

## Diamonds in Africa: A Story of Capitalism and its Endless Greed

### PART 1: The situation is a legacy of Colonialist dominance

The subject of Blood Diamonds garnered international attention at the beginning of the 21<sup>st</sup> century, following the civil wars in African countries like Angola and Sierra Leone. However, the fact that this was the time when people started to pay attention doesn't mean that it's when the problems in Africa started- nor does it mean that the international reaction stopped or solved the problem.

Blood Diamonds are just one part of the horrific situation in Africa; a situation which dates back to the colonialist era and is a result of the current neo-colonialist states desire to exploit the continents abundant and varied natural resources.

#### History of Diamond Trade: How it made Africa an area of interest

In the mid-to-late 1800's, diamonds were discovered in Africa. The mines began to produce more diamonds than the Indian Subcontinent (the previous leading producer) had in the last 2,000 years. This increase in production occurred at the same time as the diamond mines in Brazil experienced a sharp decline in their production.

Today, Africa contributes to approximately 60% of the world diamond production, with some African countries being distinguished by a significant production of diamonds in terms of volume. These countries include Angola, South Africa, Botswana, Guinea, Lesotho, Namibia, Democratic Republic of Congo, Sierra Leone, Tanzania and Zimbabwe.

This production is mired in violence and exploitation.

#### The Blood Diamonds

In the 1990's, there were brutal African wars in which rebel groups fought for control over their governments and gained territory in diamond-rich areas. These included wars in Angola, Central African Republic, the Democratic Republic of Congo, Liberia, and Sierra Leone; and they resulted in the death and displacement of millions of people.

The wars garnered international attention, with the phrase 'blood diamonds' or 'conflict diamonds' being used to pinpoint the fact that diamonds in these areas were being used to fund wars.

The United Nations Security Council Resolution 1173 defined the 'conflict diamonds' as "*...diamonds that originate from areas controlled by forces or factions opposed to legitimate and internationally recognized governments, and are used to fund military action in opposition to those governments, or in contravention of the decisions of the Security Council.*"

This Resolution was linked to the situation in Angola; it reaffirmed its Resolution 696 (1991) of 30 May 1991 and all subsequent relevant resolutions and announced the UN's intention to impose further sanctions against Angola for non-compliance, unless it co-operated to extend state administration throughout the country.

It shouldn't come as a surprise that the vague definition focused on the rise of factions that didn't follow the liberal system. It just reaffirms the fact that the United Nations resolutions are a way of reasserting the Capitalist system's values, and aids certain countries in their attempt to control the resource-rich areas. It allows them to justify their continued intervention in the area, and applies international pressure to ensure that they can continue to exploit the African resources – as they have done in the past, continue to do in the present, and aim to maintain control in the future.

#### Africa: The current situation is a direct result of colonialist impact

What the international community conveniently ignores is that the current divisions between the factions in Africa, and the instability that emerged over the last few centuries, is a result of colonialism.

The current day instability can be dated all the way back to the mid-1800s, or more precisely to the 1884/85 Berlin Conference. At this Conference, the European powers came together and divided the continent amongst themselves. New borders were drawn through the territories of every tenth ethnic group and trade routes were cut, because commerce with people outside one's colony was forbidden. The partition was done without any consideration for the history of the society, and as a result it did irreparable damage to the continent. Studies have shown that societies through which new frontiers were driven would later be far more likely to suffer from civil war or poverty. (Source)

When African states regained independence after World War II, it was in the form of fragmented states. This sowed the seeds for the numerous interstate conflicts that have taken place since the end of the colonialism in the mid to late 1900's as they resulted from divisions that arose under the European colonialization of Africa.

*“Ethnic allegiances were far more open and flexible in the 19th century than they are today. In pre-colonial Rwanda, the Hutu and Tutsi were social groups and it was possible to switch from one to the other. It was colonial rule that cemented the division of the population, of which one of the consequences was the 1994 genocide.”* (Source)

That isn't to say that there weren't any tensions between the tribes. But in true colonialist fashion, the imperial powers exacerbated the problems here, as they did in their other colonies. Within Africa, there were kings and chiefs who competed to be the richest and most powerful within their tribes. The European leaders took advantage of this and persuaded some leaders to be on their side to fight against other leaders- adopting a divide and rule policy that's characteristic of the imperialist era.

The tensions were exacerbated over the centuries. While the colonialist powers focused on extracting the abundant resources that were available on the continent, they also ensured their long term control by creating a situation where the people were divided, and unable to rule themselves.

### **The impact of Colonialist interest in Africa**

Many European imperialist powers took an interest in the continent due to the human and natural resources that Africa provided. Admittedly there are some exceptions but, in most cases, the imperialist powers chose to focus on extracting resources from the continent.

Britain and France were at the forefront of imperialism in Africa; competing with each other to dominate European politics and economics by ensuring that they had greater control of Africa's natural resources and labor supply and controlling the trading rights with their own colonies.

Their control of Africa guaranteed them markets outside Europe for the sales of surplus goods and led to the practice of dumping i.e. they offloaded products at very low prices to crush local competition for customers. The African producers couldn't match these prices and were unable to withstand European competition. This undermined the development of African industries and wealth, and locked the continent into an unfair economic relationship with Europe in which African producers were barely able to survive by supplying cheap cash crops and primary goods.

All of this led to a situation where African countries became dependent on European aid and loans, a state of affairs that remains today.

