards the task of adjudication, ample evidence has meanwhile been collected enabling a future Tribunal to take multinational companies to task. Lastly, an African Wars Tribunal in my view cannot be fully effective, until and unless it takes the question of 'disparate exchange' on board, the international exchange of raw materials against arms.

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