

Angola's new president

Reforming to survive

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President João Lourenço – who replaced José Eduardo dos Santos in 2017 – has been credited with significant progress in fighting corruption and opening up the political space in Angola. But this has been achieved against a backdrop of economic decline and deepening poverty. Lourenço's first two years in office are also characterised by the politicisation of the security apparatus, which holds significant risks for the country.

Key findings

- ▶ The anti-corruption drive is not transparent and President João Lourenço is accused of targeting political opponents and protecting those who support him.
- ▶ Despite this targeted approach, there is an attempt by the new president to reform the economy and improve governance.
- ▶ After decades of political interference by the Dos Santos regime, the fight against corruption would need a complete overhaul of the judiciary and public institutions.
- ▶ The appointment of a new army chief led to the deterioration and politicisation of the Angolan Armed Forces.
- ▶ While fear was endemic among the people under Dos Santos, there is now ‘fear among the elites’ due to the perceived politicised anti-corruption drive.
- ▶ Economic restructuring is leading to austerity measures and social tension – the greatest risk to Lourenço’s government.
- ▶ The greatest challenge going forward is reducing poverty and reviving the economy.
- ▶ Opposition parties and civil society credit Lourenço with freeing up the political space and media.

Recommendations

For the president and the Angolan government:

- ▶ Urgently define, fund and implement an action plan to alleviate the effects of the recession on the most vulnerable through cash transfers, price-capping of basic foodstuffs and maintaining some subsidies.
- ▶ Accelerate private-public partnership programmes to generate employment and begin reactivating the local economy.
- ▶ Begin a constitutional review process to revise the constitution in order to reduce the overwhelming powers of the presidency and strengthen the powers of the legislature and judiciary.
- ▶ Reverse partisan encroachment into the armed forces and reinforce the spirit of unity of the Angolan Armed Forces.
- ▶ Schedule local elections and ensure they are free, fair and transparent.
- ▶ Take urgent steps to strengthen government healthcare, in particular as the response to COVID-19 will further weaken a desperately inadequate system.

- ▶ Use surplus troops and military units to begin setting up cooperative farming arrangements with diverse communities, helping establish irrigation systems with manual labour.

For the international community:

- ▶ Help with investigations into corruption, money laundering and other financial crimes committed by politically connected Angolans in your jurisdictions and your own nationals who were connected with Angolan businesses.
- ▶ Structure and help finance interventions that will alleviate poverty and generate employment by investing in agriculture and manufacturing.
- ▶ Condition loans and credit lines to the Angolan state with transparency and accountability measures but also social development benchmarks by tying a percentage of the funds to investment in health, education and housing.
- ▶ Facilitate and encourage Angola to participate in regional peacekeeping missions.

Introduction

With all presidential transitions, in particular those that occur after decades of entrenched and personalised rule, there are degrees of political continuation and change, often at great cost to the country. The past two years, following the end of the 39-year rule of former President José Eduardo dos Santos, have been marked by a peaceful presidential handover, the opening up of the political space, an easing of the repression against the opposition and civil society and a crackdown against corrupt elites.

This is taking place against the backdrop of an economic slowdown, a severe debt crisis and a subsequent bailout. The new president has distanced himself from his predecessor in an effort to gain internal and external legitimacy.

The extent of the corruption exposes how elites mortgaged Angola's future for political and financial gains

While President João Lourenço, who replaced Dos Santos in 2017, has been credited with significant progress, notably in the fight against corruption, his government faces numerous risks. As the country experiences its fourth year of recession and implements the reforms of the International Monetary Fund, the president is also faced with rising social tension and a difficult road ahead.

Challenged by a country plunged into a severe economic crisis and depths of poverty only experienced during the civil war (1975–2002), Lourenço has actively sought international aid, while reforming the oil sector and attempting to recover stolen assets.

The extent of the corruption has exposed how elites mortgaged Angola's future for political and financial gains. Certain policies relating to oil-backed loans and a spiralling debt have placed tremendous strain on reform processes aimed at long-term sustainable development.

Lourenço's strategy to save the People's Movement for the Liberation of Angola (MPLA) from losing political control of the country at the same time as beginning an overhaul of the economic system is deepening

fault lines at all levels. Both processes are becoming extremely painful for the elites, the middle class and the most vulnerable.

Clearly, despite the positive gains made, the tally of the past two years has not been entirely positive. Lourenço's corruption purges have weakened and factionalised the MPLA which has led him to enact – as a countermeasure – greater political influence in the military. The politicisation of the security apparatus, resulting from Lourenço's need to secure an uncontested power base, has weakened a key sector of the state.

In a setting of a securitised state and society, where the military, intelligence and police apparatuses form a defining and stabilising pillar of political and social power, reform efforts need to be focused on strengthening and streamlining these services rather than introducing new pathologies.

The army had remained the only national symbol of integration since the war. For decades former National Union for the Total Independence of Angola (UNITA) and MPLA officers and soldiers worked together around the defence of national and state interests.

Under the new president former political commissars have been strategically inserted into the leadership of the security apparatus which is affecting the cohesion of the army, its leadership and the coordination between branches. As former commissars they instinctively defend the interests of the party rather than the nation.

Note on COVID-19

Lourenço declared a state of emergency on 26 March 2020 in an attempt to slow the spread of the coronavirus. Angola's registered death toll and number of infections to date is low although testing is scant and has mostly been targeted at individuals coming from abroad.

The Angolan Armed Forces were deployed in Luanda with six thousand men patrolling the capital where between six and eight million people live in crowded neighbourhoods and informal settlements. The military and the police also began enforcing a curfew in the provinces. Military personnel patrol the streets with little or no protective gear such as masks, gloves or face shields.

The government is coming under widespread criticism by civil society for the security forces' heavy-handed

approach and its lack of solutions for feeding the poor.¹ Many chose to defy the restrictions, opting to die of the disease rather than of starvation.

The danger that the spread of the virus will be underestimated and underreported in Angola is real given past experiences (the yellow fever outbreak of 2016) and the lack of widespread testing. The cemetery of Viana (one of Luanda's most populous neighbourhoods), where 18 to 20 funerals are normally held per day, has registered an unexplained increase of 50 to 55 daily funerals.² Community transmission is not yet being considered by the authorities.

On 7 April Lourenço staged a major government shake-up by replacing 17 ministers and 24 secretaries of state (equivalent to deputy ministers) and reducing executive portfolios from 28 to 21 ministries. A significant replacement was that of the foreign minister Manuel Augusto by his deputy Tete Antonio, as well as the nomination of Adão Francisco Almeida as the new chief of the Presidential Civilian Cabinet and General Joao Ernesto dos Santos 'Liberdade' as the new defense minister.

These last two appointments have been met with disappointment by elements of the security apparatus and civil society. The opposition further criticise the timing of this overhaul given that new ministers will be taking over entirely new portfolios when the country is facing a public health crisis.

Proceeding with business as usual while social crises unfold, was a strategy of the Dos Santos era

To date the inter-ministerial commission to prevent and combat COVID-19 had spent US\$7 million of government funds and nearly US\$1 million of private donations on equipment, protective gear and other materials. In a country with a collapsed healthcare system and no intensive care units available to combat the coronavirus, the pandemic could have devastating effects.

Proceeding with business as usual while social crises unfold, was a strategy of the Dos Santos era that seems

to have continued. Government revenues took another massive hit as oil prices plummeted in February. Despite this, the government prioritised repaying its public debt and at the end of March pushed through with a bank loan worth US\$118 million for the purchase of aircrafts for its national airline TAAG.

