



A 'rising Africa' in a resource-rich context: Change, continuity and implications for development

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Abstract

As Africa witnesses a shift from Afro-pessimism to Afro-euphoria, contemporary discourses on the continent have been hinged on the notion of a 'Rising Africa'. This article explores the often-ignored structural defects upon which the notion is hinged, particularly in resource-rich contexts. The analysis is based on a critique of current narratives of a rising Africa as being far too simplistic and subjective to serve as an enduring basis for capturing the dialectics of change in a resurgent continent. It does this by engaging a multi-level analysis that draws upon the political economy of oil, growing inequalities in resource-rich states, strategic and energy security calculations of global actors, and the complex web of global forces that define the parameters and limits of development on the continent. Given the marginal position of the continent in the global extractive regime, this article posits that a lot will depend on understanding the implications, risks and opportunities embedded in Africa's current resource boom, with a view to charting a viable and sustainable path in its unpredictable search for development.

Keywords

Africa, development, globalization, growth, inequalities, resources

Introduction

In last decade and half, debates about the socio-economic conditions and future prospects of the African continent have become a regular headline in consultancy reports,

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journalistic accounts and Western media coverage on the continent. With a renewed sense of Afro-euphoria, the predominant notion and grand narrative in these accounts has been one of a rising Africa. The notion of 'Africa Rising', at least in its immediate usage, was first articulated on the cover page of *The Economist* (3 December 2011) bearing the same title.¹ This came three years after a 2008 issue, titled 'There is hope',² and a decade after the same magazine in a provocative caption 'The hopeless continent' (*The Economist*, 11 May 2000) dismissed Africa as a continent that symbolizes failure, despair and utter dismay.³ The following year, *Time Magazine* agreeing with *The Economist* also adopted the same caption, 'Africa Rising' (3 December 2012),⁴ and later pointed out that the magazine had as far back as 1998 published an issue with the same title where it made several projections about future developments on the continent. Since 2011, *The Wall Street Journal* has reiterated several sub-narratives of the Africa Rising story by drawing on several catchy phrases: continental shift, the rise of an African middle class, the multinational race for a growing market and the scramble for Africa's resources. The *Financial Times* also weighed in by identifying these trends and calling investors from other parts of the world to take immediate advantage of opportunities in a resurgent continent.⁵ Most of these publications were preceded by the McKinsey Report (Roxburgh et al., 2010), *Lions on the Move: The Progress and Potential of African Economies*, which identified the potential rise of Africa's economy and argued that its accelerated growth was widespread given the fact that 27 of its 30 largest economies expanded more rapidly after 2000.

The views about a resurgent Africa were not lost on boardrooms, strategic sessions and international conferences of major financial institutions in their coverage of the continent. In 2014, the theme of the Spring Meeting of the International Monetary Fund and World Bank Group was 'Africa Rising: Policies for Sustained and Inclusive Growth'. Attempts were made to identify policies to share the fruits of continued high growth more widely across populations, and set sub-Saharan economies on the path to becoming emerging markets. In the same year, at the IMF 'Maputo Joint Declaration on Africa Rising: A Shared Vision for Sustained Growth and Prosperity', the IMF and finance ministers and central bank governors from sub-Saharan African countries took stock of the region's impressive achievements over the past two decades, its increased resilience to shocks and economic policy challenges for sustaining growth and development. Africa seems to be on the rise and the news about Africa points to a resurgent continent that in the past decade has been home to six of the world's ten fastest-growing countries, and a continent that has grown faster than East Asia (including Japan) in eight of the past ten years, and one in which foreign direct investment is not only rising rapidly, but since 2006 has surpassed aid flows (Bach, 2013: 1). Africa has, indeed, become the world's new economic engine, with impressive growth rates expected over the next two decades.

Coming as it does after what has popularly been referred to as the 'lost decades' which was characterized by the IMF/World Bank-inspired Structural Adjustment Program, the notion of a resurgent Africa currently inspires hope that the continent may yet be able to chart a path of sustainable development. The 'lost decades' produced a certain kind of pessimism that explained the underdevelopment of African societies and institutions in neo-patrimonial terms. The chief proponents of this view argued that what obtained was the only expected outcome given Africa's 'history' and how Africa 'works' (Chabal and

Daloz, 1999). The literature dominated the coverage and analysis of African affairs in such a remarkable manner that it almost cast a spell of inevitability about Africa's failure as concepts like clientelism, ethnicity, tradition, tribalism, nepotism, or rent-seeking were deployed to articulate the African condition.

