

***Is Africa
disconnected from
the emerging world?
(and the submerging
world?) so which
kind of progress do
we see?***

OUR OBJECTIVE IS TO ADVANCE SOCIO-ECONOMIC AND ENVIRONMENTAL JUSTICE BY DEVELOPING CRITICAL KNOWLEDGE ABOUT, FOR AND IN DIALOGUE WITH CIVIL SOCIETY THROUGH TEACHING, RESEARCH AND PUBLISHING.

CENTRE FOR
CIVIL SOCIETY

Patrick Bond

University of KwaZulu-Natal
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presented to the
IG Metall Conference
Changing Course for a Good Life
Berlin Congress Centre



6 December 2012

South Africa's 'Social Movements United' march from Alexandra Township to the World Summit on Sustainable Development in Sandton, 31 August 2002

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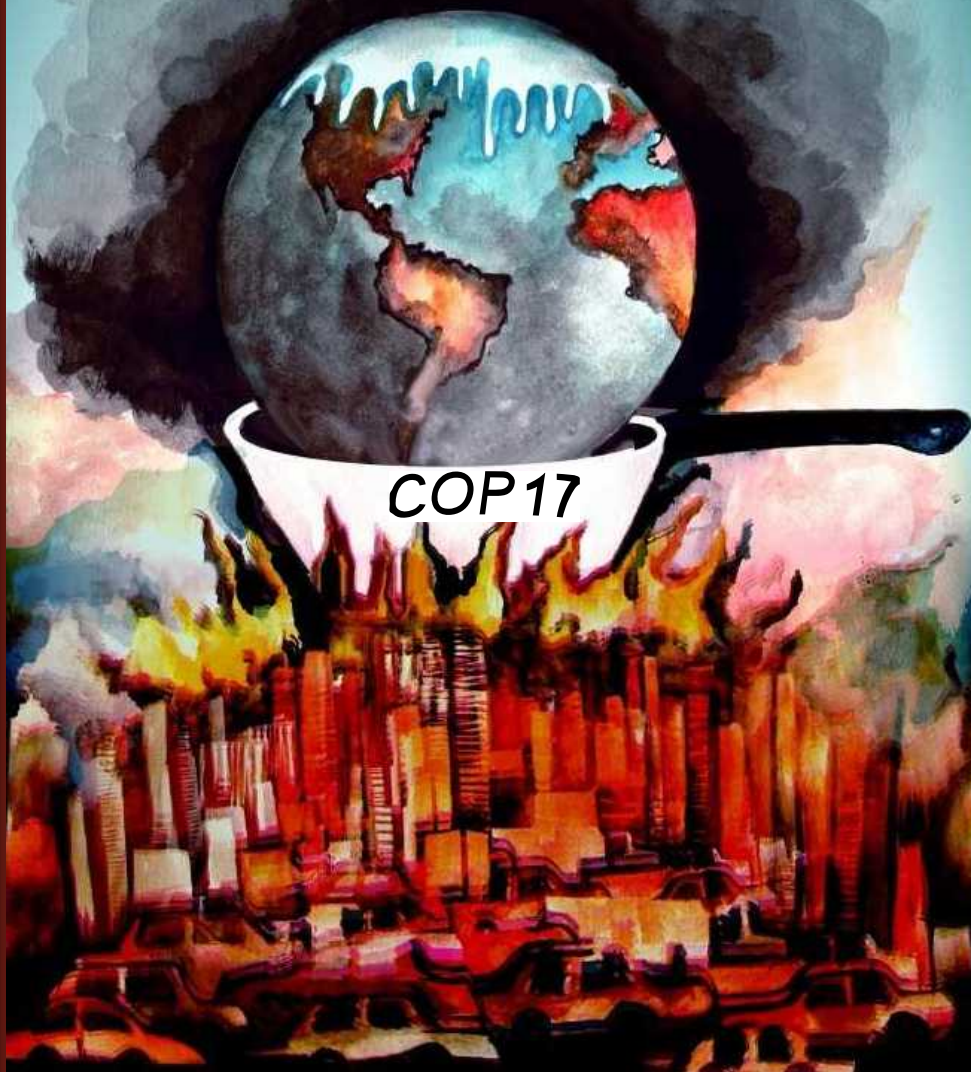
cartoons by Zapiro

sub-imperialism, no thanks!

Durban's hosting of
BRICS, 26-27 March 2013
International Convention Centre



*allowed US sabotage,
no new emissions cuts*



Durban's COP17 *'Conference of Polluters'*

SA in the chair



Durban COP17: 'Africa's Climate Summit'



confirmed 21st-c. climate-related deaths of 180 million Africans (Christian Aid)

Copenhagen Accord, COP 15, December 2009

**“they broke
the UN!”**
(Bill McKibben,
350.org)

- Jacob Zuma (SA)
- Lula da Silva (Brazil)
- Barack Obama (USA)
- Wen Jiabao (China)
- Manmohan Singh (India)

**USA+‘BASIC’:
non-binding;
4 degree
increase**



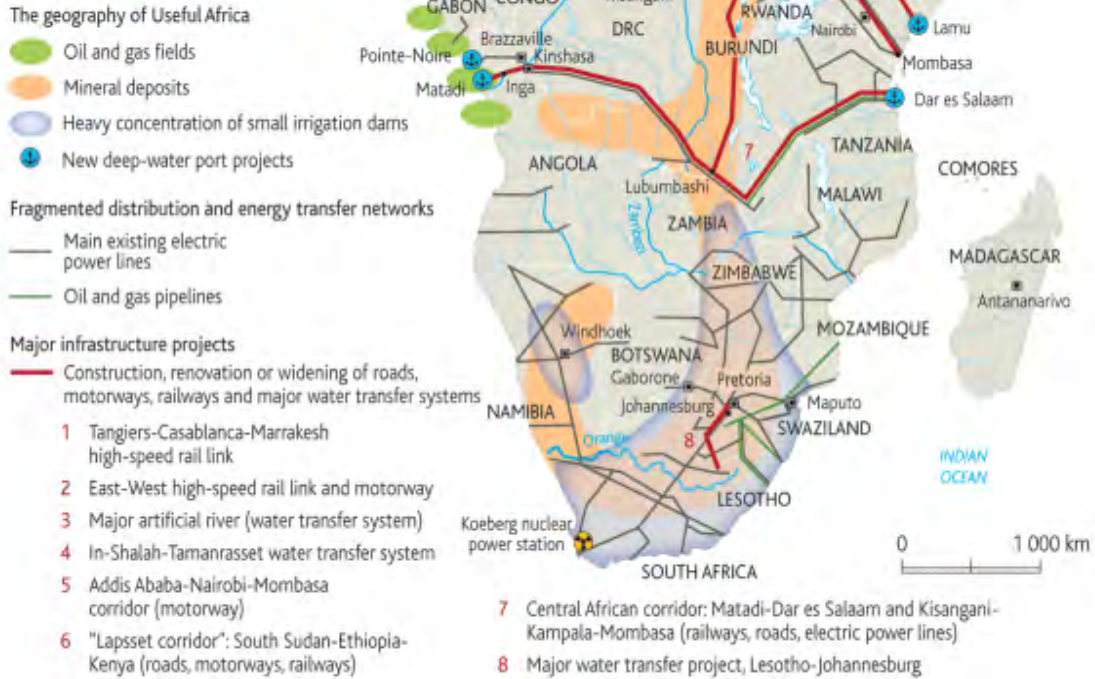
again and again, they do this to us

what do BRICS want here?

BRICS 2013 in Durban:
a conference 'for Africa'

'Useful Africa'

Source: *Le Monde Diplomatique*, Feb 2011



Environmental Performance Index and Pilot Trend Environmental Performance Index

Countries rapidly declining in EPI

95	India
...	...
98	Namibia
...	...
100	China
...	...
123	Turkmenistan
124	South Africa
125	Iraq
126	Kazakhstan
127	Kyrgyzstan
128	Estonia
129	Bosnia & Herzegovina
130	Saudi Arabia
131	Kuwait
132	Russia

BRICS: unsustainable development



Environmental Performance Index trends, 2012

■ strongest performers ■ strong performers □ modest performers ■ weaker performers ■ weakest performers

SA corporates' extraction, retail-based deindustrialisation, NEPAD/APRM, land-grabbing, neo-colonial infrastructure, Bilateral Investment Treaties

...out economics?



Gordhan: \$2 bn (R17 bn) for IMF, insisting that they get 'nasty' (sic) to poor and working Europeans (other BRICs gave \$98 bn: Africa's IMF vote and influence shrunk)

Pretoria's choice:



Ngozi Okonjo-Iweala

Moscow backed
Washington's choice:
Jim Yong Kim

**a fake Power Bloc?
divided-and-conquered
sub-imperialism**

**yet BRICS couldn't even agree
on 2012 World Bank leadership**

Brasilia's choice:



Jose Antonio Ocampo



AMATEUR!

