
The 21st Century Scramble for Africa's Resources: Issues and Problems

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Abstract

At the close of the last century, Africa was strapped between the US and its allies as the 'raw material' continent. Many countries of the continent thus evolved as suppliers of vital resources to these powers. The present century has been witnessing serious alteration in both the composition of such powers, and in global calculations. This is so, even as Brazil, Russia, India, China and South Africa (BRICS) evolve as the alternative and/or challenger to Western powers' position of leading global resources purchasers. In this vein, there have been new and higher demands for vital resources, particularly oil and gas, in Africa. The Western powers and Japan that perceive themselves, by default, as the conventional consumers of resources on the continent have really not done much to bring about desired development in the units of the continent; perhaps they did much, but with little results. In spite of this knowledge, it has been observed in literature that the 21st century scramble for resource in Africa is being celebrated, particularly by elites in political, economic, military and academic spheres of the continent. Given this, the current study, while adopting a desktop research format, seeks to examine the fault lines in the present scramble for resources in the continent so as to expose the deep-seated scheme of consigning Africa on the journey of perpetual underdevelopment. Although as claimed by pro-21st century scramble for resources analysts, certain advantages are inherent in the scramble; the current study however finds out that more evil underlie the scramble than the said addition.

Introduction

Africa is witnessing a great wind of serious investments from extra-regional powers, who are parading the continent in order to secure their interests. The imbalance between global consumption and production of energy, political instability and supply uncertainty in some oil producing areas of the world, most importantly

the Middle-East, search for other mineral resources, as well as for markets serve as the drivers for the current scramble for Africa. In this light, Africa's status in international relations is getting robust. Thus it is being celebrated as the world's new frontier economy. This translates to its being the hub of neo-global investment. Given the above, there is an influx of funds into the continent. This is seen in some enlightened quarters as holding good omen for the continent. Perhaps, this view is hinged on the backdrop of the development that such fund would either engender or enhance; especially because the growing foreign direct investment (FDI) in the continent is flowing alongside the flavour of needed machineries and expertise that are necessary for development. This holds, only to the extent at which the existing negative situations within Africa, which are not only ravaging the continent, but are snowballing to heights which extra-territorial forces are capitalizing on and exploiting in their relations with African units.

In view of the fact that almost all of the continent's units have been "racked by some of the worst problems facing the developing world: pervasive inter-group conflict, corrupt officials suffocating vacuous institutions, a dearth of skilled workers made worse by a prolific brain drain ... (and) the AIDS epidemic"¹, this study seeks to fill the lacuna which the pro-21st century scramble views seem oblivious of. This becomes important because the 'new frontier economic' status of the continent seems threatening, even to the economic revolution that it ought to have witnessed. It is therefore said that "... unless it gets to grips with its Achilles heel, the developmental breakthrough that investors and governments are anticipating for the continent in coming decades will not materialise."² In achieving this purpose, the study seeks to understand the menu of contemporary issues, which are serving as the drivers of the current deepening of external interests in Africa; the problems that such pursuits would generate for the continent, as well as the prospects of the current major powers' interests on the continent.

Preliminary thought

It is axiomatic that the present scramble for Africa is mostly predicated upon its possession of energy and mineral resources, which are necessary for both the sustenance and advancement of the economic, military and social status of the

¹ Seth Kaplan, 'West African Integration : A New Development Paradigm', *The Washington Quarterly*, Vol. 29, No. 4, 2006, p. 83.

² Sherelle Jacobs, 'Dawn of the age of machines?', *African Business*, May 2012, p. 28.

contemporary major powers. And since these powers are interested in witnessing the advancement of their countries to the next stage of development, Africa that has large possession of, but lack the wherewithal to explore and exploit such energy and mineral resources, becomes a centre of attraction. In this vein, it is assumed that the neo-bridal status of the continent in international relations is nothing more than a sham, meant to delude the leadership component of the continent into accepting whatsoever largesse that is thrown into the continent. Like a fish, the African leadership keeps swallowing the worm of investment, garnished with huge fund that is accruing to the components of the continent.