A gradual shift from this view began to occur at the turn of the century when a concatenation of exogenous and endogenous factors combined to give the continent a new boost. This was in a context characterized by improved terms of trade for raw materials and commodities in the international system; improvement in governance and a new wave of democracy on the continent following the end of the Cold War and a termination of many proxy wars on the continent; massive debt relief for some African countries; a process of economic recovery; new forms of economic opportunities; and the incipient revolution in information and communications technology (ICT), among others. These developments have gone hand-in-hand with descriptions of Africa as a 'promising frontier', and an 'untapped and overlooked' continent (Bach, 2013; Boston Consulting Group, 2010; CSIS Watch, 1997). As Bach (2013: 11) points out, current references to Africa as a new frontier have acquired a more distinctive slant, as we see the initial focus on external players and the lure of commodities now being complemented by emphasis on the dynamics of domestic capital accumulation across the continent. A resurgent Africa, it is assumed, is now set to redefine its relationship and interests with emerging powers on the basis of new bilateral and multilateral trade relations, mutual energy security and other strategic interests. Central to this is how the continent governs its extractive resources and potentials as key sources of value, and one that conjures up notions of prosperity and the potential of new wealth generation on the one hand, and possibilities for accumulation with the attendant issues of struggles, conflicts, despoliation and dispossession on the other hand.

This analysis captures the structural defects upon which the notion of a rising Africa is based. It expatiates on the ways in which the deep-seated structural issues associated with a 'Rising Africa' have been totally erased from the debates, and the effects these structural issues might have on current developments. The article demonstrates that there are multiple levels of analysis one has to bring to bear to understand the notion of 'Africa Rising', particularly in resource-rich contexts. The challenge, it appears, is to evaluate the current transformations and identify which of the factors associated with the notion of a rising Africa are sustainable in the long term, and those that are not. Hence, it is pertinent to lay out the very important issues associated with the notion of 'Africa Rising' in extractive economies: What does it mean to talk about a rising Africa in extractive contexts? What interests, dynamics and new opportunities are embedded in, captured or represented in the notion of a rising Africa beyond the obvious potential of increased extraction? Does a rising Africa offer any prospects for changing the unequal trade patterns between Africa and the world's old (and emerging) extractive powers that have resulted in the plunder of its resources over the years? What are the changing forms and modalities of governance? What social contradictions and changes have occurred in these economies as they are incorporated into novel forms of extraction, and how can these be resolved?

This article is divided into four broad sections. The first is this introduction, which lays out the critical issues and questions that underpin the article. The second is a conceptual

section that deals with the notion of 'Africa Rising'. Part of the conceptual discussion addresses questions about the nature of this rise, the impact that the resource boom has had on the rise and what this means for the continent. The third section is the analytical section of the article. It explores the various dimensions of what has been described as the 'Africa Rising' in an extractive context, particularly as it relates to the political economy of oil, ownership of the technology of production, governance and energy security, new forms of integration of oil-rich locales and the deep-seated inequalities in oil-rich states. The fourth and concluding section sums up the narratives emerging out of the discourse on Africa, and the kinds of analytic challenges these present to scholars, practitioners and policymakers.

Africa Rising: Change and continuity in a transformed context

Since the turn of the century, the continent has experienced a global commodity boom with the discovery of vast quantities of oil, gas and minerals across the continent. The emergence of certain parts of West, East and Central Africa as critical energy repositories and strategic supply options to the global oil market has marked a change in the fortunes of the continent. Hinged on the notion of a resurgent Africa, the continent has witnessed a steady rise in number of new boom states like Mauritania, Ghana, Chad, Equatorial Guinea, Sao Tome and Principe and Uganda, all of which have joined the ranks of prominent oil producers like Nigeria, Angola, Cameroon, Gabon and the Republic of Congo. Currently, nearly 10% of the annual output of sub-Saharan African countries and 50% of their exports come from non-renewable natural resources. Natural resources are a major export in about 20 of the 45 countries in the region. Seven of these countries are oil exporters, accounting for more than half of the region's natural resource exports (Lundgren et al., 2013: 6). Overall, the region is forecast to grow at more than 5% on average over the 2013–2015 period, 4.9% in 2013, gradually strengthening to 5.2% by 2015 (World Bank, 2012: 3–4).