At a time when the healthcare system required an urgent boost to prepare for the pandemic, and when the global shutdown led to mass retrenchment of airline staff and grounding of fleets, Angola chose to invest in more aircraft.³

The president's capacity to steer the country and prepare weak institutions to respond to a potentially catastrophic pandemic levels, against a backdrop of deep fragilities analysed in this report, will overshadow any other initiative Lourenço has so far successfully pursued.

The 2017 transition

'Fear has been displaced from society to the MPLA elites.'⁴

Leading Angolan opposition figure

'The era of generals is over, now it's the era of the political commissars.'⁵

Recently retired general

In December 2016 Dos Santos confirmed his intention to retire from politics by designating Lourenço as his successor. This came as a surprise to those who speculated in the run-up to this decision that the former Sonangol chairman and vice-president Manuel Vicente, currently indicted for corruption in Portugal, might be selected as a Dmitry Medvedev-like figure of proxy power.

Others believed a dynastic succession of one of the Dos Santos children, placed in key economic positions since 2011, would be put in place. The 2010 constitution had already been devised to secure and concentrate power in the presidency and the party as a necessary tool for a future successor.⁶

The system became one of 'hyper presidentialism', blurring the lines of separation of powers and the necessary checks to counter intrusive influence over institutions. Instead Dos Santos opted to place

a former political commissar and general as his successor, thought to be relatively untouched by corruption and nepotism.

Lourenço is the first president of Angola with a military background. The reasoning for such a move is unclear, especially given the degree of risk this would pose in terms of political retribution and reform.

The opacity of the Angolan state and security apparatus led to a perception of a sustainable and stable political order. Yet the end of Dos Santos's four-decade rule initiated an era of uncertainty where many of the cleavages and fragilities contained under his rule were unleashed. As a result Lourenço inherited several pathologies that he has had to contain, address or entrench.

First, inequality has been one of the most damaging legacies of the Dos Santos regime. An inadvertent hierarchy of citizenship emerged from those who were entitled to those who were marginalised. The cleavages aligned in many ways along regional, ethnic and class lines.

MPLA specialist committees guaranteed employment and sidelined opposition supporters. Yet even MPLA supporters remain poor, unemployed and without adequate services. Inequality, while also laced with politics, has been mostly defined by the extremes of the small elite of multi-millionaires and the impoverished population.

Second, despite being an oil-rich country, the government superficially developed its economy based on extractive priorities rather than diversifying to develop employment-generating sectors.

The country lost an opportunity to invest in job-creation industries during the oil boom years (2004–13) where state coffers were filling up with double-digit growth. Instead elites looted the revenues from oil and diamonds, siphoned opportunities and contracts from reconstruction efforts, and peddled political influence for state guarantees of funds for private gains.

Third, corruption kept the political elites united, stemming away any potential factionalism within the MPLA, but also delegitimised state institutions, weakened the economy and destroyed relations between the state and society. Corruption has become so entrenched that it defines the

way citizens interact and engage with public institutions and each other. This created another difficult dynamic of a weakened and divided MPLA ruling party.

Fourth, securitisation, an alternative to political nation building, is another difficult legacy. The presidency became the centre of absolute power, bypassing systems of government, checks and balances, and created parallel institutions to monitor existing state organs. The security apparatus has shadowed the organs of the state and guards politicians and society.

Lourenço had to define who in the MPLA were the necessary, the protected and those chosen to face criminal prosecution

The reach of the three intelligence services, the police and the presidential guard units were expanded and strengthened. In the absence of a unifying political project Dos Santos created webs of informers to curb dissent and install fear. This was a subtle approach to repression.

Fifth, façade democracy upheld by procedural practices of elections and parliamentary debates hides a difficult reality. Never have there been free, fair and transparent polls despite numerous international observation missions legitimising results.

Senior MPLA leaders privately acknowledge the fraudulent practices they engage with in tampering with results. They understand how the opposition has gained ground and is stronger, potentially capable of winning in 2022. Local elections have been delayed numerous times because of the concern of opposition gains in the provinces. There is increasing public frustration with their capacity to vote for change.

To govern a system that was moulded to the Dos Santos style of governance and the ensuing chaotic capitalism, the new president needed to restructure power and alter the political order. His first step was to control the security apparatus. His second step was to begin understanding the contours of the economy of the country and defining a strategy to stop the recession and ensure growth. To do this he had to make political choices in defining who in the MPLA were the necessary, the protected and those chosen to face criminal prosecution. This was the third step.

The political battleground fundamentally shifted to within the MPLA. His economic strategy could not have been delinked from any political front given the embryonic link between politics and enrichment in Angola. In this regard Lourenço fused his second and third steps – political purging and economic sanitisation – to secure his tenure. The anti-corruption battle served both purposes well.

Meanwhile, the ruling party underestimated the levels of disengagement and disenchantment felt by the population during the Dos Santos presidency. The political decay surrounding years of unapologetic looting of state funds, repression and economic mismanagement weakened Lourenço from the onset. The MPLA went to the polls promising to tackle corruption, diversify the economy, create half a million jobs, decentralise power and improve education and healthcare.

The manner in which he came to power also brought his credibility into question. The 2017 elections were marred by controversy and allegations of mass fraud.⁷ Evidence of electoral misconduct was presented to the courts by the opposition but the executive-controlled judiciary dismissed these cases. The result however was that the incumbent started his mandate lacking legitimacy and facing a corrosive legacy of corruption, repression and poverty.

While the MPLA had retained a majority (61% of the vote), with 150 out of 220 seats in parliament, the opposition and the urban population were acutely aware of the fragility of the ruling party and the possibility of defeating them in the next polls in 2022.

Changing the security apparatus

The security apparatus remains a key stabilising pillar that ensures regime survival and informs the governing strategy and political order of the post-conflict state. It has been used to ensure that political control remained in the hands of the president and his ruling elite, a strategy that Lourenço has left unchanged.

The presidency's security cabinet (Casa da Segurança) and to a lesser extent the presidency's civilian cabinet (Casa Civil) centralised the control of the state by the presidency, shadowing government, supervising the work of cabinet, parliament, the judiciary, and monitoring

political developments. The three intelligence services (SIE – external intelligence, SINSE – domestic intelligence, and SISM – military intelligence) and the Presidential Guard⁸ in particular played a defining role in assuring Dos Santos's rule.

Today Angola has over 400 000 security personnel in a population of 30 million, including the Angolan Armed Forces (FAA) with 120 000 active personnel; 20 000 wounded veterans; an estimated 100 000 police; an estimated 200 000 ex-combatants from the different disarmament, demobilisation and reintegration processes; and 10 000 from the presidential guard units.

Lourenço inherited a security system that webs control, intelligence, shadow powers and parallel institutions

While the exact numbers of the intelligence services are unknown, conservative estimates point to as many as 100 000 operatives posted across the 18 provinces.⁹ As a result, Lourenço inherited a complex security system that webs control, counter-control, intelligence, counterintelligence, shadow powers and parallel institutions in a way to 'guard the guardians' and ensure regime survival.

Although he made changes in the leadership of the FAA, the Presidential Guard, the intelligence services, police and defence and interior ministries, he has retained its structure and potentially even expanded the role and duplication of intelligence branches within the presidency.¹⁰

The first action Lourenço took as president was to change the security and military chiefs in contravention to one of Dos Santos's last decrees determining the permanence of the generals he appointed. In July 2017, in his last months as president, Dos Santos had passed a decree that would prevent his successor from nominating different security chiefs for eight years (until 2025).

