

# INTERNATIONAL NEWS

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## EYEING AFRICA

Not since the days of Slave Trade has the United States paid so much attention to West Africa. And just like then, there's something for them to take.

With most of the world's attention being focused on the Middle East and the flow of oil from that region to the West, much of that attention will soon be shifted to West Africa. The West African region supplies approximately 15% of US oil imports and with supplies from the Middle East less than secure, the African region gains in importance.

Some African countries are very small, like Equatorial Guinea and Sao Tome and Principe, and have been largely ignored by most of the world. But this is no longer the case! It doesn't take a lot of money to buy favors from the often very corrupt governments in these small nations, especially since corruption is rampant in the region. And the developments there are indeed interesting.

The country of Sao Tome and Principe consists of two small islands in the Gulf of Guinea, has a population of less than 160,000 and a Gross Domestic Product of less than 60 million US dollars. It was a Portuguese colony until 1975, when it became independent and elected a communist oriented government with a president as its head. Since the multi-party elections in 1991, a more right of center policy has been followed. The present government is

being led by president De Menezes, who has a right-wing orientation.

The discovery of offshore oil in recent years is likely to have a major impact on the islands economy. Not surprisingly, the USA has been knocking on the door and a 2002 announcement by President Menezes declared that an agreement has been reached with the US government for the building of a military base that will be a harbor for aircraft carriers and patrol boats as well as for US Marines to be stationed in this region. No doubt that this base is intended to secure the region for American oil corporations, by force if necessary. And all is not well on the islands.

"Political life remains dominated by the 15 or so families descended from the off-springs of Portuguese colonists and freed African slaves. Since 1991 there have been seven governments and political life has been dominated by power struggles between the President and the government, the party-in-fighting, widespread corruption and administrative paralysis. There was an attempted coup in 1996. Economic difficulties and political rows over the government's handling of development issues and oil exploration licensing, has led to violent protests in April of 2003, and a coup attempt on July 13, 2003, which lasted a few days, before the existing government was restored to power."(1)

Despite this turmoil, the people of San Tome and Principe have high hopes of seeing many substantial improvements in their living standards as a result of the oil revenues - but before getting their hopes too high, they no doubt will cast an anxious eye on what happened in that other small country in the region of Equatorial Guinea.

Equatorial Guinea, a former Spanish colony consists of five islands and a segment on the West African coast. It has less than 500,000 inhabitants. Petroleum exploration and development has revitalized the economy. Large-scale oil production commenced in 1997 and the country's GDP grew by an average of 26.8% annually between

1999 and 2003. Today, USA oil firms dominate the Equatorial Guinea's landscape. Exxon-Mobil, Amerada Hess, Chevron Texaco and Marathon Oil have the largest share of the country's oil production.

But despite this rapid growth, poverty remains widespread. So, what happened to all of the oil money?

"The landscape in Malabo and Bata, the two major cities in Equatorial Guinea, are dotted with the state-of-the-art buildings belonging to the president and senior members of his government that stand in stark contrast to the terrible slums in which the majority of the people live. In the year 2000 the president bought a house in the posh DC suburb of Potomac, Maryland, for \$2.6 million and another one in nearby Rockville, Maryland, for \$1.5 million. The president's son, Teodoro N. Obiang, purchased a house in ritzy celebrity haven in Bel Air, Los Angeles in March of 2001, for \$5.8 million. Hollywood actress Farrah Fawcett lives across the street. The younger Obiang, who is also his country's Minister of Forests, Fishing and the Environment and is in running to succeed his father as President, also owns a record label and a publishing company in Los Angeles, called TNO Entertainment, which specializes in rap records."

So writes the Center for Public Integrity in November 2002, under the heading "Making a Killing. The curious Bonds of Oil Diplomacy". (2)

And further:  
"The average Equatorial Guinean, by contrast, has seen very little of the country's oil wealth. A United Nations development report ranked the country's per capita gross domestic product of \$4,676 as 79<sup>th</sup> out of 149 countries in the world in 2001, but even this is barely reflected on the ground. In 2000, the World Bank reported that the average income per capita was just a little over \$2 per day."

Andrew Donaldson of the South African Saturday Times (3), in an article dated September 22, 2002 puts it bluntly and in clear terms when he writes:

"The US is falling over itself to secure West African oil. Leaders best be very aware of Washington's flattering attentions which have but one objective. US strategists have

No 70  
RABBLE-ROUSER  
Committee for a Revolutionary Communist Party in Australia

For some time been pushing for a MILITARY BASE in the Gulf of Guinea - hardly surprising, given the Bush administration's intentions of shifting US reliance on oil imports from the Middle East to West Africa." These articles were written well before the disastrous and illegal war in Iraq, and well before the price of a barrel of oil exceeded \$50 US, once again show the vulnerability of the USA through its dependence on foreign oil. Its greedy eyes are cast all over the world to see what can be had. Many generations have come and gone since the time the USA captured and sold the African people as slaves for their home markets. Nothing has been done since to improve the living standards of the people of Africa. Washington's renewed interest in West Africa is purely a matter of self-interest, that is the "corporate self-interest". It will matter little to the masters in Washington whether or not the African people will reap any benefits from the exploitation of oil.

For the people of San Tome and Principe, whose hopes for a higher living standard have been raised, it must be discouraging indeed to see how little benefit has reached ordinary people of other West African countries with large oil revenues. They had better beware of the devil they are bringing in. Oil is too often equated to corruption.

- (1) <http://www.fco.gov.uk>
- (2) <http://www.publibc-l.org/bow/report.aspx?afif=151>
- (3) <http://www.suntimes.co.za/2002/09/22/business/news/news03/aasp>

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