

# Beyond the stalemate?

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The region and the international community are faced with stark choices in respect of the Angolan conflict. They can allow the war to run its course, with the risk of even higher levels of human suffering and physical destruction, including the regionalisation of the war. Or they can try again to seek a negotiated settlement, which, if achieved, may be inherently unstable. One thing is clear: any settlement will require a major development initiative if an end to the war is to be more than an interregnum in the ongoing conflict. As illustrated in various chapters in this book the challenges of recreating a country out of what remains of the Angolan state are immense. The economy is a disaster, industry scarcely functions, inflation is high, scarcities are rife, the infrastructure has been virtually destroyed, wages are at starvation levels and governance, to the extent that it exists, is restricted to Luanda and (some) provincial capitals. Given past trends, it will in any case be the donor community and not the Angolan government that continues to offset the worst effects of the war, deprivation and hunger through the provision of humanitarian assistance. The absence of peace therefore carries its own international cost if one takes into account that Angola received US \$436 million in Overseas Development Assistance in 1997.

Angola has tried to achieve a settlement through an elite pact on at least three occasions. With the exception of the 1992 elections, the broader populace has had little role in determining a more peaceful future despite their central role as enablers and victims. Until very recently political participation only took place when mobilised and organised by the state to serve its own specific purposes. Except for church-linked organisations such as *Caritas Angola* and the Angolan Council of Evangelical Churches, the state has only recently allowed the establishment of non-governmental organisations and the *União Nacional para a Independência Total de Angola* (UNITA) effectively bars any such activity in areas under its control.

Angolan churches started to speak out on human rights issues in 1989 and soon thereafter launched the Angola Civic Association. In recent years large thanksgiving services have been hosted and in 1997 the Angolan bishops even published a pastoral letter condemning “extravagant arms purchases.”<sup>1</sup> With the resumption of the war the following year the churches and smaller civil society groupings became bolder. A march for peace organised by the *Comite Intereclesial para a Paz em Angola* (Coiepa) in June 2000 in Luanda turned into the largest such event since elections in 1992, attracting several thousand people. The congress for peace held at Luanda’s Catholic University the following month brought

together more than 20 churches, a number of politicians and NGOs and raised the issue of negotiations between the government and UNITA. The congress called for a national dialogue that would involve not only the main protagonists, but also the churches and civil society.

Even amongst the more than a one hundred political parties in Luanda talks have started in an attempt to establish a united opposition following indications that the government wishes to call an election. But without participation by UNITA, new national elections will amount to little more than a MPLA referendum.

There is now a growing public articulation of the awareness that the MPLA, and UNITA, have been profiting from this war, in connivance with powerful foreign commercial interests and without concern for the 'people' in whose name it is fought. Unaccustomed to dealing with dissent from this quarter the governments' response has been harsh, drawing considerable criticism from influential foreign actors. Individual journalists have been harassed, and even arrested and charged, for publishing stories and making broadcasts that are unflattering of the ruling elite.<sup>2</sup> Far removed from the public domain, UNITA is less troubled by such pressures and able to control dissent forcibly.

One thing is clear: any future peace process must be more than secretive discussions between the two major, armed opponents if Angolans are to overcome the legacy of successive generations of conflict. But without significant assistance civil society in Angola will remain weak and only able to express its outrage at the present situation.

## The Angolan security dilemma

It is clear that UNITA recently suffered a series of military setbacks, that the government has destroyed a large portion of its conventional weaponry and that the Angolan army, *Forças Armadas Angolanas* (FAA), has succeeded in driving UNITA from large areas traditionally under the rebels' control. With a continued exodus of people from UNITA controlled areas, the movement's recruitment and labour pool must also be decreasing. It also appears as if UNITA's diamond revenue base is under pressure. The report of the Panel of Experts on Violations of Security Council Sanctions against UNITA, tabled in March 2000 (the Fowler Report) has spawned a number of initiatives both inside and outside Angola that may affect the rebels' income from the illegal diamond trade.

But when judging the remaining military capacity of UNITA one must bear in mind the rebels' strategy of establishing a liberated zone within Angola, providing political education to the peasant population and seeking self-sufficiency. Previous chapters have discussed the extent to which the rebels' guerrilla army, the *Forças Armadas de Libertação de Angola* (FALA) relies on foraging and obtains a substantial amount of supplies, including war materiel, within Angola either seizing them from FAA or through the informal economy. Their capacity to 'live off the land' was built up over decades. Many members of FALA have spent

their life on the move, taking their families with them and setting up self-sufficient villages as they go. The extent to which FALA also relies on banditry to ensure supplies has been demonstrated over the years. A recent example is an attack on a World Food Programme convoy of four trucks carrying 50 tons of maize, beans, salt and cooking oil near Cubal during April 2000.

It is not surprising therefore that the military situation in mid-2000 indicates a resurgence of UNITA military activity and that the movement has expanded its military operations in the south-east and reactivated its activities around Luanda, in a replay of previous years. In the process UNITA has extended the supply lines of FAA making them vulnerable to guerrilla attack and harassment.

The extent to which the pendulum of military balance has swung between UNITA and the government over the years, does not reflect the changing strengths of the opposing forces, but rather their relative weakness in a country more noted for its absence of administration and control than the reverse. The changing fortunes of FAA and FALA reflect the reality of vast open spaces that challenge the logistics of both armies, through which FAA advance, bound by roads and logistics, and FALA trek, often across country. Driven by logistics, fighting tends to be periodic, diffuse, seasonal and often restricted to those areas where it will not interfere with diamond production.

The military situation in Angola appears to be that of a *stalemate* with no victory in sight for either of the protagonists, despite the steady attrition of UNITA's capacities. By the middle of 2000, the Angolan protagonists remain trapped in their own security dilemma from which even an international engagement the size of the third United Nations Angola Verification Mission (UNAVEM III) was unable to extract them.

During successive phases of Angola's modern history the MPLA and UNITA have sought to undermine the various peace agreements when events turn to their disadvantage. Both organisations have used negotiations as a vehicle for political/military trade-offs and UNITA has been particularly adept at delaying tactics.