In this vein, it is held that the current scramble for resources on the continent, and the attendant influx of fund would deepen the drivers of Africa's underdevelopment. Not only that, it would perpetually consign African units on the path of pathological transference of undue loyalty to extra-continental powers, some of which see the continent as an annex. In the same lens, it is seen that the problems that bedevil these 'parading powers' and many more that would emanate in the cause of their (extra-African powers) relations, on one hand, with Africa, and on the other, amongst them, would be foisted on Africa. Thus, rather than the 21st century becoming the African developmental century, it would be a century in which major powers have been able to trap Africa in underdevelopment. This is not to say that there may not be the rise of nationalistic leaders, and/or the occurrence of rattling events that would shake the continent out of the grips of the parading powers.

The Contending Issues in the 21st Century Scramble

The point where Africa stands today in international politics has taken a century and two years short of three decades, from the balkanization of the continent in 1884/85, to today. You can see exactly how the long experiences of the units of the continent unfolded when you take into consideration the parlous condition that most of the units of the continent are still witnessing in spite of the abundance of resources they have always been endowed with. Many a scholar have been opportuned to examine the African situation, and these exercises have produced tonnes of policy papers, which are yet to help salvage the continent out of the condition it finds itself. Alongside this are the innumerable aids that the continent's countries have gotten from the civilized world which have had, on continental basis, little impact. This notwithstanding, the continent is presently

witnessing the influx of funds, which as believed, could aid the African Lion in roaring again! This is because of the notion that 2011 looks like being the year that will go down in history as when Africa made the big transition from its chaotic past into a future that is full of promise. The continent has bewildered foreign pundits by the speed with which this final transition was achieved and many still cannot believe the evidence in front of their eyes. Africa growth statistics in the face of a global slowdown are now legendary and the rise in the continent's per capita incomes being regarded with some envy, even by the emerging markets such as China, India and Brazil ...³

This submission engenders the questions of: within a year, has African countries really been able to turn around to the level of equalling the civilized countries? How are those bringing the funds for investment that has caused the little, if any, change that Africa is witnessing still envy its vaunted rise? We, however, need to quickly move past this in order to examine the scrambles that precede the current one in order to glean some issues that the current one might generate. Differently put, it would be difficult to comprehend the reality that could be the fallouts of the neo-scramble without first referring to the two scrambles that preceded the 21st century.

The 19th century rush for African territories by major European colonial powers, notably Britain, Belgium, France, Germany, Portugal and Spain, which had its roots in the 16th century, really left behind the fallouts of horror and death. This was because, it not only at the initial stage uprooted Africans from their homes through the Trans-Atlantic slave trade that decimated Africa, it rather led to the slicing up of the continental behemoth into units, which till today, are yet to get done with attempts at resolving the border problems that resulted from the 1884/85 Germany conference. Flowing from this is the fact that "... the mutual suspicion of the interested European powers of each other's intentions', as Michael Crowder claims 'had reached such a pitch that none of them was willing to hold off the undesirable for fear that their own interests might be pre-empted by another."⁴ This thus left Africans with the complicated and often tenuous relations, which they are still grappling with; as well as the present state system,

³ Anver Versi, 'Will the African Lion roar again in 2012?', *African Business*, January 2012, p. 17.

⁴ Michael Crowder, *West Africa under Colonial Rule*, Hutchinson & C. Publishers Ltd, London, 1968, p.60

alongside its paraphernalia of ruler-ship, which the former colonizers and their grandmaster (U.S.) seek to alter to the ones they are practising. This process is however not devoid of neo-imperialistic format.

The second struggle for Africa came as one of the strands of the Cold War. This was contingent on the scramble for a place under the African sun by the leading ideologues of communism and capitalism in the East and West; which were led by the defunct Soviet Union and United States respectively. The situation led to socialist experimentation and capitalist exploitation, both of which deepen the place of African countries in the ranks and files of the Third World bracket. In this stead, the defunct Soviet Union and the United States, both of which sat on the gigantic war machines of Warsaw Pact and NATO respectively, supplied arms and ammunition in the pursuit of their egotistic and geopolitical interests, in weird dimensions to African units that were struggling over the border problems bestowed on them through the first scramble for the continent. Illustrative of this were the years between 1953 and 1974 when "the US supplied Ethiopia with military assistance worth over US \$200 million, which until 1970 represented about 50% of total US military assistance to all African states ..."⁵ It even viewed Angola in distorted global-strategic-concern lens to the extent that it covertly intervened in the Angolan crisis in 1975 through the CIA; which gave both "material and financial support to Roberto's FLNA."⁶

