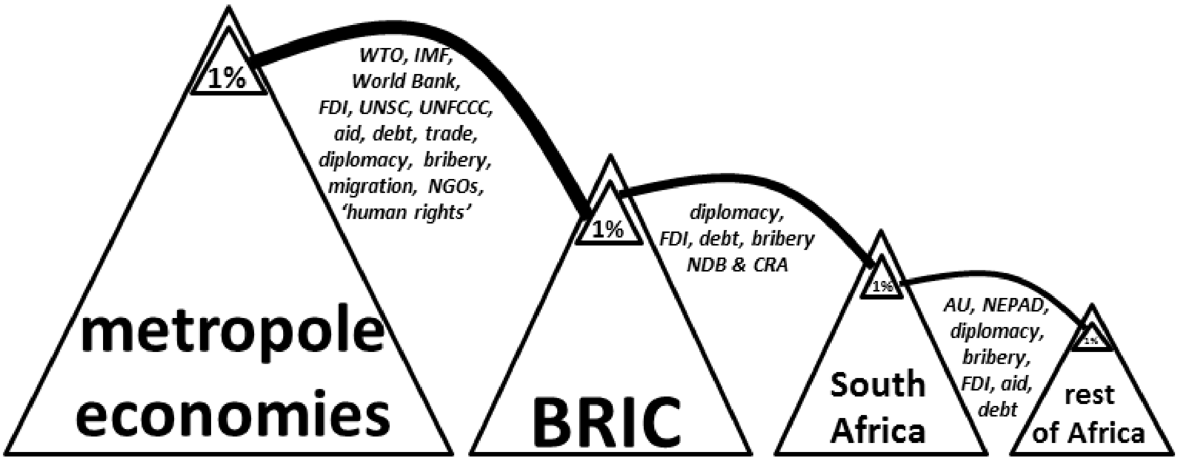
Can BRICS re-open the 'gateway to Africa'?
South Africa's contradictory facilitation of divergent Brazilian-Russian-Indian-Chinese interests

by Patrick Bond

for publication in *Africa and External Actors,* co-edited by Charles Mutasa and Dawn Nagar
Cape Town: Centre for Conflict Resolution, 2017

Introduction

Several features of global political economy and political ecology are definitively ending "Africa Rising" myth-making, resetting world geopolitics, and requiring a much more realistic assessment of conflict resolution on the continent for the years ahead. The presidency of Donald Trump, multiple signals of extreme European political stress and ongoing Japanese stagnation leave the "metropole countries" much less capable of ordering global governance (and especially relations with Africa) to their advantage. Partly as a result, the "semi-periphery" – especially the Brazil-Russia-India-China-South Africa (BRICS) network – is central to the processes of "peripheral" Africa's further top-down degeneration, even if the coherence of the BRICS arrangement is likely to be disrupted by Trumpism in 2017 and beyond. Multinational corporations and state firms based in the BRICS countries may find the so-called 'gateway' function offered by South Africa since 2013 to be of diminishing utility. Structural economic conditions are increasingly adverse for South Africa and the continent as a whole, what with extremely high debt levels and relatively low commodity prices compared to the 2007-11 peak years. From below, on the other hand, the concept we can call "Africans Uprising against Africa Rising" appears more relevant with each passing crisis.



The essential power relationship that binds together the state leaderships and large corporations ranging across spaces from the Western metropoles to the furthest African mine or agricultural field, is a nested hierarchy which includes imperialist and sub-imperialist relations. Elites (the '1 per cent') from the metropoles have traditionally used the multilateral institutions they control to reach deep into the furthest periphery, a process that continues through various well-known extractive systems.[1]

The purpose of this chapter is to illustrate how the semi-peripheral economies – especially the BRICS – amplify those power relations in Africa, even while claiming to be offering an 'alternative' multilateralism. In brief, while the metropole economies draw the BRICS much deeper into exploitative institutions such as the World Trade Organisation (WTO), International Monetary Fund (IMF) and United Nations Framework Convention on Climate Change (UNFCCC), effectively making them junior partners in the underdevelopment of Africa, elites from the four BRIC countries use South Africa in particular as a wedge into the continent. In turn, South Africa has amplified its own powers over African economies in the process, though not always with the desired results. Multinational corporate exploitation and extraction – by both Western and BRICS corporations – remain the over-arching economic constraints to genuine liberation.

Will BRICS crack under new stresses?

It must be acknowledged at the outset that the BRICS are not an omniscient and all-powerful bloc. Contradictions within the BRICS are obvious enough, e.g. where Russia and China join the US, France and Britain to *deny* UN Security Council seats to the other three BRICS in spite of a decade-plus campaign to democratise that body (for fear of diluting their own power). Another example is the BRICS' failure to even propose a candidate from their ranks to replace two disgraced IMF Managing Directors (Dominique Strauss-Kahn in 2011 and Christine Lagarde in 2016 following her corruption conviction in the French courts) and three poorly-performing World Bank presidents (Paul Wolfowitz in 2007, Robert Zoellick in 2012 and Jim Yong Kim in 2016). In addition, Donald Trump's presidency heralds extreme chaos in BRICS geopolitics, as Trump seeks to divide the conservative rulers of three BRICS – Vladimir Putin, Narendra Modi and Michel Temer – from Xi Jinping and Jacob Zuma.

In addition to the likelihood of further military conflict in the South China Sea, Beijing will certainly face worsening economic problems with Trump, given the latter's propensity to blame trade competition – specifically, subsidised Chinese exports and currency devaluation, as well as alleged Chinese commercial computer hacking – for US deindustrialisation. Advised by the notorious Sinophobe economist Peter Navarro, Trump's answer is a series of localisation-oriented policies that will allegedly benefit US manufacturing industry by increasing protection from foreign imports with what may be a 45 per cent tariff on China and 10 per cent on goods from other overseas sources. Centre-left economist Joseph Stiglitz warns against Trumponomics, in part because of the lack of redistribution that might make such high import tariffs feasible:

> Higher interest rates will undercut construction jobs and increase the value of the dollar, leading to larger trade deficits and fewer manufacturing jobs – just the opposite of what Trump promised. Meanwhile, his tax policies will be of limited benefit to middle-class and working families – and will be more than offset by cutbacks in health care, education, and social programs.[2]

A trade war is just as likely an outcome, reminiscent of the protectionist Smoot-Hawley Act of 1930 which is credited with contributing to the Great Depression. Like that period, the major question is in which direction populist sentiments channel working-class politics.

Momentum in most sites is enjoyed by right-wing leaders: the US (Trump), Britain (UK Independence Party and Brexit supporters), France (National Front led by Marine le Pen), Germany (Alternative for Germany) and the Netherlands (Party of Freedom led by Geert Wilders), with the latter three holding elections in 2017, along with Italy whose Five Star Movement (led by comedian Beppe Grillo) also has right-populist support. But a left alternative might also arise: in the US as indicated by Bernie Sanders' popularity (greater than any other politician), Britain if the Jeremy Corbyn-led Labour Party gains more support, and Spain where Podemos gained more than a fifth of the vote in 2016 (in Portugal the Left Bloc is part of government while in Greece, the once-radical then-tamed Syriza was elected to run the state in 2015).

If the former prevails, we can expect what is often termed a 'fascist' regime: i.e., when the populist sentiments of working-class people are revealed as nativist, racist, misogynist, homophobic, xenophobic, Islamophobic, anti-Semitic, ablist and anti-ecological; when imperialist and militaristic sentiments are acted upon by this bloc within the state; and when the socio-cultural agenda of the right is conjoined with corporate power and a charismatic head of state. Were he not so incompetent, Trump's US state appears to have the ingredients of a dangerous fascism, with three BRICS countries' leaders potentially in tow.

In contrast, the left version of populism stresses economic justice, social equality, state-centric redistributive strategies and ecologically-sensitive industrial localisation. Earlier examples include the US 'New Deal' of the 1930s and subsequent Latin American 'import-substitition industrialisation' strategies, European social welfare regimes, South Africa's mid-1990s Reconstruction and Development Programme (mostly not implemented), the 1980s-90s Brazilian Workers Party agenda and in Greece, Syriza's 2015 promises. Cuba's economic policies foundered on the economic rocks of isolation after the Soviet Union's demise, but progressive social policy remained intact, as did the project of ending addiction to Soviet oil and emphatically beginning a transition to a post-carbon society.

