



IPRIS Lusophone Countries Bulletin

JANUARY 2010

Angola: Cabinda's miscalculations

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Since the end of the civil war in 2002, Angola has been well on its way to becoming a strong, stable and respectable state led by the ruling MPLA Party and, above all, the Presidency. The legitimacy of these perceptions is premised on the basic assumption that Angola lives in peace. However, the end of a war and the beginning of peace do not always coincide.

The *Coupe d'Afrique des Nations* (CAN) football tournament, held in January in Angola, was meant to be the culmination of eight years of peace, almost like a collective catharsis and a golden opportunity to showcase the country to outsiders. Along with Luanda, Benguela and Lubango, the city of Cabinda was selected to be a host of the competition. Why choose Cabinda, an enclave besieged by a decades-long low-intensity separatist conflict?

On one hand, the central government did not acknowledge any tensions in the region. The conflict officially ended in 2006 when António Bembe, a leader of the FLEC/Renovada (*Frente de Libertação do Enclave de Cabinda / Renovada*), signed a peace deal with Luanda, though this was denounced

by N'Zita Tiago, an exiled FLEC leader living in Paris. Any violent clashes were now regarded as acts of criminal groups and the FLEC ceased to be recognized. Beyond this self-assured stance, the CAN was designed to symbolize national unity, peace and progress, so the central government wanted to promote Cabinda as a peaceful region freely integrated with the rest of the country.

The attack on the Togo national team's bus in early January proved those presumptions wrong. Worse, it highlighted that the situation in Cabinda was never dealt with honestly. In trying to portray a strong, united and peaceful Angola, the government consistently downplayed security risks. However, an analysis of the political and security situation in the oil-rich province would never support such assertions. Following the end of the civil war, the government established military occupation of the province and used the usual methods of bribing and co-optation to buy off potential adversaries. Moreover, it viewed one FLEC official – António Bembe – as a spokesman for the whole organization. It was pure wishful thinking to assume that FLEC, which was formed in 1963 from three separate liberation movements, was a single and coordinated entity.

Indeed, at first the source of the attack on the Togo bus was not clear. The Angolan military in the region identified the attackers as FLEC members.

In Luanda, António Bembe blamed the attack on a group of criminals, only to change his statement later by accusing FLEC/FAC (*Frente de Libertação do Enclave de Cabinda / Forças Armadas de Cabinda*), based in Paris under N'Zita Tiago, of carrying out the attack. The attack was claimed by another faction as well, the FLEC/PM (*Frente de Libertação do Estado de Cabinda / Posição Militar*), led by Rodrigues Mingas, also living abroad.

Although the attackers claimed they had no intention of targeting foreigners, they obviously knew who they were attacking. This was meant to attract foreign attention and it achieved its goals: a mostly unknown conflict for the last three-decades suddenly vaulted onto the world's front pages. This obviously embarrassed the Angolan government, but it managed to move forward with the tournament, even in Cabinda.

Luanda's reaction was swift and strong. It sent in military reinforcements, arrested civil-rights campaigners and urged France, where FLEC leaders are exiled, to act against these "terrorists". It turned an embarrassing situation into an occasion to be shown as a member of the fight against terrorism, with the blessing of the international community, thus managing to reinforce its international legitimacy.

If the attack did cast a light on the Cabinda situation, this conflict will



soon return to the backburner. However, Luanda should address Cabinda's problems openly. It is clear that the province will never gain independence. Most critically, it holds the oil that guarantees the Presidency's grip over the country. Nonetheless, this should be no excuse to avoid addressing the legitimate grievances of the people of Cabinda. If Angola aspires to be a modern state, why not recognize the problem? Spain and the United Kingdom had similar separatist issues and managed to solve them, by and large. Unless local development is taken seriously, the government is only handing arguments to FLEC splinter cells to act violently. Placing a stadium in the province did not solve anything. This was the most recent miscalculation in a series of errors, the gravest ones being hiding the real issues and failing to address legitimate local concerns. Peace has many faces, but those who have heralded peace in Angola, both within and outside the country, may want to think twice.

BRICing Angola: Russia steps in

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In 1999 while still in office, Yevgeny Primakov, one of Boris Yeltsin's prime ministers and the predecessor of Vladimir Putin, an avid proponent of multilateralism, advocated a doctrine based on the countering of U.S. hegemony and the expansion of Russian influence towards the Middle East and the former Soviet countries. Ten years later, the Kremlin is attempting to reassert itself as a global actor and to expand its influence further afield, to the resource-rich lands of Africa.

Bilateral relations between Russia and many African countries have developed within the previous framework of cooperation with the Soviet Union. Beginning in the 1950's, colonial Africa was transformed into an intense ideological battleground between the 'scientific socialism' of the Soviets and the open markets of the West, leading both blocs to support several anti-imperialist movements in the former European colonies. Angola in particular was the stage of 'gives and takes', a continuous jockeying for influence between the two powers. Today, the Russian Federation, heir by default to the various legacies of the Soviet Union, is playing the West's game, by entering into capitalist competition in this post-Cold War era. However, like any open market, African resources are subject to fierce state competition, especially among the BRIC (Brazil, Russia, India and China) nations.

Russia and China are doomed to have conflicting geopolitical interests in Africa, as the two countries have an economic expansionist agenda and colossal financial reserves to invest in the continent's economy. While Russia intends to expand its investments by focusing primarily on resources, China views the exploitation of these markets as inevitable, as its soil is deprived of resources and its domestic market famished. One of the core reasons for Russian interest in Africa is to safeguard its market shares in the European gas sector. By investing in Nigeria, Russia's state-owned Gazprom is eager to check Europe's political attempts to avoid a situation of gas dependency on Russia. Investment in the future Trans-Saharan gas pipeline, which is planned to pump gas from Nigeria to Algeria and from there to Europe, will allow Moscow to reinforce its position as a major supplier of gas and control part of this new supply.

But Russia's overall trade with Africa is minimal compared with China's. Indeed, African countries might not be very enthusiastic about making deals with Russia when the three other BRIC nations have held high-level summits

with several African countries. This is why Russian President Dmitry Medvedev and more than 100 Russian businessmen were 'on tour' in Africa in the summer of 2009, targeting oil, gas, diamonds and uranium, in a tour which included high profile meetings in Angola, Egypt, Namibia and Nigeria, the longest ever business mission in the short history of the new Russia.

In Angola, Russia is fighting to capture market share alongside many emerging economies and older developed ones. Although primarily concerned with resources, Russian investments in Angola reach far beyond mineral wealth, directed at both state owned and private Angolan companies. During the summer tour in 2009, both Medvedev and Angolan President José Eduardo dos Santos made the priorities for the future exceptionally clear: mining, energy, transportation, telecommunications, military-technical cooperation, education and health. Of particular import was Medvedev's US\$300 million loan to support the Angolan Satellite Communications System (Angosat) project, one way in which Russia has sought to surpass its competitors.

But where there is smoke, there might be incendiary fires. Russia and China's immense cash reserves could prove to have devastating effects in a country with one of the highest corruption levels in all of Africa. Ranking 142nd out of 163 countries in Transparency International's Corruption Index, a massive inflow of capital into Angola would further perpetuate this disastrous way of conducting business – especially in an open market – and continue to submerge the country in debilitating corruption. Notwithstanding Russia's same predisposition for corruption, private investment between both countries could become a haven for mismanaged funds and resource exploitation without any practical gains to each country's civil society.

Angola is not choosing any political sides and nor are its investors. While opening its markets to autocratic China and Russia, oil-rich Angola maintains a "business as usual" stance

with all the other Western democracies. Investment in Angola is indeed flourishing, due in part to Russia's interest. The trick will be to step forward in an already win-win situation, underpinned by cautious planning and conditioned use of both financial and mineral resources.

Brazil: A Partner for the Development of Angola and Mozambique

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On 21 July 2009, during the visit of Mozambican President Armando Guebuza to Brazil, Brazilian President Luiz Inácio "Lula" da Silva announced the construction of a Capacity Building Centre for the National Service of Industrial Apprenticeship (SENAI) in Maputo. In the words of Lula, it should "qualify the necessary professional staff for the construction of a competitive and modern [Mozambique]".

These words are emblematic of a major component of Lula's foreign policy during his mandate: the strengthening of Brazilian economic ties with Africa's biggest Portuguese-speaking countries, Angola and Mozambique, in order to fulfill Brazil's desire to become an important partner in their development. The fight against common national problems and shared cultural aspects are assets that not many investors possess. Brazil is investing in Africa in three

interconnected ways: first, promoting exports; second, supporting Brazilian firms willing to invest in and outsource to such countries (and, at the same time, benefiting from a network established between Brazilian firms that are already doing business abroad); and, finally, providing credit lines both to Brazilian companies going abroad and to the target-market governments.

