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BRICS in Africa: China eyes the Congo River

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New development projects along the Congo River are bound to restore colonialist structures and looting of resources in the DRC. These will benefit elite companies and countries, but fail to prioritise poverty and access by the poor - serving only as a repressive tool to locals.

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The Congo River watershed feeds not only Africa's second longest river (after the Nile), but is also a vital site of struggle over BRICS' role in Africa. In coming decades, both western and BRICS multinational corporations will use hydropower at what will be the world's largest dam, financed by the World Bank, London markets and China, to fuel intensified mineral extraction.

The river is a site of potential Western-BRICS alliances, aiming to maximise profits. In the process, such alliances will intensify repression against those who object, in a resource cursed country that within the past two decades has suffered more than six million unnecessary civilian deaths.

The Congo River has always been abused, as a natural entry point into the central African region. It was always 'the key to Africa for Europeans, it allows them access to the centre of the continent without having to physically cross it,' Joseph Conrad explained in The Heart of Darkness. 'The river also seems to want to expel Europeans from Africa altogether: its current makes travel upriver slow and difficult, but the flow of water makes travel downriver, back toward ''civilisation'', rapid and seemingly inevitable.'

The river was vital to the previous conquest of the Democratic Republic of Congo (DRC) under the pretext of Belgium's self-described 'philanthropy', its attempt to 'civilise' backward indigenous people, and its imposition of modernity. The death toll was between 10 million and 15 million, depending on the source.

The current race to capture the DRC's natural resources, including hydroelectricity, is not new. But new runners in this race to self-destruction include BRICS countries. Russia represents the shadow of the former Soviet Union which – alongside the West – has been present in the DRC since the 1950s for the same interests.

This deadly race is exacerbated by the urgent need for electricity to facilitate extraction and processing of natural resources by companies taking advantage of weak labour laws and easy dispossession of the Congolese from their land and water areas, alongside commodification of basic needs.

SOUTH AFRICA LEADS

The most direct BRICS beneficiary of the world's largest dam will be South Africa, as a result of both mining activities and the import of hydroelectricity from the Inga Hydropower Projects (IHP). South Africa's Eskom electricity parastatal, its Development Bank of Southern Africa and SA construction corporations will have to compete with those from other sub-imperialist countries such as China and South Korea, in search for the same energy, minerals and contracts.

China is best situated to take advantage of construction contracts, as Sinohydro and the Three Gorges Corporation of China have recently built the Three Gorges Dam on the Yangze River, which at 14,000 megawatts capacity is the world's largest. The full IHP could be three times larger.

South Korea owned MNCs in association with Canadian SNC-Lavelin will also compete with South Africa. The third group of competitors comprises Spain's Actividades de Construccion y Servicios and MNCs from Europe, e.g. Eurofinsa and AEE. South African firms will probably lose in this tough competition, despite Pretoria's role in UN peace initiatives in the DRC from 1996 – between Laurent Kabila and the ousted dictator Mobutu Sese Seko – to as recently as late 2013 between the M23 rebel movement and Joseph Kabila's government.

Before 1994, the apartheid regime in Pretoria had a very strong relationship with Mobutu, and in the early 2000s Pretoria's financing of repayments on the DRC's debt to the International Monetary Fund was , in turn, the basis for Thabo Mbeki's introduction of major Johannesburg mining magnates (e.g. Tokyo Sexwale) to the DRC leadership. By 2013, the players had changed, and it was Khulubuse Zuma – nephew to president Jacob Zuma – whose oil exploration activities would potentially benefit if the SA National Defence Force continued to pacify the eastern region of the DRC.

_HYDROPOWER FOR EXTRACTION

New revelations from the DRC government have allowed critics of IHP, including Rudo Sanyanga of International Rivers, to show who benefits from the \$12 billion in next-stage investment [1] Kinshasa officials admit, 'Allocation of most of the power produced by Inga 3 Basse Chute to the public power grid would be the preferred option from a social point of view, since the proportion of our population with access to electricity is three times lower than the Sub-Saharan average. However, such an allocation would result in a low bankability of the Inga 3.'

This means that if the project is built, the power will be redirected from nearby residents to corporations ripping up the mountains in the east or the copper from the south – or exported to the most voracious consumer of electricity: corporate South Africa.

Who will win?

The construction companies, investors, international financial institutions, development agencies, and socio-political and economic elites involved in stages of these activities. These individuals and institutions own shares in the development projects; get money for personal gain through corruption, overpricing, tender allocation to their friends and relatives, cost overruns, optimism bias; and feed off the dependency relations.

Some leaders in civil society also win. They have paradoxical interests at times, because by supporting unpopular, undemocratic, and incompetent government decisions, many then use their organisations as steppingstones into government political posts or key positions in the same MNCs

that civil society regularly challenges. As a result, as soon as charismatic leaders emerge, they are co-opted (or alternatively, intimidated) by both the government and the MNC. The same applies to legislators.

_IHP LOSERS

The losers of this scramble by BRICS countries for the DRC are ordinary local residents, and indeed all Congolese who will owe as much as \$100 billion in new foreign debt. Ordinary citizens in both donor and recipient countries usually,lose, through repayment of debts incurred to build these projects and without necessarily getting anything in return. Most local communities in the vicinity of the IHP have no access to electricity, but those who do have power but cannot afford their electricity bills, will suffer.

One clan representative I interviewed for my PhD research in 2012, complained that earlier IHP work had no community benefit. 'There is no free school for the children of the affected communities. The parents must pay for their children's education and health care despite the level of impoverishment of these communities due to dispossession of their land and water without compensation.'

According to the interviewee, 'As a consequence of lack of access to education, the dam-affected communities have not produced a single graduate from university since the 1960s. They stay home where they are often victims of teenage pregnancy, increased number of HIV&AIDS cases, and alcohol and drug abuse.'

But it is not only the poor who worry. Those Congolese in business – like another interviewee in Kinshasa – have suffered because of SNEL's erratic supply: 'The companies increase the cost of production of everything that people sell in the DRC because of regular load shedding. Electricity is not permanently supplied. There are indeed several intermediaries between SNEL and big consumers of electricity. '

This businessperson argues that with electricity priced too high, it is hard to sell even basic electrical appliances: 'Affordable electricity should allow people to buy stoves for example. This should lead to production of more stoves and an increased consumption of electricity.' But SNEL's high prices negate potential positive spin-off effects. And to repay a \$100 billion project will require major price increases.

The scramble for Africa's natural resources is not new. The difference now is that there are new agents – particularly Brazil, Russia, India, China and South Africa – positioning themselves to renew the old colonial infrastructure and extraction. But the more extreme these agents behave, as a mirror image of the old powers, the more they delegitimise their broader subimperialist agenda, and create new generations of activist resistance.

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P.S.

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Footnotes

[1] 'New twists in DR Congo's Inga 3 Dam saga', Pambazuka 669, 13 March 2014<u>http://www.pambazuka.org/en/issue/669 http://pambazuka.org/en/category/features/90935</u>