In the period 2017-20, the dominant alignment appears to be a combination of far-right socio-cultural politics with mega-corporate interests, at least in the US. (In Britain, the City of London's financial-corporate agenda conflicts more explicitly with the far-right's Brexit strategy.) It became clear immediately after the election that Wall Street's giddy investors expect military, financial and fossil fuel industry stocks to prosper far more than any others, as the Dow Jones index hit a new record. Trump promises to lower corporate taxes from 35 to 15 per cent and rapidly inject what might be called 'dirty Keynesian' spending on airports and private transport infrastructure, heralding a new boom in US state debt. Along with the Federal Reserve's rise in interest rates, this in turn will at least initially draw more of the world's liquid capital back into the US economy, similar to the 2008-09 and post-2013 shifts of funds that debilitated all the BRICS currencies aside from the Chinese yuan. So while there may be a slight uptick in demand for commodities such as copper and steel, the broader process of Trumponomics appears highly unfavourable to Africa.

With Trump's election and the resulting rearrangement of geopolitical alliances and economic uncertainty, the BRICS will be under increasing pressure on several fronts. One winner may well be the Russian economy, as a result of loosening sanctions and the higher oil prices that will likely result from the December 2016 Organisation of Petroleum Exporting Countries agreement. At rock bottom in February 2016, the price per barrel had fallen to $27, but by year's end it was $55, giving some prospect of relief to the Russian economy. Nevertheless, as the world becomes more geopolitically dynamic and economically dangerous – what with ongoing Chinese overcapacity, unprecedented global corporate debt while profit rates continue falling, worsening stagnation and rising financial meltdown risks emanating from weak European banks such as Germany's Deutsche as well as several Italian banks – the political coherence of the BRICS bloc is in question.

Trump's election heralded a period ahead in which the BRICS' claim to building a counter-hegemonic world politics will falter even faster. Two leaders – Temer and Modi – have strong ideological affinities as conservative nationalists. Temer's government, installed under extremely dubious circumstances in May 2016, has come under intense pressure. Ongoing popular delegitimation of his constitutional-coup regime stems in part from unions which had supported the predecessor Workers Party as well as anti-austerity protesters. Temer's closest allies (e.g., Renan Calheiros and Eduardo Cunha, who arranged former president Dilma Rousseff's downfall in the Congress, and six of his cabinet ministers) were repeatedly exposed as far more corrupt than the prior president, thanks in part to plea bargain confessions by 77 officials of the Odebrecht construction companies involved in political bribery. In December 2016, Temer's government imposed a new 20-year austerity regime that is certain to generate a coming period of unrest. Temer's two 2016 trips to Asia – to appear with the G20 and especially with other BRICS leaders at the Goa summit – represent one means of distraction from such troubles.

In India, just six weeks before hosting the 2016 BRICS summit, the country witnessed a strike of an estimated 180 million workers who demanded both higher wages and an end to Modi's neoliberal (austerity-oriented, pro-corporate) economic policies. Although his Hindu nationalism assures a strong base, Modi soon became even more unpopular with the non-sectarian working class and poor (amongst others) due to his chaotic banning of large currency notes (500 and 1000 rupees) that make up 86 per cent of the money in circulation. This left many rural areas virtually without cash and hence without economic activity, and banks were compelled to restrict funds withdrawals to small daily amounts. Modi also attempted, albeit unsuccessfully, to use the Goa summit for intense 'anti-terrorist' lobbying. The economic and political links that China and Russia have built with the Pakistani government – as it has progressively delinked from Washington in the wake of the 2011 Osama bin Laden execution – remain more attractive than remaining in India's favour within the South Asian rivalry.

Another BRICS leader, South Africa's Jacob Zuma, seems to require anti-imperialist myth-making to shore up internal legitimation. For example, in November 2016 Zuma explained BRICS to party activists in the provincial city of Pietermaritzburg: "It is a small group but very powerful. [The West] did not like BRICS. China is going to be number one economy leader… [Western countries] want to dismantle this BRICS. We have had seven votes of no confidence in South Africa. In Brazil, the president was removed." The following week in Parliament, Zuma was asked by an opposition Member of Parliament which countries he meant, and he replied, "I've forgotten the names of these countries. How can he think I'm going to remember here? Heh heh heh heh!," he chuckled.[3]

It is evident that Zuma will continue to use the BRICS as a foil for such defensive sentiments, even though his government's initial endorsement of the NATO bombing of Libya in 2011 was the most egregious case of the BRICS' geopolitical role in Africa, against the African Union's wishes (and to be fair, Pretoria did reverse course and opposed further intervention). But at the conclusion of his 2014 meeting with then US President Barack Obama as part of a US-Africa heads-of-state summit, Zuma identified a chilling conclusion that reflects sub-imperial service: "There had been a good relationship already between Africa and the US but this summit has reshaped it and has taken it to another level… We secured a buy-in from the US for Africa's peace and security initiatives… As President Obama said, the boots must be African."[4]

As for the African continent's prospects, they were relatively weak as the millennium dawned, even before the BRICS were conceptualised (in 2001 by Goldman Sachs) much less in their current form (in 2010 South Africa was added to the BRIC group). The liberation of South Africa from apartheid in 1994 portended a more aggressive economic role for Johannesburg capital in Africa, with these firms still the largest source of Foreign Direct Investment (FDI) on the continent. Also playing an accommodating role were the Pretoria government's PanAfrican political leadership in the 2001 New Partnership for Africa's Development (Nepad), the 2003 African Peer Review Mechanism (APRM), the controversial election to the African Union's chair of President Jacob Zuma's ex-wife Nkosozana Dlamini-Zuma from 2012-16 and Zuma's 2015 push for a military-oriented 'African Capacity for Immediate Response to Crises.' South Africa intervened to 'keep peace' in nearly a dozen African sites (but with mixed results and occasional disasters). But as we will see, it in is the 'gateway' function for BRIC allies that South Africa's role in lubricating sub-imperialism has been most devastating. And the global economic context for that role is equally vital.

As world economy stagnates, Africa again falls into crisis

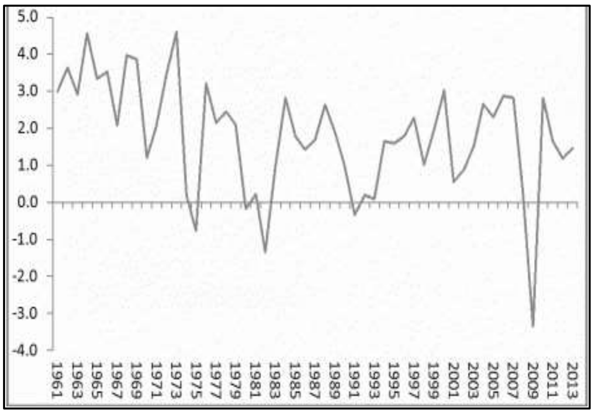
Three core processes influenced the economic process behind globalisation and then neoliberalism, which together created depression in Africa during the 1980s-90s and then a 2002-11 'Resourced Cursed' revival that confused many superficial observers into declaring 'Africa Rising!' First, dating to the early 1970s, the durable, recurring problem of overproduction was witnessed in huge gluts in many markets, declining increases in per capita GDP growth (from 3.6 per cent during the 1960s to 2.2 per cent during the 1970s to 1.2 per cent during the 1980s to 1.1 per cent during the 1990s and 1.3 per cent during the 2000s), and falling corporate profit rates. The result was a series of periodic crises. But these were displaced and mitigated by shifting the problems around using new geographical flexibility, and also by deploying credit so as to stall problems into the future, at the cost of much more severe tensions and potential market volatility in different places and over the years ahead.