A combination of technological progress and a favorable business environment have accounted for the renewed attention to certain resource-rich parts of Africa (Corporate Council on Africa, cited in Bach, 2013: 11; Foroohar and Cargill, 2006). Global interests in the continent were heightened after the tragic events of 11 September 2001 in the United States. This resulted from the pressure to reduce global over-dependence on oil supplies from the volatile Middle East region as well as explore alternative sources of supply and expand access to larger volumes of oil (Klare and Volman, 2004: 227; Onuoha, 2009). The five major countries that currently dominate the continent's oil market account for 85% of production with an approximate production capacity of 8.7 billion barrels per day (Jackson, 2012). In West Africa's Gulf of Guinea, the development of new forms of technology have made it possible to explore deep and ultra-deep offshore oilfields, and recent oil discoveries in Uganda and Kenya have raised hopes that East Africa can follow the lead of several other African nations and become major oil producers. By virtue of its vast reserves, a decade ago Africa was already projected to account for one-fifth of global oil production, which will add to the global oil supply (Goldwyn and Morrison, 2005: 16). These developments have prompted an upward reappraisal of the reserves and production potential of the continent, surpassing prior

assessments that have already estimated that in this decade alone oil states in the region will accrue US\$200 billion from oil proceeds (Gary et al., 2003) and US\$349 billion by 2019 (Kansteiner and Morrison, 2004: 151–161).

Dominant notions about a resurgent Africa have been underpinned by some strategic and conducive factors in extractive economies in Africa. The first is that most oil-producing countries in Africa are coastal states with veritable access to the sea. The second is that the bulk of Africa's oil deposits are located offshore. This minimizes, but does not entirely rule out, complications with indigenous communities and other restive elements on the mainland. The third is that given its low sulfur content, Africa's crude is of the highest quality in the international energy market, and with the advent of technological innovations such as the ultra-deep water machinery and 3-D seismic expertise, the extraction of previously unreachable deposits has now commenced. Combined with the rising demand for oil from other emerging economies, especially in Asia, the incipient discoveries of oil in parts of the continent has sparked an intensification of investment prospects. These conditions have been aggravated by the considerable shifts in global economic power occasioned by the emergence of China and India, with China offering attractive oil deals and aid packages to countries in the region in a bid to compete with American and European firms for access to oil (Onuoha, 2009). US, Chinese, French, British and Canadian oil multinationals are also prospecting for oil in non-oil states along the Gulf of Guinea, like Sierra Leone, Senegal, Guinea-Bissau, Cote d'Ivoire, Liberia and Togo (Cheru and Obi, 2010).

The notion of a resurgent Africa has several connotations in a global capitalist system where commodities – raw materials, natural resources and minerals – and the search for markets has made Africa the centre of attraction. This brings into focus articulations of power and politics, relations between global powers, multinational corporations and their home states, and engagements of local and trans-local regimes of extraction, governance, regulation, law, violence and sovereignty (Onuoha, 2008a, 2008b). All of these have been shaped by the fact that the logic that is currently driving the notion of a resurgent Africa is based on both exogenous and endogenous factors, which have defined Africa as a supplier of primary products for the expansion of global capitalism.

As a vital element of the modern capitalist system, processes of extraction and accumulation continue to be a major source of contradiction in resource-rich regions of the world. Under this lucrative enterprise lies an uncomfortable mix of extremes of wealth and poverty, power and disempowerment, profit and exploitation, global extraction and local resistance. Given the strategic value of Africa's resources to the global capitalist system, and the fact that these resources are needed to fire the engines of globalized capitalist production, accumulation and power, a constellation of social relations of power are inevitably spawned around oil extraction and commoditization. It is best captured as 'a combustible mix of exploitation, violence, and the large-scale removal and transfer of energy resources and wealth from the sites of production to those of consumption, accumulation and distribution' (Obi, 2010: 221). It is not possible to explain the nature of struggles over resources outside the extractive logic of global forces. Of note in this context is Obi's (2010: 221) view that struggles emanate as a result of 'the quest to redress perceived injustices embedded in the separation of those that profit from, and enjoy the benefits of, oil production and commoditization (the transnational alliance of

petro-state, oil multinationals, and ruling elites), from the others (the dispossessed in local communities from under whose lands and waters the oil is extracted)'.

Following this logic, resource extraction often holds enormous implications for local realities. This is closely related to the fact that Africa's position as a resource supplier to the global markets is often problematic, as dispossession becomes deeply entrenched in ways in which global extractive capital takes away the rights of local communities over their natural resources (Obi, 2010: 221). Harvey's (2007: 34) argument on 'accumulation by dispossession' is apt, when we seek to understand the ways that assets, wealth and income are transferred from the mass of the population toward the upper classes or from vulnerable to richer countries, as is the case in Africa. This much can be gleaned from the crises and paradoxes of resource wealth in Africa, right from the first resource boom in the 1970s, to the ongoing boom in most African countries.