APARTHEID

GLOBAL APARTHEID

SUBSIDISED OVER-CONSUMPTION

TRICKLE DOWN

IMF WTO WORLD BANK

Pretoria abolishing – or polishing – global apartheid?



***New Partnership
for Africa's
Development is
'philosophically
spot on'***

***- Walter Kansteiner, US
State Dep't, 2003***



critical essays on
**South African
sub-imperialism**

*regional dominance and global deputy-sheriff duty
in the run-up to Durban's March 2013 BRICS summit*

by Patrick Bond



‘sub-imperialism’?

**•looting the hinterland,
e.g. South Africa in
Africa, while repatriating
profits to London, NY,
Melbourne**

**•legitimation of the
Washington Consensus
and “international
community”
institutions**

ZAPIRO
INDEP. NEWSPAPER
22-6-04

hierarchy of sub-imperialists

SA WELCOMES
PREMIER WEN JIABAO

COMPLIMENTS.
VERY TASTY!

THANKS.
..ER.. COULD WE
OFFER YOU A
LITTLE LESS?..

CHINA

JOBS

S A TEXTILE
INDUSTRY



<http://www.davidharvey.org>

what about Africa and the
submerging world?

DAVID HARVEY
THE CRISES of CAPITALISM
26TH APRIL, 2010

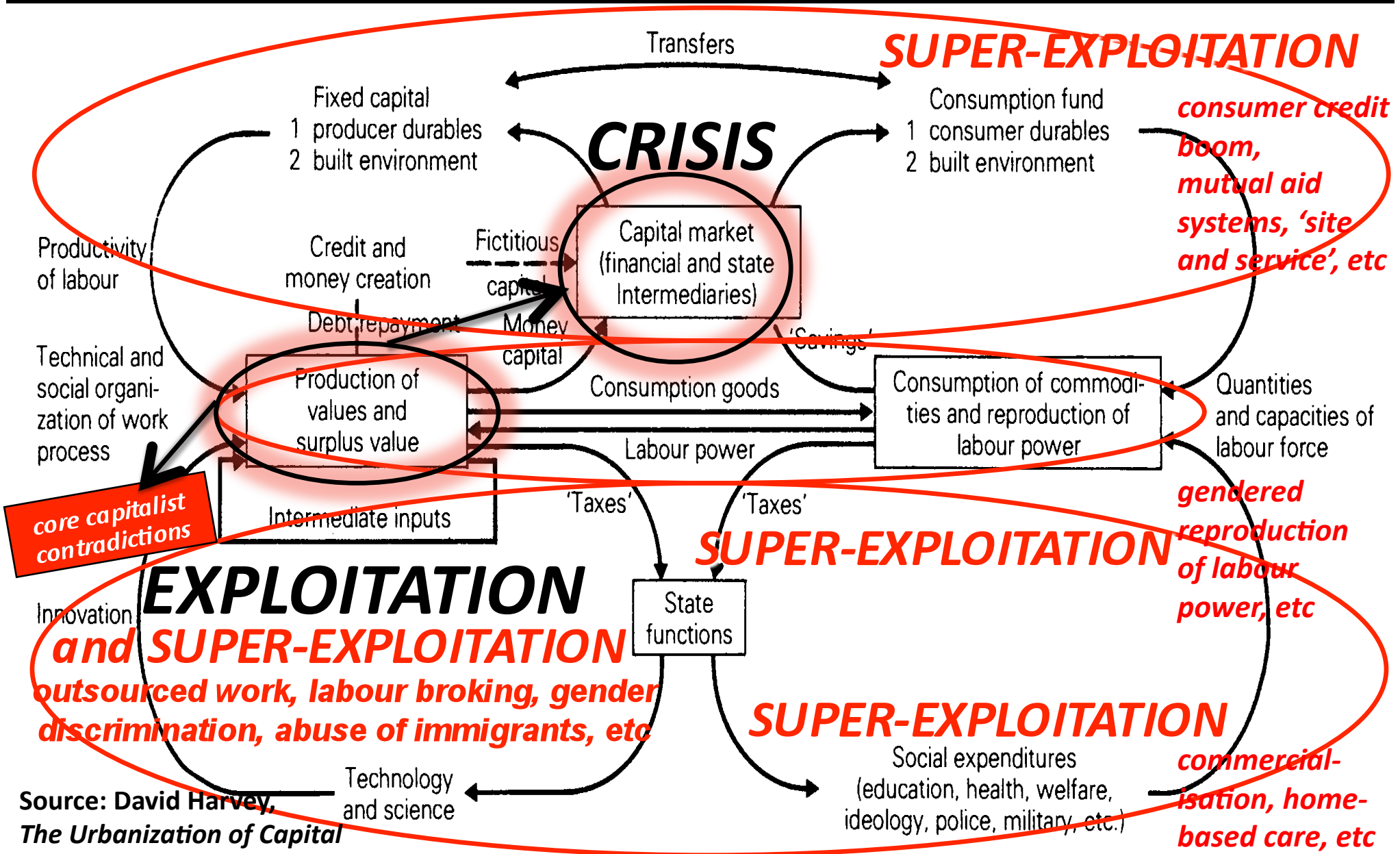


IS IT TIME TO LOOK
BEYOND CAPITALISM
TOWARDS
SOME
... THAT COULD
... VISIBLE, JUST &
... ANE ?

central argument: crisis displaced but not resolved by
'spatio-temporal fixes' and 'accumulation by dispossession'

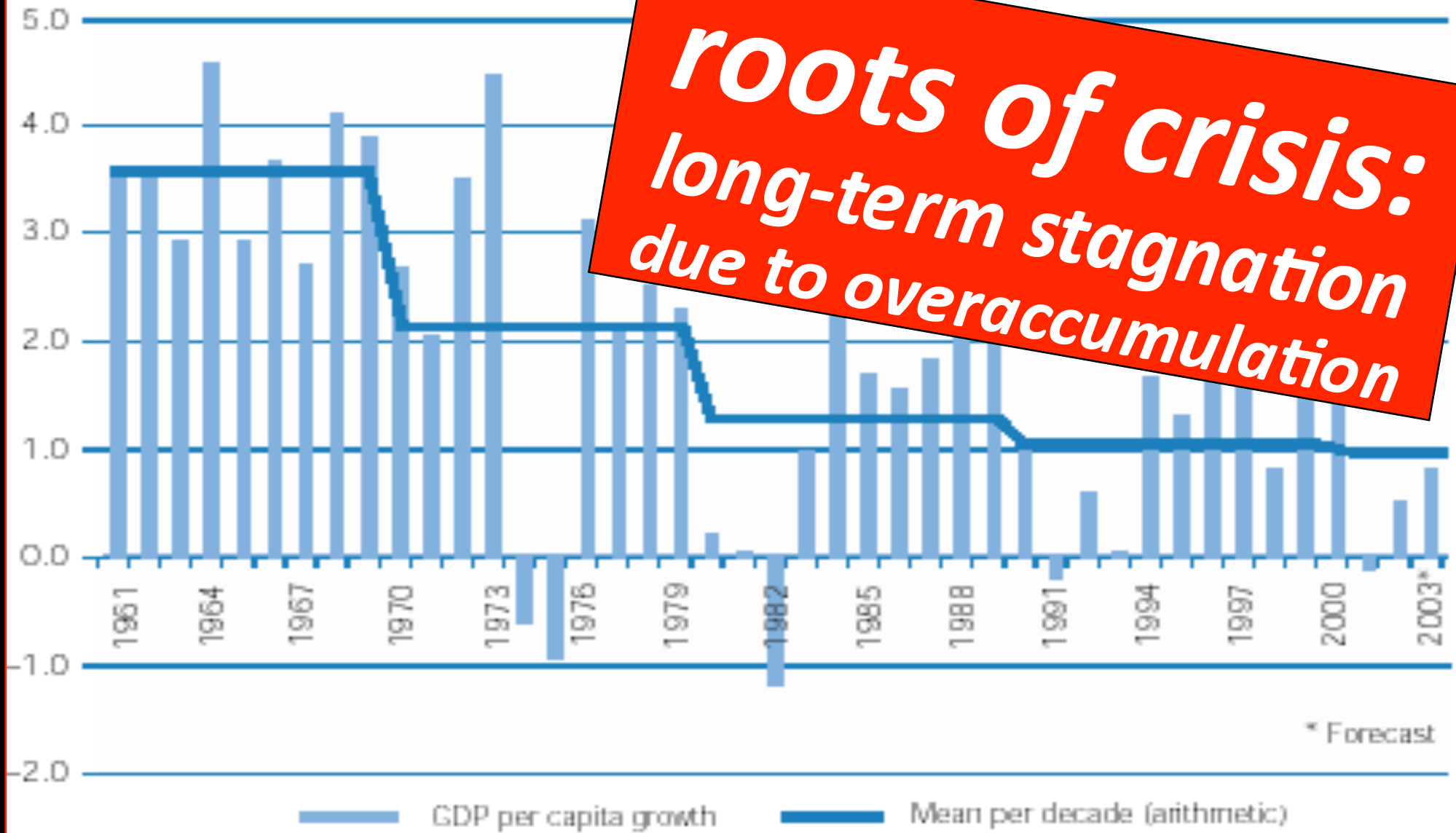
'shifting, stalling, stealing'

'circuits of capital': where flows go, unevenly



World GDP per capita growth, 1951-2003 (annual change in per cent)

**roots of crisis:
long-term stagnation
due to overaccumulation**



* Forecast

Sources: World Bank, *World Development Indicators 2003* (online version) and World Bank, *Global Economic Prospects 2004*.

