



to influence the conduct of the industry today.

## A brief history of diamond exploration in the Lunda region

### *Introduction*

Early foreign travellers to the Lunda region of Angola spoke of mud huts decorated with shining stones: uncut diamonds, pressed into the red clay as it dried in the sun. The builders of these houses would have found these stones among the gravel of the many rivers that flow through the region, rising in Angola's central plateau, and making their way north to join the Congo River.

As late as the end of the nineteenth century, a diamond found in one of those rivers was unlikely to be traded outside the region. Portuguese traders had been in Angola since the late fifteenth century, but centuries passed before their presence began to extend into the interior. Even then, the Lunda region, far from the coast and less attractive to Portuguese farmers than the central plateau, was among the last areas of Angola to be settled by Europeans. Colonial hegemony was not fully established in the east until well into the twentieth century;<sup>3</sup> the people of the region have played a marginal role in the consolidation of Angolan nationhood, and they retain a strong sense of ethnic and regional identity.

### *The Companhia de Diamantes de Angola (Diamang)*

According to one account, the start of diamond extraction for commercial gain in Angola dates to the discovery of seven diamonds in a river in 1912; this led to the establishment five years later of Companhia de Diamantes de Angola (Diamang). The company extracted alluvial diamonds from riverbeds and hillsides; as its operations developed, it started diverting rivers in order to facilitate the retrieval of diamonds from the beds. Diamonds became Angola's most valuable export, until overtaken by coffee exports following the Second World War. Originally

granted diamond prospecting rights throughout Angola, Diamang was later restricted to a 50,000 square kilometre area in the Lundas.<sup>4</sup> This was and is, however, the part of Angola where alluvial diamonds are most abundant, and with its headquarters in Dundo, Diamang's operations were concentrated in the north-east of what is now Lunda Norte province.

The company was owned jointly by the Portuguese state, and by British, Belgian and American interests. As a partly state-owned enterprise, Diamang reported not to the colonial governor in Luanda, but directly to Lisbon; its autonomy from the colonial government, and the fact that its principal operations were in one of the colony's remotest corners, left Diamang to take on many of the functions of government in the region now known as Lunda Norte.<sup>5</sup> It was Diamang that built the towns of Lucapa, Dundo, and Andrada (now Nzaji); the streets of American-style detached houses owe nothing to the Portuguese colonial architecture seen elsewhere in Angola. A training college for mine technicians was established at Lucapa, as well as schools and hospitals in all the main mining towns. Secondary industry was established, most notably a machine plant at Nzaji, which was among the largest of its kind in Africa. Electricity for the towns and industries came from a hydroelectric station on the Luachimo River at Dundo, and the company ran farms to supply food to its employees.

Diamang's function as provider of employment, social services and infrastructure is of significance because, as we shall see, it is still remembered in the region, and has coloured people's perceptions and expectations of its successor company, Endiama, and of the present-day Angolan state. Historical accounts indicate, however, that Diamang was far from being a benevolent employer, taking advantage of the repressive practices of the colonial administration in securing cheap labour. For example, in 1947, 5,500 of Diamang's 17,500 African staff were provided by the intervention of the authorities' (i.e. through forced labour), and in 1954 the government, fearing unrest, ordered Diamang to

double the wages of its black employees. The company was reluctant to do this, even though the sum of money involved (\$410 000) was only one tenth of the profits paid to shareholders in the same year.<sup>6</sup>

It was only in the 1960s, towards the end of the colonial period, that commercial diamond exploration began in the Cuango valley, in the west of present-day Lunda Norte. As a result, this area never benefited from infrastructure development on the scale that was seen in the east of the province. The Cuango valley is now known to be potentially the most lucrative source of alluvial diamonds in Angola, and indeed among the richest in the world. By 1974, the year before independence, Angola was producing 2.4 million carats a year, placing it among the world's major diamond producers.<sup>7</sup>

#### *Endiama*

Following independence in 1975, the MPLA government assumed a controlling interest in Diamang, and eventually, in 1986, replaced it with a wholly state-owned company, Endiama. Production fell as mining operations were compromised first by the departure from Angola of many of the skilled expatriate personnel, and thereafter by civil war. After UNITA's South African backers withdrew from Angola early in 1976, UNITA entered a phase of retraining and re-arming, and by the early 1980s once again posed a threat to the Angolan state. In the Lundas, two incidents in particular have been noted for the damage they did to the diamond industry: in 1984, UNITA soldiers attacked diamond operations in the Cuango area, with expatriate workers among those seized as hostages; the following year, UNITA attacked a diamond sorting centre in Nzaji.

The decline of the mining operations in the years following independence was accompanied by a gradual collapse of the secondary industry and social infrastructure established under Diamang. The mining college in Lucapa closed its doors in the 1980s. The increasing isolation of the area also made the vehicle plant at Njazi no longer viable. These facilities were not rehabilitated when the dia-

mond industry began to recover again after 1985.