In the past seven years, Brazilian exports to Angola and Mozambique increased over 400% and were accompanied by the diversification of Brazilian exports, moving from primary products and some manufactured goods to shoes, automobiles, and airplanes. In part, this can be attributed to the increasing credit lines offered by the Brazilian government to encourage exports. The role of the Brazilian Trade and Investment Promotion Agency (ApexBrasil) is also noteworthy. Through country profiles and their publication series, ApexBrasil offers Brazilian entrepreneurs a complete set of data for those willing to expand their markets abroad. Similarly, it also promotes business trips. Last year approximately 70 Brazilian entrepreneurs represented 150 national firms in a business trip organized to Angola, resulting in US\$26 million in business contracts.

Among Brazilian firms that have invested in Angola and Mozambique, we must distinguish between public and private ones. Among the former, three main state-owned companies are currently developing activities in the two countries in question: Petrobrás, Embrapa, and Fiocruz, which have been developing important projects in the technology-transfer sector. Since 1979, Petrobrás has extracted and refined oil, and is progressively gaining a larger share in the Angolan pre-salt oil consortium. Embrapa and Fiocruz – both devoted to research, the first in the agricultural field and the latter in healthcare – have been transferring their respective technologies to boost agricultural productivity in Angola and produce antiretroviral drugs in Mozambique.

Investments from private Brazilian companies, following a pattern that can be observed all over Africa, are mostly concentrated in the infrastructure and mining sectors. Brazil's biggest construction companies, such as Odebrecht, Camargo Corrêa, and Andrade Gutierrez, all have projects in Angola and Mozambique. They range from roads, airports, hydroelectric power, ports, the production of petrol and ethanol, electric energy and sugar. Companhia Vale do Rio Doce (CRVD) has a *multimillion dollar* contract with the Mozambican government for exploitation of the coal mine of Moatize.

The internationalization of Brazilian private companies, as can be observed, is still restricted to a limited number of firms – mostly transnational – though this picture is slowly changing. Consultancy firms, as well as companies from the clothing and food sectors, are gaining more market share and setting up offices in Angola and Mozambique. Also, whereas Angola possesses more direct and indirect investment from Brazil – mainly because the two countries have had longer-established political and economic relations and therefore possess better-established networks requiring thus less governmental support – Mozambique is still a destination to be further explored by Brazilian entrepreneurs. Both sides have been working on strengthening their ties, and President Guebuza himself criticized the slowness of the Brazilian bureaucracy for promoting investments in Mozambique. And, in a gesture to express his appreciation to Lula, Guebuza stated his wish that the antiretroviral drug plant (which will utilize Fiocruz's technology), is finished before the end of 2010 so that Lula can attend the inauguration ceremony.

Though this Brazilian expansion in Angola and Mozambique is not completely due to governmental action, we cannot help but recognize the efforts made under Lula's watch. The shift towards South-South cooperation has been truly effective and must be incorporated as part of a broader



strategy. What remains to be seen is whether Brazil's next president – to be elected this year – will follow the same pattern or will opt for a return to the obsolete North-South foreign policy orientation.

Cape Verde: An urgent change of government is needed

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Cape Verde's 1992 Constitution set the stage for a free democratic regime, and for nearly the past two decades, the island nation has been rather well-governed by succeeding governments. First, the center-inspired *Movimento para a Democracia* (MpD) undertook a range of important reforms including the enactment of modern laws, a successful privatization program, the formation of local governments, and culminating in the agreement pegging the currency to the euro. During the MpD's tenure, Cape Verde also enjoyed an impressive rate of economic growth. More recently, though, the formerly Marxist-inspired *Partido Africano para a Independência de Cabo Verde* (PAICV), while embracing the rule of law and good governance, has failed to entice both the local private sector and international investors through comprehensive reforms and stimulus that could enable Cape Verde to cope with a contracting world economy.

For much of this period, Cape Verde has been the one African country widely held up as a model for Africa. In 1998, former U.S. President Bill Clinton referred to the nation as "beacon of democracy in Africa". More recently, U.S. Secretary of State Hillary Clinton

and Ambassador Marianne Myles reaffirmed that Cape Verde "practices good governance with a stable democratic system, promotes the rule of law and protects human rights and civil liberties". This status was underlined in November 2009 by the selection of Cape Verde for a second Millennium Challenge Account compact.

Yet all good things eventually come to an end. Recently, the ruling party has not shown the vision necessary to bring about post-crisis solutions in a period in which the global economy suffered its deepest slump since World War II. Governments worldwide sternly embraced fiscal stimulus and other measures to rescue their suffering private sectors, thus curtailing the risks of a serious economic downfall.

However, in Cape Verde, José Maria das Neves's government seems to have run out of ideas and energy. Rather, as an escape route, it prefers to flirt with the idea of an ever more substantial inflow of donor aid, failing to undertake actions that could guarantee economic growth.

Unemployment has reached new heights (40% among the young), while the tourism sector shows signs of distress. There are also new threats from criminal gangs made up of despaired youth from chaotic urban peripheries. IMF reports have repeatedly warned that the "government's fiscal stimulus in 2009 could push the level of public debt close to the Fund's debt burden threshold, raising the prospect of a debt crisis if the country were to suffer another large exogenous shock. In such an eventuality the Fund has urged the government to rein in public spending and has warned against contracting further debt, as this could endanger the level of foreign-exchange reserves that are needed to maintain the currency peg with the euro".

A recent Economist Intelligence Unit report reveals that "after growing by an average of 7.5% in 2005-08, real GDP growth is estimated to have fallen to 1.8% in 2009 owing to the sharp fall in tourism arrivals and delays to several large private construction projects associated with the tourism and

'second home for foreigners' sectors". The same report also brings to light the government's fatigue, especially on widespread discontent with a deteriorating economic situation, as well as frustration at the government's weak handling of the crime wave affecting the capital, Praia.

Whether Cape Verde's economy moves smoothly from recession to a sustainable recovery depends on how well the post-crisis challenges are met. The remedies are obvious. Yet, it is likely that, in the near future, the government will adopt a formula that buys the party short-term comfort at the expense of long-term stability.

Cape Verde needs an urgent change of government to consolidate its economy. The next government will face unprecedented challenges, of which restoring investors' confidence and revitalizing the local private sector are the most important, but these are challenges that need to be met.

Mozambique: Dhlakama's despair is nation's gain

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Ever since the death in 1979 of André Matsangaissa, the movement's founder and first leader, during the Mozambican civil war, the *Resistência Nacional Moçambicana* (Renamo) has been led by only one man, Afonso Dhlakama. Dhlakama initially gained control of the movement in a bloody struggle for succession which saw the assassination of Renamo co-founder Orlando Cristina, and as Renamo has evolved since the end of the civil



war in 1992 from an armed insurgent group into a legitimate political party, Dhlakama has maintained a strong-armed, confrontational stance. This is a man, after all, who commemorated the 14th anniversary of the signing of the Rome accord that ended the civil war by threatening a “return to the bush” to fight another war.

Dhlakama has stood as the Renamo candidate in all three presidential elections since the peace agreement, but he has always been defeated by the candidate of the ruling party and Renamo’s former military rival, the *Frente de Libertação de Moçambique* (Frelimo). Over the past fifteen years, Dhlakama has seen his share of the presidential vote rising and falling, but mostly falling. In 1994, in Mozambique’s first multiparty presidential election since independence, Dhlakama received 33,7% of the vote, climbing to 47,7% in 1999, and then falling again to 31,7% in 2004.

In the latest presidential election in Mozambique, in late October 2009, Dhlakama was soundly defeated by the incumbent, President Armando Guebuza of Frelimo, who received a full 75,0% of the vote, compared to only 16,4%, a new low, for Dhlakama. A Southern African Development Community (SADC) observer mission was present during the election process and declared that the elections had been conducted freely and openly. Renamo immediately protested the results, arguing that there had been widespread voting fraud, and the National Elections Commission (CNE) did later disqualify over 100,000 votes due to suspicions of ballot stuffing. Observers noted an excess of secrecy surrounding the CNE’s vote-counting process, especially given Guebuza was likely to win a landslide victory anyways, given Mozambique’s success in economic growth and poverty reduction under his leadership, but regardless, it was clear to all involved that Frelimo had won both the presidential and parliamentary elections by a wide margin.