'overaccumulation' and financialisation: sources of decline in US manufacturing profits

long-term stagnation
GDP stagnation

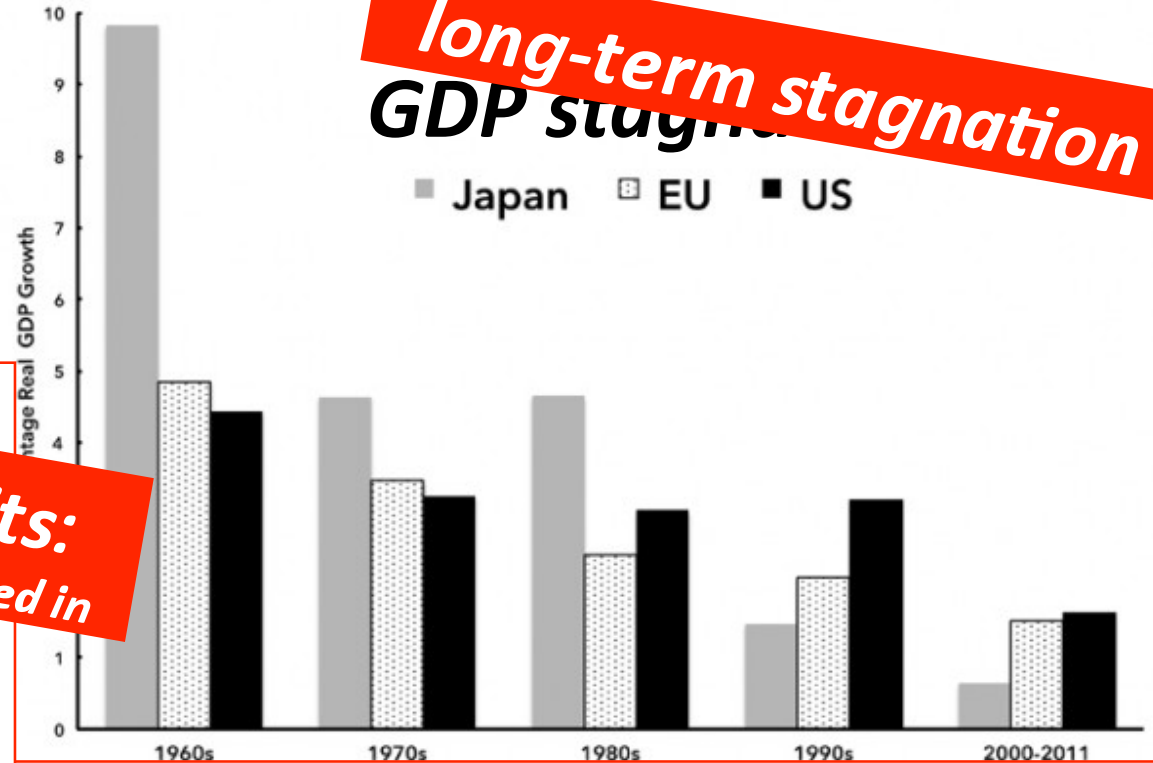
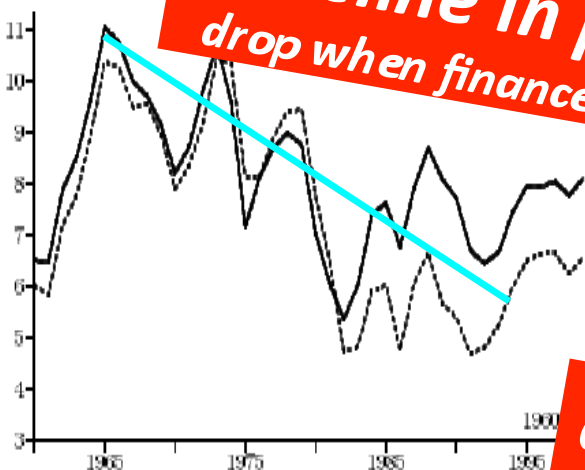
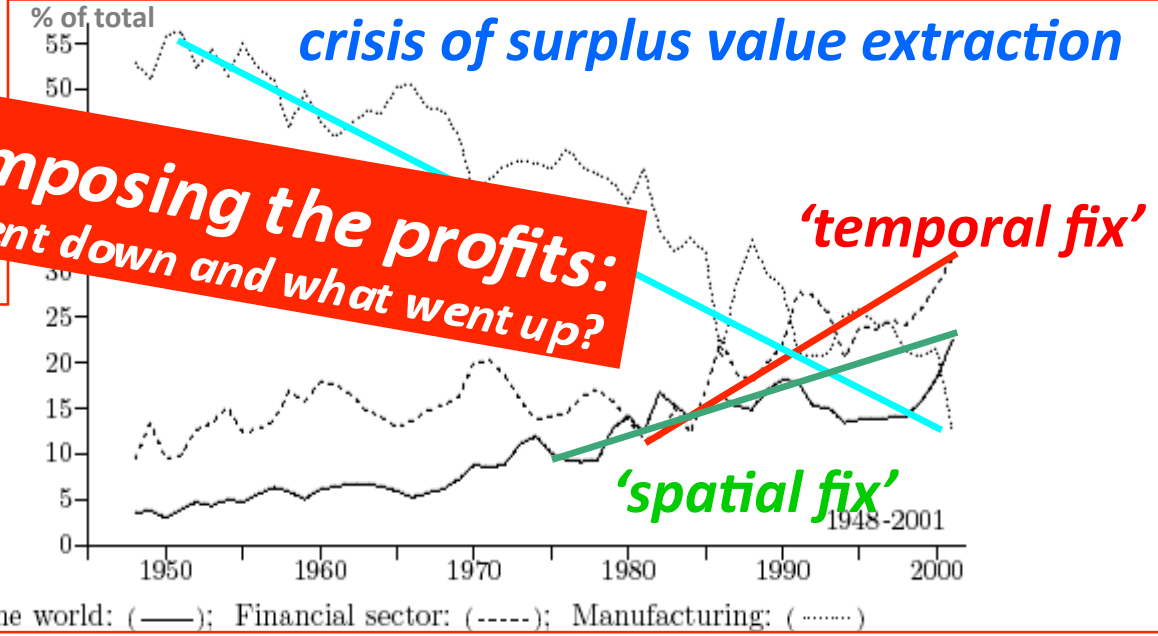


Figure 3 US, nonfinancial corporate profits prior to the payment of real interest (—) and after (---)



decline in profits: drop when finance factored in



crisis of surplus value extraction

decomposing the profits: what went down and what went up?

'temporal fix'

'spatial fix'

In the first series, profits are equal to the net product minus the cost of labor and profit taxes. They are divided by the net worth (total assets minus debt). For the second series, real interest is subtracted from profits, i.e., interest minus a correction for the depreciation of debt resulting from inflation.

- US corporate profits derived much less from manufacturing products;
- much greater sources of profits from abroad;
- profits also came more from returns on financial assets.

• Source: Gerard Dumenil and Dominique Levy

Rest of the world: (—); Financial sector: (-----); Manufacturing: (.....)



Ugandan marxist Dani Nabudere (1929-2011) 'financialization' thesis vindicated



The Crash of International Finance Capital and The Rise and Fall of Money Capital

Finance industry profits and gross value added
As % of US corporate total



source: *The Economist*

EMERGING AFRICA



EMERGING AFRICA

Average Growth Rates per Capita, 1996-2008



but isn't Africa now 'rising'?

The Economist magazine changes its tune





IIF REGIONAL OVERVIEW

Sub-Saharan Africa: Growing Strong, Challenges Ahead

November 6, 2012

ROBUST PERFORMANCE BUT GOVERNANCE REMAINS A KEY CONCERN

- The seven countries in Sub-Saharan Africa (SSA) covered by the IIF (accounting for 65% of the region's economy) have averaged a robust 4.7% growth rate since 2007, demonstrating resilience in the global financial crisis. Ex-South Africa, the rate was 6.5%.

