# **Subimperialism as lubricant of neoliberalism:**
# South African 'deputy sheriff' duty within BRICS

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ABSTRACT:
South Africa's role in global economy and geopolitics was, during the apartheid era, explicitly subimperialist, as the West's 'deputy sheriff' in a tough neighbourhood. But with democracy in 1994, there arose a debate surrounding the difference between the liberation government's (leftist) foreign policy rhetoric and its practice. Defining the subimperial standpoint at this stage is important in no small part because of the extreme economic, social and environmental contradictions that have worsen within South Africa, for which anti-imperialist rhetoric is sometimes a salve. However, the explicit strategies for global engagement chosen by Pretoria, including joining the Brazil-Russia-India-China alliance in early 2012, have not proven effective in reforming world power relations. The degree to which the BRICS have recently accommodated imperialism – especially in matters related to economic and ecological crises – suggests that critics should more forcefully confront the general problem of subimperial relegitimation of neoliberalism, e.g. through a BRICS Development Bank now emerging. That problem requires a theory of subimperialism sufficiently robust to cut through the domestic and foreign policy claims made by BRICS regimes, of which South Africa's are amongst the most compelling given the ruling elite's ubiquitous 'talk left, walk right' tendency and the extremely high levels of social struggles against injustice that result.

In 1965, Ruy Mauro Marini defined the Brazilian case of subimperialism in a way that fits contemporary South Africa: 'It is not a question of passively accepting North American power (although the actual correlation of forces often leads to that result), but rather of collaborating actively with imperialist expansion, assuming in this expansion the position of a key nation.'[1] Nearly half a century later, such insights appear prescient, in the wake of the rise of Brazil, Russia, India, China and South Africa (BRICS) as an active alliance. By 2013 these five key nations encircling the traditional Triad (the US, European Union and Japan) were decisive collaborators with imperialism. They advanced the cause of neoliberalism by reaffirming its global institutional power structures and driving overproductive and overconsumptive maldevelopment, and they colluded in destruction of not just the world environment – through prolific contributions to climate change – but in the sabotage of any potentially workable global-scale ecological regulation (favouring instead deepened commodification through emissions trading). Confusingly to some, they carried out this agenda quite consistently at the same time they offered radical, even occasionally 'anti-imperialist' rhetoric and mainly trivial diplomatic actions, e.g. at the United Nations Security Council, manner for the sake of their internal nationalist political needs. Their growing alliance was not entirely coherent, of course, as can be observed in the interface between BRICS and the Bretton Woods Institutions, or in the UN Security Council.

The BRICS agenda of relegitimising neoliberalism is not only aimed at reinforcing North American power, of course. In each case, the BRICS countries' control of their hinterlands for the sake of regional capitalist hegemony was another impressive feature of subimperialism, especially in South Africa's case, as will be considered in most detail here. Much of the long-standing critique of South African subimperialism applies more generally, with the primary exception being that thanks to financial deregulation associated with the country's 'elite transition' from racial to class apartheid during the 1990s, what were formerly Johannesburg and Cape Town-based regional corporate powers – Anglo American Corporation, DeBeers, Gencor (later BHP Billiton), Old Mutual and Liberty Life insurance, SA Breweries (later merged with Miller), Investec bank, Didata IT, Mondi paper, etc – escaped to set up financial headquarters in London, New York and Melbourne. This had exceptionally adverse consequences for the economy, with the outflow of profits, dividends and interest being the main reason South Africa was ranked the 'riskiest' amongst 17 emerging markets by *The Economist* in early 2009, and requiring vast new foreign debt

1. RM Marini, 'Brazilian interdependence and imperialist integration', Monthly Review, 17, 7, 1965, p.22. Recommending Marini's ideas to fellow South Africans in a *Review of African Political Economy* article, Melanie Samson offers a valid critique of earlier analysis: 'Although Bond is clear as to who benefits from sub-imperialism, he does not explicitly elaborate a theorisation of subimperialism. As an aside he asserts that, in the earlier imperial period analysed by classical theorists, imperial capacity was 'reproduced through subimperial processes.' He also notes continuities in South Africa's sub-imperial project in the Democratic Republic of Congo in the apartheid and post-apartheid eras. Despite his careful elaboration of the changing nature of imperialism, Bond presents an ahistorical, unchanging conceptualisation of subimperialism.' (M Samson, '(Sub)imperial South Africa? Reframing the debate', *Review of African Political Economy*, 36,119, 2009, p.96.) The rise of BRICS offers an opportunity to correct this conceptualisation, although I hold to the standard argument that imperialism in Africa is largely exercised through the looting of resources and the application of neoliberal socio-economic policies, with South Africa mainly lubricating that process; for an earlier version, see P Bond, *Looting Africa,* London, Zed Books, 2006.

obligations to cover the hard currency required to facilitate the vast capital flight. Meanwhile, the African continent had expanded its rate of trading with the major emerging economies from around 5 to 20 percent of all commerce in the post-apartheid era (1994-2012), by 2012 the rationalisation and facilitation of tighter continental economic relationships was one of Pretoria's leading objectives, according to its main foreign official dedicated to BRICS, deputy minister Marius Fransman: 'South Africa also presents a gateway for investment on the continent, and over the next 10 years the African continent will need $480 billion for infrastructure development.'[2]

Aside from lubricating world neoliberalism, hastening world eco-destruction, and serving as coordinator of hinterland looting, what are the other features of subimperialism that must be assessed, in a context of Washington's ongoing hegemony? As argued below, if a 'new imperialism' entails – as David Harvey[3] suggests – much greater recourse to 'accumulation by dispossession' and hence the appropriation of 'non-capitalist' aspects of life and environment by capitalism, then South Africa and the other BRICS offer some of the most extreme sites of new subimperialism in the world today. The older generation of arguments about South Africa's 'articulations of modes of production' – migrant male workers from Bantustans providing 'cheap labour' thanks to black rural women's unpaid reproduction of children, sick workers and retirees generally without state support – seems to apply even more these days, when it comes to notorious Chinese pass-laws or the expansion of the South African migrancy model much deeper into the region in the wake of apartheid (notwithstanding tragic xenophobic reactions from the local working class).

In contemporary context, what, then, is the meaning of 'subimperialism', and how does this label apply to South Africa's role in BRICS, including hosting the March 2013 heads of state summit in Durban (where at the time of writing, it is anticipated a BRICS Development Bank will be established)? First, consider the broader empirical context, ranging from the international scale to South African political economy. Second, it is worth reviewing Pretoria's most ambitious foreign economic policy strategies dating to 1994, when an often radical-sounding leadership achieved strong positionality in a world that even Mbeki came to refer to as 'global apartheid.' There were, as we will see, few positive reforms achieved within the institutions of global governance, while at the same time extreme domestic contradictions worsened within South Africa. Next, we review the recent role of BRICS members in matters as diverse as climate and world finance, an exercise which provides empirical support for the charge of subimperialism. The final section returns to a theoretical problematisation of the concept.

## Context

First, to make the case that subimperialism lubricates global neoliberalism in these various ways, and that within BRICS South Africa joins the other 'deputy sheriffs' to keep regional law and order (e.g. in the Central African Republic at the time of writing in early 2013),

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2. M Fransman, 'South Africa: A strong African Brick in BRICS', Stellenbosch, University of Stellenbosch, 21 November 2012.
3. D Harvey, *The New Imperialism,* Oxford, Oxford University Press, 2003.

requires dispensing with naïve accounts of foreign policy that remain popular in the international relations field. Those scholars who argue that South Africa's role is neither anti-imperialist nor subimperialist – that as a 'Middle Power', Pretoria attempts to constructively 'lead' Africa while acting in the continent's interests (Maxi Schoeman),[4] through 'building strategic partnerships… in a constant effort to win over the confidence of fellow African states, and to convince the world community of its regional power status' (Chris Landsberg),[5] thus seeking 'non-hegemonic cooperation' with other African countries (John Daniel et al)[6] – are missing an opportunity to interrogate the power relations with the critical sensibility that these times demand, not least because superexploitative extractive industries based upon migrant labour, without regard to community degradation and ecological damage (e.g. the well-known Marikana platinum mine so profitable to Lonmin until 2012), continue to be the primary form of BRICS countries' engagement with Africa.