Fighting actually intensified during the last stages of the negotiations of the Bicesse Peace Accords when UNITA laid siege to Luena and continued even after the cease-fire came into effect on 15 May 1991. During the subsequent implementation of the Bicesse Accord, the MPLA and UNITA followed different strategies to ensure that they maintained a war-fighting capacity despite international supervision. UNITA used the demobilisation camps as regrouping and recuperation structures for its guerrillas, who were much more used to living off the land than the MPLA's military wing, then still known as the *Forças Armadas Populares de Libertação de Angola* (FAPLA).<sup>3</sup> The MPLA established a separate 40 000 strong paramilitary 'riot police' almost entirely composed of former FAPLA members and cared little about maintaining its military as a cohesive force. The subsequent military reverses suffered by the government could largely be attributed to the effective disintegration of FAPLA during the cantonment and demobilisation process.

During the first months of the 'war of the cities' that followed, which saw UNITA gain control of two thirds of Angola by early 1993, talks in Abidjan and

Addis Ababa came close to an agreement. They failed when UNITA sought to have its military success reflected in the draft protocol and when the Security Council refused to countenance the deployment of a symbolic peacekeeping force to monitor the disengagement that would follow a ceasefire.<sup>4</sup>

When the military balance tilted sharply the other way the gains made by the government forced UNITA to concede to the Lusaka Protocol. Despite the fact that the two organisations initialled the Protocol on 31 October 1994, fighting continued with FAA eventually capturing Huambo in what UNITA saw as a violation of the spirit of the agreement. Only immense diplomatic and other pressure forced the government to sign the Lusaka Protocol on 20 November 1994 – against the advice of persons such as FAA Chief of Staff General João de Matos who considered UNITA too strong to guarantee lasting peace.<sup>5</sup>

The implementation of the Protocol soon fell victim to the same manipulation and undermining that characterised the 1991/2 period. UNITA effectively used the time granted by the peace process and the delays in the deployment of peacekeepers to re-equip, rearm and recover from the setbacks that it had suffered. The government also continued with its military preparations. Neither disarmed nor demobilised, eroding confidence in the peace process. In the absence of military pressure it was only sustained international pressure and eventually sanctions that inched UNITA forward to comply with the Protocol as incidents of fighting continued. UNITA even shot down a UN helicopter in March 1995.

Little progress was made in handing-over towns to the government and despite yet another agreement in January 1998 to complete implementation of the remaining elements of the Lusaka Protocol, the schedule continued to fall behind. Eventually UNITA would pretend to demilitarise and the international community would pretend to believe it, while missing each successive deadline for the return of territories to state administration. Having completed its military build-up, the government lost patience at the end of 1998, requested the termination of UNAVEM III's successor mission, the UN Observer Mission in Angola (MONUA), and war resumed.

That UNITA and the MPLA sought to undermine the peace process should come as no surprise. The August 2000 Report of the Panel on United Nations Peacekeeping (the Brahimi report) is quite explicit.

“... local parties sign peace accords for a variety of reasons, not all of them favourable to peace. ‘Spoilers’ – groups (including signatories) who renege on their commitments or otherwise seek to undermine a peace accord by violence – challenging peace implementation ... The United Nations must be prepared to deal effectively with spoilers ... would-be spoilers have the greatest incentive to defect from peace accords when they have an independent source of income that pays soldiers, buys guns, enriches faction leaders and may even have the motive for war.”<sup>6</sup>

Since the Angolan belligerents have little common cause or ground upon which to build a stable peace, distrust the international community, and have the means

through oil and diamonds to prosecute the war, both sides have a strong incentive to seek resolution through a military defeat of the other. Elements within the government and UNITA may believe that ending the war would be in their own best interests, but without a credible external or joint institution to guarantee observance once fighting ceases, the incentive to retain a residual war-fighting capacity is strong.

This security dilemma is the single most powerful explanation for the failure of the previously negotiated peace settlements. The government now refuses to negotiate before UNITA agrees to a cease-fire and lay down its arms. UNITA, fearing the government's bad faith, refuses to give up its weapons until it is assured that its interests will be recognised and accommodated in the final peace settlement. Both seek the destruction of the other as the war spreads into the region with the Angolan government seeking to isolate UNITA from its support structures. This was particularly evident when the government changed in the Democratic Republic of Congo (DR Congo), and the neighbouring Republic of Congo (Brazzaville)<sup>7</sup>, the rise in tension between Angola and Zambia<sup>8</sup> and FAA hot pursuit operations and cross border banditry into Namibia.<sup>9</sup>

Ironically, the only apparent factor in favour of a settlement under the present leadership of the government and UNITA is the rough military symmetry between the two opponents and the inability of the one to defeat the other. Although FAA is a large, relatively well equipped conventional military force, it has failed to adopt a doctrine and tactics able to roll back the UNITA guerrilla threat. While UNITA has attempted to engage FAA conventionally and sought to hold strategic areas, it has not managed to sustain these efforts. The existence of two largely coherent protagonists that enable negotiation, agreement and eventually, some control of territory, is one of the cruel advantages still left to Angolans. Compared to an organisation such as the Revolutionary United Front and the government forces in Sierra Leone, the Angolan armed forces and UNITA represent relatively coherent forces, fighting an organised campaign. This speaks volumes for the extent of support, intimidation and patronage available to both.

But control over FAA appears to be a tentative affair. Already its actions in northern Namibia and along the border with Zambia where troops have ventured ostensibly in search of UNITA, indicates an organisation that suffers from severe command, control, discipline and morale problems. Actions of out-right banditry are common as FAA exploits and intimidates the local population, irrespective of nationality. One can only speculate about what happens in those areas inside Angola traditionally sympathetic to UNITA and now occupied by government forces. The reports of what happened when FAA captured Huambo prior to the signature of the Lusaka Protocol may provide some indication, but make grim reading.

UNITA does not have the obligations of governance and has little incentive to act responsibly. Hidden as it is from reportage in the Angolan hinterland it can get away with terrorism and intimidation much more easily than Luanda. To those that have contact with the organisation, UNITA often appears to be a feudal organisation and while the death or removal of Savimbi may seem to offer a route to

peace, the effect of such a development on UNITA may not be conducive to a settlement. Without the dominating personality of Savimbi UNITA may fracture and disintegrate, compounding rather than enabling a lasting peace agreement.