The fact that they had no interest in educating the African children didn't help the Africans to escape this dependence- the majority of colonial governments did little to support schools. Consequently, most African children did not go to school during the colonial era. In fact, at the end of colonial rule, no colony could state that more than half of their children finished elementary school, and far fewer attended secondary school. (Source)

Politically speaking, the methods of ruling differed across Africa, depending on the imperialist power in control of the area. But in most cases, they left African states weak, reliant on colonial rule and unprepared for their 'independence'.

In British colonies, a system of indirect rule was adopted. The European powers chose to exercise their control over the African colonies through indigenous political structures and customary law. But this didn't mean that the African rulers had control, as the British government introduced policies to limit local ruler's power to govern their societies. For example, chiefs lost their authority to sentence anyone to death. Crimes requiring a death penalty were given to the magistrate who applied British law to judge the merits of the case.

The African chiefs were only allowed to rule in accordance with customary laws. And the British government manipulated this situation too - introducing new laws, and forcing chiefs to pass them as customary laws. For example, they introduced a Hut Tax to increase revenues to colonial governments. This tax was charged on every one who owned a hut, poor or rich. The tax was not a customary law, but it was portrayed as a customary practice by the British colonial governments.

*"British imperialism undermined colonial democratisation and development through its focus on maintaining physical order and control and sustaining economic extraction. This is demonstrated by both the budgetary priorities and the political and institutional machinations of British colonial regimes... Transitions to democracy in Nigeria, Kenya and Tanzania were blocked by an entrenched history of autocracy, inappropriate government structures and a lack of well-trained political elites."* (Source)

In contrast, France chose to directly rule their colonies. They treated the colonies as if they were extensions of the France state i.e. as if they were French departments (which didn't take existing boundaries of different ethnic groups into consideration).

The French government did not include any African rulers, instead they stripped the rulers of all their powers. The people were ruled directly by French colonial officers often with a military background. These colonial officers replaced African rulers because most areas were divided into districts and departments.

When the African states eventually received independence, France had them sign a colonial pact, which allowed France to continue exploiting their former colonies.

### **The situation today**

Central Africa's main diamond exporters - Angola, the Democratic Republic of the Congo (DRC), the Central African Republic (CAR), and the Republic of the Congo - are among the least developed countries in the world.

Diamonds are one of the most easily obtained, most easily transported forms of hard currency, for state and non-state actors alike. They are easy to sell – due to inadequate controls in neighboring and regional transit countries along with secrecy within the industry.

But instead of helping the continent, the diamonds (and the interest that they drew) has led to poverty, instability and violence across the diamond producing regions in Africa.

#### **1) Democratic Republic of Congo (DRC)**

Despite being one of the world's top three diamond producers (in 2020), Congo is one of the world's least developed (in terms of human development). With the HDI value being 0.480; placing it at 175 out of 189 countries and territories.

Data analysed by Finbold indicates that only three countries produced 79.62% of all the estimated 54 million carats of natural diamond produced in 2020 globally with the Democratic Republic of Congo in third position. And according to Congo's Ministry of Mines, the country produces about a fifth of the world's industrial diamonds.

But they were unprepared for independence with the mining sector being controlled by the Belgian installed ruler/dictator Mobutu until he was overthrown by rebel and outside

forces during the First Civil War. The mining sector struggled and was fraught with corruption and peril like the rest of the DRC and the rest of Africa. And foreign as well as local forces systematically plundered the natural resources of the country; which led to the formal economy dramatically shrinking and more than 80 percent of the population living on much less than US\$1 per day.

## **2) Sierra Leone**

The situation in Sierra Leone dates back to 1930, when diamonds were discovered in the region. By 1937, British companies were unearthing one million carats annually — an amount currently worth \$2 billion to \$25 billion USD. As Britain and its companies grew rich, the Sierra Leonean people received almost none of the profit.

As a result, when the country received ‘independence’ from the British in 1961, they didn’t have a substantial income to allow them to develop. The country had a poor economy, minimal social services, and few educational institutions.

And then the IMF ‘helped’ the nation by giving them loans and taking control of their economy- cementing their ability to continue exploiting the area for the years to come.

*“The IMF required that Sierra Leone devalue its currency, claiming that this would promote domestic business by increasing the cost of national imports. Yet, this currency devaluation also lowered the cost of Sierra Leone’s minerals for other countries, incentivizing diamond extraction and decreasing the amount of revenue the government could generate by selling the gems.*

*In the 1980s, the conditions of IMF loans further deteriorated the economy and set the stage for civil unrest. To decrease the government’s debt, the international body suggested that Sierra Leone’s authorities lower public sector spending. However, this diminished the nation’s ability to fund basic social infrastructures for healthcare, education, and more.” (CPR review)*

As a result of all of this, Sierra Leone is one of the poorest countries in the world (positioned at 182 out of 189 countries and territories on the HDI index). The citizens of Sierra Leone don’t benefit from the diamond wealth - private companies and corrupt officials do; with its colonial past and the current capitalist system solidifying their ability to exploit the country.

### **What this means...**

In the end, while Blood Diamonds are a big part of the problems in Africa, if we simply focus on them then we are greatly simplifying the issue. The problems that are faced across most of the continent are a result of centuries of colonial rule. And nothing has changed since the end of imperialism; the current Neo-Colonial system is just as bad at exploiting the Africans and ignoring the impact that their actions are having on the citizens.

The ‘solutions’ that they have brought forth are self-serving and simply a way of placating the public to ensure that their people continue to buy the diamonds that they steal from the African people (after the threat of a consumer boycott).

Part 2 of this article will address the ineffectiveness of international solutions to address this problem.

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