These developments have generated immense debates in policy, scholarly, security and media cycles. Not since the scramble and partition of Africa has the continent witnessed this level of collective global attention and involvement, especially as the bulk of the continent's trade and investment remains tied to the extractive resource sector. Nevertheless, these developments cannot be fully comprehended without reference to the subordinate position that has characterized Africa's relations with old (and emerging) powers. What is pertinent about this transformation are echoes of unequal patterns of extractive relations between the continent and its extractive partners, and this remains a significant source of concern and calls for a new rhetoric and practice of engagement.

Emergent forms of competition and scramble for resources

The notion of a resurgent Africa is literally intertwined with the scramble for Africa. While some see the current interest in Africa as novel, others hold the view that there is nothing new in the process, but that it is the latest version in the exploitation of Africa. One of the key issues often left out in the discourse of a rising Africa is how the entire process connects with the place of Africa in the post-Cold War capitalist project and transnationalization of capital. Even within a context where Africa is perceived to be rising, the primary objective of these processes is the optimal exploitation of Africa by global oil capital, irrespective of whether it is American, European, Indian or Chinese.

Combined with the rising demand for oil from other economies, especially in Asia, the discovery of oil in certain parts of West, East and Central Africa has sparked off a scramble for investment prospects. These conditions have been intensified by the considerable shifts in global economic power occasioned by the emergence of China and India, with the former offering attractive oil deals and aid packages to countries in the region in a bid to compete with American firms for access to oil. This dynamic has been evident from the Pacific and Central Asia to the Middle East. As far back as 2005, Andy Rowell et al. (2005) noted that apart from declaring the Gulf of Guinea as an area of 'vital interest', certain influential right-wing and neo-conservative think tanks in Washington had advocated the need to protect the region by American military might. The US security partnership in the Gulf of Guinea has been structured multilaterally (with Economic Community of West African States [ECOWAS]) and bilaterally, and now falls under the administration of the US Africa Command (AFRICOM), which has been in existence

since 2008. Based in Germany, AFRICOM takes over from the US-European Command (EUCOM), and perhaps marks the most consequential US strategic development in the region. AFRICOM can be seen as a response to the increasing strategic importance of Africa within the US spectrum of interests.

Almost a decade and half ago, the Bush administration's National Energy Policy Report (also known as the Cheney Report of 2001) situated the Gulf in a broad and global strategic context, and predicted that West Africa would become 'one of the fastest growing sources of oil and gas for the American market' (National Energy Policy Development Group, 2001: 8–11). Following the same official stance, the Africa Oil Policy Initiative Group during the same period maintained that the Gulf of Guinea, as part of the Atlantic oil-bearing basin, had already surpassed the Persian Gulf in oil supplies to the United States by a ratio of two-to-one. This oil is in addition to other important strategic minerals, such as uranium, chromium, cobalt, titanium, diamond, gold, bauxite, phosphate and copper found in the region (AOPIG, 2002).

The United States is not alone in the rush for resources in Africa. The continent has also witnessed the advent of China and India as significant players and catalysts in the 'competition' or 'scramble' for its resources that has hitherto been dominated by Western oil multinationals. The re-engagement of China, India and other Asian interests in Africa may be judged as one of the most dramatic episodes in the development of Africa as a whole since the end of the Cold War. China's renewed diplomatic vigor is largely driven by its transformation from energy self-sufficiency to the world's second largest importer of oil. China's relations with Africa gained unprecedented traction in 2006 with the Forum on China–Africa Cooperation. Though not the first of its kind, the 2006 Forum served as a watershed in China–Africa relations owing to the visibility of the subject and the attention devoted to it. The emergence of China as a global economic power since the 1990s has led to a massive increase in oil consumption. Since 1993, China's demand for oil has outstripped domestic oil production, and in 2004, it became the world's second largest consumer of crude oil after the United States with a daily consumption of 6.5 million barrels per day, a figure which is expected to double by 2020 (Pocha, 2005). This demand for oil is a crucial component underpinning China's relations with Africa.

Africa's oil is critical for China as it is for the United States for very similar reasons. First, given its lightness and low sulfur content, the Gulf of Guinea's oil is of high quality and most appealing, although Chinese refineries have been designed to process a more 'sour' grade of crude oil in recent years. Based on these factors, China expects to expand its annual import from the region and secure concessions from various governments in Africa. Some perceive China's re-engagement with the region as a 'new form of imperialism', while others contend that China's policies in the region lend support to dictatorial regimes in complete disregard of the norms of good governance, accountability and respect for human rights. Simon Roughneen (2006) argues that China's new Africa policy provides an alternative to the supposed consensus built around governance and development policies, giving China an unfair advantage in competition for the continent's resources. In response, China has reiterated the guiding principles of its foreign relations: mutual respect for sovereignty and territorial integrity, mutual non-aggression, equality, mutual benefit and peaceful coexistence (Roughneen, 2006). What is clear is that irrespective of the short-term benefits and costs, the capacity of Africa to exploit the opportunities attendant on its

'resource boom' and the 'new scramble' for those resources lies more in internal cohesiveness, socio-political conditions and a strategic pan-African project of socio-economic transformation.