Both forces are therefore *brittle*, and there is a danger of their splintering and disintegrating over time given the inability of the Angolan government to extend even nominal control over much of the state territory. This, together with the regionalisation of the war motivates for continued international action towards peace in Angola.

The Angolan war is spreading and could, over time, further destabilise northern Namibia<sup>10</sup> and Zambia as fighting in southern and western Angola creates yet another exodus of refugees into neighbouring Namibia, Zambia and the DR Congo.<sup>11</sup> Without an end to the war in Angola, long term stability in the neighbouring DR Congo and in Congo-Brazzaville will be difficult to achieve while state collapse in Angola appears to be gathering speed. Despite its status as an important oil exporting country, Angola may soon resemble an enclave, off-shore state divorced from the rest of the region, providing room for considerable on-shore instability.

The following sections comment on some of the more important aspects that would impact on the progress towards a settlement in the Angolan war, starting with control over the diamond fields.

## Controlling the Angolan diamond fields

The recent Fowler Report documented UNITA sanctions violations in an approach generally described as "name and shame".<sup>12</sup> The report accused Burkina Faso and Togo<sup>13</sup> of helping the rebel movement in exchange for diamonds, Bulgaria for violations of the arms embargo, and Belgium for having lax procedures at its Antwerp diamond market that facilitated the trade in UNITA diamonds. The recommendations included: prohibiting the sale or delivery of arms and military equipment to UNITA; prohibiting the provision of petroleum products to UNITA; prohibiting the purchase of diamonds mined in UNITA-controlled areas; the seizing of UNITA's financial assets; the closing of UNITA representation offices abroad; and restricted travel for senior UNITA officials and adult members of their families.

Subsequently the UN Security Council passed resolution 1295 under Chapter VII of the UN Charter which requested the Secretary-General to establish a monitoring mechanism of up to five experts to further investigate violations of the arms and fuel embargo on UNITA, and the ban on rebel diamond sales.<sup>14</sup> The Security Council resolution encouraged States to: monitor arms exports, including by private arms brokers; to impose penalties for possession of diamonds imported in contravention of the sanctions regime; and work with financial institutions to identify UNITA-owned funds and assets and freeze them. Other provisions of the resolution emphasise suspending or cancelling the passports and travel documents of UNITA officials and their families; strengthening

air traffic control systems to detect illegal flights, and measures to prevent sanctions violations by individuals or professional associations.

The resolution also called on the Southern African Development Community (SADC) to do more in monitoring sanctions on UNITA. It encouraged the creation of a database on fuel supplies, better information exchange on possible illegal diversions, and to strengthen air traffic control systems to detect illegal flights. It called on the Angolan government to tighten its internal fuel distribution system to prevent smuggling to UNITA. The new team is to provide a report on improving the sanctions regime against UNITA during October 2000. A decision is to be taken the following month on 'appropriate action' against those violating sanctions, and the consideration of 'additional measures' against UNITA.

In all campaigns, military commanders seek to control or occupy the key strategic terrain that will ensure success. In traditional times this was often the 'high ground' that forced the opponent to fight uphill and expose his forces to missiles launched from above. In modern conventional war, communications and command and control systems are considered to be of vital importance when seeking to disrupt the combat capabilities of your opponent. For UNITA the high ground, the strategic terrain, is the Lundas, that once dominated will impair Savimbi's war-fighting ability significantly. *Without access to diamonds, UNITA will not be able to continue its military campaign*, having exhausted most of the ivory and hard wood resources that originally bolstered its war chest and having lost its external patrons, including the United States, South Africa and the former Zaïre.

The areas of highest diamond concentration in Angola occur in two provinces namely Lunda Norte and Lunda Sul, the Cuango valley in particular, although kimberlite pipes are scattered throughout the country. Ironically these areas are not generally subject to military battles for domination. Instead there is evidence of cohabitation and sometimes collaboration between the protagonists as informal commercial networks ensure loose agreements over fluid turf.

During the implementation of the Lusaka Protocol the Lundas were the site of considerable military competition, but recently the Angolan government appears to be more concerned with ensuring that its formal diamond production escapes the 'conflict diamond' tag, than in denying rough diamonds to the rebels. Concessions will be reviewed in a process that seeks to benefit Angolans rather than foreigners and a monopoly diamond marketing system has been established through the Angola Selling Corporation (Ascorp).<sup>15</sup> The most ambitious part of the scheme is to register the 100 000 to 300 000 *garimpeiros* and make them a formal part of the system. To this end bar-coded licences, introduced in June 2000 near the town of Nzaji, are to be instituted across the country. For that Luanda has launched a *guichet unico* with policing powers to clean up the informal trade. The stated intention is to introduce a chain of warranties or guarantees (on security printed-paper) stretching from the miner to the diamond polishing centres in a city such as Antwerp, to the retail customer. Under the new licensing system only registered diggers, buyers, runners and other specially authorised persons will be

allowed to own rough diamonds which will be very different to the present situation that allows the possession of rough by all Angolans.<sup>16</sup>

While the suspicion lingers that these reforms may only be another method through which key individuals, not all of them Angolan, can profit, the more important concern is that it will not end UNITA smuggling. Previous chapters have indicated the extensive unreliability of Angolan diamond statistics. Within a much tighter monopoly, without complete transparency and external oversight, the government and/or key individuals will be able to manipulate figures at will, while the allocation of licences will become yet another powerful source of patronage through which diamond prices can be dictated. Given the ease with which diamonds can be concealed and smuggled out of the Lundas to neighbouring DR Congo or indeed any other country in the region, the incentives and opportunities for a continuation of the illegal trade are obvious.<sup>17</sup> The danger is that without sustained external vigilance, the reforms could see the greater prominence of Angolan mining companies tied to the Luanda elite exploiting the diamond reserves through joint ventures with foreigners, who finance mine development, without an effective end to UNITA diamond smuggling. Already reports from Angola indicate that the Ascorp monopoly is encouraging previous Angolan buyers to rather sell rough elsewhere and the export of diamonds from countries like Congo-Brazzaville and Rwanda probably set to increase in the near future as a result.