The way Lourenço took this action indicated how he would proceed thereafter. While the previous president would act within institutional structures by revoking a

law to then pass a new law when making such changes, Lourenço acted in disregard of the decree.

He dismissed all the key generals including the powerful general of the presidential security cabinet Manuel Hélder Vieira Dias (Kopelipa), and the feared general António José Maria (head of the military intelligence, SISM). Many were replaced by former political commissars¹¹ of the former People's Armed Forces of Liberation of Angola (FAPLA, the MPLA army) and placed in leading positions of the security apparatus.

The most important of these former commissars is Pedro Sebastião who substituted General Kopelipa as head of the presidential security cabinet. Sebastião's appointment is not without controversy. The general was accused of illicit enrichment when he was governor of Zaire province by profiting from the Angola LNG project, in partnership with Escom.¹²

The repositioning of former political commissars has had two effects: it has helped Lourenço place trusted colleagues in roles that will defend his interests and secure his administration, but it has also weakened the command structures of these organs because of politicisation and perceived lack of military credentials.

The role of commissars in the military has traditionally been to supervise political education and ideological indoctrination, as well as to ensure the civilian control of the army. These officers did not command troops in battle, nor were they instrumental in strategy, operations and tactics. This is a problem for an army that endured 27 years of war and whose mythology of national pride has provided it with an important level of social stature.

There are no signs of reforming the security apparatus or decreasing the power of the units that support the presidency

Governing through a strategy of securitisation is costly. In 2014 Angola's military expenditure peaked at US\$6.8 billion but decreased significantly to US\$2 billion in 2019. However the security apparatus continues to absorb significant portions of the budget. For example in 2018 the budget line for the Presidential Guard was three times the amount allocated to the judiciary.

Lourenço will need to tackle this issue of defence transformation to strengthen the country's national security capacity and downsize the security apparatus to ensure greater efficiency if he is truly committed to poverty reduction and economic reform. The government needs to begin reallocating funds from defence to health, education and housing.

For now, though there are no signs of reforming the security apparatus or decreasing the size and power of all the different units and sectors that support the ruling power of the presidency.

US\$2 billion

ANGOLA'S MILITARY
BUDGET IN 2019

Politicisation of the army

In March 2018 the president replaced the respected FAA chief of staff General Geraldo Sachipengo Nunda with General António Egídio de Sousa Santos 'Disciplina', who previously headed the department of patriotic education. He built his military career as a political commissar, not as a commander of troops.

Under Disciplina's tenure there has been general discontentment and demoralisation within the FAA. He is accused of having strategically politicised the army and removed the former UNITA officers who had given the FAA a national character. The FAA was the only institution that had successfully consolidated and integrated different leaders and personnel from opposing sides of the war.

Under Disciplina's command the condition of the FAA as a national army has deteriorated. Several existing pathologies have not been addressed while others have worsened. Inefficiency, corruption, disorganisation and financial problems are a few of these pathologies.

Angola has one of the largest armies on the continent, yet most of its equipment is in disrepair. Poor maintenance and storage conditions have exposed the army, air force and navy to several vulnerabilities.

Although the president has retired over 100 generals, and promoted several more, he has chosen to tread softly regarding military reform. Plans to downsize the army have been devised, but several financial impediments exist, not least the recession and high levels of unemployment. Reducing the size of the army will render many trained soldiers unemployed which would add another layer of social instability.

Previous demobilisation processes were badly conducted. They left thousands of ex-combatants without support, financial compensation, unemployed and unintegrated. The director of the state's Institute for Social and Professional Reintegration of Ex-Soldiers (IRSEM) acknowledges that in order to integrate 117 000 ex-combatants (from the disarmament, demobilisation and reintegration processes of 1991, 1994, 2002 and 2006) the state will need €108 million (US\$118 million).¹³

Of those 117 000 ex-combatants, 80 000 are soldiers, 24 000 are widows and orphans and 13 000 are wounded veterans. Of those 80 000 soldiers only

6 000 belong to UNITA's former army (the Armed Forces of the Liberation of Angola, or FALA) when UNITA, because it lost the war, underwent the complete demobilisation of its army.

In 2002 alone 100 000 UNITA soldiers and their dependants – totalling over half a million people – went into quartering areas. Any effort to politicise this issue and differentiate between those who fought in the government's or opposition's armies would create serious tensions across the country.

The president is using a tested strategy to secure his tenure. He has appointed military chiefs that alone hold no political constituency and therefore owe their power to him. In this way he has catalysed 'the era of the political commissars and the ending of the era of generals.'¹⁴ He has strategically placed General Fernando Miala as head of the feared SINSE, the internal intelligence services, whose mandate has now been redirected towards recovering stolen assets and investigating corruption.

Plans to downsize the army have been devised, but several financial impediments exist

SINSE may be acting as a tool for political punishment, much like the SISM military intelligence office was under General José Maria. Miala, who previously coordinated the intelligence community, may be settling scores with former comrades who aided in his indictment and very public trial.

In 2006 Miala became a victim of internal sabotage and disinformation conducted by Dos Santos's closest security advisers, and was jailed for three years for allegedly attempting to stage a coup (that was never proved). He would later be rehabilitated by Dos Santos in 2014.

The current court case brought against Jose Maria has been interpreted by members of the MPLA and the opposition as a revenge trial. He is charged with misappropriating military documents (documents and maps relating to the Battle of Cuito Cuanavale in the 1980s) and insubordination. His defence claims that none of the documents are classified and therefore are not a

threat to national security. Maria was sentenced to three years in prison.

Taking control of the party

Lourenço's ability to reform was constrained during his first year in office because of the duality of power of the state presidency and the party chairmanship under the control of Dos Santos. He was unable to fully define the course of action in the party and the economy until he took over as MPLA chairman in September 2018.

His predecessor had hoped that by retaining control of the party he could counteract any reform process that would put at risk the interests of his family and entourage. Yet within months of taking power, Lourenço removed Dos Santos's daughter Isabel dos Santos as chairperson of the national oil company Sonangol and son José Filomeno 'Zenu' dos Santos as chairman of Angola's Sovereign Wealth Fund.

These were powerful symbolic and necessary exonerations targeting Dos Santos's inner circle and breaking with the past. He began investigating the closest allies of the previous president and his children but would only move with indictments after he had consolidated his grip on the party.

Once in control of the MPLA, Lourenço began shifting power from the Dos Santos elites to his own. During the VI Extraordinary Congress the MPLA politburo suffered a massive overhaul.

Many historic figures and strong supporters of Dos Santos were released from the party's top decision-making organ. This included its former vice-president Roberto de Almeida, key generals like António dos Santos França Ndalú, Francisco Magalhães Paiva N'Vunda, Higinio Carneiro, Kundi Paihama (former defence minister), António Paulo Kassoma (former secretary-general), Manuel Vicente, and long-term secretary-general Julião Mateus Paulo 'Dino Matrosse', among others.

Out of 52 of these supporters, only 27 retained their seats in the politburo, with the remaining positions being filled by other members of the executive, and close allies to Lourenço. In June 2019, during the VII Extraordinary Congress, Lourenço further consolidated his influence within the party structures by expanding

the central committee by 134 new members (now comprised of 497 members).

This move was interpreted as his diluting of the support still harnessed by Dos Santos and bringing in a younger generation. Cohesion within the ruling party has always been contingent of the overriding power of the president which has weakened party structures and destroyed the capacity for collective leadership.