This recovery was linked to the government's steps towards commercialising the diamond industry, allowing foreign firms to form partnerships with Endiama.<sup>8</sup> The Roan Selection Trust established operations in the Cuango Valley in 1986, and the Sociedade Portuguesa de Empreendimentos began exploring in the Lucapa area the following year. The mines at Nzaji and Dundo continued to be operated solely by Endiama. But UNITA continued to hold territory outside of the main urban centres, and the late 1980s also saw the rebel movement beginning to profit from diamonds mined in areas under its control: both from mines abandoned by earlier commercial operators, and through taxes imposed on *garimpeiros*.<sup>9</sup>

Prospects of peace as the decade drew to a close, followed by the signing of the Bicesse Accord between the government and UNITA in 1991, boosted the confidence of investors. Brazil's Odebrecht was contracted by Endiama to mine in the Cuango, while De Beers invested \$50 million in infrastructure, also in the Cuango, and pledged a further \$50 million over five years for the exploration of kimberlite pipes. Endiama – possibly using the money supplied by De Beers – began at this point to construct basic social infrastructure, including a clinic and communal water points, in Cafunfo, an important mining centre which had been little developed before independence.

At the same time, informal diamond mining (*garimpo*) expanded rapidly, encouraged both by the improved security situation following the 1991 cease-fire, and by new laws that legalised the possession and sale of rough diamonds. Foreigners both from the then Zaire and from further afield, and former soldiers of the UNITA and government armies, were among those who tried their luck at finding diamonds in and around the rivers.<sup>10</sup>

#### *The resumption of war in 1992*

This period of confidence ended abruptly following the September 1992 elections as UNITA rejected the election results and remo-

bilised its armed forces. The government had largely complied with the disarmament requirements of the Bicesse Accord, and was caught unprepared for the resumption of conflict. By the end of 1992, the government held only the mining towns of Saurimo (Lunda Sul), Dundo, Lucapa and Nzaji (eastern Lunda Norte), while UNITA took control of the surrounding countryside and villages, including many important diamond-bearing areas. Most significantly, UNITA seized the Cuango valley.<sup>11</sup>

Outnumbered and outgunned by UNITA, the government enlisted the services of the South African mercenary firm, Executive Outcomes, in its attempt to win back territory from UNITA. It was with the assistance of Executive Outcomes that the government recovered control of Cafunfo in 1993, although the remainder of the Cuango region stayed under UNITA control until 1997. During this period, the then Zaire assumed a particular importance as a conduit for diamonds leaving Angola.<sup>12</sup>

Accounts by people who were in the Cuango during this period suggest that the line between government and UNITA influence was not always as clear as one might expect. One industry source<sup>13</sup> speaks of a “symbiotic relationship” that existed between government and UNITA generals who controlled different parts of the Lunda provinces: a relationship that was determined by commercial concerns more than by the supposed political affiliations of the generals from the two sides.

According to one former *garimpeiro* who worked in the twilight zone between UNITA and government control, foreign dealers paid \$250 to UNITA for prospecting rights. He added that “lots of Senegalese, Malians, Cape Verdeans, Nigerians, Lebanese – they don’t speak Portuguese, they don’t have the papers, but they were there in the Lundas.”

The same informant described UNITA’s behaviour in the diamond fields as “disciplined”.

“When they beat a pregnant woman they made a hole in the ground – she lay down with her belly in the hole so they would not

kill the baby when they gave her 25 lashes. Anyone who wept when they saw this got the same punishment.”<sup>14</sup>

The signing of the Lusaka peace accord by the government and UNITA in 1994 increased foreign investor confidence in the Lundas as in the whole of Angola. In the same year, new legislation in some way reversed the liberalisation measures of 1991, strengthening the position of Endiama at the expense of small-time diggers and dealers.

The essence of the Lusaka agreement was the granting of a limited number of government posts to UNITA, in return for the rebels returning the territory under their control to state administration. With hindsight, it is clear that Lusaka failed to take into account the fact that the civil war in Angola had by then passed from being primarily a political conflict, to being a battle over resources, and in particular, diamonds. UNITA lagged behind schedule in returning territory to civil administration; this reluctance has been attributed to a desire by influential figures within UNITA – including generals – to secure a stake for themselves in the mining industry as an adjunct to the signed peace deal.<sup>15</sup>

Under military pressure from the FAA, UNITA eventually relinquished its last territory in the Lunda diamond fields in 1997.<sup>16</sup>

## The diamond industry today

Today, the diamond industry in the Lundas may be divided into three broad categories:

- *Garimpo*: digging and sifting gravel by hand;
- *Dredging*: using light machinery to dig and sort gravel from river beds; and, finally,
- *The formal sector*: large-scale, mechanised open cast mining.

### *Garimpo*

For most local people, participation in the diamond industry takes place at the very lowest level: *garimpo*, the Angolan term for artisanal diamond digging. This is sometimes supported by a patron (*patrocinador*) who provides some basic capital investment (tools, or food for when *garimpeiros* have to travel for

days in the bush to diamond sites) in exchange for a percentage of takings. Patrons may be Angolans or foreigners.<sup>17</sup>

The digging site is co-ordinated by a site master (*dono da terra*) who receives a percentage of diamond earnings. *Garimpeiros* usually work in teams of three or four, and the team will share the income from a find after the patron and site master have taken their cut.

*Garimpeiros* speak of being threatened, beaten or forcibly removed by members of the FAA or by private security companies; this happens when the *garimpeiros* try to dig for diamonds in areas where the larger commercial concerns have staked out their claims. When this happens, *garimpeiros* will travel, on foot, further and further from the urban centres in order to seek out new areas where they might be able to dig unhindered by the security forces. Some *garimpeiros* believe that the security forces follow them and report back to the companies, because the presence of *garimpeiros* in an area usually means that the place is a potential source of diamonds.