Occasionally this agenda leads directly to war, a fetish about which is also a common distraction amongst scholars attempting to elucidate imperial-subimperial power relations. In the recent era, the main military conflicts associated with Washington-centred imperialism have been in the Middle East, Central Asia and North Africa, and so Israel, Turkey and Saudi Arabia are often cited as the West's subimperial allies. But it was not long ago – from the 1960s through late 1980s – that Southern Africa was the site of numerous wars featuring anti-colonial liberation struggles and Cold War rivalries, with apartheid South Africa a strong and comforting deputy to Washington. Over two subsequent decades in this region, however, we have witnessed mainly state-civil tensions associated with conflict-resource battles (e.g. in the Great Lakes region where southern Africa meets central Africa and where millions have been killed by minerals-oriented warlords), neoliberalism (e.g. South Africa and Zambia), an occasional coup (e.g. Madagascar), dictatorial rule (e.g. Zimbabwe, Swaziland and Malawi) or in many cases, a combination. The civil wars engineered by apartheid and the CIA in Mozambique and Angola had ceased by 1991 and 2001, respectively, with millions dead but with both Lusophone countries subsequently recording high GDP growth rates albeit with extreme inequality. Across Southern Africa, because imperial and subimperial interests mainly aimed at resource extraction, a variety of cross-fertilising intra-corporate relationships emerged, symbolised by the way Lonmin (formerly Lonrho, named by Edward Heath as the 'unacceptable face of capitalism' in 1973) 'benefited' in mid-2012 from leading ANC politician Cyril Ramphosa's substantial shareholding and connections to Pretoria's security apparatus, when strike-breaking was deemed necessary at the Marikana platinum mine. South African, US, European, Australian and Canadian firms have been joined by major firms from China, India and Brazil in the region. Their work has mainly built upon colonial infrastructural foundations – road, rail, pipeline and port expansion – for the sake of minerals, petroleum and gas extraction.

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4. M Schoeman, 'South Africa as an emerging Middle Power, 1994-2003,' in J Daniel, A Habib and R Southall (Eds), *State of the Nation: South Africa 2003-04*, Pretoria, HSRC, 2003.
5. C Landsberg, 'New Powers for Global Change? South Africa's Global Strategy and Status',
6. J Daniel, V Naidoo and S Naidu, 'The South Africans have Arrived: Post-Apartheid Corporate Expansion into Africa,' in J Daniel, A Habib and R Southall (Eds), *State of the Nation: South Africa 2003-04*, Pretoria, HSRC, 2003.

As for Washington's ongoing coercive role in this continent, the Pentagon's Africa Command has prepared for an increasing presence across the Sahel (e.g. Mali at the time of writing) out to the Horn of Africa (the US has a substantial base in Djibouti), in order to attack Al-Qaeda affiliates and assure future oil flows from Africa. Since taking office in 2009, Barack Obama maintained tight alliances with tyrannical African elites, contradicting his own talk-left pro-democracy rhetoric within a well-received 2009 speech in Ghana. According to Sherwood Ross, one reason is that amongst 28 countries 'that held prisoners in behalf of the US based on published data', are a dozen from Africa: Algeria, Djibouti, Egypt, Ethiopia, Gambia, Kenya, Libya, Mauritania, Morocco, Somalia, South Africa and Zambia.[7] In Gambia, for example, President Yahya Jammeh's acquiescence to the Central Intelligence Agency's need for a rendition site for US torture victims may explain Obama's blind eye towards his dictatorship. Likewise, the US role in Egypt – another rendition-torture hotspot – in propping up the Mubarak regime until the final days spoke volumes about the persistence of strong-man geopolitics, trumping the 'strong institutions' that Obama had promised.[8]

With fewer direct military conflicts in Africa but more subtle forms of imperial control, and with 'Africa Rising' rhetoric abundant since the early 2000's commodity price boom, the continent and specifically the Southern African region appear as attractive sites for investment, in no small measure because of South Africa's 'gateway' function, with Johannesburg as a regional branch-plant base for a variety of multinational corporations. Once known mainly because of Nelson Mandela and high crime rates, post-apartheid South Africa has been in the spotlight recently thanks to two high-profile hosting responsibilities – the mid-2010 World Cup and late-2011 United Nations Climate Summit – as well as the Marikana massacre and, too, the country's unending political hijinks, including prolific corruption. Internecine conflict within the ruling African National Congress (ANC) has been in the news the past five years because, in a peaceful palace coup, its leader Thabo Mbeki – best known for an earlier episode of AIDS denialism that left hundreds of thousands dead for lack of medicine[9] – was fired first as party president in late 2007 and then as the country's leader in September 2008 (eight months before his term was to end). He was replaced initially by ANC secretary-general Kgalema Motlanthe and then in May 2009 by Mbeki's former deputy president, Jacob Zuma, who had been fired by Mbeki in 2005 for presumed corruption (by a French firm) in the course of a still-festering $5 billion arms deal. Zuma could take the presidency in 2009 because the previous month, 84 counts of racketeering and fraud against him were simply dropped by a conspicuously generous state prosecutor. Zuma was also notorious for his 2006 rape case – he won with a he-said, she-said defense – in which Zulu ethnicism, open misogyny and boorish patriarchy featured

7. Sherwood Ross, 'Rendition and the Global War on Terrorism: 28 Nations Have Supported the US in the Detention and Torture of "Suspects,"' Global Research, 1 April, 2010, http://www.globalresearch.ca/index.php?context=va&aid=18419
8. Patrick Bond, 'Who will get "whacked" next in Africa?", *Black Agenda Report,* 16 October 2012, http://blackagendareport.com/content/who-will-get-%E2%80%9Cwhacked%E2%80%9D-next-africa
9. Amy Roeder, 'The human cost of South Africa's misguided AIDS policies,' *Harvard Public Health,* Spring 2009, http://www.hsph.harvard.edu/news/magazine/spring-2009/spr09aids.html.

prominently.[10] Zuma's main opposition in subsequent years was the ANC Youth League leader Julius Malema – a young tycoon thanks to provincial patronage systems[11] – who achieved notoriety in vociferously criticising the slow pace of racial transformation and persistence of class injustice, and who was expelled from the ANC as a result.

In 2010, the surprisingly crisis-free World Cup – the first in Africa, with vast public expenditures on ten white-elephant stadiums and luxury transport (new Johannesburg fast trains, highway improvements and an unnecessary new airport in Durban)[12] – provided Zuma increased credibility on the international stage. But it was only in 2011 that he became more visible as a world statesperson, briefly co-chairing a United Nations Sustainability Commission, hosting the United Nations climate summit in Durban and then in March 2012 joining BRICS at the New Delhi summit. Also during the course of 2012, he assured that his ex-wife Nkosozana Dlamini-Zuma was elected as African Union Commission chairperson in a closely-fought election pitting Anglophone against Francophone countries. Aside from the ANC's December 2012 endorsement of the Boycott, Disinvestment and Sanctions strategy against Israel on behalf of Palestinian liberation, there were few regional or international initiatives of note (leaving disappointed many Zimbabwe and Swazi democrats who had naively hoped for assistance). In early 2013, Zuma's deployment of 400 South African troops in the Central African Republic was meant to prop up an authoritarian leader under coup threat.

On the economic front, meanwhile, South Africa had a brief uptick in per capita GDP growth after a 2009 recession, yet because of extreme commodity-related vulnerability to world markets, more than a million workers lost their jobs and these were not recovered. South African capital continued leaking to offshore corporate headquarters at record rates (as high as 20 percent of GDP in 2007),[13] with no prospect short of exchange controls and nationalisation able to reverse the rot, given the parasitical character of the indigenous bourgeoisie. The latter is best represented by Ramaphosa, the second richest black South African with a net worth estimated by Forbes at more than $600 million, whose offer of $2.3 million for a prize buffalo at a game-farm auction in April 2012 symbolised the rise of the black elites' hedonistic values (he later apologised). Though a major strategic leader in the anti-apartheid movement as mineworker leader and then ANC secretary general, he lost an internal power struggle to succeed Mandela and so in 1996 moved to business where during the late 1990s he played a key role in the destruction of two major firms and

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10. Zuma claimed in the courtroom that having a shower after unprotected intercourse with an HIV+ woman – his alleged rape victim – reduced his chance of virus transmission, which earned him torment from his ANC Youth League opponents, who labeled him 'shower man' and who created a dance with their fingers above his head. This referred to on the popular cartoon image by Zapiro in which a shower head is permanently affixed to Zuma's head. Zuma sued Zapiro for character defamation but in October 2012 was wisely advised to withdraw the suit.
11. T Madonsela, '10 municipalities, 28 contracts, and a politician: report on an investigation into complaints relating to the improper awarding of tenders by municipalities in the Limpopo and North West Provinces', Pretoria, Office of the Public Protector, http://www.pprotect.org/library/investigation_report/SGL%20Investigation%20Report.pdf
12. E Cottle (Ed), *South Africa's World Cup,* Pietermaritzburg, University of KwaZulu-Natal Press, 2012.
13. S Ashman, B Fine and S Newman, 'Amnesty International? The Nature, Scale and Impact of Capital Flight from South Africa', *Journal of Southern African Studies*, 37 1, 2011, pp. 7-25.