For the first time in almost two decades the concentration of wealth falls outside the group with political power

Historically the MPLA was plagued by divisions from the onset. These disintegrative tendencies, made more prominent during the Revolt of the East and the Active Revolt in the 1970s, were only halted by the massive purge of 27 May 1977 when as many as 40 000 MPLA supporters and leaders were killed in Luanda.

'There was never stability within the MPLA as a party and Dos Santos understood that if people were occupied with their personal interests they'd refrain from factionalising so the possibility of a split was remote until now.'¹⁵

For the first time since 1977, members of the MPLA and civil society are witnessing a new era of political reckoning that has injected a sense of fear and persecution into the nomenklatura. In this way, fear has been displaced from society to the elites.

Fighting corruption

'In the MPLA there are the persecuted, the protected and the necessary.'¹⁶
Senior ministry official

'If the anti-corruption drive were real today we wouldn't have a government.'¹⁷
Former senior presidential adviser

For the first time in almost two decades the concentration of wealth falls outside the group with political power. The wealthiest Angolans – mostly linked to the Dos Santos presidency in the form of family and government members – no longer retain political power.

These include Kopelipa, Isabel dos Santos, General Leopoldino Fragoso do Nascimento, Manuel Vicente and others. This has created a serious problem within the MPLA given the design of the political economy of the country.

While Lourenço had campaigned on an anti-corruption ticket with the acquiescence of the party, the agreed strategy was veered towards future corruption rather than retroactive retribution. Before the 2017 elections a manifesto was drawn up within the party that determined a clean slate for corruption committed before September 2017 and a commitment to stop any practices thereafter.¹⁸

Prosecutions and asset recovery was never agreed on. Once elected Lourenço faced a crisis of credibility and legitimacy because of the way the electoral process was mismanaged and the widespread accusations of result tampering. Lourenço rapidly understood that if he attacked the symbols of the previous administration's stranglehold on the economy his popularity rose. It also became clear that had the new president remained a hostage of the previous regime, he would have been a weaker and more fragile leader.

The government and central bank have been criticised for not divulging the values of stolen assets recovered so far

Corruption in Angola is deeply embedded in every aspect of the state and economy. It has created a false sense of security in public officials and politicians that use it to hold onto power rather than be accountable to democratic procedure. It defines operations and institutional culture and informs how society relates to the state and to itself. It has also been the biggest obstacle to development.

Paradoxically while corruption was a strategy to retain control over power and ensure loyalty it has also undermined political stability. Patron-client relationships are short-term and based on fragile pillars. When political objectives shift, or the utility of groups/individuals expires, these relationships produce negative backlashes.

Different forms of corruption were allowed to spread over decades including the misuse of public funds, differing

layers of extortion for services and security, and rent-seeking efforts to control opportunities for enrichment.

The lack of checks and balances, a pervasive culture of impunity, wide patronage networks and opaque tendering processes in high-risk sectors like oil and mining have served to entrench these practices. Although this system is widespread and relatively decentralised to include law enforcement, public officials, the judiciary, land administration and provincial governments, it was in its brazen form concentrated in the political elites of the ruling party.

'The MPLA has a very strong economic machine and is deeply linked to the state. All expenses were covered by the state and all the necessary capital for businesses came from the state,' said a lawyer of the political elites.¹⁹

One company in particular is mentioned as an example of this incestuous dynamic. Created in 1992, the management company GEFI (Sociedade de Gestão e Participações Financeiras) has transferred state assets to the private realm of MPLA-owned businesses, representing over 60 companies in banking, the hospitality industry, construction, real estate and other sectors.²⁰ The main objective of GEFI was gratification and the assured enrichment of elites.²¹

While it is difficult to determine the amount of money lost to corruption between 2002 and 2014, the total could be as high as US\$80 billion,²² although the governor of the National Bank of Angola (BNA) – the central bank – estimates that at least US\$30 billion is being held abroad.²³ The most corrupt individuals and families were those linked to the construction industry and the national oil company Sonangol.

Billions of dollars circulated through numerous ministries and state entities and companies over that period and were part of a strategy of political reward and regime survival. Contracts worth over US\$14 billion were awarded between 2006 and 2016 by Dos Santos to companies owned by family members.²⁴ Numerous generals were given opportunities to engage in business as a way of diffusing any political ambitions and diluting the strength of the army nationally.

In 2018 the government passed a law for the coercive repatriation of assets after the voluntary repatriation law was ineffective in returning assets that had been stolen.

Until 26 December 2018 individuals were given a grace period to voluntarily return stolen assets over US\$100 000. If they presented themselves to the authorities, they would not face prosecution.

This strategy failed to produce results, leading the government to explore more robust measures. However the government and the central bank have come under considerable criticism for not divulging the values so far recuperated. Although the Attorney-General's Office service desk for asset recovery claims that almost US\$4 billion in assets²⁵ has been recovered, no other entity has made any pronouncements or allowed parliamentary oversight.

The entire process is shrouded in secrecy which bodes badly for the fundamental need of transparency and accountability that underpins any anti-corruption drive. Backchannels claim that key generals and allies to Dos Santos have been returning some money and properties and, in that way, are remaining outside the legal 'sweeps'.²⁶

In the MPLA there is an elite that has been spared and there are elites that have been rehabilitated and protected

While several officials believed they would be covered by the 2015 amnesty passed by Dos Santos, the crimes they're accused of have exceeded the terms of the amnesty.²⁷ The Attorney-General's Office clarified in 2018 that embezzlement and other financial crimes that were punishable with 12 to 16 years of jail time were not covered by the amnesty.

Despite this, within the MPLA there is an elite that has been spared because it is necessary, and there are elites that have been rehabilitated and protected.²⁸ Many of the wealthiest members of the Dos Santos government – Kopelipa, Manuel Vicente, Dino – have so far remained unaffected by this anti-corruption drive. In fact, Vicente is being shielded from the Portuguese justice system and is thought to be advising Lourenço on Sonangol reform and the economy.²⁹

However this may change given the level of attention received by the Luanda Leaks and the exposure of the Dos Santos family and the knock-on effect this will have on the business dealings of key advisers.

Lourenço's first brazen move was to arrest Dos Santos's son José Eduardo dos Santos (known as Zenu) and his partner Jean-Claude Bastos de Morais who are accused of theft, embezzlement and money laundering in connection with diverting funds from the Angolan Sovereign Wealth Fund.

They were detained from September 2018 until March 2019. Bastos de Morais was released in March 2019 after charges were controversially dropped. It is thought that he aided the government in the recovery of the funds he siphoned off. Bank accounts linked to him were subsequently

26 December
2018

END OF THE AMNESTY FOR
FINANCIAL CRIMES

unfrozen. So far US\$2.3 billion in financial assets and US\$1 billion in physical assets have been recovered from the Sovereign Wealth Fund.

Zenu is also charged with having transferred US\$500 million from the central bank to the UK.³⁰ Other questionable transactions from the central bank have been reported and investigated, including the fraud case of US\$160 million in 2009,³¹ which brings into question the credibility and continued impunity experienced within the BNA, the governor and its officials.³²

Previously operating as a financial instrument for politicians, the central bank has to rapidly bring to account its administration and institute its regulatory obligations over Angola's banking system. Reforming the banking system is key in this corruption drive given that previous appropriation and mismanagement resulted in over US\$3.5 billion of defaulted loans.

Several other cases are on trial or under investigation. Former Luanda governor General Francisco Higino Lopes Carneiro is facing corruption charges over the misuse of US\$115 million while he was public works minister in 2007. Dos Santos's former spokesperson Manuel Rabelais is accused of having stolen US\$90 million from the central bank.

