

South Africa's Second Primitive Accumulation

Nature did not create a group of people with capital on one side and another group with only muscle-power but no capital on the other. Political economists tell us that this great division of the human race, what we call the system of capitalism, is the result of a long historical process. In this historical process, the original capital was acquired through a gruesome process of plunder, expropriation, looting, wars, invasions, slavery, indentured labour and colonialism and imperialism. Political economists call this process of acquiring original capital 'primitive accumulation'.

Even after capitalism has established itself and capital more or less follows the laws of the market to accumulate more capital through profits, the processes of primitive accumulation continue side by side in different areas and under different circumstances. Under today's system of international capitalism called globalisation the processes of primitive accumulation are most intense on the African continent. Let us palaver on one example which is close to this part of the world and which concerns us directly. This is the inflow of South African capital into neighbouring countries after the fall of apartheid.

Apartheid itself was the great human invention to enable primitive accumulation in South Africa. The 1913 Native Land Act declared that the whole of South African land belonged to white South Africans with a small print provision which stipulated that 13 per cent of the land would become 'scheduled areas' held in trust for the welfare and benefit of 'natives'. Thus the whites came to own 87 per cent of land while the majority blacks were bundled into the remaining 13 per cent, the reserves.

On this system of segregation was built the whole edifice of South African capitalism in which the state - not the market - played the pivotal role. Migrant labour from the reserves and homelands in South Africa and from neighbouring countries, including Tanganyika, provided the muscle-power to exploit the land and minerals of the southern tip of the continent. Thus was built the modern South Africa in which the whites created and lived the

'heaven on earth' leaving the blacks to burn out in the man-made hell of apartheid.

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The 1913 Land Act was the turning point in the First Primitive Accumulation of South African capital. The turning point in the Second Primitive Accumulation is the fall of apartheid enabling South African capital to move out into the rest of the African continent. The process is still unfolding whose end result cannot be predicted. But certain interesting trends are taking shape.

Africa is the third largest export market for South Africa. Africa's share of South African exports rose from 4 per cent in 1991 to 12 per cent in 2001. Much of these exports go to Southern African Development Community (SADC) countries. Today we see South African onions and potatoes and oranges and, of course, wines and beers and spirits and steaks and dried meats in 'our' supermarkets and restaurants and hotels called Shoprites and Steers and Debonairs and Protea. Shoprite has branches in 15 African countries and is in the process of expanding into other countries.

Then there is the South African investment, both from parastatals as well as private. Over the five years 1997-2001, South African investments in Africa increased by 300 per cent. They stood at 77 billion Rand in 2001. Almost half of this capital was direct investment and 80 per cent was in SADC countries. South African capital went into strategic sectors: mining, banking, insurance and finance and telecommunications, airline and railways.

The beer industry, which is trumpeted as a success story in this country, is only a showcase. The jugular vein lies in the strategic sectors. The South African mining house, AngloGold, now merged with Ashanti Goldfields, and Randgold, con-

trol our gold. Vodacom is dominant in cell phones; ABSA, through NBC, and Stanbic dominate banking; Networks 'manages' TANESCO; and South African Airways (SAA) have taken over the national airline ATC with a view to creating an East African hub for SAA. SAA wanted to create a similar West African hub through taking over Nigeria's national airline but the deal has apparently fallen through because Nigerians demanded 10 per cent equity in SAA which the South African government refused.

Escom Enterprises, a giant South African electrical corporation, has a presence in 33 African countries. It has utility management contracts in Malawi, Mali, Uganda and Nigeria. It would not be surprising if eventually TANESCO falls in Escom's lap.

Then there is a South African company called V&A Waterfront which has contracts in Mauritius, Gabon and Nigeria to construct waterfront complexes. A similar project is afoot in our 'Heaven of Peace' in which, sooner than later, heavens will line the ocean leaving behind 'hell-holes' of slums in Kariakoo, Manzese and even the city centre and Upanga.

The next big sector awaiting South African 'investment' and keenly eyed by Afrikaner farmers is land. As one South African official put it: 'For the Boers, land is next to God and the Bible'. As South Africa attempts land redistribution to redress the wrongs of the apartheid period, it has to find a place for its white farmers. Mozambique has already given 50-year concessions of thousands of acres of land to South Africa's Boers who are busy recreating apartheid-like settlements.

