

Angola: Getting Riper for Peace?

Successful conflict mediation teaches that three conditions are necessary for political negotiations to produce long-term results: first, external consensus and pressure for the parties to compromise. Second, the establishment of common ground internally, where the parties believe they have more to gain from compromise than conflict. And third, this presupposes the role of visionary, selfless leadership.

Three related questions arise at this point about Angola: first, what is the overall prospect for peace currently? Second, what are the options for foreign governments in dealing with Angola, particularly for South Africa? Third, what should those wishing to invest in Angola expect in this environment—what can they do to ensure that peace prevails?

The Overall Situation

Current events illustrate the uncertain character of the political/security situation. Recent developments include:

- 1 The offer made in July by President José Eduardo dos Santos to pardon UNITA leader Jonas Savimbi if he 'repents'. UNITA rejected this offer outright stating instead that the movement wanted a 'just peace'.
- 2 UNITA's attempts to raise its military profile with an increase in guerrilla activities, *inter alia*, in Bengo Province and the Central Highlands. In line with these developments, there are reports that UNITA's morale in is on the rise and the organisation has effectively restructured its forces into a manner similar to that which existed during the height of the UNITA guerrilla campaign in the 1980s, including: special penetration groups to infiltrate rear areas and disrupt government logistics and supply routes; commando units for deep reconnaissance, and the laying of ambushes and mines; and BATE groups for sabotage actions against strategic targets including oil installations.
- 3 The expectation of renewed UNITA military operations against diamond and oil producing areas. In the former, the UNITA aim is reportedly two-fold: first, to extend control over the production areas for their own revenue purposes; and second, to prevent any state or privately run companies mining the concessions.
- 4 The apparent re-establishment of UNITA logistical supply lines. Since mid-June, UNITA has

allegedly taken delivery of anti-tank and anti-aircraft missile systems, and a variety of small arms.

- 5 The staging of the first-ever 'Peace Congress' in Angola in Luanda from 18-21 July 2000. Organised by the Catholic Church, the Congress was attended by more than 250 participants. The aim was to discuss ways of achieving peace and reconciliation and to examine ways of bringing UNITA and the MPLA back to the negotiating table. Cardinal Dom Alexandre do Nascimento presided over the Congress, which was blessed by the Pope. At the end of the event, Angolan church leaders called for an immediate cease-fire.
- 6 The holding of an opposition conference from 8-10 August 2000 which also called for an immediate cease-fire, dialogue to end the war and a transitional government. However, the Angolan government rejected this proposal outright. Parties attending included: Alliance Party of Angolan Youth; Workers and Peasants Party (PAJOCA); Democratic Party for Progress-Angolan National Alliance (PDP-ANA); Front for Democracy (FpD); Liberal Democratic Party (PLD); National Front for the Liberation of Angola (FNLA); Social Renovation Party (PSR); and UNITA Renovado (UNITA-R).
- 7 The setting of prior conditions of the need for peace and stability by Luanda if the planned general elections are to be held in September 2001.
- 8 The confirmation of the Angolan government stance on no negotiations with Savimbi. This was reiterated by the Angolan Armed Force (FAA) Chief of Staff General João do Matos on 16 August 2000 during an official visit to South Africa.
- 9 The backdrop of an expected increase in investment in Angola's offshore oil-fields and production levels from 750,000 to one million barrels per day as new wells come on stream. The higher oil price has also enabled the National Assembly to lift budgeted government expenditures for the 2000 financial year by 27% to US\$3.76 billion. It is understood that the new income will

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enable the Angolan government to begin to address its external debts, including the US\$80 million loan from the African Development Bank (ADB). In 1997, Angola's external debt was US\$10.2 billion.

10 The appointment of **Mussagy Jeichande**, Mozambique's former Ambassador to South Africa and Legal Advisor to the Ministry of Foreign Affairs and Co-operation, as Special UN Secretary-General Representative and Head of the UN Office in Angola (UNOA) by UN Secretary-General Kofi Annan on 31 July 2000.

Options for governments and SA?

Pretoria has repeatedly stuck its neck out on Angola by openly stating its preference for a negotiated and not a military solution. This has placed it at odds with much of the rest of the 14-member Southern African Development Community (SADC) region and, notably, with the US government which maintains a steady line in favour of not negotiating with Savimbi.

Two points can be made in this regard:

First, as long as the SADC region is itself characterised by political (and sometimes military) disagreement, the prospects for a united position on Angola are fundamentally limited. Here, in particular, the war in the DRC is a destabilising influence on the prospects for an Angolan peace and *vice versa*.

Second, as long as there are major oil profits to be made in Angola and it is an important source of oil imports for the United States in particular, do not expect a global consensus on the need to pressurise the parties to the negotiating table. Currently the US receives just under 10% of oil imports from Angola. Such acquiescence is not limited solely to the US, however. On 3 August 2000, the government of Norway signed a US\$3 million co-operation accord with Luanda providing for technical assistance in the petroleum sector.