The key to any revised system must be the denial of diamonds to UNITA, a fact well known to the international community and the Angolan government. That, in turn, depends on the establishment of competitive and alternative selling mechanisms inside Angola, government control of the Lundas, a working and less corrupt police force and the vigorous pursuit of a global diamond export and import regime covering *all* diamond producing and importing countries. As a first step any international initiative will have to place a ban on diamond exports from known Angolan rough export countries including Congo-Brazzaville, the DR Congo, Rwanda, Central African Republic and Liberia, placing these countries under similar constraints presently the case with Angola and Sierra Leone.

But, pressurising UNITA's diamond income will be difficult and only partially successful. Additional measures will be required if sufficient pressure is to be applied and maintained to ensure successful negotiations.

## Pressure on UNITA logistics

Any endeavour to control UNITA's support structures will require considerable investment in *regional policing* and related capacity and the political and material will of the international community to translate pious statements into action. It will also require *extensive reforms and controls inside Angola itself*.

No one country in the region can afford, or has the resources, to regulate and control trading commodities while the extent of the regional informal or 'second' economy renders border control extremely difficult.

Aircraft flights into Angola can, for example, originate directly from the region or from further afield, sometimes directly from the Ukraine, Russia and Moldavia. During December 1997 alone the United Nations reported 186 illegal flights into Angola, mostly from South Africa, although the number fell to about 40 flights during January-February 1998.<sup>18</sup> Arms embargoes are of little consequence to arms brokers in any case since the cargo is never brought into a country where arms control laws apply. Therefore an Antonov 124-cargo plane, leased from a firm in Ukraine, could pick up arms in Bulgaria and deliver them directly to UNITA while the broker controls the whole matter from a third country such as South Africa.

Disparate and inadequate national systems for controlling arms brokers and shipping agents are compounded and encouraged by the relative absence of international agreements and treaties. It is instructive to note that not a single individual has been prosecuted during the past decade for violating UN arms embargoes in Africa. Dealers can locate themselves outside those countries with tough controls and relocate their companies from one country to the next as the need arises, evident by the frustration expressed by the former British Foreign Minister for Africa, Peter Hain, in seeking to constrain the activities of someone like Victor Bout.

Since border and airspace control is often more a function of chance and the exchange of money than policing, the only realistic option is for the international community to undertake certain tasks itself or provide the assistance to build national and regional policing, investigative and intelligence capacities. Few states in the region possess competent law enforcement agencies. None of those bordering Angola can claim effective control of cross-border movement and most are themselves in an acute crisis of governance. Yet larger supplies by air, road or sea have, at some point, to cross into Angola and it is at this point that they are most vulnerable to interdiction. Some measures, such as control of Angolan airspace and control of flights to UNITA territory, could be done relatively easily and cheaply by any single permanent member of the Security Council or coalition of medium powers. The same goes for the interception of internal radio and satellite communication in or emanating from Angola. Practical measures such as these would be direct and have an immediate impact when compared to the slow progress being made in seeking to tighten up controls on arms brokers and shipping agents internationally.

To reduce the flow of material to UNITA by ground will, however, require significant capacity building within the constituent police, intelligence and military forces, apart from the demands faced by customs and excise, migration control and the like. Regional bodies such as the Southern African branch of Interpol and the Southern African Regional Police Chiefs Cooperation Organisation, based in Harare could also be of assistance, but face similar constraints.

In all of these, the missing components remains the international commitment and political will to take meaningful action against UNITA and a commitment to a larger constituency than itself from the *Futungo* in Luanda.

Regionally neither the members of the Organisation of African Unity (OAU) nor the Southern African Development Community (SADC) have been able to pursue a common approach to the war in Angola, divided between overt converts to the MPLA, doubters and profiteering politicians. Key individuals in a number of neighbouring countries, the DR Congo and Zambia in particular, have been deeply involved in supporting UNITA and are aware of the extent to which Agostinho Neto originally owed the MPLA's position in Luanda to Soviet and Cuban military intervention rather than any claim to domestic support.

Apart from rhetorical statements condemning Savimbi as a war criminal, the now defunct Frontline States and SADC have been more noted for their absence in any coherent role *vis-à-vis* the conflict in Angola. Even its most modest attempt, the Ad Hoc Committee on Cross Border Crime that was established under the auspices of the SADC Inter State Defence and Security Committee and sought to end support of UNITA in 1997, ended ignominiously.<sup>19</sup> After a process lasting four years the region has also not been able to agree on the structures or modalities that would form the basis for the primary conflict prevention and mediation structure, the SADC Organ on Politics, Defence and Security. Perhaps more than any other single issue these disagreements reflect the lack of a common regionalism and approach to conflict resolution within a highly fractured, divided and weak region.

The same principle applies inside Angola itself. Commodities such as fuel are purchased by UNITA from Angolan suppliers, including the Angolan state oil company *Sociedade Nacional de Combustiveis de Angola* (Sonangol), smuggled in from Zambia or the DR Congo or appropriated in the Luanda harbour. Like most major insurgencies UNITA obtains most of its arms, ammunition and war materiel from its enemy. And, as discussed elsewhere in this book, many of UNITA's resources are converted into cash inside Angola. The appropriate response to such challenges lies squarely within the domain of governance and the establishment of an accountable, efficient and transparent system of administration within the country. Until such time as the government does not seek on-shore popular legitimacy based on a commitment to serve the interests of the populace as opposed to an off-shore legality based on oil and its ability to lever international influence through multinationals scrambling for profit, there is little hope for Angola.

## Targeting the elites

Beyond those measures that seek to reduce UNITA's war-fighting capability, *an approach that also seeks to expose the grey area between war fighting and criminality may place massive pressure on the elites on both sides of the war.*

Within the last decade, the suffering wrought by indiscriminate economic sanctions in an increasingly interdependent world has weakened support for general trade embargoes and the withholding of development assistance. The images of suffering in Iraq and the extent to which limited trade sanctions against countries such as Sudan were undermined demonstrate the weakness of an indiscriminate approach that punishes the broader populace rather than the elites that sustain and profit from the conflict. Every sanctions regime is undermined or weakened by countries that disagree and by companies and individuals seeking immediate profit in a high-risk environment with extensive global opportunities to launder money. In a world where both international trade and finances have gained a life beyond national control, the ability of the international community of nations to apply effective and comprehensive economic sanctions has also declined.