International and local efforts have intensified against Isabel dos Santos after the Luanda Leaks

The former economic affairs secretary for the presidency Sebastião Panzo is also expected to be charged with several financial crimes as the investigation draws to an end. Norberto Garcia, former spokesperson for the MPLA and former director of the Technical Unit for Private Investment, is charged with fraud, money laundering and document falsification regarding the set-up of a fake state project worth US\$50 billion. Garcia was later absolved and in April 2020 was nominated to the presidential Security Bureau to head the department of psychological action and information.³³

International and local efforts have intensified against Isabel dos Santos after the Luanda Leaks of January 2020 revealed a web of widespread corruption. She was

already being investigated over a US\$38 million transfer from Sonangol after her dismissal as chairman.

At stake now is a debt of US\$1 billion to the state for interests in numerous companies and business dealings. The government is expected to take control of her shareholding positions in Unitel and the BFA bank, and in seizing assets in Portugal, Monaco, the UK, Dubai and the Democratic Republic of the Congo.³⁴

Fears among employees are that any move against her empire could create unemployment in Angola if the companies close down; Unitel, BFA, supermarkets, restaurants and other companies employ thousands and have contributed to generating jobs outside the overinflated state bureaucracy.

So far only former transport minister Augusto da Silva Tomás has been convicted, and sentenced to 14 years in prison, for having diverted funds from the national transport council. The former director of the Angola National Roads Institute Joaquim Sebastião had over US\$53 million worth of assets seized.

The recovery of assets will however face numerous difficulties. Several of the most corrupt officials invested in listed companies abroad, many in Portugal and Brazil, creating a barrier to their recovery as this will affect the stability of these companies and the economies of their countries.

The repatriation of capital will also severely affect the balance sheets of banks in numerous jurisdictions which could require legal reinforcement internationally. Other financial interests are held as properties in several countries and other physical assets which will also require targeted interventions and other measures to liquidate them.

Many of these investigations will affect business elites and financial institutions of the different countries that colluded with Angolan elites in white collar crime.

Difficulties in reforming the judiciary

Dismantling this systemic threat requires structural and sustained measures. While Angola may have the legislation necessary³⁵ to begin fighting corruption, it still faces many impediments. Several of these are political but others are functional. The judiciary is constrained by

political interference and subservient to 'superior orders' from the presidency.³⁶

Efforts must be made to strengthen these institutions and allow them to develop functional autonomy and the freedom to pursue actions of public rather than political interest. The swapping of judges presiding over the Supreme and Constitutional courts has added some instability, further aggravated by the recent resignation of Rui Ferreira, himself accused of several counts of corruption. Ferreira resigned as president of the Supreme Court in October 2019 after sustained political pressure.

Tendering and bidding processes in all industries need to be supervised and transparent

Leading the fight against corruption is the Attorney-General, General Hélder Fernando Pitta Grós, a military officer trusted by the new president. A specialised corruption bureau has been created in his office. However the Attorney-General, like other top positions of the state, is politically appointed by the president, which reinforces an existing dynamic that weakens their mandates and holds them captive of presidential whims.

While empowering particular officials to take the lead is important, it isn't enough, and doesn't guarantee changes in government behaviour. Reforming patronage and nepotism-based bureaucracies requires the necessary human capital of university-educated officials, combined with robust laws and agencies.

The magistrates, lawyers and the entire judicial system were ill-prepared for the speed with which the corruption cases were being brought to investigation and individuals indicted. It is estimated that there are over 5 000 cases yet to be investigated with 637 cases investigated in 2018 and several hundred in 2019.³⁷ Tackling corruption will therefore require a complete overhaul of the way public institutions operate.

The reform processes under way as part of the International Monetary Fund intervention have already limited rents available through tenders and government contracts due to restrictive regulation and oversight. However new opportunities will also arise for graft

to continue within processes of privatisation, the development of financial and consultancy services and access to foreign exchange. Some practices have become so standardised that they continue despite the crackdown.

The president has been both criticised and congratulated for correcting mistakes as they have happened under his watch. Two deals in particular embarrassed his presidency. In April 2019 the Angolan company Telstar outbid 26 more qualified local and international companies (like MTN) for the fourth telecommunications licence worth US\$120 million.

Lourenço annulled the tender that had been awarded to the company created in 2018 and whose majority shareholder is the current Telecommunications and Technology Minister, General Manuel Joao Carneiro, and reopened the bidding process.³⁸

The second deal reversed was over the US\$3.6 billion project of the Ministries Neighbourhood in Luanda which saw the state selling land to itself worth US\$340 million via a company held by GEFI. The president cancelled the deal after this was exposed by anti-corruption watchdog Maka Angola.³⁹

Concerted steps must be taken in the future to avoid the replication of the dynamics that allowed corruption to become so deeply entrenched in the country's political and economic fabric. Isolated reform at the top level is insufficient. Rather reforms are required in every area of the state, including the creation of a public central registry of who controls companies, combined with efforts to improve the independence, access to information and capacity of the media, civil society and non-governmental organisations.⁴⁰

Tendering and bidding processes in all industries need to be supervised and transparent. Officials holding public office should be required to declare their assets and forbidden from engaging in business that involves state funds. Those convicted of corruption should not be allowed to hold public office and should not be shielded from international investigations and trans-frontier trials.

Deepening recession and attempts at reform

Angola is now entering its fourth year of economic recession. The country was badly affected by the 2014

oil crisis with the drop in oil prices leading to a loss of billions of dollars a year in revenue. Angola's GDP fell from US\$120 billion in 2013 to US\$89 billion in 2016.

Oil accounts for 80% of government revenue; a large portion of the remaining 20% comes from foreign loans. Angola's current oil production stands at 1.4 million barrels a day, down from 1.9 million bpd at the height of its oil boom in 2008. The country's production is expected to decrease further given the lack of investment and prospection of new projects and wells, a situation that the top five oil companies had been alerting to.⁴¹ The Finance Ministry estimates that production could decrease as much as 36% by 2023. Protecting the oil industry has naturally become a priority for the new government.

A month into his presidency Lourenço met with the top oil companies (Chevron, BP, Total, Exxon, Eni and Statoil) and created a task force to help define the future of the industry. As a result of their work, the government began introducing legal reforms in 2018 and further restructuring Sonangol.

For the past two years the country has tried several reforms while sanitising its international image

Several of these reforms included the creation of a national concessionaire, the National Agency for Petroleum, Gas and Biofuels (ANPG) (Decree 49/19); a simplification of the control mechanism for oil-related tenders and procurement (Decree 86/18); the establishment of a new fiscal regime for marginal fields development (Decree 6/18); and the law regulating national gas exploration (Decree 7/180); among others.

ANPG will manage bids for new oil concessions and production-sharing arrangements, a responsibility previously held by Sonangol.⁴² In October ANPG launched the public tender of 10 oil blocks, with an additional 40 blocks due for auctioning by 2025.⁴³ Plans also include the construction of four refineries, aimed at decreasing the exorbitant costs of fuel imports.

Government imports of oil derivatives cost between US\$150 million and US\$170 million a month, a result of a monopoly held by key Dos Santos allies.⁴⁴ The projected

refineries are an important step but are only profitable if they can produce between 200 000 and 400 000 barrels a day.

Angola's domestic market currently reaches only 100 000 which will require Angola to export in the region and directly compete with South Africa, Nigeria and Côte D'Ivoire. All of the plans are also contingent on the ability of the government to inject accountability and transparency into a sector that has been greatly appropriated for illicit gains.

