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Mali and Niger

# **Neoliberal Globalisation vs the**

# Poor

- IV Online magazine - 2006 - IV376 - March 2006 -

Publication date: Friday 3 March 2006

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The year that has just ended has been rich in promises concerning the future of Africa. The big institutions of the capitalist metropolises have proclaimed their generous intentions: from Tony Blair's Commission for Africa to Bush's Millennium Challenge Corporation; from the World Bank under the leadership of Paul Wolfowitz to the G8 meeting at Gleneagles; from the UN Millennium Development Goals to the Japanese commitment at the Asia-Africa Summit (April 2005, Djakarta). The most publicised manifestation of this generosity was the announcement of the writing off of 40 billion dollars of multilateral debt for 18 of the world's poorest countries, nearly all of them African.

However, all this generosity seems to have no effect on reality. Sub-Saharan Africa remains subject to the ravaging mechanisms of neoliberal globalisation. We will demonstrate this from the cases of Niger and Mali, two of the poorest countries on the planet, according to the UN Programme for Development.

## Niger, the poorest country

During the first half of 2005, three million people of all ages were exposed to famine and abandoned to their fate in Niger. As deaths mounted due to drought and an invasion of locusts that destroyed the fields, the government of this Sahelian country was unable to do anything about the situation and was reluctant even to accept the reality of it. As for the "international community" it waited months before mobilising, despite the alarm raised by local associations and by a number of observers.

[https://www.internationalviewpoint.org/IMG/jpg/rice\_field\_workers\_in\_Mali.jpg] Rice field workers in Mali

The drought and locust invasion have only served to aggravate a situation that was already deplorable due to social-economic policies carried out by the various neo-colonial regimes that have succeeded each other since independence. The passage from the classic neo-colonialism of the first three decades to a neoliberalism that was presented as the solution has in no way produced the effects promised. On the contrary, despite being put under the tutelage of the Bretton Woods institutions, in the form of structural adjustment programmes, since 1981, Niger is today the poorest country on the planet, according to the Human Development Indicators (HDI) of the UNDP. 63% of the population live below the poverty threshold, around 83% are illiterate and infant mortality is at 121.69.

The burden of the foreign debt, which in 2005 stood at 1.27 billion euros, or 66.3% of the nominal GDP, is one of the reasons for Niger's inability to avoid or escape from this social catastrophe. If it was objectively impossible to make the rains come, at least the struggle against the locust invasion could have been pursued more effectively if Niger had not had as its priority repayment of the debt, which accounted for 22.4% of budgetary receipts in 2004. Involved in the Heavily Indebted Poor Countries (HIPC) Initiative, which is supposed to reduce the debt burden, Niger has never in recent years been late in its servicing of the debt (with the exception of the year 2001).

This has been to the detriment of areas like health and education where cutbacks have led to the massive recruitment of untrained and poorly paid volunteers in place of trained and qualified personnel. Responding to the food crisis would have run counter to the demands of the programme for the reduction of poverty and for growth, of which Niger is the "beneficiary".

## **Neoliberal humanism**

The victims of this famine did not correspond to the profile of the poor sketched by the IMF and the World Bank. So media coverage was necessary to explain the demand for the free distribution of provisions to those affected. A sensible demand which seemed an enormity for the government and its partners in the "international community" (US, EU), who proposed instead the sale of provisions at "moderate" prices or their exchange for work.

Those families who still had some emaciated cattle sold them at derisory prices. Others went into debt, lacking the strength to work. "Trade, not aid" was the principle of the policy of "cooperation" on which USAID is based, supported by the EU and the World Food Programme. The famine presented the opportunity to consolidate commodity relation in Niger's society, together with the individualism that accompanies them, amplified in the neoliberal era.