Dhlakama, however, was not satisfied. He called for demonstrations to protest the election results as

fraudulent, and then stated in early January 2010 that Renamo deputies would not take the 51 seats they had won in the 250-member Parliament when it opened its session on 12 January, “because that would mean legitimizing the elections and the government”. However, 16 Renamo deputies were sworn in at the opening of Parliament, including Luís Gouveia, Viana Magalhães, and José Manteigas, all formerly high ranking officials within the party. Additionally, Dhlakama’s bodyguards were accused of forcibly preventing another deputy, Mário Naula of Niassa, from travelling to Maputo for the swearing in ceremony.

Dhlakama was quick to condemn the 16 seated deputies as treasonous, and threatened to take action against them, but his boycott quickly collapsed around him. By 20 January, 30 Renamo deputies had taken their seats, and nine more joined them the next day. Dhlakama continued to insist that the boycott was the official policy of Renamo, but already other party officials had begun to strike a more conciliatory tone, with Renamo spokesman Fernando Mazanga saying that the boycott remained the party line, but that deputies were free to act according to their own wills, as Dhlakama “is not a dictator”.

Dhlakama has, however, acted like a dictator, only this time, after three decades of largely unchallenged control of Renamo, he discovered that his powers of persuasion and coercion have weakened, and he is no longer able to be an effective leader for his party. Despite Dhlakama’s pronouncements, his planned boycott collapsed, and the promised public demonstrations against the election results have yet to take place. As the *Agência de Informação de Moçambique* wittily put it when Dhlakama refused to attend a lunch for opposition leaders organized by Guebuza, “[Dhlakama] may be unable to organise a boycott of parliament, but he certainly knows how to boycott a lunch”. Dhlakama has become a caricature, unable to see past his own ambitions and the divisions of the civil war in order to effectively serve his party,

its constituents, and the people of Mozambique as a whole.

It is true that Frelimo leaves much to be desired as a governing party. There is still a lack of transparency in governmental procedures, as shown by the secrecy with which the CNE acted, and Frelimo must do more to reach across party lines to build consensus not only with Renamo, but also with the new *Movimento Democrático de Moçambique* (MDM). After victory by such a wide margin, complacency must be avoided, and Frelimo needs to continue to bring social and economic progress to Mozambique.

While it appears unlikely that Renamo will unseat Frelimo any time in the near future, it does still have an important role to play, critiquing Frelimo and working with the MDM to form a coherent opposition that can give voice to those not represented by the ruling party. However, this cannot be done with such an intransigent and self-important figure as Dhlakama at Renamo’s head. For the good of the party and the people, it is time for Afonso Dhlakama to either step down or be forced out as Renamo’s leader.

The end of a cycle: Rebalancing and redefining of Portugal’s foreign policy

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The Portuguese Minister for Foreign Affairs, Luís Amado, said in an inter-

view this month with the newspaper *Público* that, when the Treaty of Lisbon entered into force in December 2009, Portugal symbolically closed a foreign policy cycle. In other words, the focus given to Portugal's European integration, at least in its previous form, was now over.

Between 1974 and 2009, Portugal's foreign policy was structured along three main pillars. Transatlantic relations were one of them, in particular the relationship with the U.S. on bilateral level, as well as within multilateral structures, such as NATO. The second pillar included relations with the Portuguese-speaking countries, Brazil in Latin America; Angola, Cape Verde, Guinea-Bissau, Mozambique and São Tomé and Príncipe in Africa; and Timor Leste in Southeast Asia since its independence in 2001. Last but not least, Portugal's European integration was the third pillar.

Several reasons explain the unbalanced equilibrium between the three pillars. Here it is sufficient to point out that there was a disequilibrium working against transatlantic and Lusophone relationships. Indeed, it is this imbalance that Amado wishes to correct. Thus, he emphasizes that Portugal needs to pay more attention to the North and South Atlantic, i.e. the strategic square that connects Lisbon to the U.S., Brazil and Angola. This rebalancing is more than welcome, since, as Amado also recognizes and points out, Portugal's relevance within Europe will reflect its influence elsewhere. Thus, the main challenge consists in identifying strategic, political, diplomatic and economic niches Portugal can fill. The deepening of the transatlantic and Lusophone relations fits in this overall approach. In particular, Portugal must renew its emphasis on strategic relations with Angola, Brazil and the United States.

However, Portugal's foreign policy needs more than to be rebalanced along the classic three-pillar structure. A new, fourth pillar must be introduced in the conceptual strategic picture. Rather than a strategic

square (Brasília, Luanda, Lisboa and Washington DC), Portugal must devise a strategic pentagon, one that includes the Maghreb as its fourth pillar and the fifth corner of the new pentagon.

Economic, military, security, political and strategic reasons justify it. First, and without being exhaustive, the Maghreb is an increasingly important economic partner. Between 2002 and 2008, Portuguese exports to Algeria and Morocco rose from 0,15% to 0,49%, and from 0,43% to 0,74%, respectively. In 2008 the Maghreb was Portugal's fifth trading partner, as far as exports were concerned, just behind the European Union, the Portuguese speaking countries, North America and Southeast Asia. Moreover, there is still large potential for more growth both in exports and imports, not only regarding Algeria and Morocco, but also Libya, following that country's political agreement in 2003 with the U.S. and the UK, as well as the end of UN sanctions.

Second, bilateral military cooperation is also gaining further importance. The Portuguese government established, with each one of the Maghreb countries, a pluriannual program of cooperation, similar to the one currently ongoing with each of the Portuguese-speaking countries.

Third, since 9/11, the Maghreb became a pivotal region within the overall fight against transnational terrorism, especially concerning the increasing power of Al-Qaeda in the Islamic Maghreb (AQIM). So far, Portugal has not had any known al-Qaeda threat, but interagency cooperation, namely in the field of intelligence, has become a strategic priority since 9/11.

Fourth, the Maghreb, and Algeria in particular, is a major player regarding energy security. The Portuguese consumption of natural gas has grown considerably in the last ten years, despite the fact that the country lacks any commercially viable reserves. Thus, Algeria is the key strategic gas partner for Portugal. More than 90% of the gas consumed in Portugal comes from Algeria.

Fifth, relations with the Maghreb are also important for political reasons. Inevitably, if the Maghreb is important for the European Union (EU), thus it is important to Portugal. Lisbon has been involved in formulating and supporting all multilateral initiatives towards the Maghreb, namely the Union for the Mediterranean, and before that the Euro-Mediterranean Partnership. Moreover, the Maghreb is an increasingly important player within the African Union. Thus, bearing in mind Portugal's strategic interests in Africa, it is inevitable that more attention to be paid to the Maghreb.

All the above does not mean that Portugal should ignore other areas of foreign policy. Indeed, as Amado also pointed out in the interview, more attention must be paid, for example, to Asia. However, history and geography compel a closer look at the Maghreb, and, as a consequence, the core of Portugal's foreign policy focus cannot and should not ignore it. The new pentagon is not the output of an impulse. It is the result of the circumstances.

São Tomé and Príncipe: Particularities of the presidential party

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Portuguese constitutionalists were divided about the question of whether the election of President Fradique de Menezes as leader of the Democratic Movement Force of Change (MDFM) party on 19 December was unconsti-



tutional or not. Jorge Bacelar Gouveia argued that according to the country's semi-presidential constitution, the President could not exercise any other public or private function, including the post of party leader. However, Jorge Miranda asserted that the two positions were not incompatible, as party leadership was not a public, but a political function. Meanwhile, in São Tomé, the Liberation Movement of São Tomé and Príncipe/Social-Democratic Party (MLSTP/PSD) and the Democratic Convergence Party (PCD), the two partners of the MDFM in the coalition government headed by Rafael Branco (MLSTP/PSD), fiercely criticized the election and announced an appeal to the constitutional court. In turn, Menezes retaliated by withdrawing the four MDFM ministers from the coalition. However, two of the ministers, Justino Veiga and Cristina Dias, declared that they would continue in the government. This was impeded by Menezes, who vetoed Branco's intention to maintain the two ministers in a reshuffled cabinet. On 12 January, President Menezes inaugurated Branco's new government composed by the MLSTP/PSD and the PCD, which together have a majority of 31 seats in parliament.

Unexpectedly, two days later, Menezes resigned the MDFM leadership, but denied that his decision had been influenced by any outside pressures. However this may be, this episode has shed light on the inner workings of the presidential party in São Tomé.