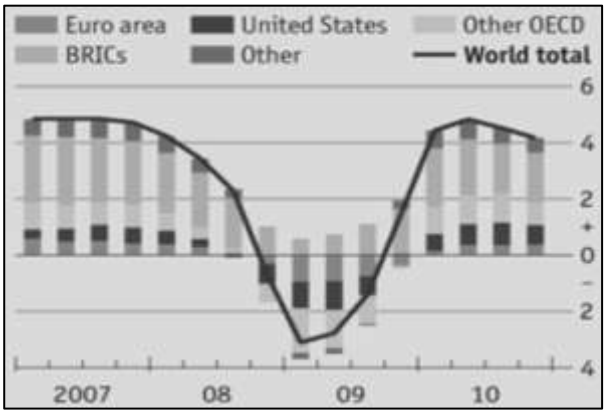
What this meant for Africa, as we will observe, was a sudden increase in demand for ever higher-priced commodities after 2000, as the world's uneven development required new infrastructure investment especially in China. But the super-cycle led to Africa's addiction to export-led growth, whose profits were captured by transnational corporations prone to non-declaration of assets (with a small amount channelled to local rentiers, especially politicians and military officials as the case of Zimbabwe's Marange diamonds illustrates so well). With the collapse of the commodity super-cycle bubble in 2011-15, there were deep-seated crises for Nigeria, Angola and many other countries suffering such extreme primary product dependence.

Second, the temporary dampening of global crisis conditions was also achieved through increased credit resulted in the expansion of financial capital – especially in real estate but other speculative markets based upon trading paper representations of capital ('derivatives') – far beyond the ability of production to meet the paper values. Regular financial meltdowns reflected this profound contradiction, exemplified by the 2008 crash and the 2009-11 reflation of the economy through printing paper money, bank bailouts and negative real interest rates. The impact of G7-country debt relief for Africa in 2005-06 was suddenly offset by a large increase in Chinese-supplied credit (which was often associated with minerals or petroleum extraction as collateral), as Sub-Saharan Africa's foreign indebtedness doubled to $400 billion by 2016.

Third, geographical shifts in production and finance continue to cause economic volatility and regional geopolitical tensions. These contributed to unevenness in currencies and markets as well as pressure by transnational corporations to delve not only into more intense market relations, but also non-market spheres of society and nature, in search of restored profitability. When profits made from brand name controls and intellectual property were sent to the transnational corporate headquarters, they partially made up for the declining industrial production and growing trade deficits in many countries (especially English-speaking). Africa was also in deficit for most of the era, although the 2002-11 commodity super-cycle provided some relief. The trade surplus countries were mostly Japan, China, South Korea, other Asian exporters, Germany and the Middle Eastern oil-producing economies. Their trading and profit flows began to diverge widely and wildly, until 2008 began to rebalance matters as a result of a crisis and subsequent 'deglobalisation' process.

World real GDP per capita growth (per cent); and GDP as BRICS led during last crisis



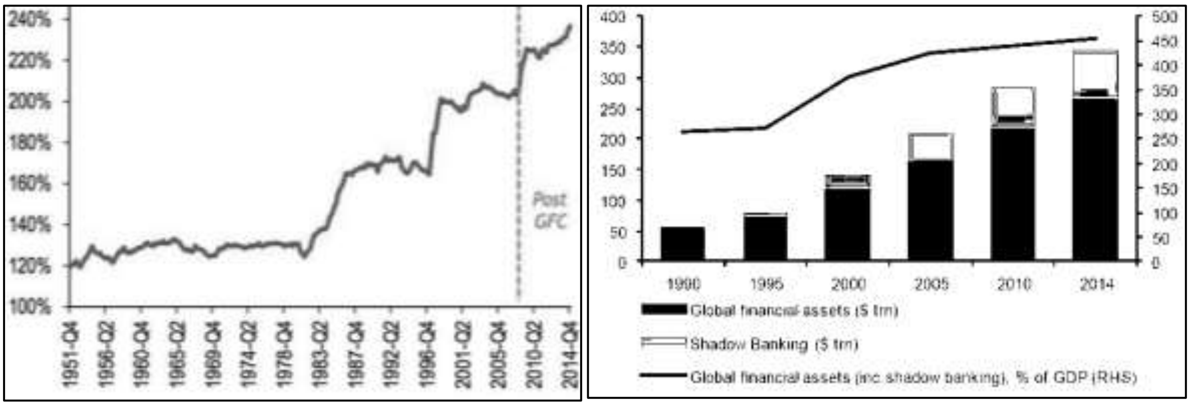


Source: Michael Roberts and *The Economist*

By 2011, the main contributors to recovering global growth were the BRICS countries. Aside from a brief 2009 recession in South Africa, all had continued to grow at world-leading rates through the 2002-11 commodity super-cycle. But most benefits of growth in this era went to the global corporations which took advantage of minerals, petroleum, production and retailing networks, all of which were interconnected by the world's largest financial institutions. Increasing power was witnessed in capital's financial circuits as well, as the credit ratings agencies Moody's, Fitch and Standard & Poor's gave Brazil and Russia junk status, and South Africa was regularly threatened in 2016.

Not only did this network succeed in deregulating large areas of world finance (especially with 'shadow banking' securitisation techniques after 2000), the financiers raised debt levels of states, corporations and households to unprecedented heights: from 125 per cent of world GDP in 1980 to 200 per cent in 2008 and then, with the global bailout, to 240 per cent by 2015. Financial assets rose from 220 per cent of world GDP during the early 1990s to 350 per cent by 2014, leading logically to the next round of economic crises. The major question, then, would be whether multilateral institutions would help Africa adjust, in contrast to the post-war era's control of those institutions by the metropole countries. As ever, the problem arose as to whether BRICS' role in multilateralism attenuated or amplified the underlying adverse power relations.

Rise in global debt (per cent of GDP) and of financial assets



Source: IMF and Credit Suisse

BRICS and multilateral assimilation

Simultaneously, South Africa and the other BRICS increased their footprint in Africa. The 1990s-2000s rise of Chinese trade and parastatal investment (albeit with uneven flows) raised the continent's level of GDP, at the same time the continent's overall wealth shrunk dramatically due to (net negative) natural capital depletion in nine out of every ten countries. The Forum on China-Africa Cooperation met every three years from 2000-15, and at the last summit in Johannesburg announced notional Chinese commitments of $60 billion, along with a 'reindustrialisation' strategy for light manufacturing enterprises with Ethiopia in the vanguard. From 2003-16, Brazil's Workers Party leaders made encouraging sounds about a benign approach by its corporations and development aid mechanisms in Lusophone Africa (Angola, Mozambique and Cape Verde). In New Delhi, an India-Africa Forum Summit to promote interstate and business relations was held in 2008, and again in Addis Ababa in 2011 and New Delhi in 2015 The latter meeting generated a $10 billion Indian commitment before 41 heads of state in attendance (up from 10-15 in the prior two). Even the least active of the BRICS, Russia, was meanwhile promoting nuclear energy, arms, transport, mining and petroleum deals in more than a dozen African countries. (In competition, Barack Obama's 2014 meeting with most African leaders in Washington had a $37 billion deal-making headline.)

In short, prospects for an ever-greater BRICS role in Africa created enormous optimism. But reality has begun to set in. Starting in 2011 and speeding up in 2015, the crash in commodity prices signified the exhaustion of Chinese Keynesian infrastructure expansion and left African materials exporters with enormous excess capacity and debt. The BRICS countries' role in world trade amplified economic and political contradictions associated with generalised world capitalist overproduction and global governance failure; this was evident at the WTO's revitalisation in December 2015, as the Nairobi summit had devastating implications for food sovereignty in Africa as well as in the BRICS themselves.

The WTO was the second multilateral institution whose neoliberal power was amplified in December 2015 thanks largely to the BRICS, at a ministerial summit in Nairobi that achieved a breakthrough in negotiations to great relief for the world's elites. A vital feature was that three of the BRICS are in formal alliance with the EU and US as the 'G5,' the most important bloc, one generally opposed to what in 2003 formed as the trading-bloc G20, comprising the larger poor and middle-income countries which traditionally opposed the West's power. The BRICS' own divisions are legion, starting with Russia's role as a 'developed' not developing economy.[5] For many years South Africa acted decisively in opposition to the interests of Africa, with Pretoria's trade minister Alec Erwin even nominated by *Foreign Policy* journal to become the WTO's leader after he performed to the North's satisfaction in various of the insider 'Green Rooms' and as a 'Friend of the Chair.'[6] In 2013, after fruitless efforts by Director General Pascal Lamy to restart the stalled 2001 Doha Agenda, the WTO was given a new leader: the Brazilian negotiator Roberto Azevêdo, who pro-trade bias was just as strong.