vast amounts of black household savings. But by the early 2000s, Ramaphosa made a financial comeback. He soon gained control of the country's McDonald's fast food franchise and by 2012 owned 9 percent of the London mining house Lonmin, before on 15 August 2012 emailing to his ANC allies atop the police and mining ministries a request that they move in on 'dastardly criminal' wildcat strikers at Marikana platinum mine. The following day, that move left 34 dead, a workforce enraged and – after a stunningly-successful 22 percent wage settlement that proved the depth of the workers' stamina and their hatred for Ramaphosa's former National Union of Mineworkers union – wildcat strikes spreading across the country. This combination of chaos soon compelled Moody's and Standard & Poor's to downgrade South Africa's credit rating, which in turn led to more intensive lobbying that the ANC turn more business friendly by late 2012. They did so explicitly by electing Ramaphosa to the position of deputy president and hence Zuma's presumed successor.[14] Even some liberals applauded, relieved that the challenge to class privilege might be arrested by fresh political blood.[15]

As a result of the system personified by Ramaphosa, South Africa maintains the world's highest Gini coefficient amongst large societies – far higher than it was in 1994 – and the World Economic Forum's September 2012 rating as the most class-conflicted workforce amongst 144 countries surveyed.[16] Annual police counts of community protests are in the range of 10 000 per year (which per capita is amongst the world's highest), although these 'popcorn protests' rise into the air often very visibly but fall back just as quickly, sometimes blowing onto xenophobic terrain if the wind is moving rightwards on any unpredictable day (e.g. more than 60 people were killed in May-June 2008 pogroms). Ecological processes and gender relations have had similar setbacks.[17] The embarrassing local configuration of accumulation dynamics, parasitical class formation and degenerative nationalist politics could not be disguised by the sometimes leftist narratives that Pretoria deployed when looking outwards.

## Talk left to walk right

To illustrate South Africa's anti-imperialist rhetorical twitch, one of the most confusing features of the post-apartheid era has been foreign policy, especially in view of the conflicting traditions of internationalism from which the ANC – in exile from 1963 to 1990, during the period Nelson Mandela was imprisoned – launched its bid for power. Material

14. P Bond, 'How the Marikana Movement Stunned Neoliberal South Africa', *Counterpunch,* 19-21 October 2012, http://www.counterpunch.org/2012/10/19/how-the-marikana-movement-stunned-neoliberal-south-africa/ http://mg.co.za/article/2012-11-08-events-fail-to-stir-a-teflon-zuma
15. The two most prominent were Ramaphosa's biographer Anthony Butler – who defended the Lonmin emails: A Butler, 'ANC needs leaders who understand business,' *Business Day,* 26 October 2012, http://www.bdlive.co.za/opinion/columnists/2012/10/26/anc-needs-leaders-who-understand-business - and commentator Richard Calland: R Calland, 'Events fail to stir a teflon Zuma', *Mail&Guardian,* 8 November 2012, http://mg.co.za/article/2012-11-08-events-fail-to-stir-a-teflon-zuma . In contrast, see R Munusamy, 'Cyril Ramaphosa: The true betrayal', *Daily Maverick,* 27 October 2012, http://dailymaverick.co.za/article/2012-10-25-cyril-ramaphosa-the-true-betrayal
16. World Economic Forum, *Global Competitiveness Report 2012-2013,* Davos, September 2012, http://www.weforum.org/reports/global-competitiveness-report- 2012-2013.
17. B Maharaj, A Desai and P Bond (Eds), *Zuma's Own Goal,* Trenton, Africa World Press, 2011.

and ideological supporters of the ANC ranged from the United Nations, Soviet Union and Sweden to black-consciousness, Third Worldist and international progressive movements and institutions in civil society. Hence it was not out of character, given the ANC's hot political traditions, to hear Mandela declare, just prior to the invasion of Iraq in 2003, that George W. Bush, 'who cannot think properly, is now wanting to plunge the world into a holocaust. If there is a country which has committed unspeakable atrocities, it is the United States of America.'[18] Yet within weeks, three Iraq-bound US warships docked and refuelled in Africa's largest harbour in Durban, and South Africa's state-owned weapons manufacturer sold $160 million worth of artillery propellants and 326 handheld laser range-finders to the British army, and 125 laser-guidance sights to the US Marines. Bush visited Mandela's successor, Mbeki, in the South African capital Pretoria in July 2003, and left the impression, according to Johannesburg's *Business Day* newspaper, 'of a growing, if not intimate trust between himself and Mbeki. The amount of public touching, hugging and backpatting they went through was well beyond the call of even friendly diplomatic duty.'[19] By May 2004, Mandela had withdrawn his criticism: 'The United States is the most powerful state in the world and it is not good to remain in tension with the most powerful state.'[20]

Mandela's outburst was one of many confusing signals from South Africa's leaders: occasionally talking left while mainly walking right, indeed sometimes talking left *so as to walk right.* Yet there can be no doubt that the international political power centres showed increasing trust in Mandela, Mbeki, long-serving trade, finance and planning minister Trevor Manuel and a few others of Pretoria's neoliberal leadership, giving them insider access to many elite forums. At the same time, at the turn of the Millennium, global-establishment institutions came under often fierce attacks in sites like the Seattle and Cancun World Trade Organisation summits, the annual meetings of the World Bank and International Monetary Fund (IMF), G8 and European Union summits, and the Davos World Economic Forum. Given the global elites' increased need for legitimacy, it was not surprising that recently-liberated South Africa's leaders were allowed to preside over the UN Security Council, the board of governors of the IMF and Bank, the United Nations Conference on Trade and Development, the Commonwealth, the World Commission on Dams, and many other important international and continental bodies from 1994-2000. Simultaneously assuming Third World leadership, Pretoria also headed the Non- Aligned Movement, the Organisation of African Unity, and the Southern African Development Community.[21] Then, during a frenetic two-year period beginning in September 2001, Mbeki and his colleagues hosted, led, or played instrumental roles at the following dozen major international conferences or events: the World Conference against Racism in Durban (September 2001); the launch of the 'New Partnership for Africa's Development' (Nepad, in Abuja, Nigeria, October 2001); the WTO ministerial summit (Doha, Qatar in November 2001); the UN Financing for Development conference (Monterrey, Mexico in March 2002);

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18. J Murphy, 'Mandela slams Bush on Iraq', *CBS News,* 3 February 2003, http://www.cbsnews.com/2100-500257_162-538607.html.
19. *Business Day,* 'Mbeki's gift', 11 July 2003.
20. Associated Press, 'Mandela extends conciliatory hand to the US', 25 May 2004.
21. P Bond, *Against Global Apartheid,* London, Zed Books, 2003.

the G8 summit (Kananaskis, Canada in June 2002); the launch of the African Union in Durban (July 2002); the World Summit on Sustainable Development in Johannesburg (August–September 2002); the World Economic Forum (Davos, Switzerland in January 2003); the 2003 G8 summit (in Evian, France); George W. Bush's first trip to Africa (July 2003); the WTO ministerial summit (Cancun, Mexico in September 2003); and the IMF/World Bank annual meeting (Dubai in September 2003).

Notwithstanding high profile and a strong mandate from the African continent in most of these settings, Mbeki's administration failed to capitalise on these opportunities:

- at the UN racism conference, Mbeki colluded with the European Union to reject the demand of NGOs and African leaders for slavery/colonialism/apartheid reparations;
- Nepad provided merely a homegrown version of the Washington Consensus;
- at Doha, South African Trade and Industry Minister Alec Erwin – a Friend of the Chair – split the African delegation so as to prevent a repeat of the denial of consensus that had foiled the Seattle WTO summit in December 1999;
- Manuel was summit co-leader in Monterrey, where he legitimised ongoing IMF/World Bank strategies, including its lack of progress on debt;
- from G8 meetings, Mbeki departed with only rhetorical commitments, invariably to be violated in practice;
- the African Union supported both Nepad and the Zimbabwean regime of President Robert Mugabe, suggesting that good governance would not be considered a component of Africa's new partnerships;
- at the Johannesburg WSSD, Mbeki undermined UN democratic procedure, facilitated the privatisation of nature, and did nothing to address the plight of the world's poor majority;
- in Davos, global elites generally ignored Africa;
- for hosting a leg of Bush's Africa trip, Mbeki became the US 'point man' on Zimbabwe, and avoided any argument over Iraq's recolonisation;
- in Cancun, the collapse of WTO trade negotiations – again (like Seattle) catalysed by an African walkout – left Erwin 'disappointed';
- at Dubai, with Manuel leading the IMF/World Bank Development Committee, there was no Bretton Woods democratisation, new debt relief or post–Washington Consensus policy reform. [22]