With Menezes's resignation as *de jure* party leader, the country has returned to a political consensus based on the semi-presidential system, according to which the President cannot be simultaneously party chairman. However, there has been a tacit agreement that the President can be *de facto* party leader. The country's first presidential party appeared in 1992 when the followers of ex-President Miguel Trovoada (1991-2001) created the Independent Democratic Action (ADI). While everybody knew that Trovoada was the true ADI leader, offi-

cially he always dissociated himself from the party.

In December 2001, five months after Menezes was elected President with the support of Trovoada and the ADI, his own followers constituted the MDFM. Contrary to Trovoada, Menezes has never denied his *de facto* leadership of the MDFM and publicly declared himself to be the party's "virtual leader".

One characteristic of the presidential party is that it is not founded on programmatic political differences, but on the president's personal interests. Consequently, the cohesion and sense of belonging within the MDFM is rather weak. Besides, unlike the MLSTP/PSD and the PCD, its members are not tied to the party by a common political history either, but rather by their own clientelist interests. As a result, the MDFM has repeatedly been plagued by divisions within its leadership. In late 2002 the MDFM deputies annoyed President Menezes by approving a revision of the constitution that reduced the executive powers of the president, as they had disagreed with the dismissal of the then-Prime Minister Gabriel Costa by Menezes in September that year. In November 2008, the two MDFM leaders, Manuel Deus Lima and Agostinho Rita, who had been elected only two months before, were dismissed from their posts following disputes over whether the MDFM should leave the government after Rita had been sacked as natural resources minister by Prime Minister Branco due to allegations of corruption. The latest example is the two ministers who refused to leave the government.

Another characteristic of the presidential party is that it is autocratically ruled by the party patron. Compared with the MLSTP/PSD and the PCD, there is less inner-party democracy within the ADI and the MDFM. In 2001, Miguel Trovoada appointed his son Patrice as ADI leader, while in December 2009, Menezes selected the four current MDFM leaders. Menezes's presidency and his financial resources guarantee a relatively strong

party membership and electoral support, but it is very unlikely that the MDFM will win a majority in the legislative elections this year. In the archipelago, only twice, in 1991 and 1998, has a party won an absolute majority in legislative elections; however, in those years, only two and three major parties respectively competed. The MDFM has never participated independently in elections, but in 2002 and 2006 formed a joint list with the PCD. Given the cleavages between the two parties that emerged in May 2008 when – against Menezes's will – the PCD helped to remove Prime Minister Patrice Trovoada by a motion of no confidence, a new edition of this electoral alliance seems improbable and further political discord quite likely.



Obstacles on the way up: Brazil, the clay footed Colossus

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“Brazil, the country of the future”, this motto has been repeated in Brazil like a mantra throughout the nation’s history. My generation grew up listening to it, as did my father’s. More slogans, such as “Great Brazil” and “Forward Brazil”, have supported many huge projects from multiple Brazilian governments. The idea of Brazil as an international power has been in our dreams for a long time. It seems that we are expecting Brazil to take its “rightful” place among the world’s leaders.

In fact, Brazil possesses a large set of the domestic and external characteristics that are required or would at least help a nation to become a world power. Through the years Brazil has developed a very renowned diplomatic record; we are proud of being among the founders of the major international initiatives since the League of Nations. Our diplomacy, rested on beliefs of self determination and non-intervention (with the recent addition of our policy of solidarity and reciprocity toward the nations of the global South), seems to have given us credentials to represent the “underprivileged” (as we like to believe) and/or to negotiate under a more even basis in the international arena. Frequently we have assumed an active role in multilateral negotiations.

In our region, we carry great weight in almost all aspects of international relations. Firstly, Brazil has managed to solve all border disputes with its neighbors and has not fought any wars for over a century. Most of the South American regional initiatives were led by the Brazilian government, and we currently possess more than half the territory, economy and population of the South American continent, which grants us relative weight in most agreements. The sum of all this makes us believe that we are the natural representative of the continent. Domestically, we have an even more important group of features. Despite our large geographical size and population, we have an impressive unity; in Brazil, everyone considers him or herself Brazilian and speaks the same language, preventing internal conflicts. In the view of many, this was one of the main reasons preventing territorial disintegration in the past. Brazil possesses a re-

markable variety and quantity of natural resources, one of the largest potable water reservoirs in the world, immense fields of rich arable lands, a large and well positioned coast line, impressive mineral reserves, among other natural attributes.

Thanks to these characteristics, we have had government after government promising to put Brazil on the track to greatness. In fact the current government of President Luiz Inácio “Lula” da Silva has been selling this image not only abroad, but to the Brazilian people, too. We have probably never felt so close to the core of world power. Important reforms, both political and economic, have been made, and we like to believe that we have today one of the most consolidated democracies on the region, along with a robust and relatively industrialized economy, ranked around the 10th largest in the world.

Many foreign observers also believe that Brazil could be, in fact, the country of the future, but when will this future arrive? Why are we not an undisputed world power already if we have many extraordinary characteristics that might help us to be one? What are those constraints that hold us back and do not permit us to “fulfill our destiny”?

Unfortunately, we have many important and critical obstacles in our way. Therefore, to answer the questions above, I have selected four groups of obstacles that I believe are blocking Brazil’s ascent. Naturally, those obstacles represent my own views, and others might consider different problems more urgent. The point is, Brazil suffers from many issues in many spheres, and addressing them is not an easy job. To deal with these issues will require unity, hard work and much political will.

I shall discuss briefly the four groups of obstacles on the Brazilian way. The first is related to infrastructure and the immense “logistical bottleneck” that the productive sector has been struggling with; the second concerns social issues and our structural public problems; the third regards domestic policy; and the last is related to foreign policy.



Growing quickly in spite of slow investment

One of the most problematic issues constraining further rapid development of the Brazilian economy is a lack of investments and the poor management of this area. On this matter, I aim to highlight two central sectors that have been suffering with an exponential demand that nearly cannot be met: energy and transportation.

Approximately R\$46 billion (US\$ 26 billion): that is the size of the loss in Brazil due to the poor shape of the road system, low quality of ports and the tiny railroad, according to a report from the Board of Infra-Structure from the Brazilian National Industry Confederation. This is 3,5 times larger than the investment in the sector. Technicians say that Brazil is on the brink of a "logistical blackout". Poor management, lack of investments and misguided strategies have prevented the country from growing faster, and now they risk halting the economy. "Luckily, Brazil has not grown up more. Luckily the [2008] crisis cooled down the economy", said Flávio Benatti, president of the National Transportation Confederation. Otherwise, if a collapse happened, in only five days Brazil would experience food shortages.

This is the dark underbelly of a country that has 1,7 million kilometers of roads, the third most in the world, but with only 10% of them properly paved. According to a study by the Logística e Supply Chain Institute (ILOS) Brazil has one of the worst infrastructures among the BRIC (Brazil, Russia, India, and China) countries, the U.S. and Canada. For example, Brazil is in last place in the paved road rank. In contrast, with the huge road system length, the railroad network is one of the smallest, comprising only 28.587 kilometers, most of them over 100 years old. Unfortunately, the greatest similarity between the road system and the railroad network is their poor state.

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One might say that the practical solution is greater investment, but, regrettably, throwing loads of money at the problem also has not been working. The Brazilian Ministry of Transport's 2008 budget had R\$11,3 billion (US\$6,45 billion) for investments in infrastructure, but until July only R\$3,8 billion had been spent. In fact, this

has been a recurring problem: in the five years from 2004 to 2008, the Brazilian Government failed to invest approximately R\$20 billion (US\$11,4 billion) from its authorized budget. According to experts, there are many problems, but the most critical ones are the low quality of the proposed projects, which makes the approval difficult; environmental licensing; and public accountability to federal agencies that control governmental spending. Thus one of biggest factors causing this "bottleneck" is the bureaucracy that imposes a complex obstacle for our development. In fact, it is curious that we are still growing in spite of all these difficulties. But until when?

In the energy sector, things seem to be better. This is the sector that receives the largest part of the investments of the National Bank for Economic and Social Development (BNDES), far more than the transportation sector. From the R\$730 billion (US\$417,14 billion) that the BNDES plans to invest between 2009-2012, the energy sector will consume approximately 55%, while only 5% will be invested in the road system. Energy in South America always plays an important role in influencing politics, as Venezuela, Bolivia and Ecuador also show. In Brazil, it

seems that energy is assuming an even greater role as new oil discoveries affect governmental calculations.