The political economy of extraction

The notion of a rising Africa conjures up several images of competition, greed, partition, plunder, imperialism, domination, exoticism, and Africa's subordination to an inequitable global division of labor. The origins of these developments have their roots in the 19th-century European interest in the continent (1880–1918) when Otto von Bismarck of Germany convened the Berlin colonial conference (1884–1885) 'to set the broad limits of expansion by the interested powers – Britain, France, Germany, Belgium, Italy, Portugal and Spain, so they would not quarrel in Africa during the race to carve up the continent among themselves' (Davidson, 1991: 284). These development came as responses to the emerging changes in global capitalism, where commodities – raw materials, natural resources and minerals – and the search for markets came to prominence owing to the demise of the trade in slaves from Africa. The logic that drove European/Western interest in Africa was clearly shaped by global capitalist expansion in Europe.

The other obvious dimension of resource extraction in Africa is that extractive economies are intertwined with shifting African histories of labor and class, of consciousness and identity, of social imagination and political action. On several occasions, the waxing and waning of extractive industries have crystallized struggles, often bloody conflicts between more distant interests and local common wills and aspirations, struggles to reconcile possibilities, and possibilities presented by them for accumulation and profit with issues of despoliation and dispossession of justice at the forefront. The pursuit of resources like oil remains the key source of value on the continent, and continues to conjure up images, popular dreams, desires and nightmares. The continued process of extraction and the promise of new wealth generation in Africa based on its resources dominate global perceptions of the continent. But in reality, Africa is confronted by a complex interplay of external and internal actors involved in the struggle for the region's oil resources: oil multinationals, national/state oil corporations, independent actors, indigenous oil companies, petro-elites, oil-producing communities and oil-related insurgent movements. The prevalent notion of a rising Africa is often depicted as inherently beneficial to the continent without due attention to the dynamics and challenges that accompany the process, and how resource extraction is accompanied by complicated diversifications and pluralization of African economies and societies in the current moment.

Based on the foregoing, it is pertinent to state that the continent's political economy of resource extraction presents a mixed picture. For example, while the states in Africa have different colonial backgrounds and struck oil at different times in their history, on the whole, they present some of the most visible forms of human immiseration and crisis of governance on the continent. Based on the February 2008 'Index of State Weakness in the Developing World' (Rice and Patrick, 2008) in which the Brookings Institution evaluated the performances of 141 developing countries using 20 indicators grouped into economic, political, security and social welfare baskets, 32 African countries were among the top 50 worst performers and, surprisingly, 12 of those were oil-producing African

states. Closely following other African oil states in the Gulf of Guinea (Angola, Chad, the Republic of Congo and Equatorial Guinea), the index ranked Nigeria (the largest oil producer and exporter on the continent) 28th on the list of 'critically weak' states, falling within the bottom quartile on critical issues such as inflation, rule of law, control of corruption, conflict intensity, gross human right abuses, incidences of coups, political instability, violence, child mortality and access to improved water and sanitation. This brings into bold relief the 'paradox of plenty' that has featured prominently in petro-states in the region, such as Nigeria, Angola, Gabon and the Republic of Congo; and which appears to be awaiting new oil boom states like Equatorial Guinea, Chad and Sao Tome and Principe.⁶ They equally share some of the symptoms which have plagued the first club of oil producers, including the abject poverty of the local population, foreign control of the oil industry, apparent power elite–multinational alliances to monopolize the control and utilization of the oil wealth, a profligacy in the use of oil revenues for self-aggrandisement and the likelihood of ecological degradation. Irrespective of the distinctly new dimensions of the current phenomenon, what flows from the foregoing is that the intensified struggle for Africa's resources is consistent with the past in terms of the manner in which the continent's natural resources are being increasingly exploited by competing transnational actors, which simultaneously incorporate and marginalize people within the various African countries.

