



## IV427 - August 2010

### COP15 Activists Facing Trials

#### 25 August 2010

Around 2000 people were preemptively arrested at legal demonstrations, and were held in custody for up to 24 hours. Approximately 30 people were detained for up to a month, of which four people go to trial this autumn for more serious charges.

These people are accused by the state of planning violence against police, planning vandalism, and serious disturbance of public order. Some of these fabricated charges are drawn from the Danish terror package and the penalties are strengthened by the new Danish anti-protester ("hoodlum") laws introduced just prior to the COP 15. Although the charges they face are unfounded, they can potentially result in years of imprisonment. The first court cases against Natasha Verco and Noah

Weiss are happening in Copenhagen on August 24th, 25th, and 31st.

The Danish based Climate Collective has called for international solidarity with the accused, both in Denmark and internationally to protest these false charges.

Laura J rgensen from the Climate Collective explains: "Natasha and Noah, who are going to court in August, were both arrested almost before the summit started and are not accused of having participated in any of the demonstrations or actions. Still they are both charged with planning acts which neither the police nor the prosecutor can clarify what they are or when they should have taken place. Such accusations are completely impossible to defend yourself against." She

continues: "The coming trials are not just about innocent people risking conviction, but a continuation of a system of massive repression that anyone who dares to speak out and organize against the powerful is met with by the state. It is clear that the state is trying to scare people from demonstrating and organizing themselves politically. The attempt to judge randomly selected individuals for an entire movement's collective actions is totally absurd and is clearly an attack on the right to protest and criticize the existing system. It is important that we don't give in to this criminalization and repression but continue the fight."

The Climate Collective can be contacted at: +45 50 58 87 51  
To read more about the trials [see](#).

### Pakistan must refuse foreign debt repayments, divert amount for relief & rehabilitation of flood-hit communities

14 August 2010, by **Farooq Tariq**

Pakistan must refuse to pay foreign debt and divert the amount on relief and rehabilitation of flood hit communities. Instead of begging for much-needed aid for relief and rehabilitation, Pakistan must stand up and announce unilateral suspension of repayment of foreign debts, owed to International Finance Institutions, donor countries and clubs. Currently Pakistan is paying about US \$ 3 billion on debt servicing every year. As Pakistan present foreign debt of \$ 54 billion is increasing, the debt servicing will be up by the same ratio. This act alone can bring most of the much need support for the immediate relief of the flood victims.

Pakistan is facing the worst disaster of its history. About 20 million of its population is badly affected by the recent huge devastation caused by angry floods. Major infrastructure is totally destroyed in major parts of the country. Besides continuous human casualties, the economic loss is in billion dollars. The country has suffered a loss of about Rs250 billion only in the agricultural and livestock sectors and the flood recovery costs may run into billions of dollars. Pakistan is in real and worst human and economic crisis. Though international donors are announcing commitments for relief and rehabilitation, but these are pea nuts vis-à-vis the degree of catastrophe.

Under the prevailing critical circumstances, we have to think about coping with this severe debt domination. Various laws and international protocols favor if Pakistan refuse to pay its debts right now, especially under the prevailing circumstances, Pakistan is passing through. To refuse payment of debts is not a new thing; many poor countries had exercised this just and lawful right in the past.

There are spaces in international law that can be invoked as legal justification to refuse the external debt. One of these justifications is called "State of Necessity". This rule is characterized by a situation that jeopardizes the economic or its political survival- such as the situations which creates the factor of impossibility of fulfilling the very basic needs of the populations (health,

education, food, water, housing etc). The "State of Necessity" justifies the repudiating of debt, since it implies the establishing priorities among different obligations of the state.

Therefore, a natural calamity-like the one hitting Pakistan creates the very factor of "State of Necessity". The UN Human Rights Commission has adopted numerous resolutions on the issue of debt and structural adjustment. One such resolution was adopted in 1999, asserts that "The exercise of the basic rights of the people of the debtor countries to food, housing, clothing, employment, education, health services and a healthy environment cannot be subordinated to the implementation of the structural adjustment policies, growth programs and economic reforms"

State of Pakistan is no more able to fulfill fundamental human needs of its 20 million flood-hit population. People are facing worst hardships, have no access to food, clothing, shelter and medicines. Therefore, Pakistan is simply unable to repay or service its debt responsibilities. IFIs and the creditors should not expect Pakistan to continue debt repayments, leaving its people hungry, shelter less, close its schools, its hospitals, its courts and abandon the public services, creating chaos and anarchy in the communities.