Put simply, both the politics and power of oil and the extent of regional opposition and division seriously constrain Pretoria's attempts to constructively influence the dialogue process in the spirit of its own experience.

Options for Business?

News in the second half of 2000 of a renewed UNITA guerrilla campaign has come at the same time as the announcement that American Airlines is to establish a direct airlink from Houston to Angola. This illustrates two factors about doing business with Angola and Africa in general:

First, the ongoing conundrum about doing business in a conflict environment where companies are aware (but often prefer not to acknowledge) that their operations are directly feeding the conflict. It is no secret, for example, that oil signature bonuses have been used to fund the MPLA war effort and enabled the conventional military build-up which led to the capture of the key UNITA bases of Andulo, Bailundo and Jamba in late-1999. Moreover, this also highlights awareness that the absence of conditions of transparency and accountability have led to a plundering of the proceeds by individuals within the state.

Second, it raises questions, about the contemporary role (and influence) of state-state relations in Africa. For example, there is no US embassy in Equatorial Guinea, yet this is one of the booming investment areas for US oil companies in Africa.

But what can those companies with a broad social-responsibility outlook hope to achieve in Angola, and what strategies might they adopt to achieve this end?

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Responsible corporate governance would, in the case of Angola, call for social investment in civil society in an attempt to construct a wider common ground internally and to shift the debate from the extreme poles represented by Savimbi and Dos Santos. But there

are many difficulties in taking this position, not least the difficulties in entering the minefield that is Angolan politics.

Indeed, recent efforts to develop this socially-responsible role have encountered difficulties. For example, a plan to develop social projects between oil companies and aid agencies was recently rejected by the United Nations Development Programme (UNDP) in Luanda on the grounds that this was too ambitious. Supported by seven companies to the tune of US\$40 million annually for 10 years with a focus on education, the project was criticised on the grounds that it would have been better for the oil sector to engage in dialogue with the government on issues of accountability and transparency rather than 'throw money at ill-considered schemes'.

It is not easy, however, for companies to speak out on these issues nor to openly support opposition movements including the church, already the focus of government concerns—not least because UNITA has supported the clergy in its efforts to build a social movement against the war. On 2 August 2000, UNITA's Secretary-General **Paulo Lukamba** ('Gato') commented that the Catholic Church had 'assumed bold positions in breaking the taboo on negotiation and

may effectively play a greater role in bringing the parties closer together, so long as it takes unbiased, neutral positions.'

Foreign companies involved in Angola should expect focus and possibly criticism of their investment given the extent of social decay in the country. Although the Angolan oil company, Sonangol, has an annual revenue of more than US\$2 billion, the average annual per capita income of Angola's 12 million people is US\$260. Life expectancy is just 46, while in 1999 Angola ranked just 160th of 174 countries on the UN's *Human Development Index*, below countries such as Zambia, Benin, Malawi, Nepal, Madagascar and the DRC.

A first, enforceable step in achieving better governance in Angola must, however, be to maintain transparency in dealings with the Angolan government and senior officials. Revelations made in July by the former Director of Elf-Aquitaine, André Tarallo, that several covert payments from a secret slush fund were made to President Dos Santos and members of his family, have highlighted this concern.

Making Angola and the continent safe to do business through transparency and accountability has short-term costs not only for African elites. Western companies and governments perpetuate these conditions through their own business practices, in the same way that aid agencies perversely thrive in disaster and conflict situations. But the linking of contracts to better governance can only promote more accountable

leadership and more solid, long-term investment prospects.

Conclusion

Most Angolans are, in the words of one Luanda-based diplomat, 'sick and tired of the war' and 'do not support a military option'. Yet foreign governments appear determined that a military solution is possible and, if the pronouncements of the UK Minister of State **Peter Hain** are anything to go by, preferred. Those who support a negotiated, political end to the conflict are, in this environment, dismissed as UNITA sympathisers.

A military campaign might win battles, but cannot by itself bring peace. Yet the government feels (and is supported in this by the international community) that it cannot rely on Savimbi at the negotiating table given his track record. Moreover, the continuation of the war provides the government with an excuse for poor governance and is used to explain its failure to uplift the majority of Angolans. Indeed, the worst case outcome for the MPLA might well be the capture or death of Savimbi—both because this would potentially fragment

UNITA and diminish its political agenda, creating a situation of warlordism; and because it would expose the logic of the political-economy driving the conflict.

The answer to this negotiation conundrum may be simple, but difficult to implement given the vested interests. The Mandela–Burundi model could provide the solution, but can only be implemented through a combination of international support and pressure on both sides to compromise.

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