For the past two years the country has attempted several reforms while sanitising its international image aimed at gaining access to new sources of capital and investment. Efforts towards macroeconomic stability are pushing forward with reforms aimed at cutting costs and consolidating public finances. These reforms are being enacted in coordination with the International Monetary Fund. Angola will receive a total loan of US\$3.7 billion from the fund.

The 36-month Extended Arrangement under the Extended Fund Facility began in December 2018 and is aimed at helping Angola buffer itself against volatile oil prices, stymied growth and its current account deficit.

So far the government has implemented several measures and met the programme's benchmarks through increased exchange rate flexibility, structural reforms (privatisation programme and governance reforms to diversify the economy), fiscal consolidation (non-oil revenue mobilisation and increased taxes), prudent debt policies and appropriate monetary policies (reducing inflation).⁴⁵

However it faces several risks, some which are related to the external factors affecting the reforms proposed and others as a result of the reforms implemented. Some of the external factors revolve around lower oil prices, the impact of waning global growth, tighter market access restrictions etc.

Internally Angola has to deal with its decline in oil production, the need to cut spending on an overinflated security apparatus and the social impact of its reforms on deepening levels of poverty. This coupled with the inability of the government to respond to the socio-economic needs of the most vulnerable due to a lack of capacity, infrastructure and disengagement with the population becomes a threat to stability.

Generating non-oil revenues is a major part of the International Monetary Fund's intervention. To achieve this several taxes are being introduced and several subsidies eliminated. The immediate impact of these measures is greater hardship for the working population.

The Angolan middle class has for the first time also started to feel the impact of the recession in a way that limits their purchasing power. Subsidies were a huge part of their benefits (housing, transport etc) and other expenditure control measures have led to an increase in water and electricity costs.

Diversification of the economy and the privatisation of parastatals are key to economic revival

The cutting of fuel subsidies will invariably affect the entire population. The recent implementation of the 14% value-added tax (VAT), a measure required by the International Monetary Fund, is aimed at generating more revenue for the state in order to balance its accounts. However the average Angolan has since 2014 lost an estimated 43% of purchasing power,⁴⁶ which coupled with rising inflation and increased taxes is creating an unsustainable austerity effect on people who have no financial recourse.

A few days after the VAT was introduced, Finance Minister Archer Mangureira resigned following heavy criticism for failing to explain how the tax was going to be implemented and for mismanaging this move in a context of latent social convulsion.

Diversification of the economy and the privatisation of parastatals are key to economic revival yet they require time. Over 30 state-owned enterprises are earmarked for privatisation, including the national airline TAAG, the diamond company Endiama, several banks and Angola Telecom. This aims to raise money, attract private investment and drive efficiency gains.⁴⁷

While the recent privatisation law imposes restrictions on who can be involved in purchase bids, the entire process will most likely be handled by the same political elites who benefited from opaque dealings and preferential treatment. Many areas will contribute layers of difficulty. Many of these assets are deeply indebted, have big

workforces and inefficient management structures and operate in a country that despite reforms retains many layers of political bureaucracy.

Angola desperately needs foreign direct investment, yet past practices revealed that any economic activity was dependent on the participation and partnership of politically connected individuals. Investors remain sceptical about investing in a country that has entrenched clientelism, rent-seeking and high-level corruption within the mechanics of governance and political loyalty.

On the other hand, investors are also reluctant to enter into partnerships with financial and political elites (a practice of doing business in Angola) without understanding who the elites being investigated and charged under this new anti-corruption drive are. While vitally important, this 'cleansing process' is injecting uncertainty before it stabilises and allows investors a degree of confidence that their partnerships are safeguarded from judicial and political interference.

Austerity measures and social tension

A latent social tension is felt throughout the capital Luanda and has become a leading concern for analysts, politicians and civil society who are acutely aware of the long-term inability of the government to relieve the suffering of the population.

The risk of a social convulsion is very real but is being tempered by the support Lourenço's anti-corruption drive has gained. However, patience may expire if continued extravagant displays of wealth by the elites,⁴⁸ commonly referred to as 'marimbondos', continue.⁴⁹ The perceived unfairness of a political and economic system that has kept most of its citizens in poverty while allowing others privileged access to capital, opportunities and resources has angered the public.

As the much-needed economic reforms are implemented and the levels of austerity rise, so too will the frustration against the 'marimbondos' and the government. Whether this anger translates into mass protests remains unknown but it is a general concern among the elites.⁵⁰

With over 50% of the population depending on the informal sector (trade, barter and subsistence farming), policies aimed at correcting past economic imbalances will heavily affect the poorest segment of the population

due to inflation, elimination of subsidies, rising taxes and youth unemployment.

The clampdown on crime, with the police's Operação Resgate that began in 2018, has affected the informal trade of the *zungeiras* (woman street vendors) who are the main sources of income for entire families. While this police clean-up has had some results in clamping down on drugs, collections of arms and illegal immigration (500 people have been arrested, shops have been closed and over 30 illegal temples shut down), it has also generated public anger.

Transforming the country's socio-economic fabric will require sustained political will and diversified pro-poor strategies that support growth initiatives. However the prospects for achieving immediate impact are dire. Angola continues to rank 149 out of 188 countries in the United Nations Human Development Index (HDI). A highly unequal country, over 12 million live on less than US\$1 a day⁵¹ with 20% of the richest receiving 59% of the income and the poorest receiving only 3%.

Spontaneous and non-political protests are occurring in Luanda and demand action

Economists argue that too many reforms (fiscal, monetary, exchange) are being implemented at the same time which has had an impact across Angolan society and is plunging the population into deeper levels of poverty without support mechanisms like subsidies and programmes combating unemployment.⁵²

The minimum wage in Angola, roughly US\$50 (25 million Kwanzas), isn't enough to cover the most basic living costs of the average Angolan. In 2017 a bag of chicken cost 3 000 Kwanzas (US\$6) and in 2019 it costs 9 000 Kwanzas (US\$18). Before the 14% VAT a box of fish cost 15 000 Kwanzas (US\$32) and now it costs 25 000 Kwanzas (US\$54).

Spontaneous and non-political protests are occurring in Luanda demanding action against the hardships experienced. In October 2019 youth protesting against unemployment were beaten and detained by the police, in line with a Dos Santos reaction to any form of protest

action. Posters read 'The voice of the people is the voice of God, we demand our 500 million jobs' and 'The revolt is prepared'.⁵³

Fears of social convulsion and uprisings over harsh economic conditions during the 2015 recession led Dos Santos to invest over €1.3 billion (US\$1.42 billion) in measures to ensure the import and affordability of basic foodstuffs (the 'cesta basica') including rice, corn and wheat flour, palm oil, beans and sugar. Efforts were focused on ensuring that the general population could still access these products through regulatory measures on the import market and the distribution networks.

A former presidential adviser claims that Dos Santos invested this amount of money to ensure that the country would remain stable until the 2017 elections and the presidential succession.⁵⁴ While the current government plans to, with World Bank assistance, begin dispensing a cash-transfer programme to mitigate the effects of the austerity measures on the poorest, no relief has yet materialised. Unemployment in the youth stands at 53%; youth make up two thirds of the Angolan population.

The Action Plan for the Promotion of Employment (PAPE) aims to fulfil an MPLA election promise of creating employment. PAPE intends to generate jobs for 250 000 youths until 2021 by launching a micro-credit programme and distributing professional kits, and conducting extensive skills training in the provinces of Luanda, Zaire, Kwanza-Norte and Bié. It will cost \$50m. While initiatives of this sort are necessary it will take years for their impact to be felt and for the population to begin receiving tangible gains.