Recently, energy issues have been shifting from the economic sphere to also dominate the political arena, and the energy sector has reaffirmed its strategic importance for the following reasons: i) Brazil has an enor-

mous demand for energy that will only grow; ii) heavy investment transformed Brazil into one of the leading countries in both biofuel technology and production; iii) spectacular hydroelectric potential; iv) the cleanest energy matrix in the world; and v) despite the fact that Brazil already had considerable oil reserves, we recently discovered that we might have the sixth-largest reserve of oil in the world.

As some politicians said, the enormous pre-salt oil discovery was a gift from above that came at the right time, when Brazil was beginning to worry with its energy security due to doubts about the stability of some of our neighbors. The impact of the new discovery was so great that it almost crippled the biofuel project and other clean energy investments (although some critical investments remain in the agenda, such as the inauguration of the first thermoelectric plant fuelled by biofuel – an initiative that aims for a reduction of oil dependency). The discovery also spawned disputes: among the federation and the states, among producers and non-producers, among government and opposition. According to the government the pre-salt oil will not be exported, or at least Brazil will not become a major oil exporter. The capital generated from this resource will be invested in education, health and, above all, to eradicate poverty. Noble intentions, indeed, but the question is whether future governments will follow these instructions properly.

The weak structure of the social pyramid

As the destinations for the oil money suggest, Brazil's the second most fundamental problem lies in its social structure. Since the 1960's, Brazil has been more or less the tenth-largest economy in the world, but we have never been able to translate all this wealth into social development. Many believe that our social issues are our largest anchor, holding us back and preventing Brazil from reaching the "first world". The most dreadful example of our social issues is the Gini index measure of the distribution of wealth: in the year 2000, the Brazilian coefficient was 0,607 (1 being the most unequal possibility and 0 the best scenario possible),

trailing only Swaziland, 0,609 in inequality. That means by the year 2000, Brazil was the second most unequal country in the whole world, beaten even by many of the so called failed states. In 2004, Brazil managed to improve slightly and its coefficient lowered to 0,591, and in 2008 to 0,544; however, this means, we still are the tenth most unequal country.

However, despite this terrible inequality, in recent years almost all social indicators in Brazil have been improving. It appears that the social programs carried out by Lula have lifted millions from poverty. His strong social policies, combined with an orthodox economic policy

that protected the country's stability, have expanded both the formal and the informal sector, increasing the middle class. The practical result is that, from 2004 to 2006, one third of the people that lived below the poverty line saw their situation improve. Yet 31% of the Brazilian population still lies below the poverty line, nearly one third of the 194 million Brazilians.

Other indicators have also shown improvement, but illustrate as well the problems that remain. The UN Human Development Report (HDR), the most popular indicator to measure the conditions of the population, has finally shown improvements. After decades of Brazil's struggles in the group of countries with medium development, in 2007, Brazil broke through into the group of countries with high development, and in 2008 we were rated with an indicator of

0,813, though with the modest rank of 75th. Further statistics also show "improvements":

- Unemployment rate – from 12,3% in 2003 to 7,9% in 2008, ranked 109th;
- Infant mortality rate – from 32/1000 in 2000 to 22/1000 in 2009, ranked 97th;
- Live expectancy rate – from 71,13 years in 2003 to 71,99 in 2009, ranked 121st.

All those numbers seems to converge to one conclusion; yes, things are improving, the Brazilian population is less poor, more infants have chance to survive after birth, people are living a little longer and the abyss between the poorest and the richest has gotten a little bit narrower, but the scale of these improvements has been minor.

Many foreign observers also believe that Brazil could be, in fact, the country of the future, but when will this future arrive? Why are we not an undisputed world power already if we have many extraordinary characteristics that might help us to be one? What are those constraints that hold us back and do not permit us to "fulfill our destiny"?



Our economic growth was achieved without great social improvements, following the 1970's motto, "let the cake grow, then we divide it". The cake is already big enough, and now it appears that we are beginning to share it. Unfortunately it took too long and the result is a wealthy country, both in capital and in resources, but with terrible social indicators that are comparable with countries that are usually known as failed states.

The burden of domestic politics

If the Brazilian society's weak foundations are considered the second most serious problem facing Brazil, domestic politics is definitely the most forceful constraint to its development. As mentioned above, almost everything in Brazil seems to be improving, but not at the same pace. While its economy is putting Brazil on the world map as an emerging power, most of the Brazilian population still lives in a "third world" situation, or even in a failed state.

It is my belief that our domestic politics are the prime culprit in our constrained social development. Far from being an agent of transformation, the political class has acted as an agent of hindrance. Widespread corruption, lack of political will, and heavy and inefficient bureaucracy, among others things, have always prevented the translation of our remarkable quantity of resources into our social development.

As above, a few statistics help to illustrate this argument, or at least show the negative impact of the domestic political climate in Brazil. The first and the grimmest matter is corruption. According to the NGO

Transparency International, Brazil is ranked as the 75th least corrupt country in the world, of 180. Yet, according to the *Movimento de Combate à Corrupção Eleitoral* (MCCE), a Brazilian NGO that studies electoral corruption, from 2000 to 2007 over 623 politicians were impeached. Among them there were federal and district deputies, senators, mayors and governors. Prior to this

study, even a president, Fernando Collor, was removed from office, in 1992.

Lastly, the Global Competitiveness Index 2009-2010 of the World Economic Forum, pointed out some impressive data about the Brazilian ability to compete worldwide. Among 133 countries examined in the report, Brazil is ranked as:

127th – Public thrust of politicians

121st – Deviation of public funds

129th – Wastefulness of government spending

132nd – Burden of government regulation

133rd – Extent and effect of regulation

126th – Number of procedures required to start a business

128th – Time required to start a business

117th – Total tax rates

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Finally a global player

Brazil has always sought a leading place in the international society. Backed by a very strong diplomatic body, Brazil has been part of most large international initiatives, being a founding member of inter-governmental organizations. Finding its way to the top has not been an easy task, though. Trying to achieve one great dream, permanent seat on the UN Security Council, we have increased our presence in peacekeeping missions, culminating in Brazil's leadership of the United Nations Stabilization Mission in Haiti (MINUSTAH). The achievement of a permanent seat has been an obsession since the time of the League of Nations, when Brazil abandoned the group after "our" permanent seat was given to Germany after the first reorganization.

In the economic realm, we have managed, after many years, to erase our strangling debt to the International Monetary Fund. In fact, Lula claims to have turned the table on it, when we ceased to owe more debts than our reserves. Moreover, the 2008 financial crisis gave Brazil a new prestige, since we had one of the best economic performances and, more importantly, we lent money to the IMF. In short, for the



first time after a financial crisis, Brazil has managed not to ask money, but lend it.

Yet, reaching the pinnacle of power requires more than our own efforts; somebody else will have to either lose power or at least share it. Therefore, the Brazilian strategy seems to focus on gaining more bargaining power to advance our interests in multilateral forums. However, Brazil's limited success in World Trade Organization negotiations indicates lingering limitations to our bargaining power.

What the future holds

Brazil has historically experienced periods of turbulence and then adaptation to transformative economic plans. In 2002, when Lula was elected, many believed that a new cycle of "pharaonic" plans and inconsistent policies would begin, due to the new president's leftist bent and the economic and political changes observed in Venezuela under Hugo Chávez. Instead, Lula managed to implement a mix of what Maria Regina Soares de Lima called an orthodox economic policy and a heterodox foreign policy. In this way, Lula's government took advantage of the reforms of his predecessor, continued his policy of fiscal austerity and pursued stability above all. On the international level, Lula sought a more active role, took advantage of his personal background

and legitimacy, and travelled around the world spreading his message of social justice and poverty/hunger reduction. He also engaged African states with a policy of Solidarity and Reciprocity, and changed our traditional non-intervention posture to one of "non-indifference" toward the internal crises of other countries.

Yet in addition to his *virtu*, Lula also counted on the beautiful lady, *fortuna*. During his time as president, Lula has experienced an bonanza, as commodities were increased in value; there were easy access to credit; there were no economic crisis within Brazil; the eyes of the international investors were turned to Brazil's high interests rates and stability; new amazing discoveries of offshore oil were made; and Brazil was even granted the 2014 Football World Cup and the 2016 Olympic Games. In spite of all these advances, though, our domestic politics have remained the most damaging constraint to our development. While almost all social indicators have shown some improvement, the political ones could hardly get any worse. Brazil has been not only a sleeping giant, but also one that was chained. Now, I believe that the giant is awakening and breaking his international bonds, but he still very well confined by domestic chains. Brazil, more than ever, could be the country of the future thanks to its excellent economic prospects. Now it is up to Brazilian society to fight for this future and claim for its right of a better Brazil.