After 2003, the pace slowed, and in the later years of Mbeki's rule, the problems encountered in establishing Nepad as an all-encompassing assertion of South Africa's strength and values on the continent deserve more consideration. The origins of Nepad and the African Peer Review Mechanism are revealing. Mbeki had embarked upon a late 1990s 'African Renaissance' branding exercise, which he endowed with poignant poetics but not much else. The lack of content was somewhat remedied during 2000 in a powerpoint skeleton unveiled in Mbeki's meetings with Clinton in May, at the Okinawa G8 meeting in July, at the UN Millennium Summit in September, and at a subsequent EU gathering in

22. P Bond, *Talk Left Walk Right,* Pietermaritzburg, University of KwaZulu-Natal Press, 2006.

Portugal. The skeleton was fleshed out in November 2000 with the assistance of several economists and was immediately ratified during a special South African visit by World Bank president James Wolfensohn. By this stage, Mbeki had managed to sign on as partners two additional rulers from the crucial north and west of the continent: Abdeleziz Bouteflika of Algeria and Olusegun Obasanjo of Nigeria, both leaders of countries that suffered frequent mass protests and various civil, military, religious and ethnic disturbances. Later, he added Senegal's Abdoulaye Wade, who in 2012 had to be ousted from power by mass popular protest, when he attempted to change the constitution to allow further rule.

Addressing an international gathering in Davos, January 2001, Mbeki made clear whose interests Nepad would serve: 'It is significant that in a sense the first formal briefing on the progress in developing this programme is taking place at the World Economic Forum meeting. The success of its implementation would require the buy in from members of this exciting and vibrant forum!'[23] International capital would benefit from large infrastructure construction opportunities, privatised state services, ongoing structural adjustment (which lowers the social wage and workers' real wages), intensified rule of international property law, and various of Nepad's sectoral plans, all co-ordinated from a South African office at the Development Bank of Southern Africa (DBSA), a World Bank–styled institution staffed with neoliberals and open to economic and geopolitical gatekeeping. Once Mbeki's plan was merged with an infrastructure-project initiative offered by Wade, it won endorsement at the last meeting of the Organisation of African Unity, in June 2001. (In 2002, the organisation evolved into the African Union, and Nepad was made its official development plan.)[24]

The actual Nepad document was publicly launched in Abuja by African heads of state on 23 October 2001. In February 2002, global elites celebrated Nepad at venues ranging from the World Economic Forum to a summit of self-described 'progressive' national leaders (but including Britain's Tony Blair) who gathered in Stockholm to forge a global 'Third Way'. Elite eyes were turning to the 'scar on the world's conscience' (as Blair described Africa), hoping Nepad would serve as a large enough bandaid, for G8 leaders at their June 2002 summit in Canada had rejected Mbeki's plea for an annual $64 billion in new aid, loans and investments for Africa.[25] He was simply not a sufficiently reliable deputy sheriff for imperialism, at that stage. The main reason for doubts about Mbeki's commitment to neoliberalism and the rule of law was his repeated defense of the continent's main violator of liberal norms, Mugabe. This loyalty was in spite of Nepad promises such as: 'Africa undertakes to respect the global standards of democracy, the core components of which include political pluralism, allowing for ... fair, open and democratic elections periodically organised to enable people to choose their leaders freely.' Mbeki would term Zimbabwe's demonstrably unfree and unfair March 2002 presidential election 'legitimate', and repeatedly opposed punishment of the Mugabe regime by the Commonwealth and the UN

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23. T Mbeki, 'Briefing at the World Economic Forum Meeting: Millennium Africa Renaissance Program - Implementation Issues,' Davos, Switzerland, 28 January 2001, http://www.au2002.gov.za/docs/speeches/mbeki010128.htm.
24. P Bond (Ed), *Fanon's Warning,* Trenton, Africa World Press, 2005.
25. *Ibid.*

Human Rights Commission. In February 2003, South African foreign minister Dlamini-Zuma stated, 'We will never criticise Zimbabwe.' The Nepad secretariat's Dave Malcomson, responsible for international liaison and co-ordination, then admitted to a reporter, 'Wherever we go, Zimbabwe is thrown at us as the reason why Nepad's a joke.'[26]

In the meantime, South African capital's drive to accumulate up-continent continued, as Johannesburg business sought out new opportunities especially in mining, retail, banking, breweries, construction, services and tourism. The largest South African corporations benefited from Nepad's lubrication of capital flows out of African countries, yet most of the money did not stop in Johannesburg, as was the case prior to 2000. The financial flight went mainly to London, where Anglo American Corporation, DeBeers, Old Mutual insurance, South African Breweries, Liberty Life insurance and other huge South African firms had relisted at the turn of the Millennium (thanks to permission from Mbeki and Manuel). Within Africa, regional acquisitions by South African corporations were in any case mainly takeovers, not 'greenfield projects' involving new fixed investments. Thus, on the one hand, in spite of a high-profile mid-2002 endorsement of Nepad by 187 business leaders and firms, led by Anglo American, BHP Billiton and the Absa banking group, there were no investments made in twenty key infrastructure projects two years later, only vocal corporate complaints that the peer review mechanism had insufficient teeth to discipline errant politicians. According to the chief reporter of (pro-Nepad) *Business Day* in mid-2004, 'The private sector's reluctance to get involved threatens to derail Nepad's ambitions.'[27]

On the other hand, the prospect that Johannesburg- based corporations would be 'new imperialists' was of 'great concern', according to Pretoria's then public enterprises minister, Jeff Radebe, in early 2004: 'There are strong perceptions that many South African companies working elsewhere in Africa come across as arrogant, disrespectful, aloof and careless in their attitude towards local business communities, work-seekers and even governments.'[28] To illustrate drawing upon a telling incident in 2012, the Johannesburg parastatal firm Rand Water was forced to leave Ghana after failing – with a Dutch for-profit partner (Aqua Vitens) – to improve Accra's water supply, as also happened in Maputo (Saur from Paris) and Dar es Salaam (Biwater from London). Rand Water had long claimed its role in Ghana was part of both the Nepad and Millennium Development Goals mandate to increase public-private partnerships in water delivery. [29]

Radebe could also have been describing his Cabinet colleague Mbeki. The Johannesburg *Sunday Times* reported from the July 2003 African Union meeting in Maputo that Mbeki was viewed by other African leaders as 'too powerful, and they privately accuse him of wanting to impose his will on others. In the corridors they call him the George Bush of Africa, leading the most powerful nation in the neighbourhood and using his financial and military muscle to further his own agenda.'[30] These critics of Mbeki were joined by African

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26*. Financial Times*, 'G8 Vows to "Fully Commit" to Developing African Nations,' 2 June 2003.
27. R Rose, 'Companies "Shirking" their Nepad Obligations', *Business Day*, 24 May 2004.
28. SAPA, 'SA's "Imperialist" Image in Africa', 30 March 2004.
29. J Amanthis. 'How the private sector didn't solve Ghana's water crisis', *Pambazuka,* 27 July 2012.
30. R Munusamy, 'The George Dubya of Africa,' *Sunday Times,* 13 July 2003.

intellectuals who demanded better from their leaders as well, including those who understand Pretoria's continental ambitions. To illustrate, at a joint conference in April 2002 in Accra, Ghana, the Council for Development and Social Science Research in Africa and Third World Network-Africa identified the 'most fundamental flaws of Nepad' as follows:

- the neoliberal economic policy framework at the heart of the plan ... which repeats the structural adjustment policy packages of the preceding two decades and overlooks the disastrous effects of those policies;
- the fact that in spite of its proclaimed recognition of the central role of the African people to the plan, the African people have not played any part in the conception, design and formulation of the Nepad;
- notwithstanding its stated concerns for social and gender equity, it adopts the social and economic measures that have contributed to the marginalisation of women;
- that in spite of claims of African origins, its main targets are foreign donors, particularly in the G8;
- its vision of democracy is defined by the needs of creating a functional market.[31]