Moreover, according to the (ordinarily pro-BRICS) Malaysian NGO Third World Network (TWN), Brazil conspired with the United States and the European Union at the WTO to ensure "that India did not get the language it proposed" to maintain vital food subsidies, a defeat which in coming years will lead tens of millions of Indian peasants to suffer. As TWN's Chakravarthi Raghavan put it, "on the eve of Nairobi, Brazil unilaterally abandoned the G20 alliance to join the US and EU, in trying to act against China and India," not to mention against the world's poor. [7] Azevêdo and Kenya's hosting chairperson agreed, according to Horace Campbell, "to exclude 'African issues' from the agenda while simultaneously pushing through the Expansion of the Information Technology Agreement, which benefits US corporations." [8] The WTO thus became far more hostile to African interests thanks in part to a few of the BRICS countries' interventions.

Nevertheless South Africa signed on to the Nairobi WTO deal, in yet another case of talk-left walk-right. Reflecting Pretoria's tendency towards assimilation not opposition, Azevêdo remarked in March 2017 at the University of Cape Town,

> South Africa remains a central player in the system today, as a leading voice in the African Group of WTO members, and in all aspects of our work. In fact, your current representative in Geneva, Ambassador Xavier Carim has recently been appointed as chair of the WTO's Dispute Settlement Body. This is one of the most prominent positions in the

organisation… It stands testament to South Africa's leadership in the trade debate today.[9]

African reactions to the WTO debacle were muted, but at least in the wake of the mid-2016 Brexit vote by United Kingdom, there appeared to be increasing resistance to European Union neoliberal penetration in the form of Tanzanian and Ugandan state retraction of commitments to join the European's Economic Partnership Agreements. The other 2016 incident that showed a rethink of Africa's persistent trade deficit with a more advanced industrial power, namely South Africa, was a ban imposed on many imports that typically moved across the Zimbabwe border. The policy kicked in as Zimbabwe ran short on US dollars, so was less a strategic than desperation strategy to preserve the country's currency and reduce the trade deficit. South Africa also came under pressure from both local steel companies and trade unionists to bloc steel imports from China (whose net exports soared from -35 million tonnes to 100 million from 2005-15 as China raised its share of world production from 30 to 50 per cent over that decade), and as a result, trade minister Rob Davies imposed a 10 per cent special tariff in 2015.

These were small initiatives by countries with highly erratic leaders known more for zig-zagging in diverse ideological directions than any consistent policy stance. Still, in opposition to the persistent ideology of free trade, such desperation-protectionism might in future years be repeated and become the basis of an import-substitution industrialisation strategy. But that in turn would require new governments opposed to neoliberalism, whereas the trends in the BRICS were basically in the other direction, especially in Brazil and India, with South Africa still obeying the dictates of the major credit ratings agencies more than its own people. The other important development in the wake of the post-Cancun WTO malaise was the rise of Bilateral Investment Treaties (BITs) and bilateral trade deals. Brazilian scholar Ana Garcia's critiques of BITs clarifies how damaging these have been to Africa, especially where BRICS countries have dominance.[10]

As the Nairobi WTO deal was concluded, in the same month in Washington (December 2015), the 2010-15 IMF restructuring negotiations were also finalised with US Congress approving a new voting regime. Four BRICS countries' increases won major increases in 'voice.' Three years earlier, in 2012 the IMF had been recapitalised (through a credit mechanism) with $75 billion from the BRICS: China gave $43 billion; Brazil, Russia and India gave $10 billion each; and South Africa gave $2 billion. In return, in December 2015, four of the five BRICS received major increases in their voting power: China by 37 per cent, Brazil 23 per cent, India 11 per cent and Russia up 8 per cent. Yet the US still would not give up its veto power – being the only country with more than 15 per cent required – and the BRICS' total vote is now just 14.7 per cent. Worse, the deal that made this rise possible was detrimental to seven African countries which lost more than a fifth of their IMF voting share: Nigeria lost 41 per cent of its voting power, along with Libya (39 per cent), Morocco (27 per cent), Gabon (26 per cent), Algeria (26 per cent), Namibia (26 per cent) and even South Africa (21 per cent).

One facet of Africa's decline at the IMF is its inability to maintain currency strength in the face of the commodity crash. This was especially apparent in the period after mid-2011 when, for example, the South African rand peaked at R6.3/$. By January 2016, after a run apparently begun by Goldman Sachs, the rate was R17.9/$, although by mid-year it recovered and stabilised around R13.4/$. Other African currencies collapsed during 2014-15, with Zambia losing half the kwacha's worth, and the values of currencies from Angola, Namibia, Uganda and Tanzania down more than a fifth over 12-month period.

Finally, the December 2015 Paris Agreement confirmed Africa's victimisation by climate change, mainly because the BRICS allied with historic greenhouse gas emitters, especially the United States and European Union, in a deal celebrated by polluters because not only are (weak) emissions cut commitments non-binding (with no legal accountability for violations), there is no longer a prospect of legal liabilities (the 'climate debt') against the wealthy countries for their role in what are likely to be 200 million additional African deaths this century due to extreme weather, droughts and increased temperatures. According to Oscar Reyes, seven fatal flaws in the agreement stand out:

1) the targets are ambitious, but unlikely to be met (hence serving as a greenwash)
2) there are no legally-binding targets to cut emissions
3) there was no new money promised to developing countries
4) reparations are now legally off limits (no 'climate debt' can be sued for by victims)
5) oil, gas and coal producers are not compelled to leave fossil fuels unexploited
6) the deal opens the same carbon-trading loopholes that undermined prior climate deals
7) sources of greenhouse gas emissions from international shipping and flights, and from military-related emissions, aren't included[11]

Reyes singles out the role of Brazil in combining forces with the EU — against Bolivia — to "open the same carbon trading loopholes that undermined the last global climate deal." Since 2009, the BRICS were vital participants in the degeneration of global climate policy, as four of their leaders ("BASIC") were the original co-signatories (along with Obama) of the Copenhagen Accord. Perhaps by mistake, John Kerry (later US Secretary of State) labelled Zuma, Lula da Silva of Brazil, Wen Jiabao of China and Manmohan Singh of India the 'four horsemen'; the tag is accurate, in terms of climate damage to Africa caused by the 2009 deal and its successors. The Copenhagen Accord was mainly authored by the US State Department and then, as leaks by the US military-intelligence whistle-blower Chelsea Manning in early 2010 proved, was adopted by many poor and climate-vulnerable countries in Africa only thanks to bribery and bullying by the State Department's Todd Stern (Bond 2012). Only one of the BRICS has hosted a COP, Durban in 2011, and Washington immediately claimed victory. As documented by WikiLeaks (after liberating Hillary Clinton's private email server), Stern bragged to Clinton that in relation to the Green Climate Fund, "We left Durban with virtually everything we sought." His team had destroyed the 'firewall' between rich and poor countries (the latter were not, in the 1997 Kyoto Protocol, required to make emissions cuts).[12]

In this context of worsening political economic and political ecological devastation traceable to both the BRICS and Western powers, there are also worrying socio-cultural backlashes against BRICS firms and citizens operating in Africa (and likewise within BRICS against Africans – especially African immigrants to South Africa). The one example of constructive intra-BRICS solidarity and multilateral institutional reform, a struggle which has saved millions of lives of HIV+ Africans already, is the violation of Intellectual Property on

AntiRetroViral (ARV) medicines by Brazil and India starting in the late 1990s. South African activists and allies forced the world to accept that these should become available as generic supplies so as to improve ARV access for more than 40 million HIV+ people including 6 million in South Africa. This required protest against Big Pharma, the WTO's Trade Related Intellectual Property System and governments in Pretoria and Washington. The campaign was successful in 2001 at the WTO and in 2004 within South Africa. The model of 'brics from below', which will be required to link hinterland-African anti-extraction and debt activists to South African and other BRICS counterparts in that spirit, is probably the only positive feature of the transition of the 'emerging powers' into what now appear to be, at least in the cases of Brazil, Russia and South Africa, *submerging*, albeit still explicitly *sub-imperial* powers.[13]

In short, the main forces drawing Africans into the world economy and multilateral institutions appear uniformly destructive. The 2002-11 commodity super-cycle peaked just at the point that Africa Rising rhetoric was ramped up, apparently so as to encourage the continent's elites to continue trade and investment liberalisation aimed at more intense extractivism, even when this was obviously not in their economies' interests. In part because the value of minerals and petroleum exports shrunk, the continent's foreign debt doubled to more than $400 billion after the West's (partial) debt relief in 2006. FDI flowed into Africa more rapidly until a 2015 reversal, but was mostly directed at the extraction of primary commodities in a process that (unlike Australia, Canada and Norway with similar commodity export orientations) left African countries 'resource cursed,' losing far more in depleted minerals and petroleum than regained via the capital account.[14] The West's foreign aid to Africa shrunk dramatically after the Cold War ended in 1990, and subsequent increases after 2000 translated only into marginal gains (e.g. in education and health). However, the Forum for China-Africa Cooperation has recently heralded a dramatic increase in aid and credit availability, though not without complications. One of these is the way companies from China and other BRICS countries ruthlessly exploit the continent.