The first and foremost thing in such circumstances is the fulfillments of all fundamental human needs of the populations, hit by natural calamities and disasters. Pakistan had already missed one such opportunity in 2005 when devastating quake hit Kashmir, leaving millions of people in misery. This time it is more lethal calamity, and we should no more be silent. We have number of precedents in history when debtor countries refuse debt payments on account of "State of Necessity". Latin American countries including Argentine, Burkina Faso, Peru, Mexico, Paraguay, and Ecuador took such positions in the past. Very recent IMF had to cancel all its debt (US \$ 268 million) owed by Haiti, after devastating earthquake hit Haiti in 2009.

The cancellation is given via the newly

UN established Post-Catastrophe Debt Relief Trust Fund, which was set up for this purpose and which can now be accessed by other indebted, low income countries hit by disasters. Another example is Argentine. The country went into serious crisis after 2001 economic crisis. Though Argentine leaders had always implemented unpopular policies dictated by IMF, it was the people of Argentine who come on the roads in 2001 to protest the debt domination. This popular action succeeded in altering the history. As a result country's president announced the biggest unilateral suspension of foreign debt in history, a total of more than \$ 80 billion, owed to private creditors, countries and Paris Club. Thus Argentine demonstrated that a country could stop debt repayments for a lengthy period of time.

Burkina Faso is another country, which stood against IFIs and refused payment of debts. In 1987, its President Thomas Sankara announced unilateral suspension of foreign debts. What he said. "The debt cannot be repaid, firstly because if we do not pay, the money lenders will certainly not die, on the other hand if we pay, we will certainly die. Those who have led us to debt trap have gambled as though in casino. When they were winning there was no debate. But now when they have lost through gambling, they demand that we repay them. No! According to rules of the game we cannot pay and refuse to pay all foreign debts."

Pakistan's current external debt liabilities stand at \$ 54 billion. It spends \$ 3 billion at average every year under debt-servicing. With the rising of foreign debt liabilities the ratio of debt servicing is also increasing. Pakistan's total debt-to-GDP ratio has crossed 61 percent this fiscal year, breaching the 60 percent limit set under the Fiscal Responsibility and Debt Limitation Act. According to WB if Debt-to-GDP ratio exceeds the limit of 80%, the default is sure. The major portion of Pakistan's national budget is consumed by two Ds; Debt-servicing and Defense. We have to review allocations against these two Ds. Under the circumstances, there is no denying the fact that Pakistan's single

source of economy vulnerability is debt crisis. We do not have any other option to come out of this economic but to refuse repayment of debt.

We are totally opposed to the cuts in development budget which has been indicated by the prime minister several times during the last three days. We are also worried about the press reports that the government wants to levy a flood tax on the people of time and want to increase the percentage of general sales tax. This is totally unacceptable. The government must reduce its non developmental budget, reduce the military expenditures and refuse to

pay the foreign debts to help the flood victims.

We also demand from IMF, World Bank and other IFIs to unilaterally repudiate the debts of Pakistan. This is time that these institutions change their usual profit earning practices.

## **Our immediate demands**

This is high time for the State of Pakistan to announce unilateral suspension of all external debts and divert that amount for relief and

rehabilitation of 20 m flood-hit people. The government should approach the newly created Post-Catastrophe Debt Relief trust Fund to get its foreign debt liabilities cancelled. The Government can also invoke the international protocol of "State of Necessity", introduced by UN Human Rights Commission in 1999, to refuse payment of debts. As government is planning to review economic priorities and budget allocations, it must take steps to reduce military budget, cut non-development expenditures and other unnecessary heads. The amount, thus saved should be shifted to social sector.

# **After fifty years of "independence"**

**12 August 2010, by Jean Nanga**

This anniversary falls in a period marked by a crisis of the neoliberal economy, which has not affected the African economies to the same extent as those of the capitalist centre. Meanwhile, in what can be seen as a practical critique of the economic "cooperation" between the former colonies and the western powers of the first five neo-colonial decades, we see the development of partnerships between Africa and the so-called emergent economies in general, the Chinese in particular.

## **Adjustment to neoliberalism**

A half century after the first wave of independence, sub Saharan Africa remains fairly specialised in supplying the industries of the capitalist centre with agricultural, energetic and mining raw materials, often strategic and sometimes at the price of neo-colonial wars which are often presented as ethnic or confessional. This capital and bloody participation in the development of the capitalist economy is often hidden by the habitual evocation of Africa's 2% rate of participation of Africa in world

trade, an undeniable expression of its marginality. The mission of the developers is then seen as inserting or integrating Africa in globalisation. A good intention which is unhappily based firstly on a falsification of the history of the world economy, and secondly on ignorance of the fact that Africa is the continent most connected to the world economy, with only 15% of exchanges being conducted between the different states of the continent. The most significant share is realised with the rest of the world (whereas intra-European exchanges of commodities represent more than 60%). The claimed African marginality is moreover, very particular with respect to what it contributes to the rest of the world - raw materials, which are one of the conditions, indeed the condition sine qua non for certain performances by the most powerful companies of Western capital. Thus the quantitative expression of African marginality, by its weakness, can also be interpreted as the expression of the persistence of unequal exchange on the world market which remains controlled by the economic powers of the Centre.