It did not take long for the pessimists' predictions to come true, for even on its own terms, Nepad was fundamentally flawed. As Wade stated in October 2004: 'I am disappointed. I have great difficulties explaining what we have achieved when people at home and elsewhere ask me... We're spending a lot of money and, above all, losing time with repetition and conferences that end and you're not quite sure what they've achieved.'[32] In June 2007, at the World Economic Forum meeting in Cape Town, he acknowledged that Nepad 'had done nothing to help the lives of the continent's poor'.[33] Later that year, Wade was even more frank: 'The redirection of the project has become inevitable, because nobody has yet understood anything from Nepad and nobody implemented Nepad.'[34] As Mbeki himself confessed a few weeks after his ouster from power, in December 2008, 'I am afraid that we have not made the progress we had hoped for. Indeed, and regrettably, I believe that we have lost some of the momentum which attended the launch and detailed elaboration of the Nepad programmes.'[35]

Mbeki's African Peer Review Mechanism (APRM) itself was conceived so that African regimes – including South Africa's, to great internal consternation – would essentially review themselves with kid gloves, and when civil society critique emerged, this was repressed.[36] According to Bronwen Manby from AfriMAP (a pro APRM NGO)

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31. Council for Development and Social Science Research in Africa, Dakar and Third World Network-Africa, 'Declaration on Africa's Development Challenges,' Resolution adopted at the Joint Conference on Africa's Development Challenges in the Millennium, Accra, 23-26 April 2002, p.4.
32. BBC, 'Africa's big plan 'disappointing'', London, 22 October 2004.
33. L Ensor, 'South Africa: Get Down to Brass Tacks – Mbeki', *Business Day,* 18 June 2007.
34. *Daily Observer*, 'Wade: Nepad has failed,' 4 October 2007.
35. Sapa, 'Nepad losing momentum: Mbeki', 12 December 2008.
36. Patrick Bond, 'Removing Neocolonialism's APRM Mask: A Critique of the African Peer Review Mechanism', *Review of African Political Economy*, 36: 122, 2009, pp.595-603.

> Although each country that has undergone the APRM process is supposed to report back to the APR Forum on its progress, there is no serious monitoring exercise of how effectively this is done. Nor any sanctions for failure to act. Nor, apparently, is there any real system to ensure that the commitments the government makes address the most important problems highlighted in the APRM review...The implementation of the APRM programme of action is also left entirely to the executive, with no formalised role for parliamentarians or civil society to hold the government's feet to the fire should it fail to perform... Even the continental APRM secretariat failed to engage in any serious way with national institutions...Without this sort of integration into other national planning systems, debates and oversight mechanisms, the APRM process seems doomed to become little more than a cosmetic exercise without effect in the real world of policy and decision making.[37]

In sum, the imposition of Nepad's neoliberal logic soon amplified uneven development in Africa, including South Africa. Adding to the invasion by Chinese firms – specializing in neo-colonial infrastructure construction, extractive industries and the import of cheap, deindustrializing manufactured goods – and the West's preparations for military interventions from the oil- filled Gulf of Guinea in the west to the Horn of Africa in the east, Africa was squeezed even harder. Patents, marketing restrictions and inadequate state-financed research made life-saving medicines unreasonably scarce. Genetically modified food threatened peasant farming. Trade was also increasingly exploitative because of the 'Singapore issues' advanced by the G8 countries: investment, competition, trade facilitation, government procurement. The new conditionalities amplified grievances of developing nations over the G8's vast agricultural subsidies, unfair industrial tariffs, incessant services privatisation and intellectual property monopolies. Together, they prompted African–Caribbean–Pacific withdrawal from the ministerial summit of the World Trade Organisation (WTO) in Cancun in September 2003, leading to its collapse, with no subsequent improvements in the following years. Although there was talk of 'Africa Rising' thanks to high GDP growth in several countries – mainly those that benefited from the commodity boom or civil wars ending – the actual wealth of Sub-Saharan Africa shrunk dramatically during the 2000s once we factor in non-renewable resource depletion, with the height of the boom recording a -6 percent annual decline in 'adjusted net savings' (i.e., correcting GDP for ecological and social factors typically ignored).

Throughout this period, there was a restrained yet increasingly important Washington geopolitical agenda for Africa, which Bush's first Secretary of State, Colin Powell, described in a document, *Rising US Stakes in Africa:* political stabilisation of Sudan (whose oil was craved by Washington); support for Africa's decrepit capital markets, which could allegedly 'jump start' the MCA; more attention to energy, especially the 'massive future earnings by Nigeria and Angola, among other key West African oil producers'; promotion of wildlife conservation; increased 'counter-terrorism' efforts, which included 'a Muslim outreach initiative'; expanded peace operations, transferred to tens of thousands of African troops thanks to new G8 funding; and more attention to AIDS. On all but Sudan, South African co-operation was crucial for the US imperial agenda.

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37. B Manby, 'African Peer Review Mechanism: Lessons from Kenya', *Pambazuka News*, 362, 15 April 2008.

However, after the US military's humiliating 1993 'Black Hawk Down' episode in Somalia, there was insufficient appetite at the Pentagon for direct troop deployment in Africa, and as a result, President Bill Clinton was compelled to apologise for standing idly by during the 1994 Rwandan genocide. Instead, as Africa Command head Carter Ham explained in 2011, Washington 'would eventually need an AfriCom that could undertake more traditional military operations… [although] not conducting operations – that's for the Africans to do.'[38] Likewise, the US Air University's *Strategic Studies Quarterly* cited a US military advisor to the African Union: 'We don't want to see our guys going in and getting whacked… We want Africans to go in.'[39] In late 2006, for example, when Bush wanted to invade Somalia to rid the country of its nascent Islamic Courts government, he called in Mbeki to assist with legitimating the idea, though it was ultimately carried out by Meles Zenawi's Ethiopian army three weeks later.[40] When in 2011, Obama wanted to invade Libya to rid the country of Muammar Gaddafy, South Africa voted affirmatively for NATO bombing within the UN Security Council (where it held a temporary seat), in spite of enormous opposition within the African Union.

There was similar reliance by the G8 upon G20, BRICS and even South African 'deputy sheriff' support on the economic battlefield. At the nadir of the 2008-09 crisis, for example, the G20 was described by Walden Bello: 'It's all show. What the show masks is a very deep worry and fear among the global elite that it really doesn't know the direction in which the world economy is heading and the measures needed to stabilize it.' [41] According to David Harvey, the G20 asked, simply, 'how can we actually reconstitute the same sort of capitalism we had and have had over the last thirty years in a slightly more regulated, benevolent form, but don't challenge the fundamentals?' [42]

In 2009, the G20 was central to the push for re-empowering the IMF, first through increased Special Drawing Rights allocations to stimulate the world economy, and later, in a full recapitalisation in 2012, to generate more bailout financing options for European bankers, at the expense of structural adjustment for poor and working people. On both occasions, South Africa's finance ministers could be relied upon for moral and material

38. AfriCom Public Affairs, 'Ham Discusses AFRICOM Mission With African Journalists, PAOs at Symposium,' Garmisch, Germany, 29 August 2012, http://www.africom.mil/getArticle.asp?art=8266&lang=0
39. S Cochran, 'Security Assistance, Surrogate Armies, and the Pursuit of US Interests in Sub-Saharan Africa', *Strategic Studies Quarterly,* Spring 2010, 4, 1, http://www.au.af.mil/au/ssq/2010/spring/cochran.pdf
40. White House Press Office, 'Press Release: Remarks by President Bush and President Mbeki of South Africa in Photo Opportunity,' Washington, 8 December 2006. Specifically, Mbeki referred to: 'the difficult situation in Somalia' – ('Yes, sir,' Bush intervened) and Mbeki continued, 'and the President, together, we are very keen that, indeed, something must move there. This was a failed state. It's necessary to support the transitional government, to restoring a government and to reunify the country, and so on. It's an important thing because the problem, one of the big problems is that as it is, it provides a base for terrorists, find safe haven there and then can spread out to the rest of the continent. It's something that is of shared concern.' Within three weeks, at Washington's behest, Ethiopia invaded Somalia. (See *Sudan Tribune,* 10 December 2010, reporting on WikiLeaks cables: http://www.sudantribune.com/US-behind-Ethiopia-invasion-in,37189).
41. W Bello, 'U-20: Will the Global Economy Resurface?,' *Foreign Policy in Focus*, 31 March 2009.
42. D Harvey, 'The G20, the Financial Crisis and Neoliberalism,' Interview on Democracy Now!," New York, 3 April 2009.

support, in spite of opposition at home. Although Dominique Strauss-Kahn postured about a Keynesian fiscal-expansionary policy during the 2008-09 crisis, the IMF maintained neoliberal, contractionary measures in most of Africa.[43] Manuel consistently promoted the kind of debt relief that resulted in low-income African countries actually paying a much *higher* percentage of export income on debt relief in the 2005-08 period, because while the unrepayable capital was written off, the terms of the deal meant that ongoing repayment obligations actually increased substantially, from 5 to 7 percent of export earnings.[44]

This squeeze of poorer countries was also consistent with South Africa's changing financial role in Africa, as Johannesburg became the continent's premier hot-money centre. In mid-2002, Manuel promised the Commonwealth Business Council he would 'fast-track financial market integration through the establishment of an internationally competitive legislative and regulatory framework' for the continent.[45] But without any Africa-wide progress to report two years later, Manuel's director-general Lesetja Kganyago announced a new 'Financial Centre for Africa' project to amplify the financialization tendencies already evident in Johannesburg's exclusive new Sandton central business district: 'Over the five years to 2002, the financial sector grew at a real rate of 7.7 percent per year, more than twice as fast as the economy as a whole.'[46] This would usually be considered a sign of a parasitic and dangerous economy,[47] but not by Pretoria financial officials. Responsible for a full quarter of post-apartheid South African GDP growth, the sector required further room to expand, according to Kganyago:

> What is needed is a financial hub especially focused on the needs and circumstances of the region, much in the same way that Singapore and Hong Kong cater for the capital needs of the Asian continent… International financial centres tend to have a foundation in common. Elements include political stability, free markets, and what is best described as the rule of commercial law.