David Hedley

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Clement Gillet

NOVEMBER 3, 2012

The Gaza Problem / What to Eat Now / The New Wii

TIME

Africa

It's the world's next economic powerhouse. But huge challenges lie ahead. *By Ann Perry*

Rising



www.time.com

CAN NIKE REBOUND?
HOW CLINTON SURVIVED WILLEY

TIME

Africa Rising

After decades of famine and war, life is finally looking up for many Africans. Here's why.



Ann Kross, of Star

or instead is Africa 'Resource Cursed'



*'Useful Africa',
Le Monde
Diplomatique,
February 2011*

NEW KIDS ON THE BLOCK

Guinea

Despite the political risk, Western oil companies are queuing up to explore

Sierra Leone

An "active petroleum system" discovered by Anadarko 1125km west of the Jubilee field



Uganda

Up to 2bn barrels found under and around Lake Albert

Tanzania

Already a gas producer, and further prospecting occurring in the Rovuma basin

Mozambique

Anadarko committing over \$250m over the next few years in exploration.

Liberia

Several prospecting licences for auction

Côte d'Ivoire

Vanco's Orca 1-x exploratory well will reveal offshore potential

Ghana

Potential upside of 1.8bn barrels in the Jubilee field, and 1.4bn barrels in Tweneboa-1

DRC

Political turmoil means exploration is still years behind its neighbours

Madagascar

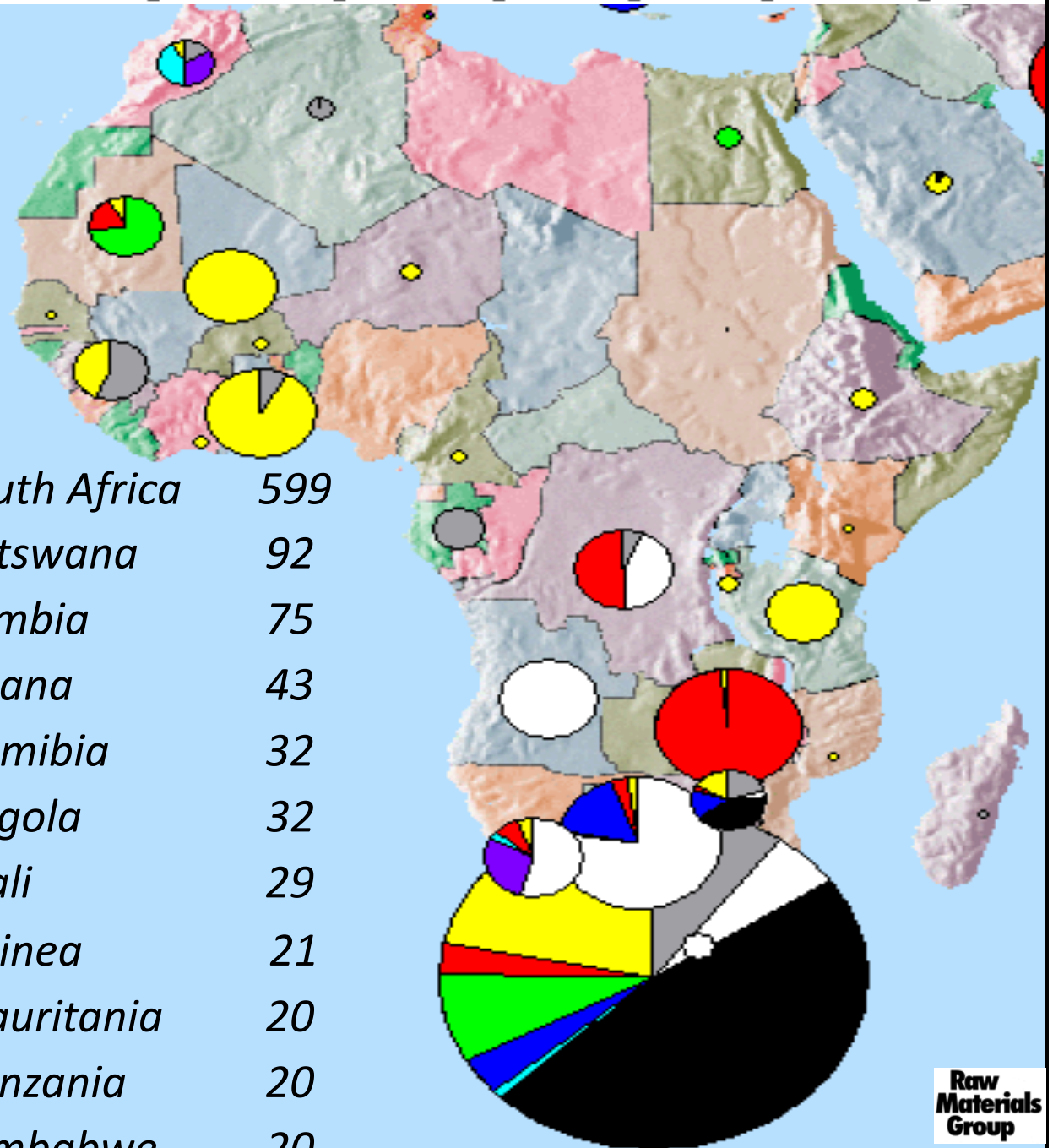
TOTAL drilled an estimated 80 wells in 2009



Africa's mining production by country, 2008

● gold
 ● copper
 ● iron ore
 ● nickel
 ● lead
 ● zinc
 ● PGMs
 ● other

1.	<i>South Africa</i>	599
2.	<i>Botswana</i>	92
3.	<i>Zambia</i>	75
4.	<i>Ghana</i>	43
5.	<i>Namibia</i>	32
6.	<i>Angola</i>	32
7.	<i>Mali</i>	29
8.	<i>Guinea</i>	21
9.	<i>Mauritania</i>	20
	<i>Tanzania</i>	20
	<i>Zimbabwe</i>	20



what happened at Marikana on 16 August 2012?