“When doing *garimpo* you have to stay very alert,” said one *garimpeiro* in Nzaji, in the east of the province. “If someone says the security is coming, you have to run. If you are caught they put you in jail, and to get out you have to pay \$50.”<sup>18</sup>

Subsequent to the field research on which this paper is based, there have been several reports in the Angolan and international media about the expulsion of foreign diggers, especially citizens of the DRC, involved in the diamond mining industry.<sup>19</sup> Medical personnel working for Médecins sans Frontières on the Congolese side of the border reported that many of the Congolese had suffered brutal treatment, including beatings, rape and body cavity searches, after being rounded up by the FAA in areas around Cafunfo and Xa-Muteba and before being forced across the border.<sup>20</sup> Given the porous nature of the border, and the fact that the process of civil registration was interrupted during the war years, it is likely that some Angolans, or people with a claim to Angolan citizenship but lacking the requisite documents, could have been expelled too, although local sources say that

detained Angolans were given a chance to prove their citizenship by calling on Angolan relatives to vouch for them. One source said the FAA soldiers were also relying on accent and dialect as way of identifying Angolans: clearly not a reliable indicator when some Angolans may have grown up as refugees in the Congo.<sup>21</sup>

### *Dredging*

This process (*draga* in Portuguese) involves specialised machinery to extract and sort gravel from riverbeds, and therefore a considerable investment. In the Cuango area, the machines are believed to be operated by citizens of the DRC and other foreigners, in partnership with generals of the FAA, who provide protection and ensure that a designated area remains the preserve of one particular operator.<sup>22</sup>

In the light of the recent expulsion of foreigners, it is not known to what extent the FAA generals were able to prevent the expulsion of men working under their protection. Industry sources have suggested that the influence of the FAA in the Lunda diamond industry may be in decline since the end of the armed conflict, with the intelligence services – directly answerable to the presidency – becoming increasingly influential.<sup>23</sup>

Local sources in Cafunfo have claimed that those foreigners who were working for the FAA officers on the dredging operations were exempt from the large-scale expulsion of foreigners in early 2004, referred to above.<sup>24</sup> At the same time, however, industry sources have suggested that the influence of the FAA in the Lunda diamond industry may be in decline since the end of the armed conflict, with the intelligence services – directly answerable to the presidency – becoming increasingly influential.

### *The formal sector*

Large-scale commercial diamond mining in the Lunda region has undergone rapid expansion in the past ten years, as the security situation stabilised. The largest and longest-established project in this sector is the Catoca mine, close to Saurimo, the capital of

Lunda Sul province. Catoca is operated by Sociedade Mineira de Catoca (SMC): a partnership between Endiama, Odebrecht (Brazil), Al Mazi Rossi Sakha (Russia) and Daumonty Financing (Israel). The mine employs 3,000 Angolans, but it is not known how many of these are from the Lunda region. Reports indicate that local people are employed only to perform basic manual labour. In the words of one expatriate humanitarian worker with many years' experience in the Lundas, "the locals are not trusted – it is assumed they will steal."<sup>25</sup>

North of Saurimo lies the area – the easternmost part of Lunda Norte – which saw the birth of large-scale diamond mining in Angola, and where the formal sector of the industry has again expanded rapidly since the end of the armed conflict. The companies operating in the area and their parent companies are as follows:

- Sociedade Mineira do Lucapa (SML): Endiama and SPE (Portugal);
- Projecto Luo: Endiama, Angodiam, Hipergesta (Angola), Almazi Rossissaka (Russia), Escom (Portugal);
- Projecto Chitotolo: Endiama, Lumanhe (Angola), ITM (UK / Bermuda);
- Projecto Luarica: Endiama and Trans Hex (South Africa).

Here as elsewhere, mining companies have been criticised for providing few jobs for local people, choosing instead to employ Angolans from elsewhere in the country. "They bring the people they know from Luanda to work here," one local man claimed.<sup>26</sup>

In the Cuango area (the western part of Lunda Norte), the commercial exploitation of diamonds is a more recent phenomenon, having been started by Endiama only in the 1960s. The return of the area to government control opened the way to large-scale mining, but this appears still to be at the exploratory stage. The principal operator in this area is Sociedade de Desenvolvimento Mineiro de Angola (SDM), which is owned by the Angolan state diamond company Endiama, and the Brazilian Odebrecht. Large concession areas have been granted to SDM between Cafunfo and Calongo.

### *Diamond marketing*

In terms of Angolan law, diamonds have to be sold to a dealer licensed by Ascorp, the Angola Selling Corporation. The most prominent Ascorp licensees in the Lundas are from outside of Angola, including citizens of the DRC, Mali, Senegal, and at least one Israeli: a man trading by the name of Big Ben in Dundo.

In Cafunfo, one of the prominent Congolese is a man named Tchatchumbala, who was the buyer for UNITA in the days when UNITA occupied substantial parts of the Lunda region and used diamonds from the area to fund its war effort. Tchatchumbala left Angola after government forced recaptured the diamond fields, but returned following the peace accord that the government and UNITA signed in 2002. He is believed still to be doing business with some current UNITA leaders.

There are also substantial communities of Congolese, as well as Senegalese and Malians, working as informal diamond buyers. These people may trade on the street or in private homes, and are connected to networks crossing into the DRC and beyond. There are also some Angolans involved in the informal trade, including at least one official of the Partido de Renovação Social (PRS). The dominance of the market by foreigners nevertheless provokes considerable resentment among those people whose origins are in the region. Local people in the Lundas are fond of stating emphatically that locally-born Angolans are excluded from participation in the industry, even although this is not entirely accurate.