Pretoria's specific aims included 'opening South Africa's markets to African and global issuers; global lowest trading costs and trading risk; global leadership in investor protection; and a global hub for financial business process outsourcing'. Concluded Kganyago, 'Africa's economies cannot wait the slow maturing of national financial markets to provide the necessary channel for large-scale foreign capital flows for development. Only a regional financial centre will be in a position to provide these services in the foreseeable future.' Ironically, by 2012 Mbeki was reinventing himself as a leading critic of illicit capital flight from Africa.[48]

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43. P Bond, 'African reactions to global economic crisis,' in U. Schuerkens (Ed), *Socio-Economic Outcomes of the Global Crisis: Theoretical Discussion and Empirical Case Studies,* London, Routledge, 2012, pp.222-238.
44. L Donnely, 'Throwing Good Money at EU Troubles,' *Mail&Guardian,* 22 June 2012.
45. T Manuel, 'Mobilizing International Investment Flows: The New Global Outlook,' Speech to the Commonwealth Business Council, Johannesburg, 24 September 2002.
46. L Kganyago, 'South Africa as a Financial Centre for Africa,' Speech to the Reuters Economist of the Year Award Ceremony, Johannesburg, 11 August 2004.
47. *Ibid.*
48. T Mbeki, 'Tackling Illicit Capital Flows for Economic Transformation,' Thabo Mbeki Foundation, Johannesburg, 2012, http://www.thabombekifoundation.org.za/Pages/Tackling-Illicit-Capital-Flows-for-

A telling incident in mid-2002 illustrated the responsibility that the South African government had taken on to police such world financial mechanisms. A Cabinet meeting in Pretoria concluded with this statement: 'The meeting noted the provision by South Africa of a bridge loan to the Democratic Republic of the Congo of Special Drawing Rights (SDR) 75 million. This will help clear the DRC's overdue obligations with the IMF and allow that country to draw resources under the IMF Poverty Reduction and Growth Facility.'[49] In ensuring the rollover of the debt, Pretoria thus sanitized the earlier generation of IMF loans made to Mobuto Sese Seko, riven with corruption and capital flight to European banks. In fact, continuities with an earlier subimperial project were obvious, for the people of the DRC were previously victims of South Africa's apartheid-era allegiance with Mobuto, an arrangement that especially suited the ecology-destroying mineral extraction corporations headquartered in Johannesburg. The people's struggle against oppression had initially spawned another ruler in 1996, Laurent Kabila, who unfortunately refused democracy and later fell to an assassin's bullet. Thanks to his son Joseph's connections in Union Buildings and finance ministry, the old 'odious' Mobutu loans were honoured and serviced with Pretoria's new credits. They should have been repudiated. In addition, IMF staff would be allowed back into Kinshasa with their own new loans, and with neoliberal conditionalities again applied to the old victims of Mobutu's fierce rule. A similar process began with lending to regimes such as Mugabe's Zimbabwe and King Mswati's Swaziland, for the purpose of repaying the IMF first and foremost.

For all these reasons, the 2000s was a period that could be considered South Africa's subimperialist era, combining on the one hand, support for neoliberal global governance no matter its failure to deliver, with growing regional clout on behalf of Johannesburg-based corporate plunder of the subcontinent on the other hand, no matter that much of the capital then flowed out to the world financial headquarters of what were formerly South African firms. Harking back a century to South Africa's chilling past of subimperial regional conquest in the interests of global-imperial domination, it could easily have been said (and indeed was, by Nelson Mandela in 2003), 'I am sure that Cecil John Rhodes would have given his approval to this effort to make the South African economy of the early 21st century appropriate and fit for its time.'[50]

## South Africa within a BRICS 'bloc'

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49. South Africa Government Communications and Information Service, 'Statement on Cabinet Meeting', Pretoria, 26 June 2002.
50. *Financial Times*, 'G8 Vows to "Fully Commit" to Developing African Nations,' 2 June 2003. Sapa, Mandela criticises apartheid lawsuits,' Cape Town, 25 August 2003. According to the report, 'De Beers is one of several South African companies that have been targeted in multi-billion rand claims in United States courts for its role in the apartheid era. Standing alongside [Harry] Oppenheimer, Mandela said President Thabo Mbeki and his government had come out 'clearly and unequivocally' on the issue of apartheid reparation suits against South African companies. 'South Africans are competent to deal with issues of reconciliation, reparation and transformation amongst themselves without outside interference, instigation or instruction.'' In reality, it was by then well established South African elites were incompetent to deal with these issues, with Mandela presiding over a large increase in inequality, unemployment and mortality/morbidity.

For foreign policy, the big question raised by Zuma's presidency was whether the momentum from Mbeki's expansionist years would continue, given the former's preoccupations with domestic matters and comparatively weak passion for the international stage. Only in 2012 was the answer decisively affirmative: Dlamini-Zuma's engineered election as African Union Commission chairperson, and Pretoria's entry to BRICS. By mid-2012, Pretoria's National Development Plan – overseen by Manuel from within the Presidency and endorsed at the ANC's December 2012 national conference – provided a variety of mandated changes in policy so as to align with South Africa's new BRICS identity and functions:

- South Africa's economy is smaller than that of the BRICS economies and this has led to some questioning of the country's membership. However, it can play a leading role in BRICS by helping to *facilitate deeper integration of relations between African states and other BRICS member countries* and by focusing on other niche advantages. The country has several strengths that can be used both when negotiating within BRICS and in broader global negotiations between BRICS and the world, including:
    - Considerable *natural resources*
    - Highly developed *banking, financial, communications and transportation networks*
    - Established and relatively successful *business, industrial, mining and research institutions*…
- The country's diplomats should work *closely with business and industry leaders*, with research and academic institutions and with epistemic communities, to facilitate relationships with counterparts in BRICS…
- The Department of International Relations and Cooperation, in collaboration with South Africa's research institutions and professional bodies, should lead a strategic drive to *engage China on minerals, mining, research and development and infrastructure expansion on the continent*. This collaboration must include maintaining sanitary and phyto-sanitary standards to ensure that South Africa's products can continue to gain access to European markets…
- In six months of consultations, the NPC encountered, alongside the *perception of the country as a regional bully*, and that South African policy-makers tend to have a *weak grasp of African geopolitics*. Because of this, foreign relations with African states are often tentative, with policymakers vacillating between leading and muddling through on issues of integration and cooperation…
- Strengthen economic diplomacy and build *effective partnerships with the private sector and state-owned enterprises*. In areas such as science, culture, higher education, sport and environmental protection, there is a need to showcase South Africa and promote its presence and leadership on strategic issues as part of its "soft power" in international relations, without losing sight of the increased value of mental power – the ability of countries to *show restraint on emotional impulses and maintain a relatively stable mind-set in getting along with each other* during international negotiations, and in general…
- Involve the business community in foreign relations. South Africa's sophisticated business community needs to be intimately involved in foreign relations. Diplomats

may strike foreign cooperation deals, but it is private companies that actually trade across borders. They are, therefore, central to wealth creation. *The local business community is willing and able to provide managerial, administrative and general capacity-building services to South Africa's regional institutions.* It is a resource that needs to be fully explored.