Through targeted financial sanctions external powers can attempt to sever the link between the protagonists and the profits from the war so that the business of war becomes increasingly unprofitable and personally dangerous. By revealing the extent to which individuals have profited from instability, such sanctions can bring considerable pressure to bear and deter others that may wish to similarly contravene international norms of civil conduct. The notion of targeted financial sanctions, including measures such as freezing the foreign assets of designated individuals and companies and/or blocking financial dealings, have probably been best developed by the United States. Such sanctions have been used to deal with 'specially designated narcotics traffickers', and internationally against Iraq, to ensure that no weapons of mass destruction were developed as from 1991.<sup>20</sup>

While the logic of targeted financial sanctions is apparent, they are not easy to enforce within a global financial and trading system that largely operates outside of state control. This has been demonstrated by the limited effects of the massive efforts directed at leaders such as Saddam Hussein and previously Slobodan Milosevic.

While an effective effort to interdict and block the assets of leaders such as Savimbi (and the MPLA elite) may appear to require a substantial international commitment and adequate resources, there are innovative ways in which these could be addressed more cheaply. One such approach would be to offer bounties or rewards to organisations or individuals that locate UNITA assets (and diverted income from Angolan oil), smuggling routes and front companies, numbered accounts and hidden assets. As yet untested, this could be a cheap and cost-effective means of pressuring supplies and assets at marginal cost. As always, the resolve and ability to act once evidence of impropriety has been identified will be the biggest challenge, and the tendency to focus on the rebels alone.

There are many similar options, but in all these endeavours the role of the United States, Angola's largest bilateral donor and trading partner, will inevitably be crucial. Since Angola's independence in 1975 the role of the United States has been a key one – at first through massive direct support to the FNLA and UNITA and its role in the UN Security Council – and more recently under the Clinton and Bush administrations, by commercial engagement of Angola. As in the past, it will be the super-

power with its oil interests, its voting power in the International Monetary Fund (IMF), World Bank and its role in the United Nations Security Council that will determine the success of either regional or international initiatives. Given the United States' capabilities and resources to combat money laundering and to monitor targeted financial sanctions it would also be the key determinant behind any successful effort to break the linkage between resource plunder and the war in Angola. Such an approach assumes, of course, that all US agencies share a common purpose in their approach to the war, a commitment not always evident to the outsider.

Because UNITA has flouted an internationally recognised election and continues to prosecute its war the international community has the option of establishing an International Criminal Tribunal for Angola. Such a decision would place additional pressure on Savimbi, but would start a process that would be irreversible. Effectively it would rule out negotiations and a peace settlement with the UNITA leadership, while possibly not seeking to criminalise its followers. Such a decision would have to be taken with great care and only as a last resort given the nature of the civil war. It would also have to be done in conjunction with measures that propel Angola towards accountable and democratic governance.

In recent history the United Nations Security Council established an ad hoc International Criminal Tribunal for the former Yugoslavia in 1993 and for Rwanda the following year. More recently the Security Council has voted in favour of setting up a special international court to try Sierra Leonean rebels accused of war crimes. The proposed establishment of an International Criminal Court following the Rome Statute of July 1998 offers additional opportunities for progress although these are limited in terms of its catalogue of offences.<sup>21</sup>

These limitations will also apply to the recently approved International Convention against Transnational Organised Crime once it is adopted and implemented by the UN General Assembly. The Convention, which amongst others criminalises participation in organised criminal groups, money laundering, and corruption, will greatly enhance international co-operation in combating transnational organised crime. However, attempts to use it to address the crimes that have led to the *de facto* partial criminalisation of the Angolan state will be fraught with obstacles and are unlikely to succeed. The Convention was not designed to combat the corrupt practises of individuals within a political elite. Its effective use against individuals within UNITA or the MPLA also presupposes a functioning Angolan state that has the political will to combat criminal groups and corruption, and which has a reasonably effective criminal justice system in place. None of these requirements are likely to be met in Angola for some time.

## Finances and oil

In recent years multinational corporations have become powerful international actors in their own right, often seeking to manipulate politics and the rules of trade for their own interests. While multinationals claim corporate responsibility,

the reverse is often true where profits are attractive. The best counter to the approach that 'the role of business is to do business' is provided by the evidence of former Elf Aquitaine executive Andre Tarallo in July 2000, who testified that the French oil company systematically diverted funds to bankroll African leaders, including President dos Santos. A second recent example is the involvement of 14 Swiss banks (most prominently three banks within the Credit Suisse group) and a number of banks in the United Kingdom, Liechtenstein and Luxembourg in laundering US \$660 million stolen by the former Nigerian President Sanni Abacha. In most cases the banks dealt directly with Abacha's sons, Ibrahim and Mohammed while knowledge of the nature of the Nigerian regime and its leadership was readily available within the public domain.<sup>22</sup>

Oil and politics have long been mixed. In 1975, when the MPLA declared itself the government in Luanda and therefore of Angola, it gained access to US \$116 million deposited in the *Banco de Angola* from oil income. The following year the US government shut down Gulf Oil's Cabinda operation to prevent the MPLA from receiving the US \$90 million that would automatically be deposited in the bank on 31 December 1976 and the US \$30 million that would follow on 15 January. The funds were placed in a special interest-bearing account. Only once it became clear to the US administration that it would not be able to resume covert assistance to UNITA and the FNLA, and that Mobutu Seso Seko could not be induced to seize control over Cabinda, was Gulf Oil allowed to resume oil production. The money was released in March and oil production resumed in May 1977.<sup>23</sup>

Any attempt to argue that the exploitation of oil (or diamonds, for that matter) by large corporations in Angola is therefore somehow 'neutral' or apolitical, does not stand up to scrutiny. *Doing business within the oil and diamond industry in Angola makes multinationals part of the war economy and as such they should play their part in seeking to establish peace.*

For the Angolan government oil is central to its diplomacy, providing access to finance, influence and political weight out of proportion to the size or relative importance of the country. Yet, despite the massive stream of income that is earned through oil, the government share of national oil production is set to decline in the next few years, keeping the country under pressure from its large debt burden (estimated at US \$9.8 bn in mid 2000 of which US \$4.4 bn is in arrears). Much of this is the result of successive bouts of arms purchases and the ongoing requirement to invest in the petroleum sector. In fact, closer examination would appear to support the view that the Angolan government has little discretionary financial resources, and that it is desperate for access to international finance. The international financial institutions can therefore exercise considerable leverage, particularly if the larger multinational oil companies active in Angola could be forced to collaborate in this endeavour.