On its own, the defunct Soviet Union, incrementally supplied *materiel* to sub-Saharan Africa. Thus, ... from 1956 to 1974, the value of Soviet arms transfers was US\$410 million, that for the period 1975 to 1979 stood at over US\$3.1 billion. Between 1978 and 1982, Soviet arms transfers to Africa amounted to US\$14,000 million. The major beneficiaries have been Libya, Algeria, Angola, Ethiopia, Somalia (until 1977) and Mozambique whose leaders have declared their commitment to Marxism-Leninism.⁷ In this light, Africans were seen as pawns, meant to be used for the execution of game plans in the international power politics that was played on the African 'chess board'. During these wasted years of the continent, extra-African powers imposed corrupt leaders, who were mostly their puppets, on

⁵ Peter Schwab, 'Cold War in the Horn of Africa', *African Affairs*, Vol. 77, No. 306, 1978, p. 12.

⁶ S. R. Weissman, 'CIA Covert Action in Zaire and Angola', *Political Science Quarterly*, 1979, p. 2.

⁷ See R. A. Akindele, 'Africa and the Great Powers, with particular reference to the United States, the Soviet Union and China', *Africa Spectrum*, Vol. 20, No. 2, 1985, p.135.

African states and sustained them in power for as long as they remained useful. To this end, the French government for instance, maintained a network of military and defence agreement with its former colonies to guarantee regime security for incumbent but unpopular regimes, which were, in the words of Bamitale Omole, "faced with imminent overthrow by a popular coup d'état by the army, or popular uprising by the citizens."⁸ Therefore, "during the Cold War, Africans', as Mahmood Mamdani observed, 'were stigmatized as the prime example of peoples not capable of modernity."⁹ And this was attested to by the pace at which Africa stopped being relevant on the American dial, particularly with the splintering of the Soviet Union, which dove tailed into the end of the Cold War. Sequel to the Cold War, "... Islam and the Middle-East ... displaced Africa as the hard pre-modern core in a rapidly globalizing world."¹⁰

Currently, there is a new mode of struggle for space, not only in the investment confines of Africa, which is characterized by energy resources, other mineral resources, cheap labour and large market for the mass produced goods from the refined African agricultural and mineral resources; but for a sphere of influence under the African Sun. For this purpose, state and non-state actors of multinational corporations are deepening their interests in the continent, particularly by making huge investment and assistance funds in the form of grants, available to units of the continent. An instance of these was ExxonMobil -an oil multinational- which claimed that:

Energy demand in Africa is expected to be 65 percent higher in the year 2030 than it was in 2005. That's why it is critical that we continue to invest in the development of new energy resources that can help meet demand in Africa and around the world.

In Africa, we've invested nearly \$25 billion over the last five years to explore for and develop new energy projects. These efforts create jobs and drive economic growth. We also train local workers and help build schools and hospitals ... ¹¹ Such deepening of interests and investments has generated opinions of continental

⁸ Bamitale Omole, *Nigeria, France and the Francophone States: the Joy and Anguish of a Regional Power*, Obafemi Awolowo University Press Limited, Ile-Ife, 2010, p. 9.

⁹ Mahmood Mamdani, *Good Muslim, Bad Muslim: America, the Cold War, and the Roots of Terror*, Pantheon Books, New York, 2004, p. 19.

¹⁰ Ibid.