One theory current in the region is that the foreigners are easy to control; they have no long-term commitment to the region, and if they misbehave, they can be thrown out as the authorities choose. This was borne out by the large-scale expulsion of foreign *garimpeiros* early in 2004, although, as far as can be established, the well-established foreign dealers were allowed to remain. By contrast, the Lunda-Chokwe have a strong regional identity, here in one of Angola's remotest corners. Were they to become a force within the diamond industry, they might start insisting on

the state diamond revenues being invested in the area.

Anger is directed not only towards the foreign traders themselves, but also towards the Angolan government. Ascorp, a state enterprise, is believed to have a deliberate policy of discrimination against local people when it comes to issuing diamond-buying licences. It is true that the larger, licensed dealerships throughout the Lundas bear the names of non-Angolans. Local people believe that a substantial part of the region's diamond production leaves through illegal channels, and ask why the government does not exercise stricter control over the border with DRC.

### **The social and economic situation today**

The livelihood of people in the Lundas is overwhelmingly dependent on subsistence agriculture, and their participation in the diamond industry is seen by most as the best chance of a cash income. However, as already discussed, opportunities as workers in the formal sector and as traders are limited, and *garimpeiros* are under increasing pressure from the security forces.

*Garimpeiros* say that lack of formal employment leaves them no alternative but to dig diamonds.

According to a man in Nzaji: "There's no work, so I've been doing *garimpo* since I came out of the army six years ago. If you find something, you might get \$100 or \$200 - it depends on the diamond. If not, you starve. I know some *garimpeiros* who have gone five years without finding anything."

Typically, the wives and female relatives of *garimpeiros* will cultivate crops (usually cassava) for subsistence or to sell, or gather wood and burn and sell it as charcoal, to keep their families alive when no diamonds are forthcoming.<sup>27</sup>

Other income opportunities are limited; though, particularly in Lunda Sul, opportunities to make a living in trade have increased since the end of the Angolan conflict. Peace has allowed traffic to return to the main road that runs from Luanda to Malange and hence

to the Lundas - this road was once notorious for UNITA ambushes. The road journey time from Luanda to the Lundas has also been substantially reduced by the construction of a new route between Luanda and Malange. The resultant increase in trade is most noticeable in Saurimo where the number of shops and market stalls has increased since the end of the war.

In Lunda Norte the picture is different, due in part to the frequency of roadblocks where police demand bribes of traders, and in part to the extremely poor condition of the road between Lucapa and Dundo.

In Saurimo, the provincial government has plans for new infrastructure projects, including the rehabilitation of a hydroelectric scheme. The governor has expressed the opinion, however, that local people are "difficult" and that there is a need to bring labour and management staff from outside. Friction between the governor (from UNITA) and the MPLA-dominated bureaucracy is believed to be an obstacle to progress. A beer factory is under construction outside the city, with South African and Chinese backing. Local people are hopeful that this will bring further job opportunities, though it has yet to be seen whether the business will show a commitment to local labour.

Also in Saurimo, internationally-funded NGOs, working principally in the area of public health, provide a limited number of employment opportunities - such openings are decreasing in number as donor funding to Angola declines following the end of the armed conflict.

The towns of Lunda Norte are notable for a sharp contrast between the colonial-era neighbourhoods built by Diamang, and the slums which have developed subsequently. The old Diamang neighbourhoods have been well maintained, and in the case of Dundo and Nzaji, are supplied with electricity from the hydroelectric scheme on the Luachimo River outside Dundo. Outside of these privileged quarters, shelter consists of the self-built cement-block houses typical of the poor *bairros* (townships) that are attached to most Angolan towns. Here, the streets have never

been tarred, and electricity, running water and sewerage are absent. Particularly in Cafunfo, soil erosion has caused serious damage to the streets, cutting off some important access routes.

Social services are all but absent, with the facilities built by diamond companies (Diamang and later by Endiama) having deteriorated or been put to other purposes. The hospital in Nzaji, dating from the Diamang era and once well-equipped, has deteriorated to the point where the wards are dirty with broken windows, and no medical equipment still functions. In Cafunfo, where Endiama began to provide some basic services shortly before the 1992 elections, a clinic has been commandeered for use as a police station, and the communal water taps installed in the *bairros* have long since run dry.

Education, too, has been neglected. There are only four schools in the whole of the Cuango municipality, none of them providing classes beyond the fourth year of primary schooling.

### The role of the state and its agents

The Lunda provinces, particularly Lunda Norte, provide an extreme illustration of a phenomenon widespread in post-war Angola: the near total collapse of the institutions of the state, at the same time as individuals endowed with the authority of the state (notably the police and army) use this authority to their own private ends.

#### *Social welfare*

The lack of strong state institutions dates back to the days of Diamang, when the colonial administration played only a secondary role in the development and provision of services in the area. Even today, there is a perception that the mining companies, rather than the state, are responsible for the welfare of the population. This perception was reinforced during the brief period of peace before the 1992 elections, when Endiama resumed its role as provider.

"The mining companies ought to build schools, medical posts, and houses," said a

man in Nzaji. Another participant in the same conversation elaborated by saying that "the influence of the government in development policies in this area is the same as that of the companies. They are benefiting from each other. The government has built nothing here since [independence in] 1975."<sup>28</sup>

While many of the foreign corporations that work in partnership with Endiama profess to have social responsibility programmes, there is little evidence of any recent social investment in the areas where these corporations are most active.

#### *The military and business*

The fact that Lunda Norte spent many years under military control, with the battle lines shifting frequently, has led to a situation where army officers operate unaccountably, using the human and material resources of the military to further their own business interests.