*Mgcineni
Noki*







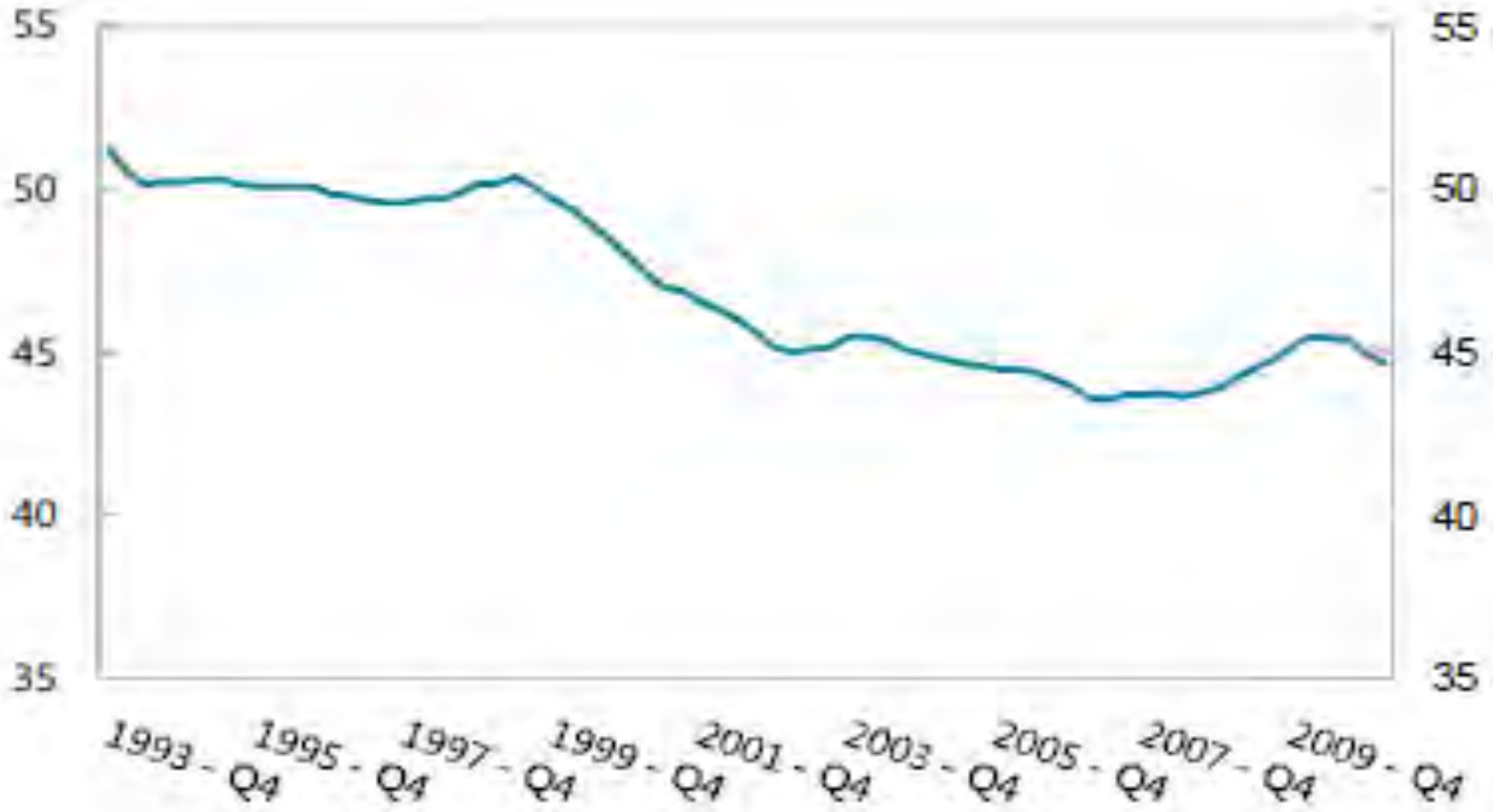


South Africa's Resource Curse



34 murdered, 78 others shot

overall, **SA workers lost wages**
compared to capital's profits



consumer debt reaches unprecedented heights

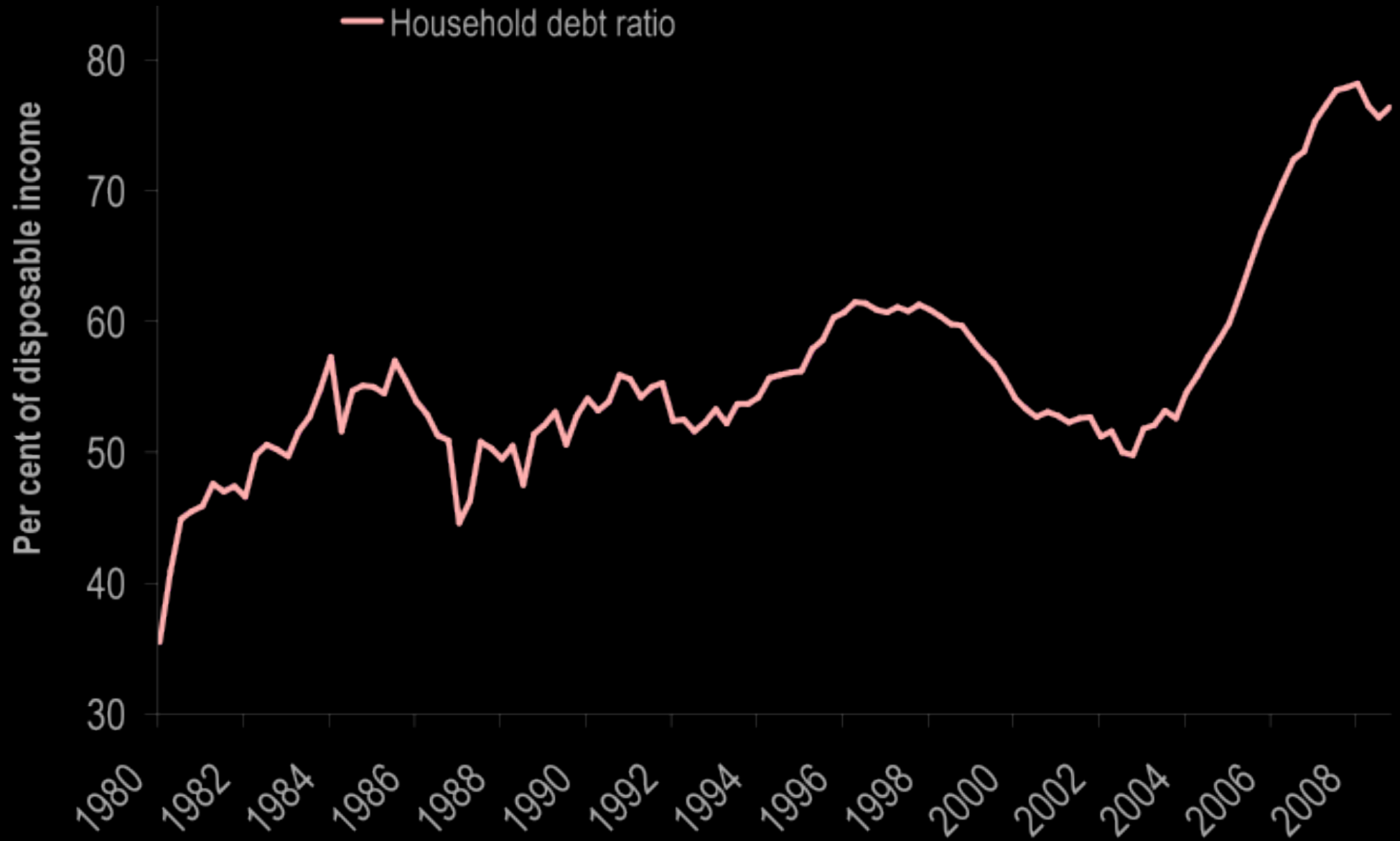


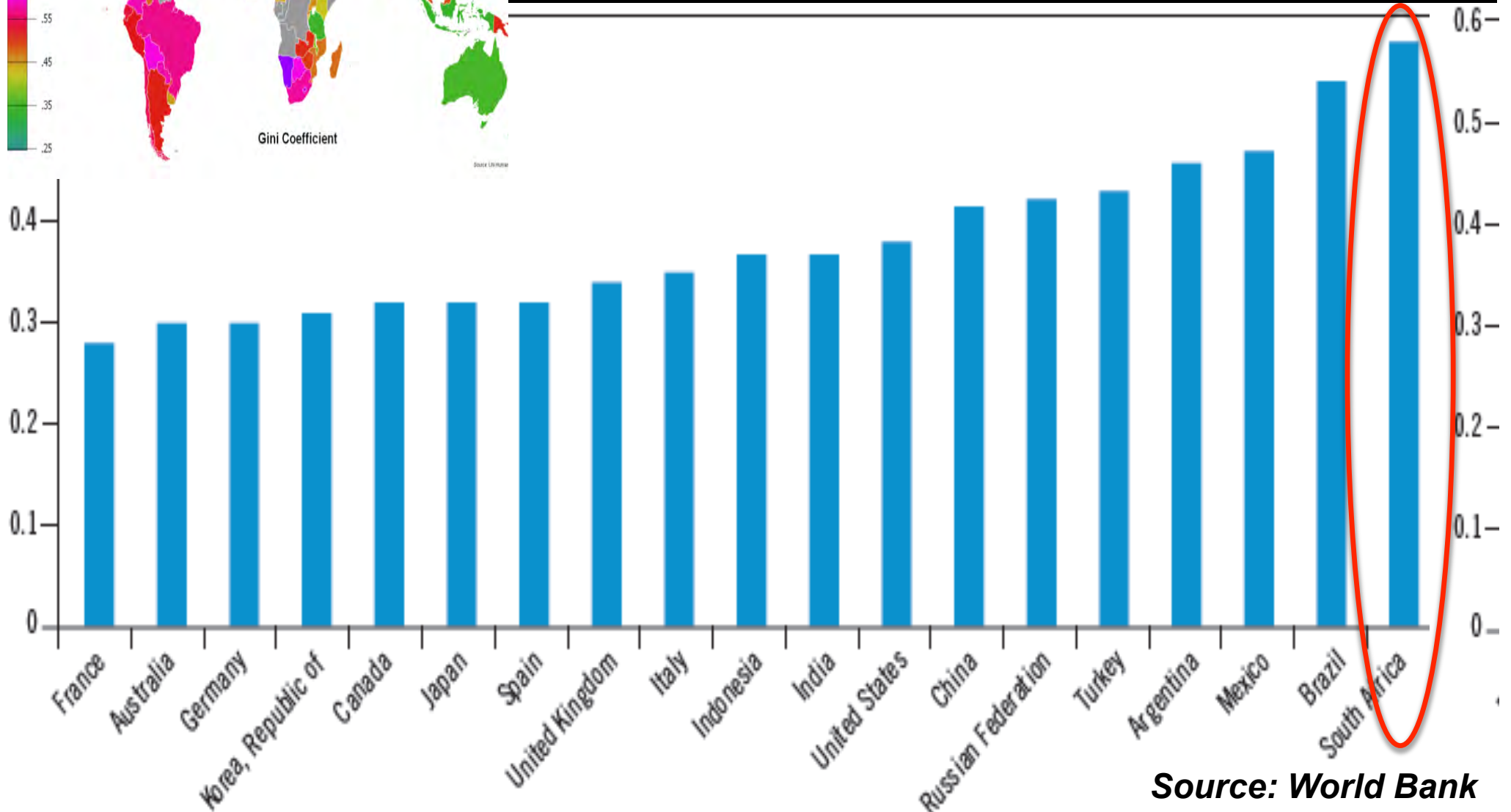
Figure 6.1: Cost of Capital: Long-Term Real Interest Rates in South Africa and our Main Trading Partners, February 2011



Source: The Economist.

inequality in 2011

the worst amongst large societies



The Economist after Obama's Ghana speech, 2009

Resource Curse politics



African Resource Curse? tyrants needed!