¹¹ *African Business*, January 2012, p. 9.

economic buoyancy, which already, is speedily transforming the whole continental behemoth, though at varying pace. It is claimed for instance that "some of the 'African Lions' -Ghana, Ethiopia and Angola- are the fastest-growing economies in the world, while the regional average of 5.2% is outstanding at a time when global growth is stagnant."¹² This comes out bold in the view of Obiageli Ezekwesili, World Bank vice president for Africa region, who is reported to have insisted that "... if Africa's economies continue to grow at the present rate, the continent's GDP could double in 12 years ... (and) this provides Africa with a unique opportunity in building roads, cities and ports for the future ..."¹³

Though the foregoing views are predicated upon the indices of growing African exports, diversified export markets and increasing foreign direct investments (FDI); it however seems that such perceptions are oblivious of the fact that Africa would bear the brunt of global actions of developed countries over which it has no control. Beyond the much vaunted African development that the 21st century scramble is said to be engendering therefore, some problems, if not more than what Africa was formerly grappling with, would be churned out. This forms the departure of the current study from literature, and thus forms the thesis of the next section.

Envisaged Fallouts of the 21st Century Scramble for Africa

There is no doubt that Africa is sitting on a vast treasure trove of resources, through which the continent could assume the role of donor within the international system; particularly because of its attracting immense investment fund from the major corners of the world. Beyond the expected wellness that the current scramble for Africa and its resources are said to be bringing to the continent, Africa would be festooned with a cornucopia of challenges, some of which might transcend what it is currently witnessing. Put differently, the current struggle for a place on Africa's dial has engendered burgeoning but rich debate that focuses on the economic gains that its units stand to make in view of the continent's current attractions; this is to the neglect of the security details and other challenges that are intrinsic to the present scramble in the continent. Given the power politics that obtains within the international system, and that the

¹² Versi, 'Will the African Lion roar again in 2012', op. cit., p. 16.

¹³ 'Africa to turn climate challenges into opportunities', *Africa Business*, op. cit., p. 6.

strength of the West and its emerging counterparts of the BRICS lay in their industry and capital, one realizes that their growth is predicated upon growing appetite for consumer consumption. Their massive industrial capacity is dependent on access to cheap resources and relatively cheap labour. Without these, their wheel of wealth may necessarily not rotate. In this vein, they may decide for policies that are not focused on the real development of Africa, but in ensuring their continuous access to African cheap resources and vast market for consumer goods. An example of this was the introduction of Structural Adjustment Programmes (SAP) by the World Bank and the International Monetary Fund (IMF).

In not-too-far past, these policies, though claimed to have achieved some level of successes in certain countries, served the purpose of limiting whatever development the continent's units recorded. In the current African renaissance, African leaders, some, if not most of whom, seek the applause and/or nod of the extra-continental powers, may be lured into adopting policies that would maintain the asymmetrical status quo in which Africa only serves as the hub of mineral resources supply to international market. Even if this route is not travelled, the influx of funds alone might serve to deepen Africa's feet in resource quagmire. This is because the inflow of massive funds could lead the resource laden units of the continent down the path of resource dependence. African units seem canny enough now, particularly in their negotiations with the present scramblers, even as they extract sumptuous returns in terms of royalties, shareholding, social dividends, infrastructure and skills transfers; the 21st century scramble could still lead to a replay of the 'resource curse' tune. This is because of the penchant for profligacy often displayed by African leaders. In view of this, the question that begs asking is: what becomes of the much vaunted growth that seems the attendant of the 21st century scramble? This becomes important because of the boom and burst cycle of pricing system at the international market.

Presently, a boom is ongoing, hence the rapid growth recorded in some countries of the continent. When the burst comes, a serious problem might arise, which definitely, would not just worsen the poverty being endured by majority of the citizens, but would lead to the introduction of another round of austerity measures. This is the point at which the major powers parading the continent may attempt assuming messianic roles and coming with another round of measures, which would be claimed to be the panacea for structural deficiencies in African

economies. Come to think of it, currently, most Africans are yet to benefit from the growth trend that is gradually permeating the continent, even as many are still grappling with the grimness of poverty. If the people do not benefit from the revenue from the sale of their resources, it would be unfair to place austerity measures on them when the fallouts of the scramble are the only things left. Another major problem that the present scramble thus seems to be bringing to Africa is its enhancing the ability of the African countries to access loans, most of which is being misappropriated, and could lead the continent back into the cage of the odious debts of past years, which were forgiven by the major global lenders.