Closely linked to the above is the manner in which African resources are being securitized through the 'hegemonic project of promoting "efficient" managerial states (under the rubric of democracy and good governance) that are supportive of US capital and geopolitical interests in the region' (Obi, 2009: 195). It is in this context that the entrenchment of a neoliberal project of democracy, reinforced by commitments to multiparty participation, transparency, periodic elections, public accountability, rule of law and a broad good governance agenda can be understood. These are discussed, operationalized and packaged in a framework that undergirds government policies and ensures that the transnational neoliberal extractive regime continues to thrive on the accumulation of resources from the continent. The notion of democracy and good governance that Africa seeks is one that incorporates a vast array of social and economic reforms needed for the establishment of a more equitable and just order for the extraction of resources. This differs and runs counter to those that the transnational extractive forces are currently advancing on the continent.

Resource extraction, local and national economic development

In spite of its rising profile, processes of extraction continue to shape Africa in the image of the old, and still define Africa within the global division of labor simply as a supplier of primary products for global industrial manufacturing and market for finished products. This situation has largely remained unchallenged, and in cases where it has been questioned real change has remained scarce. The broad picture across the continent from the 1960s up to the 1990s shows the clear dominance of Western oil companies, often operating in partnership with state oil corporations (particularly, after the OPEC revolution of the 1970s) in the African oil industry. The proliferation of oil licenses since 2005 to date have gone hand in glove with the opening up of Africa's oil sector to emergent national oil companies from Asia and South America (Obi, 2007, 2008). In the current scenario,

and given the opaque nature of resource-based ties, a lot of competition and corruption is involved in oil deals as each company (backed by its home state) tries to outplay the others in sourcing juicy oil concessions and profits from resource-rich states in Africa.

In the last decade or so, the 'local content' or 'national content' policy has emerged as part of an international trend to promote the developmental benefits of increased local participation in oil-producing developing countries. In most resource-rich African countries, this has coincided with the promotion of indigenous participation in the oil industry through the introduction of local content requirements in all joint venture contracts, and the policy guarantee that 10% of each oil exploration license (OEL) granted to investors must go to indigenous oil companies. The intention was to follow the examples of countries like Norway, Brazil and Indonesia, where resource nationalism has been geared toward gaining considerable foothold over this strategic sector and reducing the capital flight associated with oil and gas production since the last decade.

Theoretically, the national content policy is structured to increase the benefits of oil resources for the average African who sees oil as a 'curse' rather than a 'blessing'. Most content monitoring authorities in Africa are saddled with the responsibility of 'increasing indigenous participation in the oil and gas industry; building local capacity and competencies; creating linkages to other sectors of the national economy; and boosting industry contributions to the growth of National Gross Domestic Product'.⁷ In practice, despite the euphoria surrounding the implementation of national content policies, and references to an emergent era of indigenous African capital (Moyo, 2009: 153), Africa's national content policy still faces enormous challenges in its implementation. The myriad of challenges range from the perception that these policies are unrealistic and the immense lobbying against these policies by international oil companies (IOCs), to the grudging compliance of IOCs to these policies. This is currently the case, as echoed and confirmed by Ogbeifun (2007: 198), who points out that Nigerian oil and gas companies are fronting for foreigners, and at the same time IOCs create local companies that they 'sublet to Nigerians' to execute contracting jobs. Dr Macaulay Ofurhie (2004), director in Nigeria's Department of Petroleum Resources (DPR), aptly captured the situation when he warned of the danger of manipulating the new policy. These concerns resonate with some of the pitfalls of the implementation of the local/national content policy across the continent. Coker (2010) points to the challenges of implementation, stating that 'there is a world of difference between ideals of the law and the realization of the benefits it seeks to provide and protect ... it would take the collective will and effort of the government, operators, service providers, stake-holding institutions, international investors and partners to make the [Nigerian Content Law] work'.

The case of the national content policy in most African countries initially provided some grounds for optimism. But over time, a great deal of concern began to emerge relating directly to the multiplicity of actors with different interests when it comes to the practical implementation of the policy, and how these interests have helped to ensure that a few, as opposed to the larger society, will be the primary beneficiaries of the national content policy. Four decades ago, Fanon (1965: 120) opined that 'the national bourgeoisie is not engaged in production, invention, building or labour'. Lolomari (1976) threw considerable light on the Nigerian case by aptly capturing the character of the Nigerian elite (or bourgeoisie) as one that is content with serving as a mere agency for foreign

capital. Ake (1985: 5) argued that this is as a result of 'a singularly unproductive capitalism in which ... wealth is dissociated from entrepreneurial activity'. As Ake (2000: 38) later noted, 'the elite in Africa is generally too undisciplined and incoherent to initiate and carry out a development project'. This, as argued by the World Bank (1993), is one of the major differences between most African elites and those of the fast-developing Asian economies, namely: Hong Kong, South Korea, Singapore, Thailand and Taiwan. Thus, the passage of the content policy in resource-rich African countries demonstrates the capacity of elite power to pursue and implement a strategy promoting accumulation through indigenous capitalism and alliance formation with state officials and other forms of domestic capital (Ovadia, 2012a: 276). These forms of elite incorporation and inclusion do not necessarily lead to emancipation, but are meant to mobilize resources and accumulate capital. Thus, the national content policies in Africa provide a link between shifting strategies of elite accumulation and policy transformations in the global extractive regime.