It is obvious that this neoliberal humanism can only reduce the breadth of the disaster, not bring about a radical solution. The oft-repeated project of the "international community" is the long term "reduction of poverty", not its eradication, although the latter is objectively possible. Thus the food crisis persists. "The prices are still very high on the markets, which prevents many families from buying food, because of the decapitalization suffered during the crisis: to repay the debts contracted, the families tap into the October harvest, while only 2/3 of the land has been able to be cultivated through lack of seeds and labour, which increases their vulnerability and the risk of malnutrition. The effects of the crisis will continue during 2006. [1]

In some regions, the situation for children has even worsened. The "international community" lacks the will to raise the 80 million dollars that the situation demands: only 16 million dollars were raised in the first half of 2005, while the Iraq and Afghanistan wars now cost 5.6 million dollars per month, or, virtually the equivalent of the gross domestic product of Niger in one year.

One is tempted to speak of "neoliberal famine" as the writer Mike Davis speaks of "colonial famines". Indeed, a famine represents a possible future market for the generous "donors". In classic fashion, the focus is on changing the dietary habits of the stricken For example, to a population traditionally consumers of millet, the "donors" offered maize or rice that would thus become subsequently a consumer product to import.

However, more importantly, the famine is seen as an opportunity to boost the profile of genetically modified products. The position of Niger's government on the question has gone through a fairly rapid change since the official recognition of the food crisis. Whereas the National Biosecurity Framework, drawn up in 2005, expressed a certain prudence, in November 2005, Niamey, the capital of Niger, was the site for a regional seminar on "Media coverage of Agricultural Biotechnology - Constraints and Opportunities for the Press in Western Africa ". This was organised by the International Institute for Research on Cultures in Tropical and Semi-Arid Zones (ICRISAT), the International Service for Acquisition of Agribiotech Applications (ISAAA) and UNESCO.

The ISAAA is a body devoted to the struggle against hunger and poverty in the so-called developing countries, above all through the promotion of transgenic cultures. Its main financiers are Cargill, Dow AgroSciences, Monsanto, Pioneer Hi-Bred, and Syngenta which are also the main GMO multinationals. During this operation aimed at the indoctrination of journalists, those who attended the seminar visited the ICRISAT research station, some kilometres from Niamey, where experimentation on genetically modified cereals takes place.

Thus, this food crisis will legitimate a process of accentuated food dependence in the area of seeds for Niger's peasantry; indeed the disappearance of the poorest peasants as small farmers swell the ranks of the lumpen-proletariat.

#### **Neoliberal Globalisation vs the Poor**

Meanwhile, France's Compagnie générale des matières nucléaires (Cogema, from the Areva group), which has been significantly dependent on uranium from Niger, has had its misdeeds publicly exposed thanks to the relative local "democratic opening" and to the development of anti-nuclear consciousness, through the local NGO Agherin'man ("Shield of the soul"), the Commission for Research and Independent Information on Radioactivity (CRIIRAD, France) and the Sherpa Association (lawyers opposed to the impunity enjoyed by the multinationals in the area of the violation of workers' rights in particular, and human rights and ecology in general)

This exposure of working conditions in the mines (low pay, exposure of workers to radioactivity without any real system of protection and medical control), of pollution with its noxious effects on neighbouring peoples and the environment could lead to a reduction of profits in order to conform with international standards.

Neoliberalism has brought about an unwinding of Franco-African relations. For example, Vivendi has taken control of water distribution. However, the privatisation of Niger's telecommunications has benefited the Chinese company ZTE, which has an increasing presence on the African market. This despite Niger's belonging to the monetary zone of the Franc CFA. This competition is being expressed in the future exploitation of gold, phosphates and oil. Keen on repairing its eroded position, France seemed to accord a great importance to the organisation of the Fifth Games of Francophonie (December 7-17, Niamey). Francophonie is in fact the cultural window of a distinctly political-economic business for the state that represents French capital.

# **Privatisation in Mali**

In the words of a leading figure in "Action Against Hunger": "Mali and Niger are countries forgotten by the international community, which reacts to crises in a punctual rather than a long term manner" [2] Mali was less affected by the locust invasion and low rainfall in the region. Nonetheless, it shares with Niger nearly all the same Human Development Indicators, which make it 174th out of 177 countries. [3]

Which is also explained by their common status as heavily indebted countries obliged to scrupulously respect debt repayment schedules. Thus, the social crisis is also the consequence of the policy of the Malian state during the preceding neo-colonial phase, when it was placed under the heel of the IMF and World Bank. A decade of "democracy" has in no way improved the social situation inherited from the so-called non-democratic period. Much to the contrary.