Angolan oil production is set to rise from 780 000 barrels of oil per day in 2000 to as much as 1.4 million barrels of oil per day in 2004, but the share of the state oil company Sonangol will only increase by 7%. This is largely due to the fact that it has no share in new output such as that from the big TotalFinaElf operated

Block 17 which will start producing its first oil in 2001. In the absence of access to other forms of credit, Sonangol had little choice but to conclude oil-backed loans which puts up its declining share of the growing future oil production as collateral against new loans. This eventually forced the government to pursue an agreement with the IMF that would allow a resumption of soft loans and export credit agency cover but against stringent and restrictive financial, fiscal and government policy targets.<sup>24</sup> This latest Staff Monitored Programme with the IMF could lead to a full structural adjustment programme that seeks to establish access to international finance for development projects and the rescheduling of the country's foreign debt. Until now the government has not allowed the IMF access to records of oil sales and shipments but the new agreement could shed light on practices whereby oil revenue has been by-passing the national bank.<sup>25</sup>

To conduct the Staff Monitored Programme, the IMF, the World Bank, and the government of Angola have hired a major accounting firm to monitor oil revenues from July to December 2000. Their effort will be supervised by the World Bank but will not examine past allegations of the secret use of oil revenues rendering the exercise of limited value. The Programme is intended to determine how much oil revenue is deposited into the central bank and will compare revenues generated from oil exports, through the government's various production sharing agreements and joint ventures (including signature bonus payments) with the amount of funds deposited in the central bank. Once the Programme is completed, the government is expected to assume this responsibility with little guarantee of improved future intentions. These measures are backed up by an agreement with the IMF that commits Angola to trim inflation, keep a check on government expenditure, reduce defence expenditure and increase social expenditure in 2000.

Structural Adjustment Programs have proven of little value elsewhere as a substitute for comprehensive state-building or as an alternative to peace-keeping and Angola is unlikely to prove the exception. Given the immense pressure on the Angolan fiscus, only partly relieved by the recent increases in the price of petroleum, the international community has considerable leverage in seeking to exchange access to international loan finance for transparency and accountability in the use of oil income as well as in the interests of a peace agreement. The use of oil revenues may, for example, follow the recent example of Chad where its share of the revenues (estimated at US \$80 million annually) will be deposited in overseas accounts and doled out annually for specially approved purposes.<sup>26</sup> A committee of foreigners and Chadians from government and private groups will oversee the spending.<sup>27</sup> But more importantly, a *coordinated* approach between the international financial institutions and the large multinational oil companies could lever considerable pressure on the Angolan government should the international community gather the will for such action.

## Conclusion

An end to the war must be the first priority for Angolans, the region and the international community. Without stability and eventually peace, there will be no development in Angola, no improvement in the desperate conditions confronting its people and no regional stability.

International, coordinated intelligence cooperation, prosecution and pressure, together with regional action to cut off the logistic lines that feed Savimbi's army and an effective military campaign are the instruments that will induce UNITA towards negotiations. The most important component of such action is the re-establishment of effective and fair government control over the Angolan diamond producing areas and an end to UNITA diamond smuggling through a global effort.

Appropriate and coordinated donor policies, conditional engagement by the international financial institutions, ethical business practices by multinational companies that seek to invest in Angola, particularly in the oil industry, are the instruments through which the international community can pressurise the Angolan government towards seeking reconciliation with the rebels.

None of these are possible without the support and engagement of the international community, the United States in particular.

Finally, peace will not gain hold in this troubled country without a process of national reconciliation, the establishment of administration across Angola, and steady progress towards democratic and accountable government in the interests of the Angolan people as a whole. Donor countries can make an important contribution to peacebuilding, as they did in other authoritarian societies such as apartheid South Africa, by seeking to empower grass roots, civil rights, activist and human rights organisations. Supporting a diverse and free Angolan press, paying for the legal costs of activists detained by the government, seeking to expose UNITA's covert supply links and its human rights practices are all measures that are imperative if the international community is to push Angola towards a durable settlement.

Times have changed since the high-water mark of UNAVEM III, at the time the largest peacekeeping mission in the world. The United Nations is reverting to its traditional peacekeeping and peacebuilding tasks, including assistance with demobilisation and reconciliation, seeking to devolve the responsibility for complex emergencies to Third World countries and sub-regional organisations without the accompanying resources. Without a change of approach by the international community, there is little prospect for a successful peace mission of appropriate size and resources to provide an external security guarantee for a peace agreement in Angola. The Brahimi report is blunt: "... the key conditions for the success of future complex operations are political support, rapid deployment and a robust force posture and a sound peace-building strategy."<sup>28</sup> Earlier the report noted that "... force alone cannot create peace; it can only create space in which peace can be built."<sup>29</sup> Such a scenario implies a commitment to peace by the

MPLA and UNITA that would be in distinct contrast to their actions prior to and during UNAVEM II, III and MONUA. Most troop contributing countries are over-stretched and those from the developed world are heavily committed in places like Bosnia and Kosovo.

Some measures, such as the deployment of mobile radar stations and control of the Angolan air space, have been mentioned earlier in this chapter. Others, such as the conditional engagement of the Angolan government by the international financial institutions, exist but must be sharpened. Even building the capacity of regional police agencies and strengthening border control systems will not approximate the costs of a mission of the size of UNAVEM III. The provision and sharing of intelligence is a common denominator, running like a golden thread through virtually all suggestions, but this is anathema to countries that are more used to serving their national agendas than regional peace. All require an international will to resolve the Angolan conflict through simultaneous and sustained pressure on UNITA and the Angolan government.