Generals in charge of mining operations have used FAA soldiers to defend their workings; this state of affairs began during the period when FAA troops were deployed to defend territory against UNITA, but has continued after the end of the armed conflict. This *de facto* privatisation of the armed forces has in some cases been given legitimacy by the establishment of private security firms owned by the generals, with (former) soldiers providing manpower.

Likewise, after the Angolan government engaged the services of Executive Outcomes to supply mercenaries to lead the post-1992 offensive against UNITA's forces, many of these mercenaries eventually found themselves staying in the Lundas to defend the diamond workings. Executive Outcomes spawned a security firm known as Alfa 5, contracted both by SDM and by the Luarica project, with the South African former mercenaries playing a senior role.

Local people seldom distinguish between a FAA soldier and a private security guard.

Sousa Kandonda Kononoko, a traditional leader in the Cuango valley, says the notional transition from war to peace meant little to the people in his area:

When UNITA left we thought there would be peace. After two weeks under the control of the government we heard that SDM had arrived. Not much later, Alfa 5 shot someone dead, near the river. We don't know why - probably because he was on the road by himself and suspected of stealing diamonds. People can't even go to the river any more.<sup>29</sup>

According to traditional leaders in Lucapa, mining companies have evicted people from their fields in the nearby villages of Calonda, Camufue and Samboaje. "Citizens are not free to travel on the roads," a traditional leader claimed. "The roads are controlled by the security firms Alfa 5, Teleservice and Mambonje."<sup>30</sup>

Lolina Mwassanza, a peasant farmer in the Cuango valley, told how the fields that she used to cultivate were destroyed by security guards working for SDM, which is expanding into the area where she farmed:

We asked for compensation but they gave us nothing. The least we are asking for is for our husbands and sons to be given jobs. Now our only means of survival is burning charcoal.<sup>31</sup>

According to local people near Nzaji, land was seized without compensation for the Chitotolo project.<sup>32</sup>

Even in those cases where the police and/or FAA were not involved directly in these evictions, the absence of any functioning system of policing and prosecution means the victims of eviction have no recourse to the law in challenging these illegal actions carried out by the security companies.

### *Politics in the Lundas*

There is also strong evidence to suggest that the police and civil administration are involved in measures to interfere with the activities of the government's opponents, particularly the PRS, the most important opposition movement in the Lundas.

The PRS has documented the murder of three of its activists in Lunda Norte within the space of six months in late 2002 / early 2003, allegedly by police agents. PRS officials also speak of activists experiencing harassment and

extra-judicial detention by the police. There are frequent reports of PRS flags being torn down – sometimes by officials of the local administration – in villages where party activists have been flying them.<sup>33</sup>

In Dundo, a senior official of Angola Telecom was demoted in May 2003, apparently because of being a prominent PRS activist.

As is the case elsewhere in Angola, it is taken for granted that government agencies and resources may be used in MPLA campaigning. Foreign aid workers in Saurimo told how they decided to withdraw from an Aids awareness rally in late 2003: the rally, supposedly a joint venture between the health department and non-governmental organisations, took on a political character when MPLA activists arrived with party banners, t-shirts and hats.<sup>34</sup>

### *Extortion*

In other cases, agents of the state seem to be motivated by personal financial gain, or the desire to settle personal scores.

In one village in the south-western part of Lunda Norte province, a church representative told how he had been trying to set up a health post, but the local administrator had demanded payment of \$800 in return for permission for the facility to operate. As a result of this, the health post has not opened.

The constant traffic of foreign nationals between Lunda Norte and neighbouring areas of the DRC – notwithstanding Angola's strict passport and visa requirements – gives credibility to reports that Angolan immigration officials are allowing people to cross the border on payment of a bribe.

Police continue to maintain roadblocks, which are used to extract bribes from traders on main routes in and out of Lunda Norte, despite promises by the Luanda government of "the free circulation of people and goods" as a consequence of peace.

In the words of one local resident: "one cannot talk of democracy in this area. With the controls on the roads, how can you talk of the free circulation of people and goods? We are outside Angola here. Luanda is another country. The words and the ways of the one-

party system still remain here.”<sup>35</sup>

In Nzaji, one man spoke of the abduction of his 12-year-old niece by a policeman, apparently because the girl had been squabbling with the policeman’s young daughter.<sup>36</sup>

#### *Security forces and the diamond industry*

The state security forces have also been involved in evicting *garimpeiros* from the areas where they work, despite the lack of a clear legal framework on *garimpo*, and sometimes using excessive force.

During 2002 *garimpeiros* at Cacumbi, in the municipal district of Cacolo, were removed by armed men, allegedly under the supervision of FAA and former UNITA generals, who threatened to shoot if the diggers did not leave. At Sasuaha in the Saurimo municipal district, members of the Civil Defence chased away *garimpeiros* and took their diamonds.

The large-scale repatriation of foreigners working as *garimpeiros* early in 2004 attracted condemnation from the authorities in DRC, who accused the Angolan security forces of using excessive force and ignoring legal procedures.<sup>37</sup> These charges were broadly denied by the Angolan government. The Angolan ambassador to the DRC, Mawete João Baptista, did not deny that excessive force had been used, blaming such instances on “people out of control that were acting on their own”. He also said that the government “has called on foreign nationals in general, and DRC citizens in particular who wish to be involved in diamond mining operations in Angola to enter into partnerships with legally set up Angolan companies” – in other words, not ruling out the continuing involvement of the Congolese and other foreigners in Ascorp.<sup>38</sup>

#### *State corporations*

The Angolan state asserts itself in the Lunda provinces – and particularly in the remoter regions of Lunda Norte – principally through the state-controlled corporations Ascorp and Endiama.