The succession of elected governments is also the continuity of the state in the area of neoliberal structural adjustment, despite the difference of rhythms concerning privatisation and liberalisation of markets and the other neoliberal precepts of the World Bank and IMF. The current governing team, led by General Amadou Toumani Touré, seems more determined than its predecessor to satisfy the managing institutions of neoliberalism, despite the serious social consequences.

In the framework of this neoliberal turn, the state-owned railway company, Régie des Chemins de Fer du Mali (RCFM) has been privatised. The majority shareholder of the new Transrail SA company is initially a French-Canadian consortium Canac-Getma. A privatisation which is characteristic enough of imperialist relations of domination - the RCFM, valued at 105 billion FCFA (160 million euros) was sold off at 5 billion (7.622 million euros).

As the new company is bent on maximizing its rate of profit, priority has been given to the transport of commodities rather than travellers. This has led to the closure of 26 of the 36 railway stations around which life has been organized for more than a century. Many of the stations are effectively villages and the inhabitants are thus distraught: the travellers and the rail workers' families constituted the clientele for their products. Transrail has thus

contributed to the development of poverty in the rural areas. Moreover, 612 rail workers have been dismissed and workers' social gains, for example retirement pensions paid to widows, have been reduced or suppressed.

All this has led to indignation and a movement for a return of Malian rail to state ownership. A citizen collective for the restitution and integrated development of Malian rail (Cocidirail) has emerged. But repression has not been slow in coming. Its main leader, an engineer named Tiécoura Traoré, was simply dismissed, in flagrant violation of labour legislation. Cocidirail has not however been demobilised.

# Agrarian counter-reform

Other significant sectors of the Malian economy have been victims of this neoliberal restructuring, with serious consequences for the lives of the peasant peoples. Such is the case with the Niger Office, a hydro-agricultural project in central Mali, which has been a producer of rice since the colonial period. Nationalised after "independence", it has been subjected to a rampant privatisation since 1984, under the direction of the World Bank, with a compression of the workforce of 70%.

For some time, a land reform has been mooted which threatens peasants enjoying usufruct rights on Niger Office land, and would put them into competition with big investors. This they have resisted: "They say that we are in a state of law, but we, the cultivators, don't see it. We are considered as slaves. At the Niger Office, only corruption, fiddling and injustice prevail. We have paid the rental charges legally within the time limit fixed by the President of the Republic. And our rice fields are being taken away to be given to new beneficiaries who will harvest our products. We prefer to die rather than lose our fields. If the authorities do not take their responsibilities, anything could happen". [4]

Those peasants who have worked and lived legally on these lands for decades reject being thrown off their lands and replaced by big investors. They are moreover faced with an increase of more than 200% in the cost of agricultural inputs. Only the most comfortable financially will survive in the neoliberal jungle.

This financial reform takes place at a time when a mobilisation of peasant women for access to land is developing. What makes this struggle harder is that the men tend to consider it secondary, instead of supporting it to better advance the common cause.

Along with the Niger Office, the other target of neoliberalism in the agricultural sector is the Compagnie malienne de développement et des textiles (CMDT -Malian Company for Textile Development). This is the cotton company; Mali was the main producer of cotton in the sub-region. Its privatisation is an apple of discord between the Bretton Woods institutions and the Malian government which fears the social and electoral consequences, given the place of the cotton in rural life and beyond. More than a quarter of the Malian population, or around 3.5 million people, live directly and indirectly from cotton. As two sexagenarians put it during the Forum of Peoples in Fana, "If it is necessary to sell our hope by privatising the CMDT, we are truly not agreed". [5]