This is because the political elites, who are the custodians of the accruing wealth, seem to be having a free day with the commonwealth of their countries, and are not only siphoning, but ensuring that their countries haemorrhage such funds to their personal foreign accounts. This is leading to extreme disparity in income, which is increasing the pace at which poverty grows. Consequently, millions of persons are unable to afford the basic amenities of education, health and public participation, which should improve their lots. Rather than assist in whittling poverty in the continent, the current intercourse between African units and the scramblers is deepening income inequality. Hence, it is explained that "there are 24 countries in Africa with higher inequality scores than China. In Mozambique, Kenya and Zambia, the index is 45 and 55 while in Botswana and South Africa, it is over 60. Lesotho has one of the world's highest levels of income inequality. The poorest 20% in Africa receive 6% or less of national income and the poorest 40% in most cases receive less than 15%."¹⁴

Another challenge that the current scramble might cause is the tendency of resource exports to cause African currencies to rise in value vis-à-vis other currencies. If this plays out, the other exports of these units might become relatively uncompetitive; thus leading to the influx of labour into the already saturated labour market in the sectors of economy that are relevant for producing the necessary resources meant for the 21st century scramblers. In view of this, items not needed by the scramblers (that cannot be traded at the international market) become more expensive; not necessarily because of increase in the cost of production, but because of dearth of labour to produce. This might deepen the

¹⁴ 'Africa's progress under threat', *African Business*, June 2012, p.18

growing frustration within these African societies, which therefore could lead individuals into crimes; while those not ready for criminal activities might gather and cause commotions on the street in order to express their dismay.

Given the pool of those ready to take to crime, the 21st century scramble is fomenting problems for the continent. This is so since one of the fallouts of the present scramble in Africa is the proliferation of small arms and light weapons (SALW), which are produced *en masse* in the factories of the scramblers. These (SALW) form part of the products meant for African market. Britain for example, is regarded as "one of the leading exporters of small arms and light weapons to Africa in the 1990s with some £400 million worth of arms annually"¹⁵, while its arms sales to the continent quadrupled after 1999, and this was in spite of "a declaration of an ethical dimension to its foreign policy."¹⁶

In the face of growing poverty amidst the plenty that the neo-scramble is generating, the easily accessed SALW serves to pale security of goods and lives. To this end, the Nigerian President, Goodluck Jonathan "... pleaded with the European Union and other Western leaders to help Nigeria address the scourge of proliferation of small arms and light weapons, which had undermined its security and economy.' His plea is hinged upon the knowledge that '... Germans and Britons (are) ... masterminds of arms deal ... meant for Nigeria."¹⁷ Although some of these arms are legally imported, since the "military and police are increasing their stocks of weapons in an effort to modernize their forces and to combat rising armed violence ... (however) illegal civilian importation is also continuing."¹⁸

Another dimension to the unfolding problems is the worsening of border crises. Africa was ill-sliced up, and this has been leading relationships amongst or between countries of the continent to be trapped in boundary disputes. Consequent on this, mutual distrust and suspicion are already acting as the bane of existing relations

¹⁵ Lucien Mufor Atanga, *Tackling Small Arms in Central Africa*, Bonn International Center for Conversion, Bonn, p. 6.

¹⁶ W. Omitoogun, 'Military Expenditure in Africa', SIPRI Year Book, 2000, viewed at www.projects.sipri.org/milex/mex-trends.html; and Talbot Chris, 'Blair's Neocolonialist Vision for Africa', 2002, viewed at www.wsws.org/articles/2002/feb2002 on 16 June 2008 respectively.

¹⁷ Chiawo Nwankwo, John Alechenu, Adelani Adepegba, and Allwell Okpi, 'Mystery Bombs: Police disown explosives imported in their name', *Sunday Punch*, 12 February 2012, p. 2.