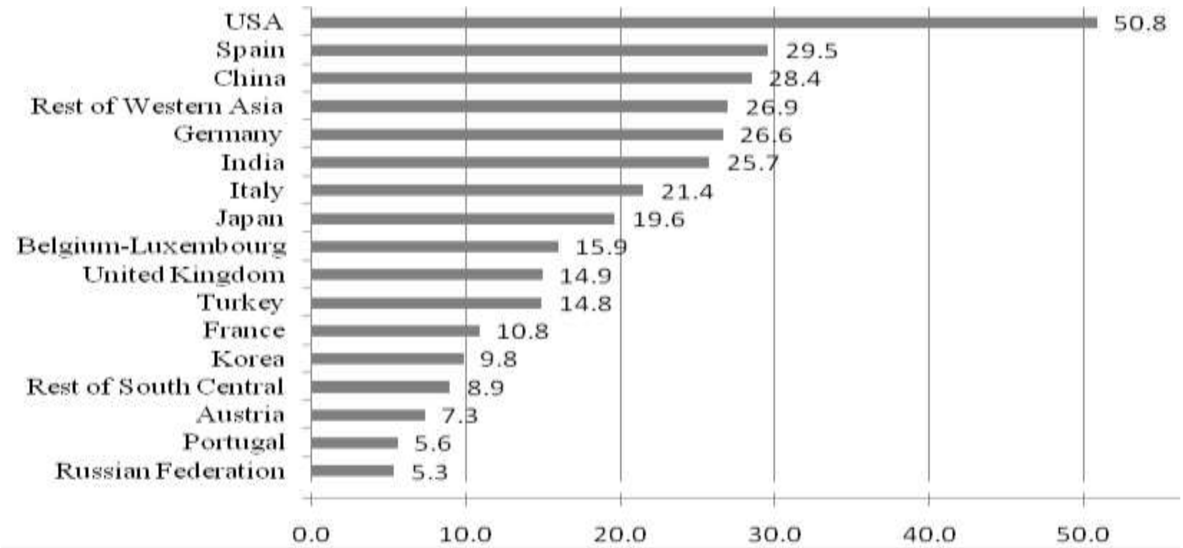
BRICS corporations and the underdevelopment of Africa

Africa has been overwhelmed by the attention of BRICS corporations, seeking investment, trade and financing opportunities on the continent that, before the commodity price crash, provided the world's highest rate of return.[15] The rate of trade between Africa and the major emerging economies – especially China – rose from 5 to 20 per cent of all commerce from 1994-2014. But China is not alone in spurring this growth; in 2010, 17 out of Africa's top 20 companies were still South African, even after extreme capital flight from Johannesburg a decade earlier, which saw Anglo American, De Beers, SA Breweries and Old Mutual relocate to London. From 2000-14, the rate of imports from Sub-Saharan Africa as a share of total imports rose from 2 per cent to 12 per cent.

As the then deputy foreign minister Marius Fransman put it before the BRICS Durban summit in 2013, "South Africa presents a gateway for investment on the continent, and over the next 10 years the African continent will need $480 billion for infrastructure development."[16] Still, the huge push of South African FDI up-continent occurred prior to the peak of the commodity super-cycle in 2011, at which point several Sub-Saharan African countries witnessed contraction in South African firms' share of the FDI-host country's GDP in the period 2010-14: Mozambique, Namibia, Swaziland, Malawi, Madagascar, Nigeria and Angola. (Other countries witnessed even greater domination of their markets by South African firms in this period: Zimbabwe, Lesotho, Botswana, Ghana, Zambia and Tanzania.) [17]

In part because of Illicit Financial Flows (IFF), Leonce Ndikumana argues, Africa is both "more integrated but more marginalised."[18] The marginalisation associated with IFFs is well established, and this occurs particularly when Western and BRICS corporations externalise profits from oil, mining and metals. The United Nations Economic Commission on Africa estimated that $319 billion was transferred illicitly from Africa during the commodity super-cycle (from 2001-10), with the most theft in Metals, $84 billion; Oil, $79 billion; Natural gas, $34 billion; Minerals, $33 billion; Petroleum and coal products, $20 billion; Crops, $17 billion; Food products, $17 billion; Machinery, $17 billion; Clothing, $14 billion; and Iron & steel, $13 billion. As destinations for this wealth, the US was the leading single destination at $50 billion; but China, India and Russia were responsible for $59 billion of the $319 billion identified as IFF (Brazil is not recorded in the top 17 and South Africa is not included).[19]

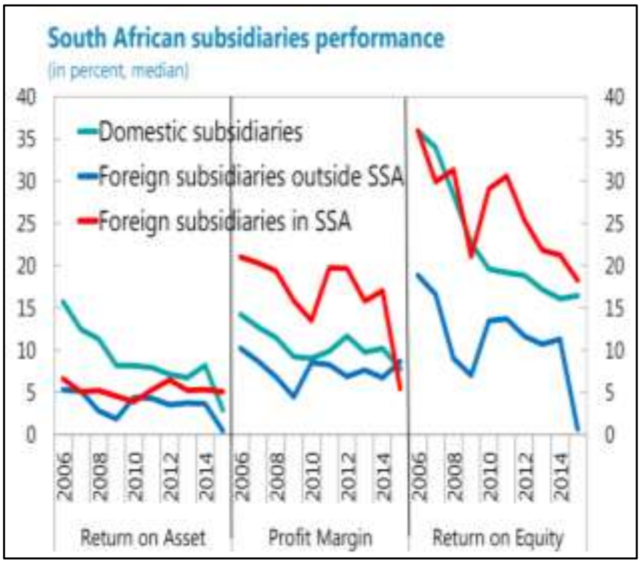
Cumulative FDI from Africa by destination, 2001-10

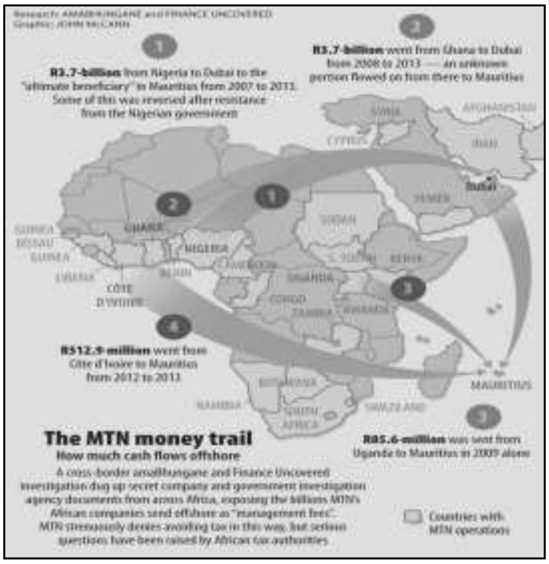


Other studies have similar findings. Thabo Mbeki's celebrated 2015 UNECA report estimated that IFFs drained Africa of $80 billion per year.[20] The NGO Global Financial Integrity estimated South Africa's IFFs alone accounted for $21 billion annually from 2004-13.[21] And as the commodity super-cycle ended decisively by 2015, African FDI fell from its $66 billion peak annual inflow in 2008 to a level of $50 billion by 2015, yet each year, in addition to *illicit* financial outflows, there were more tens of billions of 'licit' (legal) flows in the form of dividend expatriation that created extreme balance of payments deficits in many countries.[22]