Ascorp, which has the exclusive legal right to buy diamonds from the informal sector of the trade, was set up supposedly to regulate

and legitimise this sector during its rapid expansion in the late 1990s. But industry sources speak of holes in the accounting system for Ascorp’s revenues; its agents buy diamonds with cash dollars.<sup>39</sup> Just under half of Ascorp is shared between Israeli magnate Lev Leviev, and Omega of Belgium; 51% of the corporation is officially state owned, but according to one industry expert, “that could mean government, or people in government – the shareholding is not clear”.

At the same time, the frequent reports from local residents of diamonds leaving Lunda Norte illegally for the DRC are testimony to Ascorp’s failure to fulfil its statutory mandate as buyer of diamonds on behalf of the Angolan state. One industry observer attributed this to the fact that the prices paid for diamonds by Ascorp are less than what diggers can obtain by crossing into DRC.<sup>40</sup>

Endiama’s role in relation to the diamond industry parallels that of the state oil company, Sonangol, in the Angolan petroleum industry: a state agency which participates in mineral extraction in partnership on a project-by-project with foreign concerns, which supply much of the capital and technical needs. As with Sonangol, Endiama’s internal dealings and its business with its partners are conducted in an atmosphere of secrecy; there is no clear data available to facilitate comparison between Endiama’s revenues and its contributions to the treasury.

### **Popular perceptions and political response**

The experience of the people of the Lunda provinces in relation to the Luanda government and to the diamond industry has nurtured a widespread sentiment that the region is distinct from the rest of Angola, and that its people are the victims of a process of exploitation of which the beneficiaries are the other regions of the country, but particularly the ruling elite in Luanda:

We are the slaves of the MPLA. People cannot move freely, dress well, buy meat or a bicycle. We are beaten because of the diamonds. The diamonds are the

property of the people of Lunda Norte. All we of the east are ex-combatants, yet we don't have the right to mine. Those of us who fought in the south never brought back a head of cattle or a bag of maize from the south.<sup>41</sup>

And,

The political parties we know in Angola are stealing Angola's wealth and causing suffering, especially here in the Lundas. We lack necessities like hospitals, roads and schools, and work opportunities. What business can come here, when we are the lords of the land? Our wealth is diamonds – Alfa 5 is armed against us.<sup>42</sup>

And from King Muatchissengue wa Tembo:

We are being colonised by black Angolans. We were already colonised by the Portuguese. Now it is worse.<sup>43</sup>

Factors which have fuelled such perceptions of separateness and exploitation include:

- The geographical isolation of the Lundas, leading to its late experience of colonial rule;
- The fact that, for decades, Diamang played a more significant role than the colonial government;
- The ethno-linguistic coherence of the area as distinct from the rest of Angola – and, particularly, as distinguished from the creolised culture of the Angolan coastal elite.

Activists defending the interests of the region and its people frequently draw comparisons between the Lunda provinces and Cabinda, which famously supplies the greater share of Angola's oil revenue, while seeing little investment in return. But in contrast to Cabinda, where a separatist rebellion pre-dates Angola's independence from Portugal, separatist sentiments are not normally heard in the Lundas.

Dissent has found expression chiefly through the emergence of the PRS. Founded in 1990 under a new political dispensation that did away with the one-party system that had prevailed in Angola since independence, the PRS took some 2.7% of the vote in Angola's first, and only, multi-party parliamentary elections in 1992. While this was a long way behind the results achieved by the MPLA and UNITA, the PRS proved to be by

far the most successful of the new parties that emerged in the multi-party era, lacking the hegemonic force which the MPLA and UNITA in the areas which had been under their military control up to the signing of the Bicesse accords.

The relative success of the PRS is due entirely to its ethnic and regional support base in the Lundas, which in turn is attributable to the sense of political and economic exclusion felt by people in that region. Angola's three largest ethnic groups – the Ovimbundu, the Mbundu and the Bakongo – were historically associated, respectively, with UNITA, the MPLA and the FNLA; while PRS officials boast of having support among all of Angola's provinces and ethnic groups, the PRS's support is essentially among the Lunda-Chokwe, the country's fourth largest ethnic group who historically were marginalised from politics.

The PRS has to an extent been able to invoke its rights as a political party with representation in parliament, and negotiate some of the obstacles put in its way by the local authorities. In contrast to the presence of PRS structures throughout the region, civil society organisation remains extremely weak, with no significant local NGOs in the region. This can be attributed to the region's isolation from the rest of Angola as well as the difficulties in communication among the widely dispersed diamond producing centres of the Lundas – particularly given the heavy police presence on the roads, and the furtherance of MPLA party political interests by the administration.

The foreign NGO presence in the Lundas is concentrated in and around Saurimo, and is concerned principally with public health rather than wider-reaching political and social issues. Nor has the church in the Lundas been a focus for political mobilisation as has been the case particularly in Cabinda, but in other parts of Angola too.<sup>44</sup> People in the region are divided among a number of religious denominations (Catholic, Evangelical, Seventh Day Adventist), in contrast to many other areas of Angola where the Catholic Church has a clear majority. Thus there is no one church that might act as a unifying social force and an advocate for justice, as the Catholic Church

has done elsewhere in Angola.

