



Opinion: Russia's New Scramble for Africa

Moscow attempts to rebuild its sphere of influence in the African continent.

By Ariel Cohen, writing in Wall Street Journal Europe (2009 July)

MOSCOW, July 2 (WSJ-Europe) - The Kremlin has launched an ambitious project to restore Moscow's past glory on the African continent. Policy makers in the U.S. and Europe need to understand that it's happening -- and formulate an effective response -- before they find their own relationships with Africa changing in significant and problematic ways.

Russian President Dmitry Medvedev and more than a hundred Russian businessmen last week visited Egypt, Nigeria, Namibia and Angola on the longest tour of Africa a Russian leader has undertaken since the collapse of the Soviet Union.

Unlike President Obama, who is going to Africa next week for a brief stop to talk about global warming, Mr. Medvedev and his team targeted oil, gas, diamonds and uranium. Mr. Medvedev is trying to score points before his G-8 meeting with Western leaders in Italy July 8-10.

In Cairo, Mr. Medvedev and President Hosni Mubarak signed a 10-year strategic cooperation pact, reminiscent of Soviet Treaties of Friendship and Cooperation with developing countries. Under the deal, Russian arms supplies to Egypt -- a major Soviet weapons client -- may be renewed. Russia's state-owned RosAtom is aiming for a \$1.8 billion contract to help build the first nuclear power plant in Egypt, almost half of the going rate of approximately \$3.5 billion per reactor.

RosAtom would threaten the chances of France's Areva, General-Electric-Hitachi and Toshiba, to break into the Middle Eastern civilian nuclear market.

Next, Mr. Medvedev and his traveling companions went to Nigeria, Africa's largest exporter of oil. There they agreed on a \$2.5 billion joint project between state-owned Gazprom and the Nigerian state oil company to develop large oil and gas fields and construct a gas pipeline from Nigeria to Europe. The new pipeline would give Russia control over the supply of Nigerian gas to Europe, and thereby reinforce the dependence of European consumers on Russia.

In Angola, Mr. Medvedev finalized another agreement on economic cooperation and arranged a \$300 million loan to support the launch of Angolan satellite Angosat. Russian resources company Zarubezhneft is seeking greater access to Angolan oil fields and wants to broaden cooperation with Angolan state oil company, Sonangol.

Meanwhile, a number of Russian companies are seeking access to Namibian uranium reserves.

By all appearances Mr. Medvedev and, by extension, Prime Minister Vladimir Putin are reviving the old Soviet Africa strategy. The Soviet Union maintained friendly relations with many African countries, including Egypt, Sudan, Ethiopia, Somalia, Namibia, Angola and Mozambique. Starting in the 1950s, Africa was viewed as a prime economic battlefield between Soviet command-and-control planning and Western capitalism.

From the 1960s to the '80s, Western institutions like the World Bank and U.S. Agency for International Development poured billions of dollars into supporting governments in countries like Zaire and Nigeria. Moscow offered similar funding to its "friends."

Angola, in particular, was the theater where the jockeying for influence between the Soviet Union and the U.S. played out. Soviet ships ferried tens of thousands of Cuban troops to support the Popular Movement for the Liberation of Angola in the 1970s war for independence from Portugal, while the U.S. and South Africa supported the National Union for the Total Independence of Angola. After independence in 1975, a 27-year-long civil war between these

two groups postponed normal development.

Africa lost its significance as an ideological chessboard after the collapse of the Soviet Union, and the current volume of trade between Africa and Russia is trivial. But the continent remains an economic prize. China has spent billions of dollars in the past few years gaining friends, influencing dictators, and tying African countries to Beijing.

Now the Kremlin is trying to regain its status as a global player, including re-asserting itself in Africa. Mr. Medvedev's visit to Africa appears to be the first coordinated attempt by Moscow to do so. Where once the Soviet Union sought political hegemony, today's Kremlin is after economic objectives like trade and access to raw materials. But a shift in Africa's relationship with Russia will have consequences for many.

Africans may benefit from increased competition among the world's powers to develop its vast resources. Russia and China have already invested billions to gain a foothold there. Western companies are similarly interested. The income generated from developing these resources has the potential to generate jobs and boost incomes in Africa. But this isn't a sure thing.

Resource-rich countries are vulnerable to corruption and instability. A flood of Russian money could facilitate corruption in places where that's already a problem. Moreover, Moscow and Beijing are comfortable working with oppressive regimes, like Sudan's, that Western countries condemn. As a result, Africans may suffer even more as Russia and China expand their

influence.

If Europe and the U.S. abandon Africa to Russia and China, Africa may be lost for the West. Worse, the fruits of Africa's resource wealth may be squandered. The West should continue to press African governments to improve transparency and the rule of law. It must shift its approach away from development assistance and, instead, emphasize the benefits of trade and competition. Such policies have historically proven the most effect path to development.

As President Obama heads for Africa, he and other Western leaders must understand that Russia and China are engaged in carving out zones of economic influence on the continent. The U.S. and Europe should utilize their technological, financial and "soft power" advantages – or be overtaken by ruthless competitors.

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