South African firms' profits drawn from the rest of Africa are revealing. Although 'return on assets' as a measure was slightly lower, the profit margins of South African corporate subsidiaries in Sub-Saharan Africa were far higher from 2006-14 (ranging from 15-22 per cent) than either those firms' domestic subsidiaries within South Africa (10-15 per cent) or their subsidiaries in other destinations (5-10 per cent), according to a 2016 International Monetary Fund report. Only in 2015 did the profit margin for Africa fall below the others, as the commodity crash became decisive, as currencies crashed and as austerity was rapidly imposed on many citizenries. Led by MTN and Vodacom cell phone networks, more South African companies are operating in the services and information sector (36 per cent of all investment) than any other, followed by finance (23 per cent), wholesale and retail trade (16 per cent), construction, utilities and transport (9 per cent), real estate (7 per cent) and then mining and oil (7 per cent).[23]

Mail&Guardian investigators tracked MTN's profit flows and it appears that the continent's leading cellphone company drew out hundreds of millions of dollars from African countries and externalised them to Mauritius bank accounts, at a time the chair of the company was Cyril Ramaphosa.[24] (By 2014 he had divested his shares, as he took up the post of South African deputy president.) MTN was also fined $1.05 billion by the Nigerian government in 2016, because in August 2015 it had failed to disconnect more than five million customers who had not registered their details for surveillance purposes, followed by a Boko Haram kidnapping the following month utilising an MTN account with a burner cellphone. Zuma had intervened with the Nigerian government on MTN's behalf, apparently succeeding in reducing the fine from $3.9 billion, but MTN lost a third of its stock market value in the process. Nigeria's desperation to raise funds for the state also reflected the crash in the oil price, from $145 to $26 per barrel from the 2008 peak to the 2016 trough.



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Khulubuse Zuma's R100bn oil deal

2014-05-18 15:01

City Press

Controversial business tycoon Khulubuse Zuma is sitting on a R100?billion oil fortune in the Democratic Republic of Congo (DRC),?which he allegedly obtained with the help of his uncle, President Jacob Zuma.

A City Press investigation has discovered that President Zuma played a crucial role in a 2010 decision by DRC President Joseph Kabila to allocate two oilfields in the northeast of the country to his nephew.

Another equally dubious high-profile South African operation up-continent, partly run through Mauritius and other offshore financial centres, was Zuma's nephew Khulubuse's oil operation in the DRC, said to be worth $10 billion when the concession was given to Zuma in 2010 (although there were unconfirmed reports he had sold the interests by September). Not far away, 1350 SANDF troops were stationed as part of the United Nations Organisation Stabilisation Mission in the Democratic Republic of the Congo (MONUSCO), and in early 2016 it became apparent they were not necessarily there only for 'peace-keeping' against warlords, as a massacre occurred that month under their noses. Their proximity to Zuma's Lake Albert oil concessions may be worth considering as an alternative explanation, for as Belgian Royal Museum for Central Africa analyst Theodore Trefon put it, "Deployment of South African troops in the Intervention Brigade set up by the United Nations in March 2013 to reinforce MONUSCO in eastern DRC is an indication of President Zuma's motivation to stabilise the region for economic reasons."[25]

Such linkages between military and corporate power were identified as structurally logical within a 2009 report by the intelligence firm Stratfor (as revealed by WikiLeaks):

> South Africa's history is driven by the interplay of competition and cohabitation between domestic and foreign interests exploiting the country's mineral resources. Despite being led by a democratically-elected government, the core imperatives of South Africa remain the maintenance of a liberal regime that permits the free flow of labour and capital to and from the southern Africa region, as well as the maintenance of a superior security capability able to project into south-central Africa… the ANC government knows that it can bring its influence to bear to present South African companies favorably to gain mining concessions.[26]

The entire range of deals involving Khulubuse Zuma remains opaque notwithstanding the 2016 Panama Papers revelations, in part because his firms responsible for the 3-billion barrel DRC oil deal, Caprikat and Foxwhelp, are also allegedly owned by Dan Gertler, the Israeli mining billionaire with extremely close ties to DRC president Joseph Kabila, and Jacob Zuma's lawyer Michael Hulley. Two other linkages are Tokyo Sexwale, the former housing minister and premier of the wealthiest South African province, Gauteng, and his long-time associate Mark Willcox. Sexwale is a mining tycoon following his first stint in government (1994-99), who in 2016 unsuccessfully attempted ran in an election to lead the world soccer federation FIFA in the wake of its multiple leadership corruption scandals. Willcox and Sexwale are on record as giving 'strategic advice' to Khulubuse Zuma.

In August 2016, the US Securities and Exchange Commission (SEC) prosecuted New York fund Och-Ziff Capital Management Group for bribery in several African locales, implicating South Africans with close associations to both Khulubuse Zuma and Sexwale. Just as in the eastern DRC, the Och-Ziff (imperialist) project of advancing risk capital at high rates required a fusion of finance with (sub-imperialist) mining and security capacities. According to the SEC, Cape Town-based Walter Hennig's Palladino Holdings joined Och-Ziff Capital Management Group and Sexwale's Mvelaphanda Holdings in 2008 to invest in natural resources across Africa. Hennig and his associate Samuel Mebiame (whose father was a former Gabonese prime minister) are alleged by the SEC to have bribed Guinea's President

Alpha Condé as well as officials from Chad.[27] Och-Ziff reached a settlement, anticipating a $414 million fine from Washington, but Pretoria's prosecution of corruption is notoriously lax, and indeed the PricewaterhouseCoopers *Economic Crimes Surveys* have named the South African corporate elite as the world's most corrupt in its last two reports, in 2014 and 2016.[28]

According to analyst Gary Busch of Chunguza Associates, Caprikat and Foxwhelp continued their nominal ownership and control, and used Mvelaphanda Holdings for a legal address:

> This is a pattern of Sexwale's business style. He allies himself with white European oil professionals and with some outside financial institution whose money he uses. He adds a political presence and, in the case of South Africa, blackness which gives points under the Black Empowerment rules.
>
> Whatever the tie-ins it is clear that Sexwale is deeply involved in this business. This is generally the way he works. The individual managers of his companies are professionals and competent. However, they are employees, not principals. Much of the money backing Sexwale originates from overseas investors and the difference is made up by access to the investment funds of the ANC. So the DRC projects should be seen as a continuation of these practices. [29]

Another case of extremely questionable behaviour in Africa was the Indian mining house Vedanta, whose extreme profiteering in Zambia represents the BRICS' amplification of Western extraction systems. Its chief executive Anil Agarwal bragged to a large audience in 2014 that he had bought Africa's largest copper mine, Konkola, from the Zambian government for $25 million after privatisation pressure from the Bretton Woods Institutions. Amidst growing controversy over ecological and social damage in the mining zone, every year since Agarwal exported *profits* of $500 million to $1 billion annually.[30]

Other Indian mining and smelting firms (Arcelor Mittal, Tata, Jindal, Coal India) were also aggressive, but were also victims of generalised overproduction in steel and coal. Arcelor Mittal closed several South African foundries as the steel oversupply hit hard in 2015-16, and Tata's losses driving it to bankruptcy in several settings, including Britain. South African authorities regularly accused Arcelor Mittal of inappropriate corporate behaviour in what was formerly the giant ISCOR state steel company, especially overpricing and failing to reinvest its profits in South African operations.[31] In 2015, the second largest South African steel firm, Evraz Highveld (formerly owned by Anglo American), was placed into bankruptcy by Roman Abramovich (the Russian tycoon who owns the Chelsea soccer team), with similar state and trade union allegations that the South African branch plant was being milked of profits and ultimately asset-stripped.[32] In short, membership in BRICS did not prevent South Africa from the kinds of internecine capitalist competition that can prove so ruinous.

Video reveals Agarwal's $500 million a year profit at KCM!

May 12, 2014 Uncategorized Anil Agarwal, copper, Corruption, Foil Vedanta, KCM, London, Mining, Pollution, protest, Repression, solidarity, worker's deaths, Zambia lankoid

12th May 2014. A video released by activists from Foil Vedanta today, shows Vedanta boss, and 69% owner, Anil Agarwal, telling a large audience how he bought Konkola Copper Mines in Zambia for just $25 million, rather than the $400 million asking price, and receiving loud cheers when he states that the company brings in $500 million in profit each year. Foil Vedanta had previously released figures from Vedanta's annual reports showing that the company made $362 million in 2013, but Vedanta CEO Tom Albanese had disputed this during his visits to Zambia in February, repeating the previous claim that KCM was making a very low profit or a loss due to high operational costs and taxes.