## Endnotes

- 1 A Vines, Angola: History and human cost of the conflict, paper presented at *Time for Renewed International Commitments to Peace in Angola: lessons learnt and the way forward*, Ruvomu Carlton, Maputo, 19–20 June 2000, p 18.
- 2 During early August 2000 the Government published a draft new press law that would severely limit reportage in Angola. Among the most worrying, is an article that guarantees presidential immunity to criticism. Anyone who “publishes, divulges or reproduces news or facts for the national or foreign press which attack the honour or reputation of the President” will be imprisoned for two to eight years. UN Office for the Coordination of Humanitarian Affairs, *Angola: IRIN Focus on press freedom fears*, 11 September 2000.
- 3 UNITA consistently had a much higher percentage of its forces in the cantonment areas, some 94% of its estimated strength of 37 330 in February 1992 compared to 50% of the estimated 114 600 FAPLA troops. Demobilisation was, in any case, largely a nominal affair and provided no real alternative to battle hardened soldiers, for whom guerrilla warfare had become a way of life. Demobilised soldiers were a set of civilian clothes, 110 000 kwanzas (roughly £58 at the time). UNITA was the only home that most FALA members had ever known and a set of civilian clothes and a nominal amount of money offered little alternative security. For much of the year the unconfirmed reports also circulated about UNITA's ‘hidden army’ of some 20 000 combatants – an accusation that remains unproven but probably exaggerated given the estimated size of FALA. Not used to the deprivations of living in the field, suffering food shortages and non-payment of salaries as well as poor morale, government soldiers deserted the camps in large numbers. M Anstee, *Orphan of the Cold War – the inside story of the collapse of the Angolan peace process, 1992–3*, St Martin's, New York, 1996, pp 19–20 & 38.
- 4 The view of UN Special Representative Margaret Anstee. *Ibid*, pp 486–487.
- 5 Human Rights Watch, *Angola Unravels: the rise and fall of the Lusaka peace process*, New York, 1999, p 17.

- 6 United Nations, *Report on the Panel on United Nations Peacekeeping*, New York, August 2000, par 22 & 23.
- 7 Laurent Kabila replaced Mobutu Seso Seko in the then Zaire and Pascal Lissouba by Dennis Sassou-Nguesso in the Republic of the Congo.
- 8 Along the eastern border with Zambia, fighting between UNITA and the FAA has recently spilled over into Zambian territory and tension mounted between the two countries following a series of cross-border incursions as FAA executed hot pursuit operations. Zambian reluctance to take action against UNITA activities in north-western Zambia had renewed accusations that senior political figures in Zambia were covertly supporting the rebels. Tensions in the region have further mounted after Zambian defence minister, Chitalu Sampa, warned that his country would launch cross border raids into Angola in pursuit of the perpetrators.
- 9 FAA was first deployed in northern Namibia during December 1999. Under local pressure for action Namibia's northern regional council (all members of the SWAPO ruling party) ordered the withdrawal of FAA from Kavango in a bid to end attacks on villagers by the Angolan soldiers during August 2000. According to the acting governor, Johannes Thiguru, people wearing FAA uniforms were looting homes, killing villagers and conducting illegal business activities in the region. Source: UN Office for the Coordination of Humanitarian Affairs, *Kavango wants Angolan troops out*, IRIN, 24 August 2000.
- 10 According to IRIN News Briefs dated 4 September 2000, alleged evidence of collaboration between Angolan UNITA rebels and Namibia's separatist Caprivi Liberation Army (CLA) was uncovered by the Angolan army (FAA). It was claimed that CLA and UNITA had been active in the Mukwe area of Namibia's Kavango region from bases inside Angola.
- 11 Intense fighting in southern Angola since December 1999, when the Namibian government invited the Angolan armed forces to use its northern bases for operations against UNITA, has resulted in tens of thousands of people fleeing their homes and villages. More than 22 000 Angolans have already fled into Namibia, 186 000 into Zambia and 102 000 into the DR Congo, itself wracked by war. Source: UN Office for the Coordination of Humanitarian Affairs, *Southern Africa: IRIN News Briefs*, 4 September 2000.
- 12 A Security Council embargo on arms and oil transfers to UNITA has been in place since 1993, while both the government and UNITA agreed to halt new arms acquisitions as part of the Bicesse Accords – an undertaking that both openly flaunted. UNITA purchased large amounts of weaponry from foreign sources, 'sanctions-busting' through neighbouring countries, especially South Africa, Congo, Zambia, the former Zaire, and also Togo and Burkina Faso. Source: Human Rights Watch, *Africa Overview*, [www.hrw.org/press/2000/06/ango-0623-bacj.htm#N\\_10\\_](http://www.hrw.org/press/2000/06/ango-0623-bacj.htm#N_10_), 27 June 2000. Although not illegal, throughout the Lusaka process the government continued to purchase arms from a range of countries including Belarus, Brazil, Bulgaria, China, Israel, Ukraine and South Africa. During October 1997 the UN had imposed an additional package of restrictions on UNITA, blocking foreign travel by their officials and closing their offices abroad. In June 1998 the UN targeted UNITA diamond money and froze UNITA bank accounts.
- 13 At the end of August 2000 Togo announced a decision to ban all Angolan diamond transactions that are not accompanied by a certificate of origin issued by the MPLA government. Source: Togo bans Angolan diamond sales, *BBC Monitoring International Reports*, 4 September 2000, as provided by Reuters Business Briefing.