By its disposition and inclination, the state in Africa has constantly played into the hands of IOCs/MNOCs, international and indigenous actors and interests in the extractive sector. Effectively, the content policies across the continent signal a shift in strategies of elite accumulation, and this must be understood within the context of a setting where the structure of power relations places the state at the center of social and economic reproduction (Bayart, 1993; Osaghae, 1995: 22). This has been attributed to the absence of mechanisms that can guarantee the state's autonomy and insulate it from being susceptible to group or class interests (Ake, 1985; Joseph, 1983, 1987). Rather than being a facilitator of popular and broad-based development through the implementation of the content policy, the state in Africa is effectively part of the dominant group interest in the extractive industry. The fact that the state in Africa is a gatekeeper, rent-seeker and producer, as observed and replicated in the extractive industry, has enormous implications for its allocative capacity, as well as for power relations between the state, IOCs/MNOCs and indigenous capital in the sector.

There appears to be conclusive evidence suggesting that efforts at greater indigenous participation in the oil industry have largely failed in most resource-rich countries. There are also the related challenges of limited funding, weak institutional capacity and inadequate equipment to monitor effectively the sophisticated operations in resource extraction. Although the continued ownership of resources by the state remains undiminished, but actual control of the industry still resides externally in the hands of the international oil companies: Shell, Chevron Texaco, Exxon Mobil, Total and Eni. While respective African states still own their resources and assert control over access to it, they do not control these resources at the level of production, which is most critical. After over five decades of resource extraction on the continent, the state in Africa is left with yet another failed effort at indigenous participation in the oil industry as currently witnessed in this phase of globalized resource extraction. The extractive industry in Africa remains largely hobbled by structural constraints, and an extraversion that serves the demands of global extractive actors, the global oil market and the interests of the transnational petro-elite. This is expressed in a specific kind of politics that gives leverage to oil MNCs over the state and state ownership of oil. This accounts for the high premium placed on the capture of state power as the ultimate price of the contestations between competing factions of the

ruling petro-elite, while huge oil revenues reinforce the repressive capacity and impunity of the state in ways that undermine the democratization of African societies.

Conclusion

In spite of its rising profile in the global economy, the foregoing shows how unequal relations are produced and reinforced in Africa's extractive sector. The aim is to clarify the relationship between global capitalism and the production and reproduction of inequalities in the extraction of Africa's resources. The rising profile of the continent on account of its resource boom has crystallized struggles and conflicts between distant transnational resource-based interests, on the one hand, and local common wills and aspirations, on the other hand. This translates into struggles to reconcile possibilities of resource extraction and profit with issues of justice, inclusion and equality. This brings into bold relief different forms of articulation of power and politics, interactions of world powers, corporations and states, engagements of local and trans-local regimes of regulation, law, violence and sovereignty. Concentration of wealth and power and resource-based accumulation translate into, or create categories of exclusion as the continent confronts shifting and changing forms of resistance and conflicts based on its resources.

The resurgence of the continent yields several possibilities and a transformed context that require substantial attention in theory and practice. Policymaking will have to be geared toward broad-based growth, while not assuming that the boom from resources will necessarily lead to development. In the absence of genuine structural transformation, huge proportions of the continent's population are likely to remain in poverty, or entrenched in deeper levels of poverty while the bulk of the continent's wealth will continue to remain in the hands of a wealthy few. Hence, the state is critical in the Africa Rising story as the prospects of transforming Africa's resurgence into a development project on the continent, at least for the foreseeable future, will remain inextricably tied to the capacity of the state in Africa to navigate the dictates and fortunes of the global resource market, and the transnationally hinged resource sector across the continent.

For the African resource-based project to be guaranteed a meaningful future, there must be a rethinking of the questions of inclusive governance, identity, equitable redistribution of wealth, popular democracy and social welfare programs on the basis of a rejuvenated political system based on an open and frank national conversation. Resource extraction constitutes the lifeblood of many African states, but its dialectics within the context of a hotly contested and unresolved national question in the long run may increase the risk of unintended political consequences that no one can really foretell. Yet for the foreseeable future oil will remain inextricably tied to the possibilities of a developmental African state founded upon the principles of popular sovereignty and democratic practice.