The everyday life of small peasant producers of cotton will thus experience the fate of their compatriots in the railway stations and those confronting the Niger Office. It is around the CMDT that social life and infrastructures are organized. But the French partner, Dagris (currently shareholder at 60 %) is refusing to contribute to financing the deficit of the CMDT, to better accelerate its complete privatisation. Because, if the price of cotton for producers has been falling in recent years, cotton from the FCFA region, of which Mali was the main producer up until 2004, is being absorbed at 60% by the Chinese market. Which is in itself an attraction for any investors who can rid themselves of various social charges, through complete privatisation which is a commitment made by the Malian state in the context of the initiative for debt reduction. The current Malian government has been able to obtain its 2009 report from the

World Bank and IMF in 2008, for the year 2007 is an electoral year in Mali. The last mission of the World Bank in Mali developed the modalities of privatisation.

Another aspect of this restructuring of the cotton sector, which is damaging to the small peasantry, is the introduction of genetically modified seeds that the small producers participating in the Forum of the Peoples in Fana vigorously denounced. Indeed, in collaboration with the World Bank, USAID, the multinational producers of genetically modified seeds Dow AgroSciences, Monsanto, Syngenta (Novartis), have initiated a Project COTI-2 of "Development of the culture of genetically modified cotton in Mali". Under pretext of putting technological progress at the service of the poor the dependency and marginalisation of the most deprived or their transformation into a simple agricultural, super-exploited proletariat is in fact being prepared.

## Labour legislation in danger

In exchange for debt reduction, including the much-publicized writing off of the multilateral debt, Mali, like Niger, is obliged to improve the conditions of realisation of profit. In the words of the spokesperson for the Malian government, Ousmane Thiam, during his visit to Paris, in September 2005, Mali is preparing "a simplification of procedures and formalities linked to the creation of companies; the reworking of the Investment Code, which is not only more attractive, but which puts the foreign entrepreneur on the same foot of equality as the "Malian". [6]

It is not just about confronting the Malian small entrepreneur to the multinationals, but also reducing to the minima the social protection of workers. This is quasi-explicitly suggested by the US government, which says that "labour laws are too restrictive in Mali and the difficulty of hiring and firing are supplementary obstacles". [7] The goal is a generalisation of what has happened at the RCFM against workers organised for the defence of their rights.

The criminalisation of the defence of workers' rights is a principle of neoliberalism experienced also by trades unionists at the Société malienne d'exploitation (Somadex). In this gold mining company in Morila, which belongs to Bouygues, the workers are demanding principally the payment of a productivity bonus. Gold is Mali's main export (57% of exports) and the country is the third biggest African producer after South Africa and Ghana. Somadex has produced, in three years, 83 tons of gold instead of the 33 tonnes envisaged by the operating agreement. which also indicates an extensive exploitation of the labour force.

The workers are also demanding the establishment of real labour contracts instead of contracts, and 300 have been dismissed without payment of their fees and indemnities. In July 2005 a strike broke out; the response of the management, with the complicity of certain local authorities, was repression. To legitimise this in the eyes of public opinion, various acts of violence committed in the village have been attributed to striking workers. Thus, about 30 workers have been imprisoned by the police. Around 20 were subsequently released in October 2005, but at the same time the administrative secretary of the trade union committee, Karim Guindo was arrested.

To escape this repression, the other union leaders, including the general secretary, Amadou Nioutama, have been forced underground.

The arrogance of these companies has ultimately tired even the Malian government whose prospects at the next elections could be jeopardized by the non-respect, by Bouygues, through its subsidiary Saur International, of the contract of partnership with Energie du Mali (EDM) drawn up in 2000. Saur proved itself more interested in short term profits (increased water and electricity rates) than in the investments that it had agreed to make to extend the water and electricity distribution networks.

#### **Neoliberal Globalisation vs the Poor**

In October 2005 Mali was obliged to remove it from its status of majority shareholder in EDM, thus violating the sacrosanct neoliberal principle of reducing the economic patrimony of states, while the meeting of finance ministers of the Franc Zone (September 19-20, 2005, in Paris) had just recommended that Mali "pursue the implementation of the economic and financial programme supported by the FRPC, notably the structural reforms in the cotton and electricity sectors".