- 14 Juan Larrain (Chile), Lena Sundh (Sweden), Christine Gordon (United Kingdom), James Manzou (Zimbabwe), Ismail Seck (Senegal)
- 15 According to Africa Confidential many individuals previously closely associated with RDR, the largest buying office before the changes, are now involved in Ascorp, including Isabel dos Santos, daughter of the president. In the neighbouring DR Congo diamond traders refused to sell their stones to IDI Diamonds, the Israeli company given a monopoly over exports by President Laurent Kabila in early August 2000. Existing diamond export licences were revoked on 19 August. Source: Diamonds I – masters of war, *Africa Confidential*, London, 4 August 2000; Reuters, Congo diamond traders reject Israel's IDI monopoly, 5 September 2000, as provided by *Reuters Business Briefing*.
- 16 Monopoly rights to buy diamonds now belong to Ascorp in which Sodiam holds a 51% stake alongside Belgium dealers and an Israeli-Russian, Lev Leviev. Diamonds II – tracking Angola's stones, *Africa Confidential*, London, 4 August 2000.
- 17 Sierra Leone, under an international diamond embargo, sees virtually its entire production smuggled out and sold as diamonds from Liberia and Burkina Faso. UNITA diamonds are apparently regularly sold in the Gabonese capital Libreville and Ernesto Savimbi, son of Jonas, is heavily engaged in the diamond trade along with the wife of Burkina Faso leader President Campoare. Source: Gabon to investigate alleged Angolan diamond sales, *Reuters news service*, 1 August 2000; Diamonds I – masters of war, *Africa Confidential*, London, 4 August 2000; Campoare hosts RUF big shots, *The Progress*, Freetown, Middle East Intelligence Wire, 4 August 2000.
- 18 B Wood & J Peleman, *The Arms Fixers – controlling the brokers and shipping agents*, BASIC, NISAT and PRIO, Oslo, 1999, pp 62–3.
- 19 The committee of Ministers of Angola, the DR Congo, Malawi, Namibia, South Africa and Zimbabwe (chair) sought to come up with regional mechanisms to deal with illegal supplies to UNITA. The first meeting of the committee occurred in Harare during November 1997 during which it set up a Task Force of officials from the departments of police, army, air force, civil aviation, customs, immigration and state security. The terms of reference of the Task Force was to monitor suspicious aircraft trafficking including airports, airstrips and border posts. It also had to investigate all alleged violations of Angolan airspace, including all allegations of UNITA activities in the sub-region, companies and individuals providing logistical support to UNITA, drug trafficking and weapons smuggling and to ensure that member countries did not violate United Nations sanctions against UNITA. After a number of meetings the Task Force agreed that member countries would set up a National Information Centre (NIC) to co-ordinate national operations of the Task Force and a Regional Information Centre in Harare to co-ordinate the various NIC's. The Task Force soon lost momentum and held its last meeting in June 1998. See J Cilliers, *Building security in Southern Africa: an update on the evolving architecture*, ISS Monograph no 43, November 1999, Pretoria.
- 20 See SM Porteous, Targeted Financial Sanctions, in M Berdal & DM Malone (eds), *Greed and Grievance, Economic Agendas in Civil Wars*, Lynne Rienner, Boulder, 2000, pp 173–203
- 21 At the time of writing, August 2000, the work of the Preparatory Commission to produce draft texts on rule of procedure and evidence, and elements of crimes had been completed. The next most important hurdle is the agreement between the Court and United Nations, against continued US pressure to seek a mechanism to protect their

citizens from possible investigation and prosecution. The court's jurisdiction only applies to crimes specified in the Statute, broadly divided into genocide, crimes against humanity and war crimes (the same types of crime covered by the Tribunals for the former Yugoslavia and Rwanda). After considerable debate the jurisdiction of the court generally includes war crimes committed during an internal or civil war and has therefore not been limited to inter-state conflict. Attacks on humanitarian assistance or peacekeeping missions are specifically listed as war crimes, but the Statute excluded drug trading, terrorism and arms trading in the catalogue of offences. The single most obvious problem is that international criminal law will still rely on national criminal justice systems, and has its legal authority limited in most respects to those countries that have ratified it.

- 22 Abacha was only the latest in a long string of corrupt dictators, including the late Philippines president Ferdinand Marcos, Haiti's Jean-Claude 'Baby Doc' Duvalier and Zaïre's Mobutu Seso Seko who have emerged as important Swiss bank customers over the years. See W Hall, Swiss banking investigation – Swiss fear tough line may scare away bank customers, *Financial Times*, 5 September 2000, as provided by Reuters Business Briefing; P Capella, British banks the source of dictator's corrupt £84m, *Guardian*, 5 September 2000, as provided by Reuters Business Briefing.
- 23 G Wright, *The Destruction of a Nation: United States' Policy Toward Angola since 1945*, Pluto, Chicago, 1997, pp 72 & 76
- 24 W Maclean, Angola suffers debt crunch despite oil boom, *Reuters*, London, 27 June 2000.
- 25 Because the government budget is not unified or transparent on payments for arms, there are substantial discrepancies between government estimates of defence spending and independent estimates. In some cases, these payments have bypassed the Ministry of Finance and Central Bank and were made directly through Sonangol, or through the Presidency. According to Global Witness, "...in early 1998, the Angolan government reached a deal with the Swiss oil trader Glencore to mortgage virtually the last barrel of the government's own oil production in exchange for up-front payments of some US \$900 million. The deal was routed through Sonangol and the Presidency rather than the Ministry of Finance and Central Bank. Its terms guaranteed Glencore some 75 000 barrels per day of the government's allocation. The remainder was tied up in pre-financing deals with Britain's Lloyds Bank, BP-Amoco, Chevron, and Elf-Aquitaine."
- 26 This enabled the World Bank to approve US \$139 million seed money and arrange an additional US \$ 300 million of commercial financing for the US \$3.7 billion project for a controversial 670-mile oil pipeline.
- 27 Interestingly, two of the three companies involved in the project, Exxon Mobil and Chevron are major investors in Angola. Source: World Bank Approves Loans for Development of Oil Project in Africa, *Wall Street Journal*, 7 June 2000; J Burgess, World Bank to Fund Disputed Pipeline, *Washington Post*, 7 June 2000
- 28 United Nations, *Report on the Panel According to the Report of the Panel of Experts established by the Security Council pursuant to resolution 1237, on violations of Security Council Sanctions against UNITA, S/2000/203*, 10 March 2000, par 4.
- 29 *Ibid*, par 3.