A situation of inequality and not of

marginality, which has accentuated with the neoliberalisation of the so called African economies organised from the 1980s onwards by the international financial institutions (IMF, World Bank and so on), through structural adjustment programmes (SAPs), considered as the appropriate response to the structural crisis of the neo-colonialism of the first two decades, manifested by the critical indebtedness of the African states "at the same time as those of Latin America and Asia. Thus, since the 1980s, this region of the world has been permanently readjusted or restructured for the consolidation of the neoliberal version of neo-colonial domination. An operation carried out with the active support of the states of developed capitalism, whose multinational companies appropriate formerly state owned African companies, in the sectors considered the most profitable [1].

The African continent is considered by the technocrats, those of UNCTAD for example, as that where foreign capital realises the best return on investment (an average of 24-30% since the 1990s, against 16-18% in the centres of capitalism). This is the consequence

of the success, among other things, of the mission confided to the international financial institutions, including African ones like the African Development Bank (ADB, which includes non African public institutions among its shareholders) and of adaptation, by local governors, of national legislations to the neoliberal demands of capitalist accumulation. Thus, the second half of the first fifty years (1980-2000) proved to be one of neoliberal "recolonisation", through the reduction to the minimum of the margin of autonomy "already very relative" acquired with the declarations of independence and favoured by the climate of the "Cold War". With the disappearance of the so called "Communist" bloc in Europe, the margin of negotiation of the petty bourgeois nationalist elites with imperialism was reduced. In other words we have seen the quasi disappearance of any progressive nationalist project, based on the development of a state economic sector and a less restricted redistribution of the national wealth. That is, the collapse of what some observers had hastily classed as socialist experiences in Africa (from Nasser's Egypt to Thomas Sankara's Burkina Faso, by way of the Congo of Marien Ngouabi and the Madagascar of Didier Ratsiraka), forgetting that they were effected always in a capitalist context, taking account of the structural mechanisms of the so-called neo-colonialism of cooperation with the former metropolises.

But with the neoliberalisation of the world economy, Africa is no longer considered as the exclusive province of the old colonial metropolises. Since December 1998 (Saint-Malo Accords), these metropolises, the France of Chirac-Jospin and the Britain of Tony Blair, have decided to dominate Africa in a concerted manner. Since the end of the last century, Africa is also one of the areas of the new restructuring of the imperial order and the US has reconsidered its African policy and strengthened its economic presence. Thus the main European neo-colonial mechanism, the European Union/Africa-Caribbean-Pacific Agreement (EU-ACP, formerly EEC-ACP) and the traditional agreements of bilateral "cooperation" between

European and African states, have been joined by the African Growth and Opportunity Act (AGOA, 2000) introduced under the presidency of Bill Clinton. The main reason for the installation of this so called preferential market is the search by the United States for better access to the energy resources (long undervalued) of Africa, indeed with the intention of controlling them, at a time when the US supply coming from the Middle East became insufficient and indeed threatened. However, the strategic interest in oil (92.3% of US African imports in 2008) on the West African coast, from Nigeria to Angola, was accompanied by an interest in other African productions (minerals, metals, transport equipment, textiles) and the export of US products (18.6 billion dollars in 2008, against 86.1 billion in imports) from genetically modified seeds (Bt cotton and so on) to military equipment.

## **Military imperialism**

The US oil supply relates to national security, and is accompanied by a direct military presence of the army, a change after a long period of indirect interference, during the Cold War, for example by providing logistic support, via South Africa and Mobutu's Zaire, to the UNITA of Jonas Savimbi in its long war against the government in Luanda. France thus lost its monopoly in terms of a direct military presence on the continent, with its bases inherited from colonisation, whose maintenance as favoured by the Cold War and which served as a means of pressure, intimidation and worse, against certain political and economic orientations in its former colonies.

For a decade, the US army has been multiplying its joint military operations with African national armies, including those of the traditional French fiefdoms. Under George W. Bush's presidency it was decided to give the African continent a US military command, like other continents "an exclusivity of the global hegemon" by instituting, in 2007, the United States Africa Command (Africom). Which makes the US an African military power, even if

the US army has been present for decades off the coast of Africa, on the giant base at Diego Garcia "Mauritian territory which the United Kingdom kept among its last colonial possessions [2]. But, with the drunkenness of power, very manifest under the presidency of Bush junior, there was no question of the administration requesting the opinion of African "partners" concerning the continental accommodation of the said command. Thus, the latter could find no land of welcome on the continent, which is however well known for the hospitality of its governors with regard to everything opposed to the interests of the peoples. The African Union (AU) seems, for the moment, determined to dissuade any irresolute state "like the Liberia of Ellen Sirleaf Johnson (newly elected) " from going against its resolution to rid the continent and islands of foreign military bases. Even Morocco, which is outside the AU and indecisive "according to persistent rumours " seems unable to escape the pressure of its peers. Thus the US military command in Africa remains based in Stuttgart (Germany). The only open and permanent US military presence on the continent is then, for the moment, that (subsequent to the creation of Africom) at Camp Lemonnier, one of the French camps in Djibouti. Declaring independence late, in 1977, Djibouti has remained the main French military base in Africa.