Zambian villagers take mining giant Vedanta to court in UK over toxic leaks

Fears of environmental catastrophe as report finds 'constant contamination' of streams around copper mine while locals report health problems and failed crops

A London-listed mining giant has been polluting the drinking water of villages in Zambia and threatening a wider health disaster, the *Observer* has found.

Leaked documents and a confidential internal report commissioned from Canadian pollution control experts show that Vedanta Resources' giant mine in Zambia's Copperbelt region has been spilling sulphuric acid and other toxic chemicals into rivers, streams and underground aquifers used for drinking water near the mining town of Chingola.

In at least one case, Zimbabwe's Marange diamonds, the extraction of billions of dollars by Chinese-linked firms provided a classic 'resource curse' example, one which even Mugabe in March 2016 complained had cost Zimbabwe $13 billion in unknown revenues, with just $2 billion in documented extraction. The key figure was Hong Kong-based entrepreneur Sam Pa, China's most prolific deal-maker in Africa. In 2014, the *Financial Times* revealed Pa's Queensway Group had operations "worth tens of billions of dollars" mainly in repressive regimes. In 2013, Pa had channelled vast sums to Mugabe's victorious election campaign via Zimbabwe's military. During the country's 2009-13 'unity' government, the Treasury was controlled by Mugabe's enemy, Finance Minister Tendai Biti of the Movement for Democratic Change, who long complained about lack of revenue. Pa was jailed in 2015 for reasons that are still mysterious. From 2003 onwards, Mugabe had established a 'Look East' philosophy after Western sanctions were imposed on more than 100 top politicians linked to human rights violations. To be sure, China-Zimbabwe fraternal anti-imperialist rhetoric remains strong, based on Beijing's admirable support for the 1966-79 liberation war led by Mugabe against white Rhodesian colonialism. But in the diamond fields, the contemporary record includes repressive territorial control by a dictatorship state, mass murder (hundreds of artisanal miners killed in November 2008), the displacement of thousands of residents, labour exploitation and enormous environmental damage. The South African firm De Beers had previously begun to operate the same fields but in 2006 failed to persuade Mugabe's mining officials that Marange was being suitably developed.[33]

Other Chinese projects have been criticised, e.g. Botswana's coal-fired power-plant failed, and Zambia's disastrous hydro-electricity expansion suffered allegations of sub-standard Chinese equipment that excessively reduced the Kariba Dam's water level. Other notorious mega-project failures, according to the *Wall Street Journal*, include China Railways in Nigeria ($7.5 billion) and Libya ($4.2 billion), Chinese petroleum in Angola ($3.4 billion) and Nigeria ($1.4 billion), and Chinese metal investors in the DRC and Ghana ($3 billion each).[34] The renewal of the Forum on China-Africa Cooperation in December 2015 did nothing to assuage critics of the type of Chinese investment and credits, and their appropriateness in a post-commodity super-cycle environment.[35]

Undone | Top 10 stalled, failed or canceled China-Africa deals

Announcement	Investor	Invested country	Sector	Deal value, in billions
2006	China Railway Construction	Nigeria	Transport	$7.5
2011	China Railway Construction	Libya	Transport	4.2
2007	Sinopec	Angola	Energy	3.4
2009	Ex-Im Bank	D.R. Congo	Metals	3.0
2012	Sinomach	Gabon	Metals	3.0
2011	China Development Bank	Ghana	Energy	3.0*
2011	Sinohydro	Libya	Real estate	1.8
2007	Gezhouba	Nigeria	Energy	1.4
2008	Sinoma	Nigeria	Real estate	1.4
2011	China State Construction Engineering	Libya	Real estate	1.3

*Only $600 million of the $3 billion was paid out.

The Wall Street Journal

Simultaneously with the dubious FDI, Africa witnessed a dramatic increase in infrastructural project investment – real and planned – to support extraction. It was logical for BRICS leaders to identify port, bridge, road, rail, hydropower, thermal coal, nuclear energy and other infrastructure projects for subsidised investment, given that their countries' corporations would benefit from the associated extraction of minerals, petroleum and crops. The Programme for Infrastructure Development in Africa (PIDA) was the coordinating system.

In 2016, the more ambitious of the PIDA projects included the Inga Hydropower Project in the DRC, which at $100 billion will be the most expensive development project in history if taken to fruition with 43 200 megaWatts of electricity (compared to the second largest, China's Three Gorges Dam at less than half that). But with commodity prices crashing, even China attempted in mid-2014 – on the eve of Obama's summit with African leaders in Washington – to get Washington's support. Two years later, the World Bank withdrew its financing, on grounds of the DRC's (and other Inga project participants') failure to comply with socio-economic and environmental agreements.[36]

In addition to controversial mega-hydro, the Russian parastatal firm Rosatom promoted nuclear power plants to corruption-prone governments in South Africa, Zambia, Uganda, Egypt and Nigeria. Rosatom signed tentative contracts, e.g. with Zuma, in a manner that would leave Russia with no liability in the event of an accident, generating a great deal of opposition in South African society, raising the spectre of a corrupt alliance between Moscow, Zuma, Eskom and the Gupta family's Oakbay firm which would supply uranium to the reactors.[37]

Another form of highly controversial BRICS investments in Africa was in land, a process that has often been caricatured as 'land grabbing.' Thomas Ferrando developed a database to track this, discovering extensive holdings especially by Indian and Chinese firms.[38]

Country and Total Land	Total Land and Regional Areas	Target Countries
Brazil 28,000 ha[19]	Eastern Africa 28,000 ha	Brazil; Mozambique, Ethiopia
India 1,924,509 ha	Central Africa: 15,000 ha Eastern Africa: 1,761,800 ha Northern Africa: 8,020 ha South East Asia: 139,689 ha	Cambodia, Indonesia, Lao, Philippines, India, Cameroon, Ethiopia, Madagascar, Mozambique, Sudan
China 1,140,683 ha	Central Africa: 10,000 ha Eastern Africa: 126,171 ha South America: 348,972 ha South-East Asia: 628,139 Western Africa: 26,000 ha	Cambodia, China, Sudan, Lao, Philippines, India, Bolivia, Peru, Argentina, Benin, Cameroon, Ethiopia, Mali, Democratic Republic of Congo,

Congolese scholar Baruti Amisi sums up the sub-imperial power relations:

> First, BRICS countries present important opportunities for foreign direct investment (FDI) which impoverish the same people that they should empower. Impoverishment occurs through dispossession of natural resources with little or no compensation, unequal shares of the costs and benefits of mega-development projects, repayments of debts incurred to build these projects, and structural exclusion from accessing the outcomes of these initiatives.
>
> Second, BRICS countries share the same *modus operandi* at their different stages of imperialism, either as countries that have been active in Africa for a very long time (Russia and China); newly arrived (India); or playing their traditional sub-imperialist countries (Brazil and South Africa). The pattern is similar: accumulation by dispossession is taking place through abuse of local politics, national elites, warlords, and war economies, as in the eastern side of the DRC where, between BRICS and the West as consumers of the resulting mineral outflows, six million or more deaths have been the result.
>
> Third, BRICS countries share the same interests in natural resources including but not limited to mining, gas, oil and mega-dam projects for water and for electricity to meet their increasing demands for cheap and abundant electricity. They are also actively involved in the search for new markets, and hence they promote construction of roads, railways, bridges, ports and other infrastructure. But this infrastructure is often indistinguishable from colonial-era projects, meant to more quickly extract primary products for the world market.
>
> Fourth, BRICS countries have poor records of environmental regulation. There is virtually no commitment to mitigate climate change and invest in truly renewable energy, to take environmental impact assessments seriously, and to consult with and compensate adversely affected communities.[39]

Conclusion: Brics from below

These top-down processes are not uncontested. Seen from below, resistance initiatives by many African grassroots communities and shopfloors – most spectacularly in the three largest economies (Nigeria in 2012, Egypt in 2011 and South Africa throughout) – have intensified in recent years. These protests are regularly repulsed by states hostile to democracy, mostly with Western backing (although successes in Tunisia in 2011 and Burkina Faso in 2014-15 put dictatorships onto the retreat). But Western hypocrisy is not the only factor. In many cases when African tyrants face popular critique, notably Zimbabwe, social unrest also threatens the stability of investments made by BRICS countries and corporate interests; indeed in several important African sites of struggle, the primary battle was between BRICS mining interests and affected communities and workforces. Other modes of resistance to either political tyranny or economic misery include refugee status or migrancy; in the case of South Africa, either path has been enormously difficult for Africans, as a result of malgovernance at the Department of Home Affairs and SA Police Services, as well as in working-class communities which have hosted immigrants but which periodic sites of xenophobic upsurges (2008, 2010, 2015 and 2017).