In this absence of civic organisation to provide a voice for the region, the situation in the Lunda provinces remains largely unknown in the rest of Angola and the world at large.

### **Conclusion: Beyond ‘blood diamonds’**

The end of the armed conflict between the Angolan government and UNITA has provided the first opportunity since independence for the creation of a stable and regulated environment, in which Angola in general, and the Lunda provinces in particular, might be able to benefit from the diamond wealth of the region. Attaining this objective would involve the initiation of a transparent process for the allocation of diamond concessions, with room both for commercial exploitation and *garimpo*; a transparent system of revenue management; legally enforced fair labour practices for employees of the large commercial companies; and a level of social investment befitting the region’s needs. Social investment ought to take into account the training needs of the diamond industry, so as to improve local people’s employment prospects in the industry.

In reality, none of this has happened. Despite the notional return of peace to the Lundas, the management of the diamond industry retains many of the characteristics that it acquired during the period when the diamond fields were both a prize and a weapon in the civil war: the control of the diamond fields and their populations by force of arms; the absence of any kind of functioning legal framework to protect the rights of diamond workers and the population at large; the lack of any functioning civil administration (beyond the level of mere bureaucracy) in most parts of the Lunda provinces; and the domination of the Angolan diamond trade by secretive networks operating on the margins of the law, but ultimately to the benefit of the members of political elites. At the same time, Angola itself continues to be defrauded as inadequate controls allow unknown but substantial quantities of diamonds to leave the country illegally.

In fact, far from occasioning a fundamental change in the pattern of exploitation in the diamond fields of the Lundas, the end of the war has served to legitimise the status quo in the eyes of international observers and participants in the industry. It was the experience of wartime Angola which – along with the comparable and contemporaneous experience of Sierra Leone – drew the attention of rich diamond buying countries to the consequences of buying diamonds from armed rebel movements: during the 1990s, Sierra Leone’s Revolutionary United Front as well as UNITA bought arms and maintained armies on the profits from the diamonds which ended up on the international market. This led to pressure for internationally binding mechanisms to keep such “conflict diamonds” out of the global trade. The culmination of these efforts was the Kimberley Process, a voluntary agreement between states and companies involved both in the production and in the marketing of diamonds; the Kimberley Process has been recognised as the most effective means yet devised to ensure that diamonds sold by illegal armed movements do not end up on the world market.

The effectiveness of the process depends, among other things, on the fact that it is endorsed by governments. But linked to this endorsement is the fact that the Kimberley Process defers to national sovereignty; it has no mechanism to keep a check on abuses that are carried out by, or with the complicity of, the state and its agents. The concept of “blood diamonds” is one which has hitherto been associated with armed conflict. The lesson of the Lundas today is that a notional peace is no guarantee that the exploitation of diamond resources will be done in a way that respects basic human rights, and which contributes to the development and well-being of the diamond-producing region, and the country as a whole. Perhaps it is time to re-think the idea of what constitutes a “blood diamond”.

### **Notes**

1. A previous electronic version of this article was released by the African Security Analysis Programme at the Institute for Security Studies as