- As a middle-income African country, there needs to be a more comfortable fit between critical domestic socioeconomic demands, regional and continental obligations and international cooperation through BRICS and the world. Foreign policies cannot be disassociated from these demands and obligations. They should be made through engaging with domestic constituents like *the business community, the DBSA and arts, culture and sporting bodies,* which ultimately constitute the relations between countries. [emphasis added][51]

It is evident that in the coming period, institutional restructuring is crucial for Pretoria. One reason is the distinct gap between its main vehicle, the DBSA, and the Southern African Development Community (SADC): 'South Africa is critically underrepresented in organisations like the African Development Bank and SADC. The latter is critical as South Africa is a major funder of the group… To fulfill South Africa's obligations in the BRICS and in the region, the DBSA should be strengthened institutionally…'[52] That gap was articulated by SADC deputy executive secretary João Samuel Caholo in 2012:

> There is resentment towards the DBSA in certain quarters because it is in South Africa, and South Africa is the only shareholder. SADC has no say in what the DBSA does and although the bank does work on a bilateral level with SADC countries, we need our own bank… The name of the DBSA is misleading, as it was established by the apartheid government that saw Southern Africa as consisting of apartheid South Africa and the former homelands.[53]

A few months later, just as it was deployed to become Pretoria's core representative as a BRICS Development Bank was being concepturalised, the DBSA fell into disrepute for recording $43 million in net losses in 2011-12, based on (unspecified) investments. Around 14 percent of its assets were in the region outside South Africa, with future SADC lending anticipated at $2.3 billion, of which $400 million would be in semi-privatised infrastructure. In late 2012, DBSA CEO Patrick Dlamini announced a 'new restructuring process, staff would be retrenched [from 750 to 300] and corruption would not be tolerated. We can no longer allow the DBSA to be associated with shoddy work.'[54] The man tasked with ensuring the revitalization of the DBSA in the region was Mo Shaik, who trained as an optometrist but became the leading spy in the Zuma government prior to numerous internal crises in the National Intelligence Agency. One problem was his revelation of important and highly embarrassing political secrets to US embassy officials,

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51. National Planning Commission, *2030, Our future – make it work: National Development Plan,* Minister in the Office of the President, Pretoria, August 2012, Chapter 7.
52. *Ibid.*
53. *CityPress,* 'Sadc banks on own development bank,' 23 June 2012, http://www.citypress.co.za/business/sadc-banks-on-own-development-bank-20120623/
54. S Mungadze, 'DBSA to cut equity investments', *Business Day,* 12 December 2012.

which in turn were published by WikiLeaks.[55] Shaik's forced resignation from the security services in 2012 was followed by a brief Harvard executive course, after which he was controversially appointed the DBSA's main liaison to the region.[56]

But development banking was just one of the ways in which Pretoria's elite interests conflicted with those of the hinterland as well as of South Africans. The most extreme was certainly climate management, given Pretoria's role, first in maintaining extremely high emissions levels on behalf of the country's 'Minerals-Energy Complex', and second with respect to sabotaging global climate talks by destroying the Kyoto Protocol in Copenhagen in 2009 and again in Durban in 2011. Indeed an important pre-BRICS example of Zuma's personal role in adjusting not transforming global governance was the December 2009 line-up of 'BASIC' (Brazil, South Africa, India, China) countries' leadership with Washington to confirm climate catastrophe. At the 15th Conference of the Parties (COP) to the UN Framework Convention on Climate Change in Denmark, Zuma joined Obama, Lula da Silva, Wen Jiabao and Manmohan Singh to foil the Kyoto Protocol's mandatory emissions cuts, thus confirming that at least 4 degrees global warming will occur by 2100. 'They broke the UN,' concluded Bill McKibben from the climate advocacy movement 350.org,[57] with what Naomi Klein called 'nothing more than a grubby pact between the world's biggest emitters: I'll pretend that you are doing something about climate change if you pretend that I am too. Deal? Deal.'[58] A secondary objective of the deal – aside from avoiding emissions cuts – was to maintain a modicum of confidence in what were crashing carbon markets by the late 2000s (especially after the 2008 financial meltdown),[59] which would entail increasing domination of 'Clean Development Mechanism' carbon trading by the BASIC countries (until year-end 2012)[60] and then new internal carbon markets especially in Brazil and China thereafter.

The Washington+BASIC negotiators were explicitly acting on behalf of their fossil fuel and extractive industries. Similar cozy ties between Pretoria politicians, London-based mining houses, Johannesburg 'Black Economic Empowerment' tycoons and sweetheart trade unions were subsequently exposed at Marikana. Other BRICS countries have similar power configurations, and in Russia's case it led to a formal withdrawal from the Kyoto Protocol's second commitment period (2012-2020) in spite of huge 'hot air' benefits the country would have earned in carbon markets as a result of the industrial economy's disastrous exposure to the world economy during the 1990s. That economic crash cut Russian emissions far below 1990 Soviet Union levels during the first (2005-2012) commitment

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55. J Rademeyer, 'WikiLieaks exposes SA spy boss', *Beeld,* 23 January 2011, http://www.news24.com/SouthAfrica/News/Wikileaks-exposes-SA-spy-boss-20110123
56. O Molatlhwa, 'DBSA not backing down on Mo', *Sunday World,* 13 August 2012, http://www.sundayworld.co.za/news/2012/08/13/dbsa-not-backing-down-on-mo.
57. For more, see P Bond, *Politics of Climate Justice,* Pietermaritzburg, University of KwaZulu-Natal Press, 2012.
58. N Klein, 'For Obama, No Opportunity Too Big to Blow,' *The Nation*, December 21, 2009.
59. P Bond (Ed), *Durban's Climate Gamble,* Pretoria, University of South Africa Press, 2011.
60. P Bond *et al, CDMs Cannot Deliver the Money to Africa,* Report for the Environmental Justice Organisations, Liabilities and Trade project, December 2012, http://www.ejolt.org/2012/12/the-cdm-cannot-deliver-the-money-to-africa-why-the-carbon-trading-gamble-won%E2%80%99t-save-the-planet-from-climate-change-and-how-african-civil-society-is-resisting/

period. But given the 2009-12 crash of carbon markets – where the hot air benefits would have earlier been realised as E30/tonne benefits – Moscow's calculation was to promote its own oil and gas industries helter-skelter, and hence binding emissions cuts were not in Russia's interests, no matter that 2010-11 climate-related droughts and wildfires raised the price of wheat to extreme levels and did tens of billions of dollars of damage.

The same pro-corporate calculations are being made in the four other BRICS, although their leaders did regularly posture about the need for larger northern industrial country emissions cuts. However, the crucial processes in which UN climate regulatory language was hammered out climaxed in Durban in December 2011 in a revealing manner. 'The Durban Platform was promising because of what it did not say,' bragged US State Department adviser Trevor Houser to the *New York Times.* 'There is no mention of historic responsibility or per capita emissions. There is no mention of economic development as the priority for developing countries. There is no mention of a difference between developed and developing country action.' [61] The Durban deal squashed poor countries' ability to defend against climate disaster. With South African foreign minister Maite Nkoana-Mashabane in the chair, the climate summit confirmed this century's climate-related deaths of what will be more than 180 million Africans, according to Christian Aid. Already 400 000 people die each year from climate-related chaos due to catastrophes in agriculture, public health and 'frankenstorms'. And climate was not exceptional when it came to the BRICS approach to environmental preservation. The 2012 Columbia and Yale University Environmental Performance Index showed that aside from Brazil, the other BRICS states have been decimating their – and the earth's – ecology at the most rapid rate of any group of countries, with Russia and South Africa near the bottom of world stewardship rankings.[62]

Like Berlin in 1884-85, the BRICS 2013 Durban summit was expected to carve up Africa more efficiently, unburdened – now as then – by what would be derided as 'Western' concerns about democracy and human rights. Reading between the lines, its resolutions would:

- support favoured corporations' extraction and land-grab strategies;
- worsen Africa's retail-driven deindustrialization (South Africa's Shoprite and Makro – soon to be run by Walmart – were already notorious in many capital cities for importing even simple products that could be supplied locally);
- revive failed projects such as Nepad; and
- confirm the financing of both land-grabbing and the extension of neo-colonial infrastructure through a new 'BRICS Development Bank' likely to be based just north of Johannesburg, where the Development Bank of Southern Africa already does so much damage following Washington's script.