Given the realization that the possibilities and potentials for economic redistribution and social transformation in resource-rich African states lie in the hands of a highly fractious political elite torn apart by the struggles over the control of resources, there is considerable skepticism that the present resource-rich African states and political elite will use the increased revenues to transform their economies or societies, but would more likely enrich themselves and their patrimonial networks, and seek to entrench themselves in power through forceful means. In the final analysis, there can be no easy answers outside of a critical reading of the processes of transnational capitalist

accumulation, in which oil plays a central role. The prospects of resource-rich African states emerging from the present struggle for the continent's resources will ultimately depend on the ability of these states to transform themselves through a developmental ethos to act as catalyst both for social transformation, but perhaps more fundamentally, for the reorganization of resource extraction and production on the continent in ways that lift it out of its marginal position in the globalized division of labor which since the days of the 'old scramble', has defined it as an object of domination and exploitation by forces from 'outside'.

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Notes

1. 'Africa Rising: The hopeful continent', *The Economist*, 3 December 2011. Available at: www.economist.com/node/21541015 (accessed 7 April 2015).
2. 'Africa: There is hope', *The Economist*, 9 October 2008. Available at: www.economist.com/node/12381162 (accessed 7 April 2015).
3. 'The hopeless continent', *The Economist*, 13 May 2000. Available at: www.economist.com/printedition/2000-05-13 (accessed 5 April 2015).
4. 'Africa Rising', *Time Magazine*, 3 December 2012. Available at: content.time.com/time/magazine/article/0,9171,2129831,00.html (accessed 3 April 2015).
5. Wallis W, 'Africa calling: The continent is attracting investors eager to take advantage of a flourishing market', *Financial Times*, 10 March 2013. Available at: www.ft.com/intl/cms/s/0/8968cbee-7f45-11e2-89ed-00144feabdc0.html#axzz3WeZg90sG (accessed 3 April 2015).
6. For decades, the major oil producers in the region have been Angola, the Republic of Congo, Cameroon, Gabon and Nigeria. Equatorial Guinea has been a producer since 1995 and Chad since 2003, while Sao Tome and Principe became a producer in 2007.
7. See the Nigerian Content Development Monitoring Board (NCDMB) website. For a comprehensive study of local/national content development policies in Africa, see Ovadja (2012a, 2012b, 2014).

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Résumé

Alors que l'Afrique est témoin du passage d'un Afro-pessimisme à une Afro-euphorie, les discours contemporains sur le continent ont été imprégnés de la notion d'une « Afrique en pleine expansion ». Cet article explore les défauts de structure, souvent ignorés et associés à « l'Afrique en expansion », dont la critique est bien trop simpliste et subjective pour servir de base solide capturant le changement dans les dialectiques du continent en renaissance. Il engage une analyse sur plusieurs niveaux s'appuyant sur l'économie politique du pétrole, le développement des inégalités des états riches en ressources, les évaluations stratégiques et sur la sécurité énergétique des acteurs mondiaux ainsi que la toile complexe des forces mondiales qui définissent les paramètres et les limites du développement sur le continent. Étant donné la position marginale du continent dans le jeu des ressources mondiales, cet article suppose que beaucoup dépendra d'une compréhension des conséquences, des risques et des opportunités liés au boom actuel des ressources en Afrique et d'une capacité de projection pour tracer un chemin viable et durable dans la recherche non-prédictive du développement.

Mots-clés

Afrique, ressources, développement, inégalités, mondialisation, croissance

Resumen

Mientras que África es testigo de una transformación del afropesimismo a la afroeuforia, los discursos contemporáneos en el continente se han articulado sobre la noción de un «despertar de África». Este artículo explora los ignorados defectos estructurales que están vinculados al «despertar de África» y critica su simpleza y su carácter subjetivo para realmente servir como una base duradera que capture la dialéctica del cambio en un continente que resurge. Se adentra en un análisis a diversos niveles, que parte de la economía política del petróleo, las desigualdades crecientes en los estados ricos en recursos, los cálculos estratégicos y de seguridad energética de los actores mundiales, y en la red compleja de fuerzas mundiales que definen los parámetros y límites del desarrollo del continente. Debido a la posición marginal del continente en el juego de los recursos mundiales, este artículo postula que dependerá mucho en comprender las implicaciones, riesgos y oportunidades envueltas en el auge actual de recursos de África, con miras a trazar un camino viable y sostenible en su búsqueda impredecible por el desarrollo.

Palabras clave

África, recursos, desarrollo, desigualdades, globalización, crecimiento