Only in the sole case of access to anti-retroviral (ARV) medicines did concerted international support dramatically improve African life expectancies, as expensive branded medicines were replaced by generics in the early 2000s. As noted above, two of the BRICS were exceptionally important allies of Africa's HIV+ community and health officials: Brazil and India had provided innovative pharmaceutical development of generic ARVs, and were unintimidated by Western corporations whose patents they abused. However, this may be seen in retrospect as an exception that proves the rule, for in 2016 right-wing governments in both countries heralded a new era of respect for intellectual property rights at the expense of their sick citizenries, with Modi pressured by Obama to retract Indian opposition to a new round of intellectual property protections that aid Big Pharma at a time many treatable diseases continue to ravage Africa. It is in this sense that the sub-imperial role of BRICS, assimilating into international capitalism, is obvious, given the alternative that the ARV case presented.

The BRICS stand accused of underdeveloping Africa in several respects, a process amplified by roller-coaster commodity price changes during the period 2002-16. The BRICS are, according to the information and analysis developed above, best understood as a new, more malevolent force within a general framework of neoliberal extractivism, amplifying the already extreme uneven and combined development so damaging to Africa. There are exceptions, of course, in which African leaders have helped their countries raise productivity and convert their natural resource wealth into investment (the main one being Botswana although the citisenry have witnessed very little trickle-down). The BRICS capacity to take advantage of Africa's weaknesses justifies the use of the term sub-imperialism. Whatever name one might use, South Africa's own National Planning Commission sheepishly conceded a "perception [*sic*] of the country as a regional bully," such that the "gateway to Africa" logic often comes up against the harsh reality of extraction and exploitation (especially in March 2013).[40]

Still, the most important reasons for Africa's prone position in the world economy are not the fault of the BRICS – which simply amplify pre-existing problems instead of offering alternatives – but of the West. The latest manifestation of Western imperialism in Africa is indicative: when the World Economic Forum (WEF) came to Kigali in May 2016, the organisation highlighted "Fourth Industrial Revolution cyber-physical systems" as central to

Africa's future: the continent is "the world's fastest growing digital consumer market" (though fewer than four Africans in ten have electricity). For good measure, the WEF's main speaker, (the as-yet-unindicted war criminal) Tony Blair, celebrated the dictatorship of his host Paul Kagame. At the same time, the IMF's *Regional Economic Outlook for Africa* suggested that "a substantial policy reset is critical in many cases... Because the reduction in revenue from the extractive sector is expected to persist, many affected countries also critically need to contain fiscal deficits and build a sustainable tax base from the rest of the economy."[41] This is the Western solution: a policy reset that represents more of the same, a reboot of an infected computer suffering Western-installed malware, rehacked by the BRICS so as to empty Africa's bank accounts.

The danger is, Obama agreed with *The Economist* in a 2014 interview: quite straightforward: whether the BRICS institutions are "potentially putting pressure on the system [of Western capitalism] rather than adding to it and strengthening it… [and] whether China ends up inside that system or challenging it. That's the really big issue of our times."[42] This is also the problem Donald Trump now introduces, *namely whether there will still be a 'system' in a few years' time.*

If that system breaks under pressure of all the centrifugal forces noted above, would African countries be in a position to 'delink,' as Samir Amin has long advised?[43] The alternatives are obvious, but so far the main BRICS have only begun to exert defensive mechanisms – e.g. banning certain foreign exchange transactions (especially China in early 2016) and imposing desperately defensive tariffs – while the bigger-picture reforms attempted by others remain essentially unexplored:

- default on unpayable, unjustifiable debt – taken out by corrupt elites – as did Argentina and Ecuador in 2002 and 2009;
- evict World Bank personnel, as did Ecuador in 2007;
- impose exchange controls against elites, as did Malaysia (1998), Venezuela (2003), Cyprus (2013), Greece (2015);
- establish new common currency in order to avoid US$ transactions;
- provide solidarity financing for governments resisting financial imperialism, as was offered (by Russia's deputy finance minister) to Greece but then never materialised;
- adopt socially- and ecologically-conscious financing strategies tied to compatible trade (like ALBA), such as were proposed and seed-funded by Venezuela in the still-born Bank of the South.

Instead, the BRICS have chosen the course of undergirding multilateral agencies (the Bretton Woods Institutions and UNFCCC) whose role is disastrous for Africa. What that means for BRICS in the years ahead, it is fair to predict, is more top-down scrambling within Africa, and more bottom-up resistance. Where African governments emerge that have more patriotic instincts, there will be scope for campaigning on matters of economic justice: e.g. against mining and petroleum extraction, IFF (and *licit* financial flow) extraction, and illegitimate debt. With the profits of so many Western firms in Africa hitting new lows and their share value nearly wiped out (e.g. the 2011-15 cases of Lonmin, Anglo and Glencore, which each lost more than 85 per cent of value), there are imperialist precedents for what BRICS firms now may find logical: yet more extreme metabolisms of extraction and more desperation gambits to keep BRICS-friendly regimes in power, at the expense of the reproductive needs of society and nature. But resistance is already evident, if not yet amongst policy-makers, then at least in the form of Africans Uprising against 'Africa Rising.'[44]

Notes

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[4] Patrick Bond, The Washington-Pretoria-TelAviv Relay, *Counterpunch,* 15 August 2014 (http://www.counterpunch.org/2014/08/15/the-washington-pretoria-tel-aviv-relay/)
[5] Joanna Skrzypczyńska, 'BRICS' stance in WTO' (*R/evolutions: Global Trends & Regional Issues*, 3, 1, 2015, pp. 46-62, http://www.academia.edu/22838328/Joanna_Skrzypczyńska_BRICS_STANCE_IN_WTO).
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[8] Horace Campbell, 'The Deathbed of the WTO' (*CounterPunch*, 1 January 2016).
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[12] Todd Stern, Durban Wrap-Up. United States State Department Email to Hillary Rodham Clinton, Washington, DC, 13 December 2011. https://wikileaks.org/clinton-emails/emailid/24887
[13] Patrick Bond and Ana Garcia (Eds), *BRICS* (Johannesburg: Jacana, 2016).
[14] World Bank, *The Little Green Data Book* (Washington, D.C.: World Bank Group, 2014).
[15] Padraig Carmody, *The Rise of the BRICS in Africa* (London: Zed Books, 2013); Tom Burgis, *The Looting Machine* (London: William Collins, 2015).
[16] Marius Fransman, South Africa: A strong African Brick in BRICS. Stellenbosch, Stellenbosch University. 2013.
[17] International Monetary Fund, *Article IV Consultation – South Africa, 2016* (Washington: International Monetary Fund, July 2016).
[18] Leonce Ndikumana, *Integrated Yet Marginalised: Implications of Globalisation for African Development*, Amherst: Political Economy Research Institute, 2015.
[19] Simon Mevel, Siope Ofa and Stephen Karingi, 'Quantifying illicit financial flows from Africa through trade mis-pricing and assessing their incidence on African economies' (United Nations Economic Commission for Africa presentation to the African Economic Conference, Johannesburg, 28-30 October 2013) http://www.afdb.org/en/aec/papers/paper/quantifying-illicit-financial-flows-from-africa-through-trade-mis-pricing-and-assessing-their-incidence-on-african-economies-945/)
[20] Thabo Mbeki, 'Track it! Stop it! Get it! Illicit Financial Flow, Report of the High Level Panel on Illicit Financial Flows from Africa' (*United Nations Economic Commission on Africa*, Addis Ababa, 2015, http://www.uneca.org/iff).
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