This electorally motivated act has earned Mali a special mission from the World Bank and the IMF, whose anti-poverty programme does not include the lowering of water and electricity tariffs in favour of the poor, still less by a majority state enterprise.

### **Inter-imperialist competition**

It is also an awkward operation for the Malian government, organiser of the 23rd Africa-France Summit. Above all in a period characterised by a US offensive on the continent, in the oil sector in particular, within the framework of the AGOA. [8] The 4th Africa-US Forum (July 2005 in Dakar) marked one of the phases of the US advance on the continent.

The US Agriculture Secretary, Mike Johanns, talked there of the community of interests allegedly existing between the USA and sub-Saharan Africa at the WTO, against Europe: "we should close our ranks to say to the Europeans and others that it is time to open their markets to our products. " The promotion of GMOs also takes place in the framework of this common cause against Europe, as little concerned as the US with the fate of the poor and stricken of sub-Saharan Africa. Already in his opening discourse, the Senegalese head of state, neoliberal economist Abdoulaye Wade, said with assurance: "The AGOA symbolises a new vision of international relations (...) the road which leads Africa towards globalisation". [9]

Mali and Niger are among the countries sensitive to the US offensive. As future oil producers, they enter into what Washington considers as the field of national security of the US. Thus, the US government has integrated them, for example through "Operation Flintock 2005" in its programme of "struggle against terrorism". [10] Nonetheless these different aspects of US "cooperation" remain based on respect for the precepts of neoliberalism by the African "partner" states. Submission to the Washington Consensus remains the key condition.

## Resistance

The reproduction of poverty is not a necessity. The year just finished has also been a year of resistance to the order being imposed on the peoples by the masters of neoliberal globalisation and their local satraps. To the general indifference of international public opinion, certain organisations in Nigerian civil society have come together to mobilise, despite intimidation and repression, against increases in the cost of living symbolised by the setting of a VAT rate of 19% on basic necessities.

If the current sitting president of the African Union, the head of the Nigerian state, General Olosegun Obasanjo, does not have the cynical frankness of his Senegalese colleague Abdoulaye Wade in expressing his adhesion to the values of US capital, he is nonetheless a partisan thereof. That much is obvious from his confiding of the department of economy and finance to a World Bank technocrat, as well as his perseverance in the project of increasing the prices of petrol and paraffin.

#### **Neoliberal Globalisation vs the Poor**

This, despite the success of appeals for mobilisation, launched through unions allied to the democratic movement, [ 11] against this measure resulting from an alienation of oil resources to the benefit of the multinationals and some Nigerian private capital and which can only worsen the poverty of the majority of the Nigerian population. As for Thabo Mbeki, his re-election in 2004 did not stop the popular opposition to his social policy, including from the Cosatu trade union federation, allied to the ANC. He has even envisaged sending the police to deal with the social demands of the township, which has brought back memories of the recent past. Thus, behind his nationalist discourse on the "African Renaissance" is revealed a project of integration of a part of the black elite in the circuits of neoliberal capital. [12]

The African governing elites apply the precepts of neoliberalism also for their private interests. They prepare to asphyxiate the small peasantry by articulating neoliberal land reforms and the introduction of GM seeds, which the peasant associations present in the Forum of the Peoples in Fana, an alternative summit to the G7 (June, Mali) have vigorously denounced Unfortunately, representation from peasant associations in other regions of Africa, beyond West Africa, was weak.

The same goes for the African trade unions and other components of the African Social Forum, which is nonetheless a member of the Forum of Peoples, a forum with a continental emphasis held in the rural zone, which allows peasants from the chosen locality to be present rather than be represented, to exchange with those from elsewhere. Activists in Mali and Niger should consolidate permanent solidarity, to extend throughout the sub-region, where often the same multinationals are involved in water and electricity distribution, mining operations, or the sale of GMOs.

Thus, for example, solidarity could be built between railworkers in Mali and Senegal against their states and the private purchasers of the national railways. This could take its cue from the way the African dockers' unions, from South Africa to Nigeria, have coordinated the struggle against flags of convenience.