While awaiting a breach in the pan-African consensus which could give it the benefit of a site on the continent, Africom contents itself with regular missions of training, joint exercises and so-called humanitarian actions (health interventions and so on) in different African countries. Which is not negligible, for with these military manoeuvres and so-called humanitarian interventions, the US army consolidates, inside the local armies, indeed certain African élites, the tenacious myth of its effectiveness, which seems unaffected by its historic misadventures of the 20th and 21st centuries, from Vietnam to Afghanistan by way of Somalia (Restore Hope and Continue Hope, 1992-1993), characterised by ongoing human rights violations. Like the US army everywhere, Africom is

integrated in private multinational military missions, with their mercenaries of sinister reputation. The industry of death is traditionally, it should be remembered, one of the most lucrative sectors of actually existing capitalism, that of the US above all.

This African activism of the US army has its economic dimension. The missions and other activities of Africom are also an opportunity for unabashed advertising campaigns for the national military-industrial complex. Indeed, in spite of the growth of military expenditure for a decade, the continent does not appear among the main clients of the US arms industry. Apart from Egypt (9th), the main African importer, the other African states appearing in the top 50 of importers – Algeria (15th), South Africa (27th), Angola (36th), Sudan (43th) – get less than 4% of their supply from the US. Algeria (the main importer in recent years) and Sudan prefer Russian arms (more than 65%), while South Africa supplies itself more from Europe, mainly Germany (more than 65%). As for the other African states, some minor clients remain still, in this area, very linked to the colonial metropolis. Post colonial military cooperation agreements, signed between France and its former colonies, limit again the diversification of training and military equipment of the latter. But in offering more training grants to African trainee officers destined for command positions in the near future, Africom can scarcely conceal a certain competition with its European partners, who, while being members of NATO, are developing a common European defence policy, the

European Force (Eufor). It seems that it is Africa where Eufor is most deployed (Democratic Republic of Congo, Chad and Central Africa), under French leadership (by recognition of its colonial and neo-colonial experience on the ground), shared with Germany, with the regular participation of other European states, like Sweden, which is in the top 10 of European arms merchants [3]. However, US supremacy inside NATO plays in favour of Africom, as agency of the military-industrial complex.

Nonetheless, this competition between the traditional imperial powers should not make us forget their permanent complicity, which is currently manifested particularly in the face of the ambitions of some emergent economy states (China, India, Brazil and so on) for access to African resources.

## The Chinese ogre

The growth of Chinese economic power presents a serious threat to Western hegemony in Africa. A share of the resources it needs to feed the exceptional growth of its economy is drawn from Africa. Hence the development by China over the past decade of an economic partnership with the African states: 56 billion dollars of Chinese imports (71% in oil products) against 50.8 billion in exports in 2008 and an exponential growth in direct investment, which has gone from 10 billion dollars in 2000 to 106 billion in 2008, with more than 100 billion anticipated for 2010. Among Chinese exports there are the products of its workshops, considered more accessible to African mass

purchasing power, affected as it is by two decades of structural adjustment.

This Sino-African partnership attracts the ire of a fraction of the organic intelligentsia of Western capital, not because of its unbalanced character in China's favour – even if the main African capital, that of South Africa, has been able to invest 1 billion dollars in China (against 6 billion for China in South Africa) – or the environmental consequences of the intensive exploitation of minerals over the medium and long terms. Because in these areas, China has done nothing new in Africa and those who worry about it are being selectively critical in favour of the practices of Western firms and their states. Nor because of the risks of a new explosion of external public debt which will be generated by the loans granted by China to its African partners (on conditions preferable to those of the international market), as IMF director general Dominique Strauss-Kahn would have us believe, to justify the mobilisation of the neoliberal technocracy against a recent contract between China and the Democratic Republic of Congo (DRC).

In exchange for the exploitation by Chinese enterprises (private and public) of a little more than a million tons of copper and more than a half million tons of cobalt, China was to grant the DRC 9 billion dollars (including 6 in construction of road, steel, health and educational infrastructures, and 3 as financing of Congolese participation in a Sino-Congolese mining enterprise). According to the Chinese ambassador to the DRC: "We from the beginning avoided any situation which could lead to an increase in the debt" [