¹⁸ Jennifer M. Hazen and Jonas Horner, *Small Arms, Armed Violence, and Insecurity in Nigeria: the Niger Delta in Perspective*, Small Arms Survey, Geneva, 2007, p. 25.

amongst and/or between the African units. These relational problems on one hand, could serve as loop-holes that extra-territorial powers would explore in order to deepen their somewhat inordinate desires, even as they would play divide and rule game, when need be, amongst the units of the continent. On another, whenever mineral resources are found at border towns between two African states, there is, to a large extent, the tendency for a dispute to ensue. A good example was the rivalry between Cameroon and Nigeria over the Bakassi peninsula imbroglio that was resolved at the International Court of Justice (ICJ) in October 2002, and which reared another dimension of its ugliness in October 2012. The scenario is more complicated if the fact that not all the African units are equally endowed with mineral resources, and the processes of exploring and testing for oil, particularly at border towns are taken into consideration. The present scramble has led the 'yet to discover mineral resources African states' to permit multinational companies to explore for such mineral resources within their confines and even in their maritime waters. And this has deeply impact the psyche of political elites of African states. In April 2010 for instance, while celebrating the discovery of oil in commercial quantity in Lagos State, a Beninese political elite insisted that "the God of oil in Badagry is the God of oil in Cotonou."¹⁹

In the course of searching for mineral resources, finds could be made at border towns. One could only imagine the picture that would unfold if the resource turns out to be oil, which while being tested, could flow, depending on its viscosity and the sand in which it is found, to another area. As such, Kidane Mengisteab explains that "Republic of Congo has disputes with the Democratic Republic of Congo...Equatorial Guinea has disputes with Gabon ... Nigeria has disputes with ... Chad ... In some cases, the disputes are over territories that are known to be rich in resources such as the ...the Corisco Bay between Equatorial Guinea and Gabon..."²⁰ Granted the notion of the readiness of extra-African powers' to sacrifice anything for the achievement of their national interests, the relative peace, security and stability of the continent might go up in flames, particularly because they may dabble into border strives between these states; thereby deepening the schism in their relationships.

¹⁹ Bamitale Omole, *Nigeria, France and the Francophone States: the Joy and Anguish of a Regional Power*, Obafemi Awolowo University Press Limited, Ile-Ife, p.27.

²⁰ Kidane Mengisteab, 'Africa's Intrastate Conflicts: Relevance and Limitations of Diplomacy', *African Issues*, Vol. 31, No.112, 2003/2004, p. 26.

Finally, the current scramble and the attendant indiscriminate looting of public treasury could lure the military guys, who in years past subjected their countries to tyrannical rule to attempt seizing political power in their varying countries again. In an instance, though for certain African states, the weird mismanagement of public funds by the un-democratized democratic rulers, who are continuously serving as models of squander-maniacs, might become too alluring for the soldiers to return to power. This could be either to take their share of the largesse that the 21st century scramble brings to the table, or to correct the malfeasance that is pushing these countries to the precipice of statehood. In another stead however, if nationalistic politicians assume leadership of the respective African countries, extra-African powers might attempt scuttling the relatively new democratic experience of such African state, through the sponsorship of military putsch. "The fate of the emerging democracy', as Fawole observes, 'is hanging in the balance as long as African armies are yet to divest themselves of their propensity for political violence at the slightest pretext."²¹

Conclusion

The foregoing has been used to demonstrate the issues and some of the problematic that the current deepening of interests and presence of extra-continental powers hold for Africa. The neo-scramble really proffers Africa with some advantages; particularly that of necessary fund, machine and expertise with which to develop; the fallouts of such presence could however subsume the effects that the addition may rub on the units of the continent. There is little African countries can do as concern this massive influx of interests into their continent; however, they need to position themselves so as not to merely benefit from the present opportunity, but able to control what might may want to be negative effect of being sucked into the vortex of the scramble. In the light of this, the leaders of the continent need to wake up to the responsibility of leading their individual countries away from the position of perpetually being the wretched of the earth. This is so because the present scramble offers continent ample opportunity of achieving this; especially because the BRICS are contending for space with the major powers of the West. Thus, being the hub of vital resources, African

²¹ See W. Alade Fawole, 'The Military and the Future of Democracy in Africa', in *Democratisation in Africa: African Perspective*, ed. Omo Omoruyi et al., Hima & Hima Ltd, Benin, 1994, p.19.

countries can choose who they would trade with, and even determine the policies with which they want to abide. In this vein, diversification of sources of earning, disciplined way of appropriating revenue and curb of siphoning of public funds become ways to go.

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