- a situation report on 6 May 2004. For the purposes of this publication, and as a result of a subsequent visit to the country, the author has kindly updated a number of sections in the article.
2. The Cabinda conflict, between the FAA and factions of the Frente para a Libertação do Enclave de Cabinda (FLEC), has always been geographically and politically separate from the FAA - UNITA conflict and has no bearing on the situation in the Lunda provinces.
  3. As Davidson points out 'when, in the middle 1960s, the people of the east began responding to the national movement, their experience of the colonial system was often less than forty years old'. See B Davidson, *In the eye of the storm: Angola's people*, Longman Group Limited, London, 1972, p 109.
  4. A Hodges, *Angola from Afro-stalinism to petro-diamond capitalism*. African Issues, The Fridtjof Nansen Institute & The International African Institute, James Currey, Oxford, 2001, p 148.
  5. The division of the Lunda region into Lunda Norte and Lunda Sul came only after Angolan independence, in 1978.
  6. B Davidson, op cit, p 139.
  7. A Hodges, op cit, p 148.
  8. C Dietrich, Inventory of formal diamond mining in Angola, in J Cilliers & C Dietrich (eds), *Angola's war economy. The role of oil and diamonds*, Institute for Security Studies, South Africa, 2000, p 144.
  9. A Hodges, op cit, p 152.
  10. C Dietrich, op cit, p 146.
  11. A Hodges, op cit, p 154.
  12. Ibid, p 152.
  13. Interview in Johannesburg, January 2004.
  14. Interview in Benguela, December 2002.
  15. C Dietrich, op cit, p 149.
  16. Ibid.
  17. Interviews in Cafunfo, Dundo and Nzaji, November 2003.
  18. Interview in Nzaji, November 2003.
  19. Lusa news agency, Luanda, 12 April 2004. "Since the end of 2003, in the context of Operation Brilliant, which aims to put an end to illegal diamond prospecting, and as of early April 2004, the Angolan authorities have repatriated about 60,000 foreign citizens who have come from 14 African countries. Most of the detentions were in the diamond-rich provinces of Lunda Norte and Lunda Sul, where the Angolan military and police forces detained 49,656 foreign citizens, of whom only 600 have not yet been repatriated. The figures, which refer to the situation on 9 April, were revealed by a source from the Angolan Armed Forces' chief of general staff, quoted by Jornal de Angola. The great majority of illegal foreigners detained in the provinces of Lunda Norte and Lunda Sul came from neighbouring Democratic Republic of Congo (DRC), to which 48,712 people were repatriated in the last few months. Of these repatriated people 36,129 were men, 6,870 were women and 5,713 were children. In the operations carried out in these two provinces, another 344 foreigners were also detained, of whom 139 were from Guinea, 121 from Gambia, 34 from Mali, 15 from Sierra Leone, 13 from Senegal, and 10 from Cote d'Ivoire. The rest came from the Republic of Congo, the Central African Republic, Rwanda, Nigeria, Sudan and Guinea-Bissau. [...] The disclosure of these figures emerges soon after the Angolan government made a report at the end of last week, guaranteeing that it will not allow the illegal entry of foreigners into the country. "The government is going to continue to welcome all foreign citizens who wish to settle and carry out useful activities in Angola, but it will not allow those who cross the border illegally to carry out activities that are liable to destabilize the country from an economic and social point of view," said the document. To put an end to this "intolerable situation," the government recalled that the armed forces and the police launched a "widespread operation" at the end of last year, which started in the provinces of Bié and Huambo but that has also already been extended to the provinces of Lunda Norte, Lunda Sul, Malange, and Cuanza Sul.
  20. Médecins sans Frontières, MSF Statement, April 2004.
  21. Interviews, April 2004.
  22. Interviews in Cafunfo, November 2003.
  23. Interview in Johannesburg, January 2004.
  24. Interviews, April 2004.
  25. Interview in Saurimo, November 2003.
  26. Interview in Lucapa, November 2003.
  27. Interviews in Nzaji, November 2003.
  28. Interview, Nzaji, November 2003.
  29. Interview, Cuango town, November 2003.
  30. Interview, Lucapa, November 2003.
  31. Interview, Cuango town, November 2003.
  32. Interview, Nzaji, November 2003.
  33. Interviews, Cafunfo, November 2003.
  34. Interview, Saurimo, November 2003.
  35. Interview, Dundo, November 2003.
  36. Interview, Nzaji, November 2003.
  37. According to Digital Congo website, Antoine Ghonda, the minister of foreign affairs and international cooperation, has said that he has written to the Angolan authorities informing them of the concerns of the Congolese government concerning the expulsion of some 10,000 citizens of the DRC. The DRC foreign minister stated that there is a method for repatriating people in irregular situations in a foreign country and that sending them to borders must not be done in inhuman conditions. The minister made it known that Kinshasa is waiting for reactions from Luanda after sending the letter to his Angolan counterpart. It is worth noting that the Voice of the Voiceless for the defence of human rights spoke out to denounce the atrocities perpetrated against the Congolese by Angolans and castigated the role of the Angolan authorities. Dolly Ibefo, the deputy chairman of this nongovernmental organ-

ization for the defence of human rights, even said on Radio Okapi that he learned about the death of Congolese citizens or the imprisonment of others. According to him, the Angolan army carried out several operations in villages hosting Congolese nationals, surrounding houses and dislodging the inhabitants under military escort. The expelled Congolese did not have the right to carry leave with their belongings. According to some sources, those who wanted to resist were tortured and made to suffer degrading treatment. Digital Congo website, 30 January 2004.

38. According to the *Jornal de Angola*, about 350,000 DRC nationals living illegally in diamond rich areas are about to be repatriated. This has been announced at a news conference by Mawete João Baptista, Angolan ambassador to the DRC. Ambassador Mawete Joao Baptista further noted that "this is a decision by the Angolan government that already has been relayed to the DRC government." This senior government official said that three months prior to the implementation of this decision, the Angolan government called on all interested persons, both Angolans and foreign nationals, to legalize their gainful activities or to set them up in less sensitive areas where they could earn their living more peacefully and with greater dignity. He stressed that the government took this measure as part of its plan to restore authority to all parts of Angolan territory now that the conflict is over, with a view to advancing economic and financial recovery, and using the country's resources for the benefit of the population. The ambassador to the DRC also pointed out that only duly authorized individuals and companies carrying the appropriate diamond mining licenses are allowed to set up their operation in the above mentioned areas. He added that "no foreign citi-

zen who is legally established and abides by the laws in force in Angola can be affected by this operation, which must in no way be seen as a show of xenophobia." Ambassador Mawete João Baptista then advised that his government has called on foreign nationals in general, and DRC citizens in particular who wish to be involved in diamond mining operations in Angola to enter into partnerships with legally set up Angolan companies. He also refuted allegations that expelled DRC citizens were the target of human rights violations and loss of property, saying that any cases of indiscipline or excessive use of power had to be blamed on people out of control that were acting on their own. During the news conference, the Angolan diplomat took the opportunity to recall the ties linking the two countries which, he emphasized, go back several centuries. He explained that more than 15,000 DRC citizens already have been repatriated and the operation is carrying on. He also disclosed that in addition to the DRC citizens, there are 90,000 other foreign nationals in a similar situation. Most of them hail from countries in West Africa, and Mawete João Baptista made it clear they too would be sent home directly. *Jornal de Angola*, 6 February 2002

- 39 Interviews in Johannesburg, January 2004.  
 40 Interviews in Johannesburg, January 2004.  
 41 Interview in Cuango, November 2003.  
 42 Interview with Soba Domingos António, Cuango, November 2003.  
 43 Interview in Itengo, November 2003.  
 44 For example, the Catholic Church played a leading role during 2001 and 2002 in uniting opinion against the conflict between the Angolan government and UNITA, and advocating for the resumption of peace talks.