Timeline of Events

Angola

3 January 2010 (Cabinda):

Chevron will invest US\$2,3 billion to curb natural gas flaring in the oil-production province over the next five years. The company aims to gain economic and environmental advantages with this move.

4 January 2010 (Uíge):

Martyr's Day celebrations were headed by Minister of Territorial Administration, Virgílio de Fontes Pereira, who remembered those who fought against colonial oppression and praised recent diplomatic efforts by President José Eduardo dos Santos to solve the refugee crisis with DRC.

7 January 2010 (Maputo):

Foreign Minister Assunção dos Anjos attended SADC's Inter-State Politics and Diplomacy Committee extraordinary meeting, where former Mozambican President Joaquim Chissano informed its members about the evolution of the Madagascar crisis. Assunção dos Anjos criticized Andry Rajoelina for pursuing a unilateral solution.

8 January 2010 (Cabinda):

Just ahead of the Cup of African Nations (CAN) football tournament kick-off, the bus transporting Togo's national team was ambushed and shot when crossing the border from Congo-Brazzaville into the oil-rich enclave, killing two and wounding eight. This incident happened just a week after former FLEC rebel and Minister without Portfolio, António Bembe, claimed that stability and security had been achieved in the province. The military arrested two alleged FLEC members shortly after the attack.

9 January 2010 (Cabinda):

It was not totally clear who was responsible for the 8th January attack. At first, the ambush was blamed on the main cell of FLEC, the FLEC/FAC (*Frente de Libertação do Enclave de Cabinda – Forças Armadas de Cabinda*), whose leadership is exiled in Paris. FLEC/FAC's Joel Batila

rejected any involvement of his organization. Later, a *communiqué* was published by the dissident cell FLEC/PM (*Frente de Libertação do Estado de Cabinda – Posição Militar*), through its leader, Rodrigues Mingas, claiming responsibility.

8-11 January 2010 (Luanda):

The government's response to the incident in Cabinda was mixed. At first, Military Forces in the province acknowledged that the attack came from FLEC members. However, later, António Bembe blamed the events on a group of criminals. Finally, Bembe formally accused FLEC/FAC and urged Congo and the DRC to help Angola to capture and deal with rebels launching attacks from those countries. He also accused FLEC/FAC leader, N'Zita Tiago, of hampering peace talks.

10 January 2010 (Cabinda):

After some hesitation, Togo's delegation left Angola for security reasons. The CAN's conveners deemed the security measures sufficient and the tournament commenced in Luanda. Ivory Coast's coach, the Bosnian Vahid Halilhodzic, compared the situation in Cabinda with Bosnia in 1992, stating that "everything recalls war".

11 January 2010 (Cabinda):

After promising more attacks targeting only military personnel, FLEC/PM members in the province, through lieutenant-general Estanislau Boma, announced a truce in the province during the CAN.

11 January 2010 (Luanda):

The majority of the new articles of the Constitution were approved by the Constitutional Commission. Yet, no consensus was reached on the method for the presidential election, as UNITA and the *Partido da Renovação Social* (PRS) still objected to the model proposed by MPLA.

11 January 2010 (Luanda):

President José Eduardo dos Santos met his counterparts from the DRC, South Africa, Namibia and Zambia to discuss African and bilateral issues. The leaders attended the CAN

opening ceremonies in Luanda and condemned the attack in Cabinda.

11 January 2010 (London):

The 2009 Mo Ibrahim Foundation Index of African Governance was released. Measuring the delivery of public goods and services to citizens by government and non-state actors, Angola was ranked 42nd out of 53 countries.

14 January 2010 (Maputo):

Prime Minister Paulo Kassoma attended Armando Guebuza's inauguration as President of Mozambique.

14 January 2010 (Luanda):

In a interview with Radio Ecclesia, lawyer Fernando Macedo called the Constitutional drafting process, its methods of public consultation and the model to be approved "a parody" that will establish an "authoritarian" law.

15 January 2010 (Paris):

Following pressures from Luanda, the French government launched a judicial procedure against FLEC members allegedly in its territory, in particular N'Zita Tiago (FLEC/FAC) and Rodrigues Mingas (FLEC/PM).

17 January 2010 (Cabinda):

Human Rights Watch denounced the arrest of priest Raul Tati, university professor Belchior Tati, former police officer Pedro Fuca and lawyer Francisco Luemba in Cabinda. They are all human-rights activists but with no-known links to FLEC. Angola's Military Special Forces, the '*Ninjas*', have been spotted in the province.

20 January 2010 (Luanda):

In the preliminary reading of the new Constitution, the opposition party, UNITA, walked out of the plenary session of the National Assembly in protest. Nonetheless, the MPLA, with Prime Minister Paulo Kassoma present, approved the document.

21 January 2010 (Luanda):

The National Assembly ratified Angola's new Constitution. 186 deputies out of 220 voted favorably. No vote against was registered because



UNITA boycotted the ballot. This Constitution eliminates the post of Prime Minister, making the President the Head of Government, replacing the Prime Minister with a Vice-President. The head-list of the most voted party in the legislative elections will be automatically elected as President. Prime Minister Paulo Kassoma downplayed the absence of UNITA and stated that the approval of the Constitution marks the end of the transition period.

22 January 2010 (Paris):

French authorities assured Angola that they will prosecute Rodrigues Mingas, the alleged leader of FLEC/PM who holds a French passport, accusing him of inciting violence.

23 January 2010 (Luanda):

UNITA's leader, Isaías Samakuva, stated that the new Constitution creates a "state of tyranny".

27 January 2010 (Luanda):

President Eduardo dos Santos headed a Council of Ministers meeting where some €5 billion worth of investment projects were approved. The main areas targeted were commerce, energy and transportation, while the least favoured sector was agriculture.

27 January 2010 (Lisbon):

Portugal will lend US\$200 million to Angola within the US\$1,4 billion IMF funding program agreed to between the IMF and Luanda. Brazil also signalled it will grant a similar amount.

28 January 2010 (Luanda):

India and Angola signed a memorandum of understanding in the oil sector. The deal, agreed to by Oil Minister Botelho de Vasconcelos and his counterpart, Murli Deora, ties together Sonangol and Indian firms.

29 January 2010 (Luanda):

After the President's call for a zero tolerance policy on corruption, ten people have been arrested over a €72 million embezzlement scheme in the country's Central Bank.

30 January 2010 (Cabinda):

António Bembe embarked on a two-day visit to the enclave of Cabinda, where he held meetings with local officials to be informed of the "criminal" situation in the province. Meanwhile, in Switzerland, a Cabinda activist, Jean-Claude N'Zita, complained that he has been receiving anonymous death threats.

30 January 2010 (Luanda):

The name of the National Assembly Speaker, Fernando da Piedade Dias dos Santos, known as "Nandó", was brought up by the newspaper *Semanário Angolense* as a possible Vice-President under the new Constitution, hence a possible candidate to succeed to José Eduardo dos Santos by 2012. Although a heavyweight inside the MPLA, Nandó must face Manuel Vicente, Sonangol's current president, who seems to be the preferred contender by José Eduardo dos Santos. Current Prime Minister, Paulo Kassoma, may also assume the post of Vice-President.

31 January 2010 (Addis Ababa):

Foreign Minister Assunção dos Anjos participated in the sixteenth session of the Executive Council of the African Union.

Brazil

1 January 2010 (New York):

Brazil formally took its seat as a non-permanent member of the United Nations Security Council for the period of 2010-2011.

4 January 2010 (Ankara):

Foreign Minister Celso Amorim met with Turkish President Abdullah Gul, Prime Minister Recep Tayyip Erdogan and Foreign Trade Minister Zafer Caglayan, with the objective of promoting commercial relations between the two countries. Amorim also participated in the Turkey-Brazil Joint Economic Commission.

6 January 2010 (Geneva):

Celso Amorim held a meeting with the Minister of Foreign Affairs of the Palestinian National Authority, Riyad al-Maliki, addressing bilateral issues and the Israeli-Palestinian peace process.

13 January 2010 (Port-au-Prince):

Brazilian's Army top officer, General Enzo Peri, and Defense Minister Nelson Jobim, traveled to Haiti, in the aftermath of the recent earthquake to assess the situation of the Brazilian contingent of 1,266 army and navy troops who are in the country leading the

United Nations Stabilization Mission in Haiti (MINUSTAH).

13 January 2010 (Brasília):

Minister of Mines and Energy, Edison Lobão, told reporters that Petrobrás is in talks to buy a stake in Portugal's Galp Energia.

13 January 2010 (Brasília):

Celso Amorim announced that Brazil would send US\$15 million to help rebuild Haiti.