In exchange for the Durban summit amplifying such destructive tendencies, Africa's elites invited to observe might have hoped to leverage greater power in world economic

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61. J Broder, 'Signs of new life as UN searches for a climate accord', *New York Times,* 24 January 2012.
62. Columbia University and Yale University, *Environmental Performance Index 2012,* New York.

management via BRICS. With Pretoria's finance minister Pravin Gordhan's regular critiques of the World Bank and IMF, there was certainly potential for BRICS to 'talk left' about the global-governance democracy deficit. Yet in the vote for Bank president in April 2012, for example, Gordhan's choice was Washington-Consensus ideologue Ngozi Okonjo-Iweala, the Nigerian finance minister who with IMF managing director Christine Lagarde catalyzed the Occupy movement's near revolution in January 2012 as a result of the removal of petrol subsidies. Brasilia chose the moderate Keynesian economist Jose Antonio Ocampo and Moscow backed Washington's choice: Jim Yong Kim. This was a repeat of the prior year's fiasco over the race for IMF Managing Director, won by Lagarde – in spite of ongoing corruption investigations against her by French courts, in the wake of criminal charges against her predecessor (in both jobs) Dominique Strauss-Kahn – because BRICS was divided-and-conquered. The 'emerging' bloc appeared in both cases as incompetent, unable to even agree on a sole candidate, much less win their case in Washington.

Yet in July 2012, the BRICS treasuries sent $100 billion in new capital to the IMF, which was seeking new systems of bail-out for banks exposed in Europe. South Africa's contribution was only $2 billion, nevertheless a huge sum for Gordhan to muster against local trade union opposition. Explaining the SA contribution – initially he said it would be only one tenth as large – Gordhan told *Moneyweb* in 2011 that it was on condition that the IMF became more 'nasty' (*sic*) to desperate European borrowers, as if the Greek, Spanish, Portuguese and Irish poor and working people were not suffering enough.[63] The result of this BRICS intervention was that China gained dramatically more IMF voting power, while Africa actually lost a substantial fraction of its share. Even Gordhan admitted at the September 2012 Tokyo meeting of the IMF and Bank that it was likely 'the vast majority of emerging and developing countries will lose quota shares – an outcome that will perpetuate the democratic deficit.' And given 'the crisis of legitimacy, credibility and effectiveness of the IMF,' it 'is simply untenable' that Africa only has two seats for its 45 member countries.[64]

## 'Subimperialism'?

So we must ask, are the BRICS 'anti-imperialist' – or instead, 'subimperialist', doing deputy-sheriff duty for global corporations, while controlling their own angry populaces as well as their hinterlands? The eco-destructive, consumerist-centric, over-financialised, climate-frying maldevelopment model throughout the BRICS works very well for corporate profits, but is generating crises for the majority of its people and for the planet.

Hence the label subimperialist is tempting. During the early 1970s, Marini argued that his native Brazil is 'the best current manifestation of subimperialism,' for these reasons:

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63. *Moneyweb,* 'Special report podcast: Pravin Gordhan, Minister of Finance', 29 September 2011, http://www.moneyweb.co.za/moneyweb-special-report/special-report-podcast-pravin-gordhan--minister-of?sn=2009+Detail
64. P Gordhan, 'Statement by Pravin J. Gordhan, Minister of Finance, South Africa', International Monetary Fund International Monetary and Financial Committee, Tokyo, 13 October 2012, http://www.imf.org/External/AM/2012/imfc/statement/eng/zaf.pdf

- 'Doesn't the Brazilian expansionist policy in Latin America and Africa correspond, beyond the quest for new markets, to an attempt to gain control over sources of raw materials – such as ores and gas in Bolivia, oil in Ecuador and in the former Portuguese colonies of Africa, the hydroelectric potential in Paraguay – and, more cogently still, to prevent potential competitors such as Argentina from having access to such resources?
- 'Doesn't the export of Brazilian capital, mainly via the State as exemplified by Petrobras, stand out as a particular case of capital export in the context of what a dependent country like Brazil is able to do? Brazil also exports capital through the constant increase of foreign public loans and through capital associated to finance groups which operate in Paraguay, Bolivia and the former Portuguese colonies in Africa, to mention just a few instances.
- 'It would be good to keep in mind the accelerated process of monopolization (via concentration and centralization of capital) that has occurred in Brazil over these past years, as well as the extraordinary development of financial capital, mainly from 1968 onward.'[65]

Matters subsequently degenerated on all fronts. In addition to these three criteria – regional economic extraction, 'export of capital' (always associated with subsequent imperialist politics) and internal corporate monopolization and financialisation – there are two additional roles of BRICS if they are genuinely subimperialist. One is to ensure regional geopolitical 'stability': for example, Brasilia's hated army in Haiti and Pretoria's deal-making in African hotspots like South Sudan and the Great Lakes, for which $5 billion in South African arms purchases serve as military back-up.

The second is to advance the broader agenda of neoliberalism, so as to legitimate continuing market access. Evidence includes South Africa's Nepad; the attempt by China, Brazil and India to revive the WTO; and Brazil's sabotage of the left project within Venezuela's 'Bank of the South' initiative. As Belgian political economist Eric Toussaint remarked at a World Social Forum panel in Porto Alegre in 2009, 'The definition of Brazil as a peripheral imperialist power is not dependent on which political party is in power. The word imperialism may seem excessive because it is associated with an aggressive military policy. But this is a narrow perception of imperialism.'[66]

A richer framing for contemporary imperialism is, according to agrarian scholars Paris Yeros and Sam Moyo, a system 'based on the *super-exploitation* of domestic labour. It was natural, therefore, that, as it grew, it would require external markets for the resolution of its profit realisation crisis.'[67] This notion, derived from Rosa Luxemburg's thinking a century ago, focuses on how capitalism's extra-economic coercive capacities loot mutual

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65. RM Marini, *Subdesarrollo y Revolución*, Mexico City, Siglo XXI Editores, 1974, p. 1-25, translated at http://mrzine.monthlyreview.org/2010/bt280210p.html#_edn13
66. O Bonfond, E Toussaint and MT Gonzales, 'Will capitalism absorb the WSF?', *MRzine,* 28 February 2010, http://mrzine.monthlyreview.org/2010/bt280210p.html#_edn13
67. P Yeros and S Moyo, 'Rethinking the theory of primitive accumulation', Paper presented to the 2nd IIPPE Conference, 20–22 May 2011, Istanbul, Turkey, p.19.

aid systems and commons facilities, families (women especially), the land, all forms of nature, and the shrinking state – and has also been named 'accumulation by dispossession' by David Harvey, and in special cases evoking militarist intervention, Klein's 'Shock Doctrine'.[68]

Along with renewed looting are various symptoms of internal crisis and socio-economic oppressions one can find in many BRICS, including severe inequality, poverty, unemployment, disease, violence (again, especially against women), inadequate education, prohibitions on labour organising and other suffering. The rising inequality within BRICS – except for Brazil whose minimum wage increase lowered the extreme Gini coefficient to at least a bit below South Africa's – is accompanied by worsening social tensions, which in turn is responded to with worsening political and civil rights violations, such as increased securitisation of societies, militarisation and arms trading, prohibitions on protest, rising media repression and official secrecy, debilitating patriarchy and homophobia, activist jailings and torture, and even massacres (including in Durban where a notorious police hit squad killed more than 50 people in recent years, and even after unveiling by local media and attempted prosecutions, continues unpunished today).

The forms of subimperialism within BRICS are diverse, for as Yeros and Moyo remark, 'Some are driven by private blocs of capital with strong state support (Brazil, India); others, like China, include the direct participation of state-owned enterprises; while in the case of South Africa, it is increasingly difficult to speak of an autonomous domestic bourgeoisie, given the extreme degree of de-nationalisation of its economy in the post-apartheid period. The degree of participation in the Western military project is also different from one case to the next although, one might say, there is a "schizophrenia" to all this, typical of "subimperialism".'[69]

As a result, all these tendencies warrant opposition from everyone concerned. The results are going to be ever easier to observe, the more that BRICS leaders prop up the IMF's pro-austerity financing and catalyse a renewed round of World Trade Organisation attacks; the more a new BRICS Development Bank exacerbates World Bank human, ecological and economic messes; the more Africa becomes a battleground for internecine conflicts between subimperialists intent on rapid minerals and oil extraction (as is common in central Africa); the more the hypocrisy associated with BRICS/US sabotage of climate negotiations continues or offsetting carbon markets are embraced; and the more that specific companies targeted by victims require unified campaigning and boycotts to generate solidaristic counter-pressure, whether Brazil's Vale and Petrobras, or South Africa's Anglo or BHP Billiton (albeit with London and Melbourne headquarters), or India's Tata or Arcelor-Mittal, or Chinese state-owned firms and Russian energy corporations. Building a bottom-up counter-hegemonic network and then *movement* against imperialism and BRICS subimperialism has never been more important.[70]

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68. D Harvey, *The New Imperialism,* Oxford, Oxford University Press, 2003; N Klein, *Shock Doctrine,* Toronto, Knopf Canada, 2007.
69. *Op cit,* p.20.
70. This was the objective of a counter-summit in late March 2013, described at http://ccs.ukzn.ac.za

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