Mozambique, which is being hailed in the Western, especially the American, official circles as a success story, is almost a textbook case of South African investment. Almost half of South Africa's corporate investment in Africa is in Mozambique. South Africa has become the single largest investor in Mozambique. Between 1997-2001 some 250 South African companies opened operations in that country.

It is ironical that the land of Samora Machel which was in the forefront of the struggle against *makaburu* should be the first to fall in the 'Second Great Boer Trek', this time around to the North of the continent. The first Boer Trek was in the mid-19th century when Boer farmers

ran away from the British into the interior opening up new lands, in the process decimating African communities. This is how the Boer republics of Free Orange State and Transvaal were created. Tanzanians may do well to study the

Mozambique experience as they may be next in the path of the 'Second Great Boer Trek'.

We will continue to palaver as to why I call South African investments in Africa as the second primitive accumulation.

Oil, US Global Security and the Challenge of Development in West Africa

Since the late 1990s, and particularly after the tragic 9/11 hijackings in the United States, there has been a resurgence of global strategic interest in West Africa. Central to the global interest in the region is the rising profile of the Gulf of Guinea in the United States' energy security calculations: both as a source of increased, steady supplies of oil, and a source of profits for US Oil Super Majors (Klare and Volman 2004:227). A great deal of excitement has been generated by some think tanks in the US as well as among leading American policy makers and oil company executives as to the prospects of maximising their gains (in competition against Britain, France and China) in the new scramble for West Africa's oil (AOPIG 2002; Leigh and Pallister 2005). They point to the fact that West Africa currently provides 15 per cent of US oil imports, and the figures are expected to rise to 25 per cent by 2020 (Klare 2004; AOPIG 2002). Since the US will be more dependent on foreign oil, its need to ensure the stability as well as increase its supplies from such sources that may not be entirely 'friendly' has become a matter of 'US national strategic interest' (Klare and Volman 2004). This strongly implies the linking of energy to national security, and the projection of US military might on a global scale to protect its national energy security interests. For, indeed, power over the world's oil reserves is the ultimate symbol of US global military might.

In the light of the foregoing, the real issue from a US global security perspective is how to ensure control over the oil-wealth in West Africa (Krueger 2002), and the rest of the world (Klare 2004). This is

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partly informed by pressures for an alternative to US over-dependence on oil supplies from the volatile Middle East (AOPIG 2002) in the face of expanding domestic demand for petroleum products, and declining oil production at home. The powerful oil lobby in the present US government, where individuals with backgrounds and interests in the oil industry occupy the uppermost echelons of public office, also drives the aggressive thrust of the US for the control of the world's oil reserves. For example, the current US President George W. Bush had a background in the oil business, the Vice President Dick Cheney was the Chief Executive of Halliburton (a US oil services and engineering/construction multinational), and Condoleezza Rice, former National Security Adviser and now Secretary of State, was on the board of directors of the US oil multinational Chevron (1991-2001), which named one of its Oil Super tankers after her. The clout of the oil lobby is also manifested in the immense material support that oil multinationals provide to the political campaigns of the Republican and Democratic parties, the profits from oil investments by American oil companies overseas, and the jobs they generate back home.

At another level, the race for the world's oil is also impelled by American concerns of rapidly expanding Chinese and Indian

oil imports, with the former offering attractive oil deals to Third World oil producers and competing with American oil companies for access to oil (Klare 2005). Some US strategists are already linking incursions by Chinese oil companies into African oil producing states and growing Chinese oil imports to its growing military might, and what this portends for US oil interests in Africa and its national security in a global context (Carafano and Gardiner 2003). A critical spin-off from these trends is the rapid 'securitisation' of West Africa's development (protecting the market by military means) in the contexts of the US energy security interest and the incorporation of Africa into the global war on terror.

West Africa in the global war on terror

West Africa has recently become one of the most important regions to be incorporated into the United States' Global War on Terror (GWOT). This development is linked to the real or imagined existence of terrorist cells connected to al-Qaeda in the predominantly Muslim Saharan and Sahelian Belts of the region, and its vulnerability, given its open nature, and the alleged inability of the weak, 'failed' or 'failing states' in the region to police effectively borders, maintain law and order, and protect Western strategic and economic interests. The phenomenon is also partly informed by spate of highly destructive and brutal civil wars that ravaged the Mano River Union states (Liberia, Sierra Leone) and later engulfed, involved or destabilised the neighbouring states of