Comprehensive development plans aimed at reducing poverty and diversifying the economy have existed for decades as part of the government's national strategy. Most have been left unimplemented and used only for electoral rhetoric. There is however a renewed sense of urgency given the current economic hardship experienced by rural, urban and peri-urban populations.

While the government hopes to lift out of extreme poverty over three million people by 2022, it faces insurmountable difficulties. First, job creation requires both private and public investment. Second, the country is facing a massive drought and populations are struggling to farm.

Extreme climatic conditions have plunged entire communities into distressing levels of hunger and malnutrition. In the south years of consecutive drought and inadequate land policies coupled with land grabs and the diversion of water sources have placed millions at risk of starvation.⁵⁵

The United Nations Children’s Fund has said that at least 2.3 million people are at high risk of malnutrition. Civil society and the church have been alerting to this risk in the provinces of Namibe, Cunene, Huíla, Kuando Kubango and parts of Moxico for the past decade.⁵⁶

Third, the government is unable to respond quickly to the socio-economic needs of the population in terms of health and education, which are areas that have remained underfunded, understaffed and extremely prone to corruption. Fourth, the job market has been plagued by several pathologies, namely nepotism, systemic partisanship through MPLA specialist committees, lack of skills training to counter the need for foreign technical knowhow, and a reduced employment market that is mostly urban-focused.

The government is unable to respond quickly to the socio-economic needs of the population in terms of health and education

The government is trying to mitigate some of the risks of the austerity measures with targeted interventions in the provinces. It has launched an Integrated Municipal Intervention Programme (PIIM) aimed at providing key development infrastructure, and the building of 4 000 schools and 200 health centres across the 164 municipalities in all 18 provinces. The programme will cost US\$2 billion and will run until August 2020.

It also aims to provide the necessary conditions to allow for municipalities to curb urban migration. This would entail supporting agricultural production and reintegrating ex-combatants. The government had planned to use the funds recovered from the Sovereign Wealth Fund to pay for the programme, yet certain contradictions in mandate have forced it to now consider funding this programme with the 2020 budget.

The PIIM is a step towards administrative decentralisation and presupposes that municipal authorities have the capacity to absorb the funds, allocate them correctly after conducting a needs assessment and manage priorities and resources (human, financial and physical) in accountable and transparent ways. The opposition claims that the PIIM is an election strategy of the MPLA to win support ahead of the local elections.

The MPLA has avoided conducting municipal elections since the end of the war. It has promised to schedule local polls but has continuously postponed them over the past decade. Municipal elections will undoubtedly benefit the opposition that has maintained its support base in the provinces and the rural areas.

4 000

NEW SCHOOLS
PLANNED FOR 2020

Given the heightened social tension arising from the economic crisis, the ruling party is fearful of defeats in more than 10 of the 18 provinces where the opposition rallies significant constituent support. However, the form of the elections and power configuration of the municipal governments are leading to disagreements with the opposition.⁵⁷ Each is defending the areas where they believe they can exert more influence and power.⁵⁸

All the proposed reforms and intended development programmes will require money. Yet defence spending and the servicing of public debt will remain budget priorities and a large share of government spending. This is not expected to change anytime soon given the level of debt and the sheer size of the security apparatus, as well as the risks entailed in demobilising during a period of austerity.

The government's budget for 2019 was revised from €30.64 billion to €29.9 billion (US\$33.64 to US\$32.72) given the fluctuation in oil price. It was criticised by the opposition parties in parliament for cutting spending on social services by 18%, a further reduction from 2018. The 2020 budget stands at €27 billion (US\$29.54 or 15.8 billion Kwanzas), and will make available half of the total amount to service the state's public debt.⁵⁹

Public debt, largely external, stands at 90% of GDP. Restructuring the country's debt is a priority, in particular the reconstruction money owed to China and other oil-backed commitments to countries like Brazil. Despite half of the current debt being owed to China, an additional US\$11 billion credit facility was opened in 2018.⁶⁰ The issuance of eurobonds and the possibility of accessing credit lines from the African Development Bank, the World Bank and others may lessen the pressure but Angola will be carrying a heavy debt burden for the foreseeable future.

Opening up the political space

Several symbolic gestures have gained Lourenço significant political capital with the opposition and society more broadly. During the Dos Santos government's historic revisionism,⁶¹ electoral fraud, economic and political marginalisation, and the tight control of the media denied the opposition a role in rebuilding the country.

'Society was structured in a way that made everyone and everything dependent on the president. Dos Santos

governed as if he was a demi-God, omnipotent,' said an intelligence officer. From establishing a rentier economy that webbed political support to economic survival and loyalty to the partisan encroachment of civil service and the use of MPLA specialist committees to ensure employment, Dos Santos governed 'as if Angola belonged to him.'

To distance himself from this past, Lourenço has eased political repression and created a freer environment for the press and civil society. He has established a dialogue with civil society and the youth. His meeting with key objectors like Luaty Beirão and other leaders of non-governmental organisations and civil society has marked a sharp turn away from Dos Santos's securitised handling of activists.

Lourenço has awarded key writers, activists and prominent members of society with national awards honouring them for their commitment to the country and their work. Most of those honoured are vocal critics of the MPLA and the Dos Santos regime.

Lourenço has eased political repression and created a freer environment for the press and civil society

In November 2019 the president handed over 70 awards, divided among three categories of commendations (the Order of Independence, the Order of Bravery and Social Merit, and the Order Civic Merit) to individuals and institutions for their 'outstanding contributions as patriots and Angolans who bravely fought against colonialism, for independence, and the construction of the Angolan state.' Among those awarded was anti-corruption activist Rafael Marques de Morais, known for exposing the highest levels of corruption in government and one of the elites' most severe critics.

While the government continues to own most of the media, with many senior MPLA members owning private media outlets, the press has become freer to criticise the state. The public television channel TPA (*Televisão Pública de Angola EP*) and the national daily *Jornal de Angola*, which previously acted as mouthpieces for the regime and were instruments of propaganda, have recently started to report on critical and divergent views

of civil society. State media has also stopped being hostile towards the opposition and civil society, and has begun reporting outside of the party line.⁶²

Defamation laws have long been used as to intimidate and silence journalists. Yet in July 2018 two journalists, Rafael Marques and Mariano Brás, were acquitted from the charge of 'outrage to sovereignty and injury against public authority.' The only journalist recently convicted of defamation belongs to the state newspaper. This broke the governmental shield previously established against state journalists spreading lies and defaming opposition members and civil society.

Another hugely symbolic move was the permission given to a private radio station to broadcast nationally (the first time in the country's history). In April 2018 the vocal Catholic Radio Ecclesia, forbidden from broadcasting outside Luanda for almost 20 years, was finally able to broadcast in six provinces.

While it was created in the 1950s, Ecclesia began to operate only in 1997 (having been banned in 1978 given the Marxist one-party state) and rapidly gained a reputation for independent and critical reporting. The station had been forbidden from using repeaters to broadcast in the provinces. Steps need to be taken however to reform the current legal framework governing the press and freedom of speech in order to break the institutional capacity to implement repression and curb criticism.

The government also needs to rapidly assess its heavy-handed security response to protests that have resulted in the detention and beating of youths in Cabinda, Malanje and Luanda under Lourenço's tenure. While the opening of political and social space remains a reality, this may close if steps aren't taken to allow civil society and the population peaceful avenues to vent distress and protest.

Steps towards reconciliation

A long-awaited and much-needed reconciliation initiative is also under way with the objective of helping communities heal from decades of war. Reconciliation has in the past remained an elusive and amnestied process.