14 January 2010 (Brasília):

President Luiz Inácio "Lula" da Silva signed a new decree changing the wording of the proposed National Program for Human Rights, which includes a future Truth Commission to investigate the crimes of the military dictatorship, but which was heavily criticized by the military authorities and some government officials. The new phrasing now makes it possible to investigate the crimes committed by leftist militants as well.

20 January 2010 (Brasília):

President Luiz Inácio Lula da Silva met with Qatar's Emir Sheikh Hamad bin Khalifa al-Thani to foster bilateral economic ties, in the presence of the respective Foreign Ministers. The possibility of Qatari investments in Brazilian companies was also discussed.

20 January 2010 (Brasília):

The Ministry of Defense confirmed that Brazil will send another 1,300 troops to Haiti, responding to the United Nations' request for a doubling of troops in the country; Brazil already has the military command of the United Nations Stabilization Mission in Haiti (MINUSTAH) with a contingent of about 1,300 troops.

25 January 2010 (Montréal):

Brazilian Foreign Minister Celso Amorim attended a conference, chaired by Canadian Foreign Minister Lawrence Cannon, to coordinate international aid to Haiti.

26 January 2010 (Porto Alegre):

Lula will join President Hugo Chávez of Venezuela, Evo Morales of Bolivia, Fernando Lugo of Paraguay, and Jose Mujica of Uruguay for a special commemoration of the 10th anniversary of the World Social Forum.

27 January 2010 (Geneva):

Minister of Foreign Affairs Celso Amorim at-



tended the 13th special session of the UN Human Rights Council, devoted to the review of the situation in Haiti.

28 January 2010 (Davos):

Lula da Silva was represented in the World Economic Forum by Brazilian Foreign Minister Celso Amorim, after he fell ill with high blood pressure. Amorim was also expected to hold talks with his Iranian and Singaporean counterparts, Manouchehr Mottaki and George Yeo, respectively.

Cape Verde

11 January 2010 (London):

The 2009 Mo Ibrahim Foundation Index of African Governance was released. Measuring the delivery of public goods and services to citizens by government and non-state actors, Cape Verde was ranked 2nd out of 53 countries, only behind Mauritius.

21 January 2010 (Praia):

Before the start of the XII Congress of Cape Verde's ruling party, PAICV, current Prime Minister José Maria Neves guaranteed that he would not run for President in the elections of early 2011, maintaining his focus on the legislative session of the same year.

23 January 2010 (Praia):

Cape Verde received a US\$100,000 donation from the People's Republic of China to help prevent the return of the dengue epidemic.

26 January 2010 (Brussels):

Foreign Minister José Brito met with EU diplomatic officials to review the existing EU-Cape Verde partnership.

29 January 2010 (Lisbon):

Cape Verde's Finance Minister, Cristina Duarte, travelled to Portugal to sign a credit line of €200 million for the construction of social housing with her Portuguese counterpart, Fernando Teixeira dos Santos.

29 January 2010 (Praia):

In the wake of his meeting with EU officials,

Foreign Minister José Brito unveiled the intentions of Cape Verde to be classified as one of EU's outermost regions, thus gaining access to communitarian funds for development.

Guinea-Bissau

1 January 2010 (Bissau):

Bubo Na Tchuto's situation was discussed between UN Representative in Guinea-Bissau, Joseph Mutaboba, Prime Minister Carlos Gomes Júnior and Attorney General Amine Saad. A possible solution envisaged was a new forced exile to the former Navy Chief of Staff, while the UN stated that it granted protection to Na Tchuto having in mind Human Rights concerns.

6 January 2010 (Lisbon):

Portugal's Secretary of State for Cooperation stated that Bubo Na Tchuto's case exposed the deep fragilities of the Bissau-Guinean state. Prominent civil rights activist, Fernando Casimiro, rebuffed these allegations as shallow and disconnected to the reality in the ground.

8 January 2010 (Bissau):

Following days of negotiations, the UN agreed to hand-over to Guinea-Bissau's government Bubo Na Tchuto. If the former admiral is imprisoned, the UN may visit him to monitor his conditions of confinement. Nevertheless, Na Tchuto may be allowed to leave the country on health issue grounds.

10 January 2010 (Bissau):

Secretary of State for Fisheries Mário Sami stated that Guinea-Bissau's waters must be better managed, as the fisheries sector is of paramount importance to the country's economy. He also urged the development of a local private fisheries sector, instead of solely relying on foreign agreements.

11 January 2010 (Bissau):

Speaking in the National Parliament, both President Malam Bacai Sanhá and Prime Minister Carlos Gomes Júnior claimed that 2010 would see economic recovery and the consolidation of institutional reforms in the country.

11 January 2010 (London):

The 2009 Mo Ibrahim Index of African Governance was released. Measuring the delivery of public goods and services to citizens by government and non-state actors, Guinea-Bissau was ranked 40th out of 53 countries.

12-27 January 2010 (Bissau):

A two week long IMF mission, headed by Brazil's Paulo Drummond, arrived in Bissau to prepare with the local government a three year poverty reduction plan. At the end of the visit, Drummond stated that the Bissau-Guinean government is making the right efforts at the macro-economic level to stabilize the country's finances, hence the country is well placed to receive further support. One of the aspects under negotiation is the cancellation of the US\$700 million debt of Guinea-Bissau.

12 January 2010 (Bissau):

Brazil will finance the construction of Guinea-Bissau's National Police Academy. The three year project is estimated at US\$3 million.

13 January 2010 (Timbuktu):

Reuters obtained access to a 2008 U.S. Department of Homeland Security report describing the growing network of illicit air traffic between Latin America and West Africa used for drug trafficking, viewed as "the most significant development in the criminal exploitation of aircraft since 9/11". In Guinea-Bissau, airstrips in Cacine, east of Bissau, and Bubaque, in the Bijagós Archipelago, have been used by those flights.

18-21 January 2010 (Bissau):

The Chair of the Guinea-Bissau Configuration of the Peacebuilding Commission visited Guinea-Bissau to discuss with several local actors the Commission's activities for 2010, as well as to monitor peace building efforts in the country.

20 January 2010 (Bissau):

Preparation for the Municipal Elections started in Guinea-Bissau. Although no date has been set, the National Elections Committee's President, António Sedja Mam, praised Portugal's cooperation in supporting legal reforms and logistical support, while calling for other partners to get involved.

21 January 2010 (Bissau):

American Ambassador Márcia Bernicap signed



a deal with Guinea-Bissau's Foreign Ministry envisaging cooperation between the countries in judicial affairs. The U.S. will send in February a Justice Department official to advise the government on anti-drug trafficking policies.

25-27 January 2010 (Bissau):

An African Development Bank delegation headed by the Bank's West Africa Operations director, Frank Perrault, visited Bissau to assess projects financed by the Bank, such as the fisheries harbor and the central hospital.

27 January 2010 (Paris):

President Malam Bacai Sanhá returned to Paris where he underwent medical exams to determine his illness.

28 January 2010 (Bissau):

Although an agreement was signed between the UN and the Government for the release of Bubo Na Tchuto, the former Navy Chief of Staff's situation remains unclear, as it seems he remains in the UN offices. However, neither side confirms the situation.

29 January 2010 (Madina de Baixo):

The Armed Forces arrested four suspects of drug trafficking in the southern region of Guinea-Bissau. Among them, two had German citizenship. Another suspect was an Interior Ministry official.

31 January 2010 (Addis-Ababa):

Malam Bacai Sanhá participated in the sixteenth session of the Executive Council of the African Union. The president signaled his worries about internal conflicts in Guinea-Bissau's neighbors.

Mozambique

4 January 2010 (Maputo):

Afonso Dhlakama, leader of Mozambique's main opposition party, Renamo, proposed negotiations between himself and President Armando Guebuza to avoid the demonstrations which he proposed to call in protest of the results of the 28 October general elections, which were validated by the Constitutional Court.

5 January 2010 (Maputo):

Defying their leadership's announced boycott in protest against the results of the 28 October general and provincial elections, nine members of Renamo took their seats in the newly elected provincial assemblies, although the majority of the Renamo provincial deputies still refuse to take their respective seats.

7 January 2010 (Maputo):

Minister of External Affairs and Cooperation, Oldemiro Baloi, in his capacity as the Chair of the SADC Organ on Politics, Defense and Security, hosted a meeting of the SADC Political and Diplomatic Committee meant to prepare for the next African Union summit in Addis Ababa and to debate the situations in Madagascar, Zimbabwe and the DRC.