~~***Zine El Abidine Ben Ali, Tunisia – 1987-2011***~~

~~***Hosni Mubarak, Egypt – 1981-2011***~~

~~***Moummar Gaddafi, Libya – 1969-2011***~~

~~***Meles Zenawi, Ethiopia – 1995-2012***~~

Teodoro Obiang Nguema Mbasago, Equatorial Guinea – 1979-present

Jose Eduardo dos Santos, Angola – 1979-present

Robert Mugabe, Zimbabwe – 1980-present

Paul Biya, Cameroon – 1982-present

Yoweri Museveni, Uganda – 1986-present

King Mswati III, Swaziland – 1986-present

Blaise Compaoré, Burkina Fasso – 1987-present

Omar al-Bashir, Sudan – 1989-present

Idriss Deby, Chad – 1990-present

Isaias Afewerki, Eritrea – 1993-present

Yahya Jammeh, Gambia – 1994-present

Paul Kagame, Rwanda – 1994-present



with rare exceptions, Obama nurtures Africa's tyrants



U.S. STRATEGY TOWARD
SUB-SAHARAN AFRICA

talk 'democracy',
walk neoliberal
militarism

JUNE 2011



Nouakchott, Mauritania

The United States flew PC-12 surveillance aircraft from here to track al-Qaeda in the Islamic Maghreb. The flights ended in 2008 after a coup.



Camp Lemonnier, Djibouti

The U.S. military targets al-Shabab in Somalia and al-Qaeda in Yemen from this key base.



Ouagadougou, Burkina Faso

The United States flies PC-12 surveillance aircraft from here north to Mali, Mauritania and the Sahara.

Nzara, South Sudan

The U.S. military says it is planning to base surveillance planes here.

Arba Minch, Ethiopia

The United States flies Reaper drones from here over Somalia.

Entebbe, Uganda

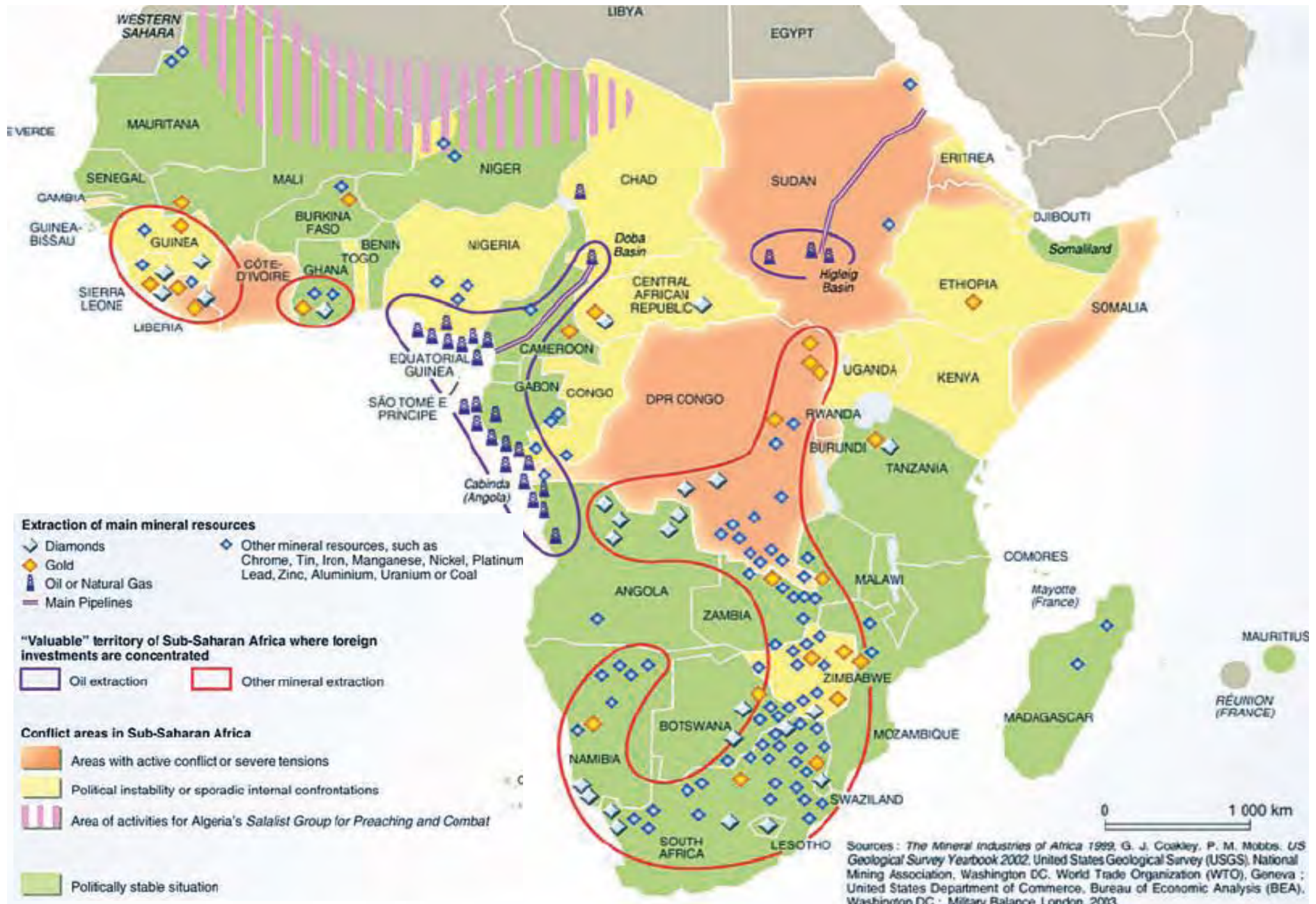
The United States flies PC-12 surveillance aircraft from here over territory used by the Lord's Resistance Army.

Victoria, Seychelles

The U.S. military flies Reaper drones over East Africa from this island base.

Manda Bay, Kenya

More than 100 U.S. commandos are based at a Kenyan military installation.



it is time to **redefine progress** (global)

**against the Resource Curse:
rethinking of extractivism**

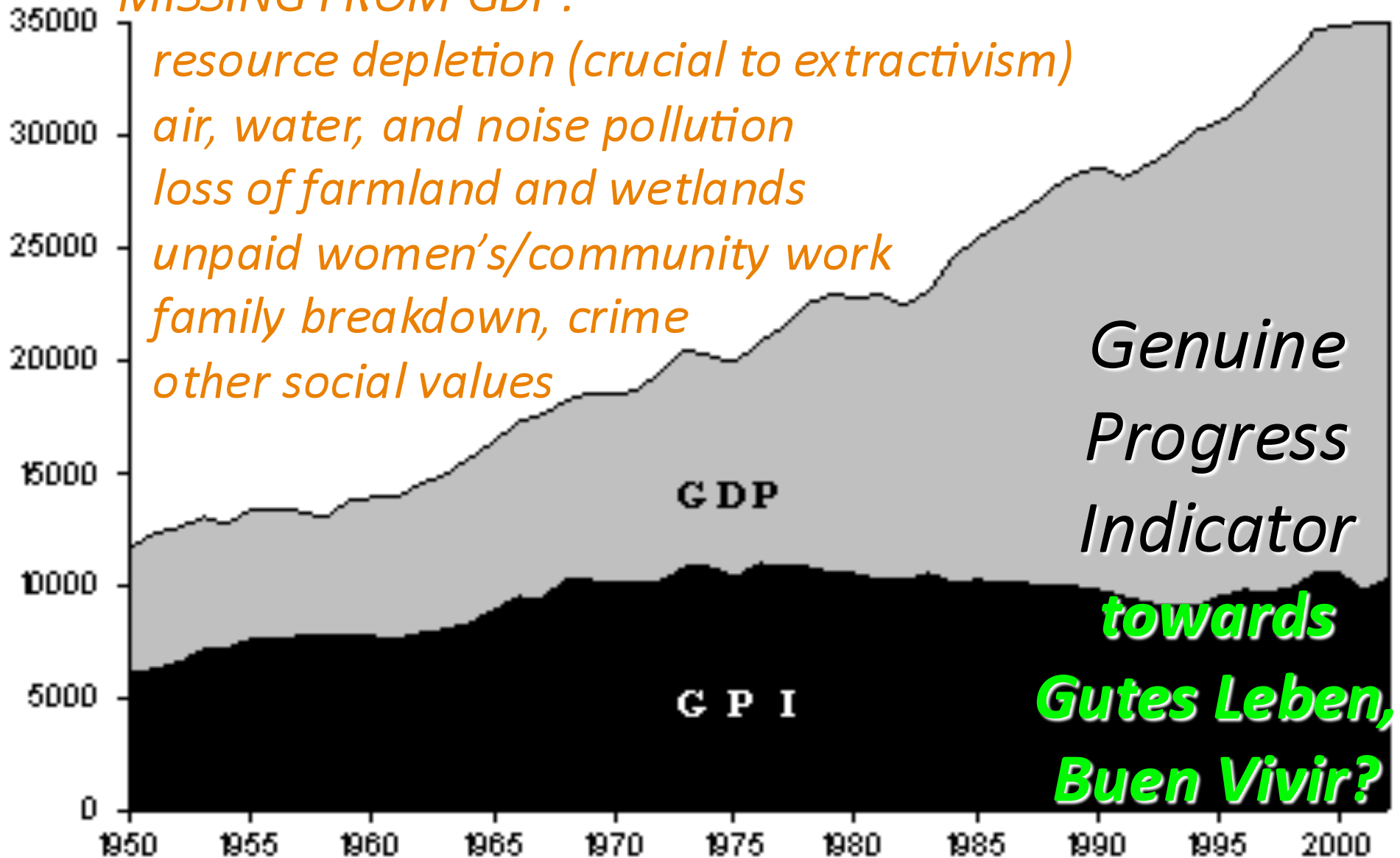


A "genuine progress indicator" corrects the bias in GDP Source: redefiningprogress.org

new measurements: against GDP

MISSING FROM GDP:

- resource depletion (crucial to extractivism)*
- air, water, and noise pollution*
- loss of farmland and wetlands*
- unpaid women's/community work*
- family breakdown, crime*
- other social values*



new measurements against GDP

- *Ecological footprint*
- *Full cost accounting*
- *Global Peace Index*
- *Green GDP*
- *Gross domestic product*
- *Happy Planet Index*
- *Human Development Index*
- *Index of Sustainable Economic Welfare*

Seattle:

- *physical health*
- *time or work-life balance*
- *social connection and community vitality*
- *education*
- *access to arts, culture and recreation*
- *environmental quality and access to nature*
- *good governance*
- *material well-being*
- *psychological well-being*





SUMMIT FOR SUSTAINABILITY IN AFRICA

CONSERVATION INTERNATIONAL



THE JOHANNESBURG DECLARATION

We, the participants at the Summit for Sustainability in Africa, meeting from 24 to 26 May 2012 in Botswana,

REAFFIRM OUR COMMITMENT TO THE SUSTAINABLE DEVELOPMENT CONVENTIONS AND AGREEMENTS THAT PROMOTE SUSTAINABLE DEVELOPMENT, IN

COMMUNIQUÉ ON NATURAL CAPITAL ACCOUNTING

Recognizing the limitations of GDP as a measure of well-being and sustainable growth that values environmental and social aspects of progress,

TO ENSURE THAT THE CONTRIBUTIONS OF NATURAL CAPITAL TO SUSTAINABLE ECONOMIC GROWTH, MAINTENANCE AND IMPROVEMENT OF SOCIAL CAPITAL AND HUMAN WELL-BEING ARE QUANTIFIED AND INTEGRATED INTO DEVELOPMENT AND BUSINESS PRACTICE;

Through:

- Integrating the value of natural capital into national accounting and corporate planning and reporting processes, policies, and programmes, in agreed efforts, including the appended Communiqué on Natural Capital Accounting,
- Building social capital and reducing poverty by transitioning agriculture, extractive industries, fisheries and other natural capital uses to practices that promote sustainable employment, food security, sustainable energy and the protection of natural capital through protected areas and other mechanisms,
- Ecosystem restoration measures, as well as actions that mitigate stresses on natural capital,

a turn to 'natural capital' accounting by 10 African states, 24 May 2012

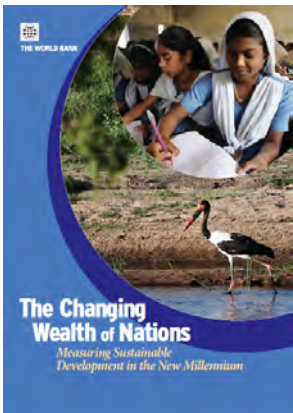
extraction!
***Where is the
Wealth of
Nations?***

**World Bank
method for
adjusting savings
to account for a
country's
tangible wealth
and resource
depletion**

Zambia, 2007

Percent of GNI

Gross savings	26.2
– Consumption of fixed capital	10.7
= Net national savings	15.5
+ Education expenditure	2.1
– Energy depletion	0.1
– Mineral depletion	19.8
– Net forest depletion	0.0
– Carbon dioxide damage	0.2
– Particulate emission damage	0.6
= Adjusted net savings	-3.0



South Africa's natural capital accounts a first cut in the World Bank's Changing Wealth of Nations (2011)

substantial 'subsoil assets' within 'natural capital', 2005

Economy/Group	Population	Subsoil Assets	Timber	Nontimber Forest Resources	Protected Areas	Crop Land	Pasture Land	Natural Capital
South Africa	46,888,200	2,595	89	47	93	1,915	985	5,723

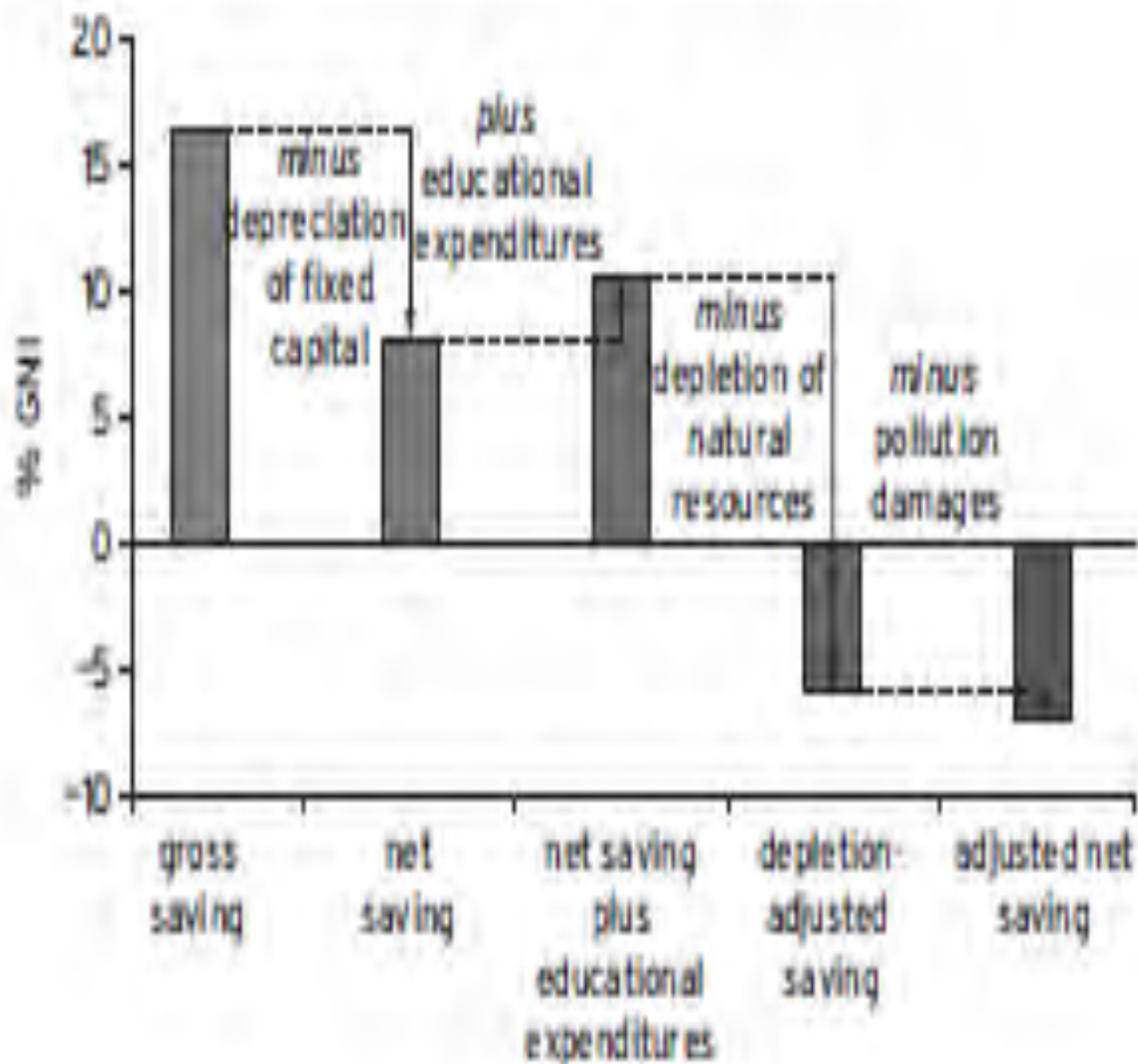
depletion of subsoil (mineral) assets = 9% of income