Since the first peace agreement in 1991, amnesties for crimes committed during the conflict have been continuously renewed in subsequent accords in 1994

and 2002. This served to appease the military and the political leadership of both the MPLA and UNITA but it did nothing for the millions of civilians who suffered at the hands of both armies.

The nature of the war in Angola divided society and communities in terms of region, ethnicity, race and class. Communities and families were split along the support of contesting visions for the state and Angola and opposing nationalistic drives. Atrocities were committed on all sides against each other and from within.

The government needs to rapidly assess its heavy-handed security response to protests

In August 2019 the Commission to Memorialise the Victims of the Conflict was launched by Justice and Human Rights Minister Francisco Queiroz. The commission is comprised of all political parties represented in parliament, the church, civil society and the justice, interior and youth ministries.

It aims to create forums for national and provincial debates and discussions on the past, it will allow for the burial of victims and end with the construction of a memorial. This commission is an important step but may be inadequate in addressing the many difficulties of contested narratives, the need for justice, and the correcting of historical injustice.

And finally, after 17 years UNITA's founder and wartime leader Jonas Savimbi was given a dignified and very public burial by his family and supporters. The funeral was attended by 20 of Savimbi's children, and tens of thousands of party members and historical friends (politicians and military officers from Portugal and South Africa). The burial of key leaders killed in combat remains an important issue for UNITA, which is now preparing ceremonies for its senior leaders killed during the 1992 Halloween massacre in Luanda.

Future risks

- Social tensions could rise and lead to instability in the major urban centres. While protests in the past have remained small and brutally repressed, intelligence services and security officials are nervous of the

existing tensions felt acutely in the impoverished neighbourhoods of Luanda leading to mass protests. In a scenario of a social convulsion the government would most likely deploy the paramilitary police (the Rapid Intervention Police), the Presidential Guard and other of their elite forces. A crackdown would be violent.

- Dissent in the military/security sector remains a possibility given the level of dissatisfaction and low morale over the politicisation of the army. The much-needed security sector reform will be halted due to fears of introducing several tens of thousands of security personnel into unemployment. Protests may extend into the ranks of the security apparatus as they too begin to feel financial strain and the difficulty of providing for their families in the context of deepening austerity.
- Factionalism within the MPLA remains a risk to Lourenço's government and ability to keep the elites under his control. With wealth placed on the opposing side of the political spectrum (in the Dos Santos faction), there is a risk that the opposition or new political groups may be funded by the Dos Santos allies to weaken Lourenço.

Conclusion

While it may be too early to determine the grand strategy behind Lourenço's government, this president has distanced himself from the previous administration in several important ways. Lourenço chose to reform rather than witness the unravelling of a country under the weight of political decay, economic mismanagement and unaddressed poverty.

He inherited severe pathologies but began with tackling the most urgent issues including the economic recession and breaking the pattern of systemic and institutionalised corruption. He continues however to face several risks, namely the inability to adequately respond to the needs of the population, a factionalised MPLA, and the need

to reform the security sector. All these challenges are intertwined and failure to tackle them will exacerbate existing tensions.

In the political life of Lourenço's presidency he has rapidly passed the phase of alluring enchantment to experiencing the phase of realism. His promised economic miracle has not materialised and his government continues to replicate the past levels of ineptitude. Satisfying public expectations of change will take more than merely reducing the influence, wealth and patronage network of his predecessor.

This president has distanced himself from the previous administration in several important ways

The president must quickly start easing the social tension that poses the greatest risk to his government. Development programmes cannot remain rhetorical and veered towards electoral campaigning and political gains. They need to become impactful and implemented across the country.

The most vulnerable need to be shielded from the effects of austerity measures and social services have to be bolstered, staffed and funded. The youth need jobs, and sustainable livelihood strategies. Above all the state and the ruling elites need to find avenues to talk with the Angolan citizenry in order to avoid all the multiple crises developing into instability.

If the three decades of Dos Santos rule were defined by war, peace and corruption, Lourenço's rule may be defined by factionalism, poverty and inequality unless he injects new energy into his reform programme. He needs the opposition, civil society and dissenters from all sides of the political spectrum to overcome partisan bias and national divisions, and must address popular frustrations.

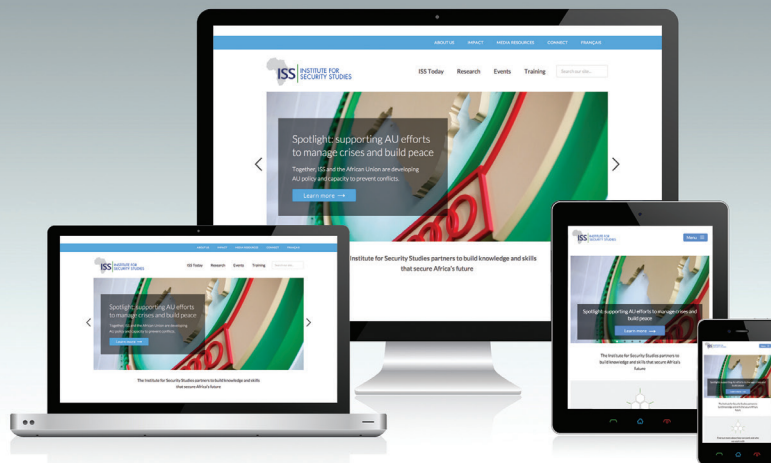
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- 2 Correspondence with military intelligence officer, 7 April 2020.
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- 4 Interview with leading opposition figure and intellectual, Luanda, October 2019.
- 5 Interview with recently retired general, Luanda, September 2019.
- 6 Interview with leading Dos Santos adviser, Luanda, September 2019.
- 7 P Roque, Angola's elections trigger a crisis of legitimacy, *ISS Today*, <https://issafrica.org/iss-today/angolas-elections-trigger-a-crisis-of-legitimacy>, 8 September 2017.
- 8 The presidency has in effect a parallel army comprising the Presidential Guard (UGP), the presidential security unit (USP), the Chakal unit and the special detachment for reconstruction (DPCS).
- 9 Interviews with officers from military intelligence revealed that in the province of Kuando Kubango alone there were 6 000 SINSE operatives, which if multiplied by 18 would total 108 000 operatives. SINSE is one of three intelligence agencies so that number is likely to be much higher, particularly in Luanda with its population of eight million and which is heavily monitored by the intelligence services.
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- 11 During the civil war and in line with the Cuban, Russian and Chinese doctrines, political commissars were a crucial part of command and control of the military. Both UNITA and the MPLA used them as political/ideological counterweights to military commanders. From the fronts, military regions and regiments to platoon level, all currently have officers responsible for patriotic education in their leadership. Some have been placed in key roles such as General António dos Santos Neto 'Patónio' as president of the Military Supreme Court; General Domingos Manuel Jr as director of the Military Institute (the military academy); among others.
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- 17 Interview with senior adviser to former president José Eduardo dos Santos, Luanda, October 2019.
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- 19 Interview with lawyer of the political elites, Luanda, September 2019.
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- 58 The polls were expected in 2020 but the ruling party is aiming to hold them only after the legislative polls in 2022 when it is in a position to control the results. Holding legislative and municipal polls at different times would break the MPLA's hegemonic stranglehold. It would also potentially improve the quality of polls and supervision of the process by opposition parties. Several laws have to be passed to prepare for the process including legislating on its organisation, functioning, powers of the municipalities, local finance, and the election of municipal assemblies. However the MPLA is thought to be obfuscating the process to gain time and implement a strategy that will guarantee a victory.
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