8 January 2010 (Maputo):

The Mozambican government decided to send humanitarian assistance to Malawi in solidarity with the victims of a series of earthquakes that shook the Malawian district of Karonga in December.

11 January 2010 (Maputo):

Frelimo's Verónica Macamo was elected unopposed as chairperson/speaker of the country's newly elected Parliament. The opening of the Parliament was boycotted by 35 of the 51 Renamo deputies in protest of the alleged election fraud.

11 January 2010 (London):

The 2009 Mo Ibrahim Foundation Index of African Governance was released. Measuring the delivery of public goods and services to citizens by government and non-state actors, Mozambique was ranked 26nd out of 53 countries.

11-13 January 2010 (Maputo):

Germany's Federal Minister of Economic Cooperation and Development, Dirk Niebel, headed a delegation of about 60 members, on a two day visit to assess the current state of bilateral cooperation and of projects financed by his government. Niebel announced that Germany may reduce its support for the Mozambican state budget, with the final decision belonging to the German Parliament in May. Lack of progress in political reforms is cited as the main reason.

13 January 2010 (Maputo):

Arnaldo Chalaua, Renamo's spokesperson in

the northern Nampula province, announced that the party will take disciplinary action against 16 of its members of Parliament who defied party leader Afonso Dhlakama's order to boycott the Parliament swearing in ceremony in Maputo.

14 January 2010 (Maputo):

President Armando Guebuza was sworn in for a second five year term. In his speech to legislators, Guebuza pledged to work with them and called for improvements to the country's electoral laws.

14 January 2010 (Maputo):

After his inauguration ceremony, President Armando Guebuza met with Chinese Minister of Commerce Chen Deming. Both pledged to promote bilateral ties and further enhance the friendly cooperation between the two countries. A new loan, worth US\$14,7 million, was later agreed to by the Chinese representative and Mozambican Finance Minister Manuel Chang.

14 January 2010 (Maputo):

SADC leaders met with the Presidents of the DRC, Mozambique, Namibia, South Africa and Zambia, all urging a return to dialogue in the ongoing political crisis in Madagascar and praising the efforts to revive a stumbling unity government in Zimbabwe.

16 January 2010 (Maputo):

President Armando Guebuza appointed former Education Minister Aires Ali as Prime Minister in his new government. Although the great majority of ministers who served in the previous term were reappointed, former Prime Minister Luísa Diogo was excluded.

20 January 2010 (Maputo):

A further four parliamentary deputies from Renamo took their seats in defiance of Afonso Dhlakama, who insisted on boycotting the new parliament because of alleged fraud in the elections.

21 January 2010 (Maputo):

Another nine Renamo deputies ignored the calls to boycott the newly elected Parliament and took their respective seats, totaling 39 of the opposition's 51 elected members.

26 January 2010 (Maputo):

Finnish Ambassador Kari Alanko, acting as the



president of the G19 (the 19 donor countries that directly fund Mozambique's State Budget), met with Prime Minister Aires Ali to review the G19-Mozambique partnership.

28 January 2010 (Maputo):

The governor of the Bank of Mozambique, Ernesto Gove, called on the country's government to be prudent in its financial management.

Portugal

3 January 2010 (Lisbon):

Foreign Minister Luís Amado revealed the main priorities for Portuguese foreign policy in the coming years, with a clear intent to focus on the Washington-Brasília-Luanda axis. He also announced that further reinforcement of the Portuguese contingent in Afghanistan was being considered.

4 January 2010 (Lisbon):

Luís Amado presided over the Diplomatic Seminar, the annual gathering of all Portuguese ambassadors spread around the world, which this year included the presence of Spanish Foreign Minister Miguel Angel Moratinos.

7 January 2010 (Paris):

Portuguese Prime Minister José Socrates travelled to Paris, where he participated in the symposium "New World, New Capitalism", followed by a meeting with French President Nicolas Sarkozy.

9 January 2010 (Lisbon):

Portuguese police detained two suspected members of the Basque separatist group ETA in northeast Portugal along the Spanish border. Spanish authorities quickly requested swift extradition procedures.

13 January 2010 (Lisbon):

Luís Amado sent his condolences to his Haitian counterpart, Marie Michele Rey, following the earthquake that struck the Caribbean nation.

14 January 2010 (Maputo):

Luís Amado attended Mozambican President Armando Guebuzas's inauguration.

18 January 2010 (Brussels):

João Gomes Cravinho attended an extraordinary meeting of the EU Development officials, to assess the reconstruction process in Haiti.

19 January 2010 (Budapest):

Secretary of State for Foreign Affairs and Cooperation, João Gomes Cravinho, travelled to Budapest to meet with Hungarian officials, to discuss bilateral ties, the EU-Africa relations and the forthcoming Hungarian EU presidency in 2011.

20 January 2010 (Lisbon):

The International Monetary Fund released a new report, warning Portugal of the critical importance of getting its public finances in order, as fears over rising debt levels in the eurozone hit markets. Fiscal consolidation is considered critical to prevent further deterioration and preserve hard-won credibility.

24 January 2010 (Brussels):

Foreign Affairs Minister Luís Amado travelled to Brussels where he attended the EU General Affairs Council and the Foreign Affairs Council, covering such issues as the Spanish presidency presentation, the situation in Haiti and Somalia.

26 January 2010 (Addis Ababa):

Secretary of State for Foreign Affairs and Cooperation João Gomes Cravinho met with Ethiopian Prime Minister Meles Zenawi to discuss ways to enhance bilateral relations. EU-Africa cooperation, Sudan, Somalia and support for the Portuguese candidacy to a non-permanent seat in the UN Security Council were also among the issues covered.

28 January 2010 (London):

Foreign Affairs Minister Luís Amado attended the Afghanistan London Conference, designed to review the security and development situation in the country.

30 January 2010 (Lisboa):

Portugal has approved the setting up of a mission to prepare and organize the summit of NATO Heads of State and Government scheduled for November in Lisbon.

30 January – 1 February 2010 (Addis Ababa):

Foreign Affairs Minister Luís Amado represented Portugal as an observer country at the 14th African Union Summit, in Ethiopia.

São Tomé and Príncipe

7 January 2010 (São Tomé):

São Tomé's President, Fradique de Menezes, vetoed the presence of two ministers from his own MDFM-PL party in the cabinet of Prime Minister Rafael Branco after they refused to comply with the party's directions to leave the current government.

7 January 2010 (São Tomé):

President Fradique de Menezes pardoned 63 people, the largest number ever to benefit from the traditional end of year amnesty. Included was opposition leader Arlécio Costa, head of the Christian Democratic Front, in jail since February 2009, following an attempted coup d'état.

8 January 2010 (São Tomé):

The new government of Prime Minister Rafael Branco was inaugurated.

11 January 2010 (London):

The 2009 Mo Ibrahim Foundation Index of African Governance was released. Measuring the delivery of public goods and services to citizens by government and non-state actors, São-Tomé and Príncipe was ranked 10th out of 53 countries.

14 January 2010 (São Tomé):

President Fradique de Menezes announced that he would renounce his presidency of the MDFM-PL.

14 January 2010 (São Tomé):

Japanese Ambassador Motoi Kato and Foreign Minister Carlos Tily signed an agreement for a Japanese donation of over €1,9 million in food aid.

Timor Leste

5 January 2010 (Dili):

Ameerah Haq, a humanitarian official from Bangladesh with over three decades of experience with the United Nations, arrived in Timor Leste to



take up her post as the UN Secretary-General's new Special Representative to the country.

13 January 2010 (Dili):

Secretary of State Agio Pereira released a statement saying the Timorese government had rejected Woodside's plan to develop the offshore Sunrise field without building an on-shore plant to liquefy gas. Doubts about the commercial viability of Woodside's proposal to pipe gas from the field to either an existing

Liquefied Natural Gas (LNG) processing plant in Darwin or to a floating LNG plant, were the main concerns.

20 January 2010 (Kuala Lumpur):

Malaysian Petronas has been invited by Timor Leste's government to invest in the development of the Greater Sunrise gas field.

26 January 2010 (Jakarta):

Indonesia's National Human Rights Commission

signed a cooperation agreement with Timor Leste's Human Rights and Justice Ombudsman to find missing persons from the post-referendum riots in 1999.

28 January 2010 (Dili):

President José Ramos-Horta asked Prime Minister Xanana Gusmão to reshuffle the existing coalition government of the Alliance of the Parliamentary Majority, amid ongoing allegations of corruption.

Reading List

Andrea Molnar, *Timor Leste: Politics, History, and Culture* (Routledge, 2010).

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