Economy/Group	Gross National Savings	Consumption of Fixed Capital	Net National Savings	Education Expenditure	Energy Depletion	Mineral Depletion	Net Forest Depletion	CO ₂ Damage	PM Damage	Adjusted Net Savings
South Africa	16.1	13.9	2.2	5.1	6.4	2.6	0.5	1.3	0.1	-3.4

net decline in SA's per person wealth: \$245

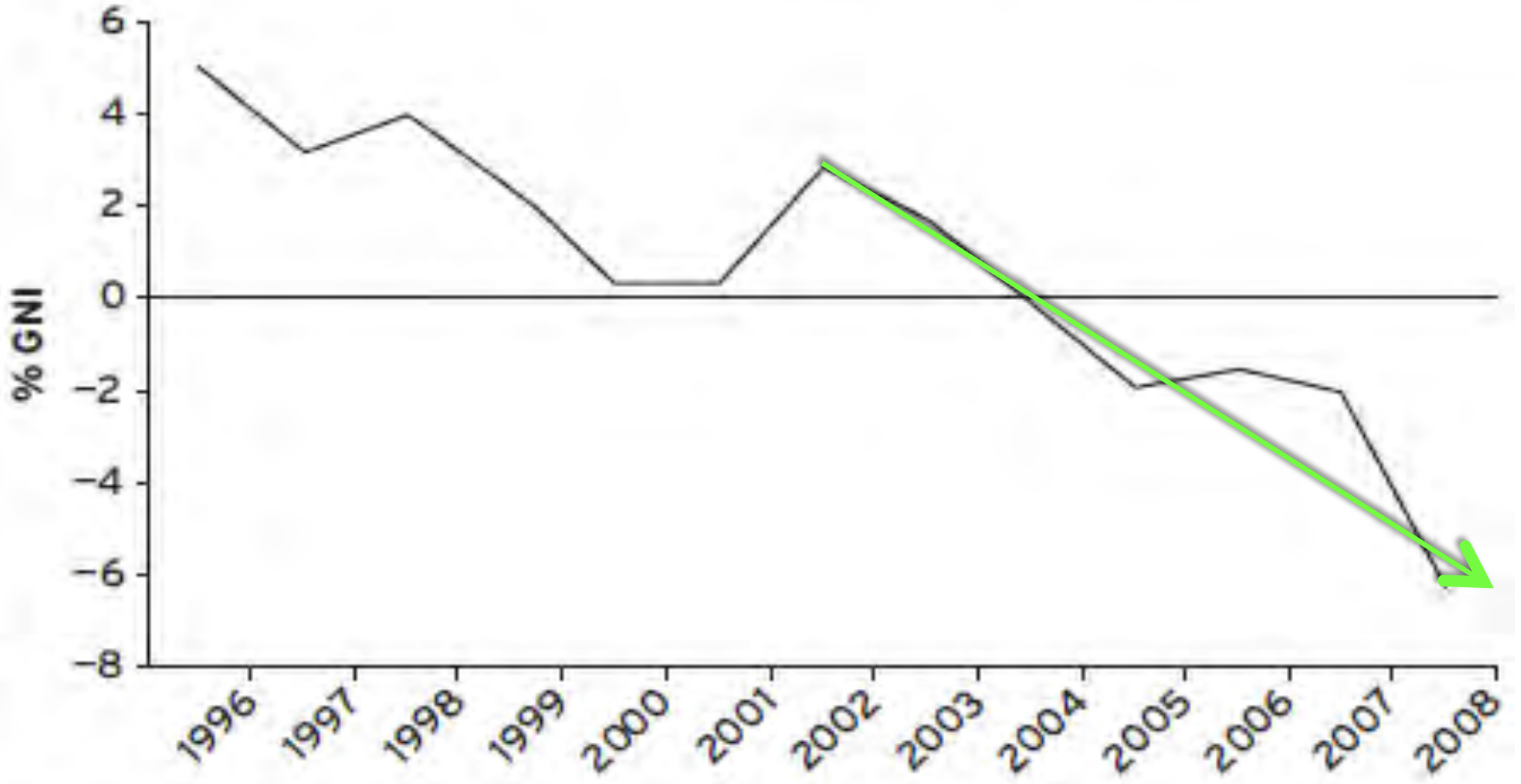
Economy	GNI Per Capita (US\$)	Population Growth Rate (%)	Adjusted Net Saving Per Capita (US\$)	Change in Wealth Per Capita (US\$)	Adjusted Net Saving Gap (% GNI)
South Africa	5,073	1.1	-63	-245	4.8

Calculating Adjusted Net Saving for Sub-Saharan Africa, 2008



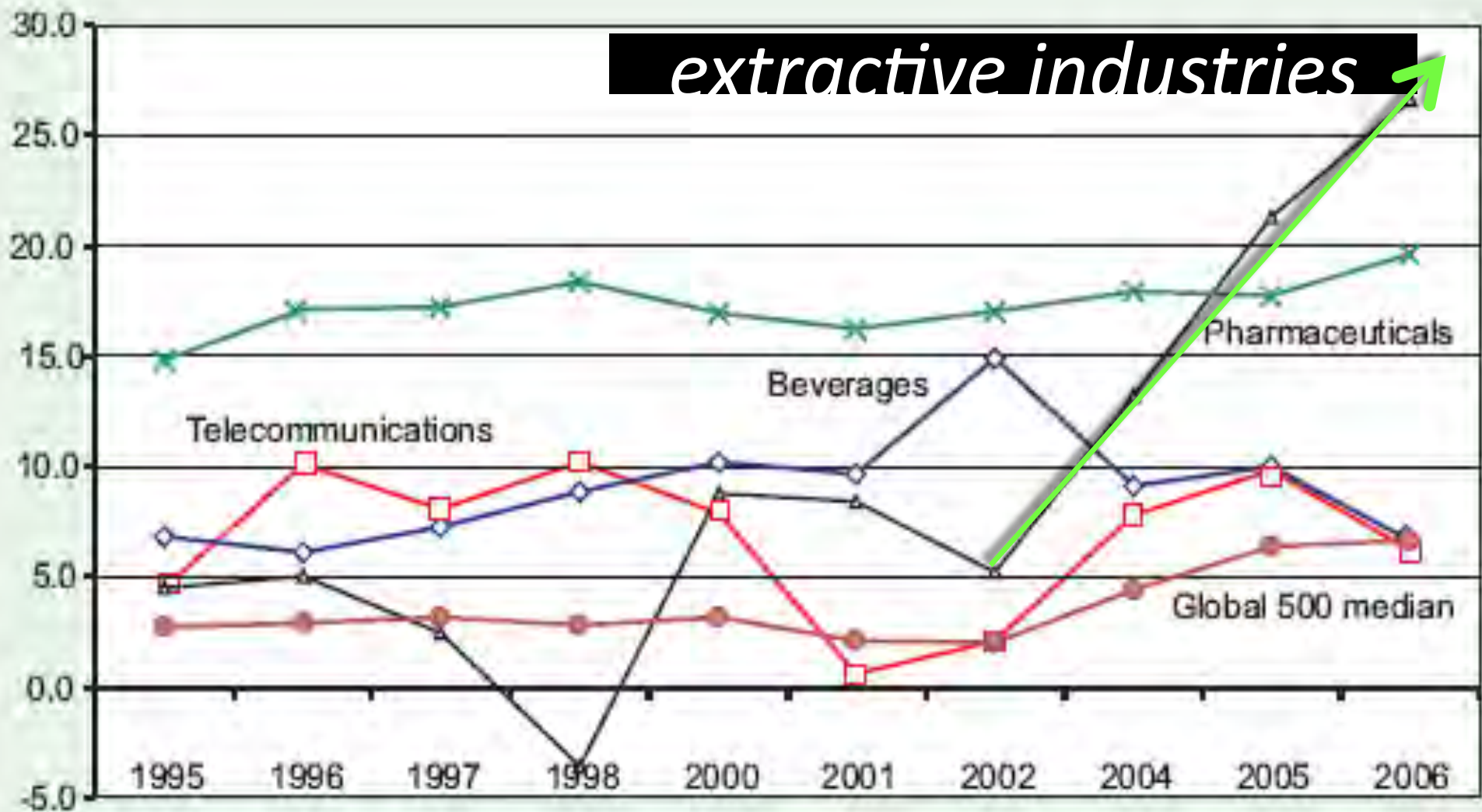
**World Bank
(minimalist)
adjustments
to 'genuine
savings'
fixed capital (-),
education (+),
natural resource
depletion (-), and
pollution (-)**

Adjusted Net Saving in Sub-Saharan Africa as a Percentage of Gross National Income



Source: Authors' calculations based on World Bank data.

multinational corporate profits as a percentage of firm equity



Source: UN Conference on Trade and Development (2007), World Investment Report 2007, Geneva.

Adjusted Net Savings as a Percentage of GNI for Selected Regions, 1970–2007