The organisation in Mali of an alternative summit to that of the 23rd France-Africa summit is an initiative that should be pursued. Not only against the summit, but also against the other organisations determined to pauperise the peoples. Against the favourable opinion enjoyed by the AGOA in certain circles, which seems to illustrate the dialogue of the confederation of the NGOs of Senegal (Congad) with the AGOA, it should be remembered that the nature of US capital is no less imperialist or socially criminal than that of French capital. For example, the recent US intervention in Liberia, against the oligarchic regime of warlord Charles Taylor, who benefited from the support of French capital, favoured the operations of Firestone, who exploit a quasi-slave workforce employed in the plantation of hevea, 6,000 of them children. [13]

It is then against the different facets of this order that we need to organise. For another possible world free of exploitation of human beings by other, of all oppression, it is necessary to build permanent solidarity, above all with the poorest, for a radical alternative. A radical African movement for global justice in solidarity with radicalism outside Africa, without the hierarchies inherited from a past of colonialism and slavery. But the alternative to racism cannot be a form of racialism. Thus, a project like that of the African People's Socialist Party, appealing for an African Socialist International seems to us still very marked by the pan-Negroism of Marcus Garvey and could feed racialism, rather than socialism as the democratic alternative to the multidimensional order of Capital. [14]

The organisation of the polycentric World Social Forum in Bamako, by geographical proximity, is an opportunity to seize, to organise the collective and democratic discussion on permanent solidarity, for a movement for global justice and a radical African alternative.

[1] Amador Gomez (technical director of Action Against Hunger, Spain), "Pas de répit pour le Niger: la malnutrition infantile continue d'augmenter", Press communiqué, November 14, 2005.

[2] Action contre la faim, "Mali/Niger: un silencieux scandale". Press dossier, 2005.

[3] Population below poverty level: 63.8%; life expectancy at birth: 48.6%; infant mortality: 116.79; illiteracy: 53.6% (Source: "CIA, The World Factbook").

[4] Oumar Traoré, 63, spokesperson of the peasants of Niono, in the region of Ségou, during a press conference on August 4, 2005, at the headquarters of the SADI party and of Radio Kayira, in Bamako.

[5] Awa and Kadia Coulibaly in "Le Messager de Fana", newspaper of the Forum, June 2005.

[6] â€~Les investisseurs seront toujours bien reçus au Mali", "Marchés tropicaux", number 3122, October 7, 2005.

[7] AGOA, Competitiveness Report, p. 23.

[8] The African Growth and Opportunity Act is a trade agreement which links 40 countries of sub-Saharan Africa to the USA until 2015.

[9] The French weekly "L'Express" of November 10, 2005 published an interview with the Senegalese president. Wade says here, "I have always been a great admirer of the United States. They provide Africa with a model of rapid development that neither France nor Europe can offer it. But that has nothing to do with the traditional link which unites us with France, and which remains".

[10] Joint military manoeuvres of the US army with the armies of eight Sahelian states including Mali, Niger and Senegal.

[11] The last social mobilisation organised in mid-September was by the Labour and Civil Society Coalition (Lasco) regrouping the union federations (Nigeria Labour Congress, Trade Union Congress, Congress of Free Trade Union) and organisations of civil society (Joint Action Forum). Political organisations like the Democratic Socialist Movement, Nigerian section of the Committee for the Workers' International have supported calls for a general strike. The Nobel Prize for Literature winner, Wole Soyinka, has also appealed for and participated in this mobilisation.

[12] William Mervin Gumede's book on Mbeki "(Thabo Mbeki and the Battle for the Soul of the ANC", Zebra Press, Cape Town 2005) is instructive on this subject.

[13] †Labour group sues Bridgestone on Liberia rubber plantation", Reuters, November 18, 2005. <u>www.za.today.reuters.com</u>.

[14] Omali Yeshitila, Africa for Africans at home and Abroad. Build the African Socialist International, circulated by Kenya Socialist Web, www.kenyasocialist.org August 2005.