

Oxford University Africa Society

A public seminar by:

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Rinsing the Blood from Angola's Diamonds

Introduction

Fellow Students,
Ladies and Gentlemen,

First of all, let me thank the Oxford University Africa Society and, in particular, Justin Pearce, for inviting me to lead this conversation on diamonds in Angola.

Today, the movie "Blood Diamond", with Leonardo Di Caprio and Djimon Hounsou, opens at cinemas across the United Kingdom, bringing the issue to the public's attention through entertainment.

Yesterday, by coincidence, I received a satellite phone call from the northeastern diamond-rich province of Lunda-Norte to receive an update on the current situation in the Cuango basin, the main site for alluvial mining in Angola. Today, I am here to share with you a reality of blood, and contempt for human rights, in the diamond fields of Cuango.

Background

Before proceeding, I would like to provide a brief historical background of diamond exploration in the Lundas region.

The commercial exploration of the stones dates back from 1912, the year the Mineral Research Company of Angola (PEMA) was founded. By 1917, a joint-venture of Portuguese, Belgian, United States, British and South African capital, founded Diamang, which took over PEMA, and held the exclusive rights to explore diamonds in the whole territory. Only in 1955 did the company actually find diamonds in the Cuango River.

As part of its contract with the Portuguese colonial authorities, Diamang had the exclusive right of all and any commercial activity in the area under its concession, and it had the obligation to provide for the basic needs of the local population.

As noted by the British historian Clarence-Smith (quoted by Varanda, 262,263:2004)¹:

Running practically every aspect of life in the remote north-eastern corner of Angola, with its own police, roads, dams hydro-electric installations, radio, schools, health service, agricultural stations, rural extension services, missions and museum, Diamang had become a state within a state.”

It is from this colonial contract that the current government of Angola modelled its strategy to allow the diamond companies to run the mining areas in the Lundas. Yet the authorities do not enforce any social responsibility upon them or supervise their conduct, nor invest any of the diamond revenues for the benefit of the local populations and the uplifting of the region.

Garimpo

The elaborated strategy of oppression and dispossession in the region has been one of the main driving forces for locals to engage in the informal (illegal) mining of diamonds, known as *garimpo*, as an ordinary subsistence activity.

However, for tens of thousands of Angolans, from other parts of the country, and foreign nationals that have flocked into the region, the Lundas have the lure of an *El Dorado*, to find great fortunes. Official figures have reported that up to 2004, *garimpo* was generating over US\$350 million a year in business².

For the past 20 years, bloodshed and diamond mining have been two sides of the same coin, violence being explained either in the name of war or of combating illegal activities.

During the civil war in Angola, which lasted from independence in 1975 until 2002, the diamond fields of the Cuango valley were fiercely contested by the government, and the rebel movement, UNITA. Before the 1990s, the two sides were armed and financed by the Cold War superpowers. But when the war resumed after the 1992 elections, UNITA lost the backing of its old allies in Washington and in South Africa. The rebel army desperately needed an alternative source of funding – and found it in the sale of diamonds.

It was during this period that activists began to expose the links between diamonds and war, both in Angola and in Sierra Leone. The term “blood diamonds” or “conflict diamonds” came into being, referring to stones that had been mined in rebel-controlled areas, and which therefore could be seen as contributing to the financing of war. In the diamond-consuming countries, a consensus developed that the purchase of such stones was morally

¹ Varanda, J. (2004) *A Saúde e a Companhia de Diamantes de Angola*. História, Ciências, Saúde – Manguinhos. Vol. 11 (Suplemento 1)

² Jornal de Angola Online (10.11.2004) *Pilhagem: Garimpeiros facturam anualmente 350 milhões de dólares*. www.jornaldeangola.com

unacceptable. From the late 1990s, the United Nations supported sanctions against UNITA and other armed movements, and since then, companies and states involved in the diamond industry have devised a new system of control – the Kimberley Process – which is designed to ensure that stones mined in war zones do not end up on the world market. Also, in 1997, UNITA peacefully handed over, to government control and under the United Nations’ supervised peace plan, the diamond fields of the Cuango valley. This double blow to UNITA was the beginning of its end as a rebel movement. It finally abandoned its armed struggle after its leader, Jonas Savimbi, was killed in February 2002. So the diamond industry is under government control, and Angola is at peace. In terms of the sanctions plan and the Kimberley Process, all is well. The view from the diamond fields themselves is, however, rather different.

For the past three years, I have been monitoring closely extreme human rights abuses in Cuango, a region of up to 7,000 square kilometers, and in the Lunda region at large. By observing the situation over a period of time, I have been noticing changes, especially by the local police. There have been shifts by the central and local authorities to address the accusations, either for damage control or simply to make more sophisticated the methods of abuse by outsourcing violence to private security companies.

The private security companies, which effectively control the territory, on behalf of the diamond industry, have established practices of humiliation, whipping, torture, sexual abuse and, in some cases, assassinations. They do so with total impunity, which responsibility rests on the companies’ shareholders, mostly top generals and police commanders. Yet, the main culprits are the diamond companies that, in fact, outline and supervise the security operations on the ground, as I have learnt.

These security outfits are Alfa-5, K&P Mineira and Teleservice, and they provide services to, respectively, *Sociedade de Desenvolvimento Mineiro*, *Luminas*, and *Sociedade Mineira do Cuango*.³

The Reality

My work in the region intends, as its main objective, to give voice to the victims to tell their own stories, to break the culture of fear as well as of impunity by naming and shaming the perpetrators. I have now, in my possession, up to 50 cases of abuses registered in Cuango in the last quarter of 2006. Three recent cases illustrate the kind of violence inflicted upon the local population.

At dawn on 21 November 2006, Ms Hipamga Txissongo, 38, along with other women were on their way to farming, when a Teleservice guard, named Faustino Vindake, shot her dead. The group of five guards was escorting a Toyota Hilux

³ The site www.cuango.net provides detailed information on the ownership of the private security companies as well as on the shareholding of the mining companies.

pick-up belonging to the *Sociedade Mineira do Cuango*, managed by the British-based ITM-Mining.

On 11 November 2006, a group of 15 K&P Mineira guards ambushed, at night, 10 illegal miners in the village of Kelengue, and drove them to the Luminas headquarters. "Once inside the company's compound, the guards hit each one of us 16 times with a shovel on the buttocks", said Mr Artur Neves, 31. They spent a night in illegal detention in the compound, tied to one another and sleeping in the open. The project is managed by the powerful Lev Leviev Group, one of the main shareholders of Luminas.

A Teleservice car patrol stopped Mr Fernando António, 29, who was simply walking on a public road, on 10 October 2006, and asked him if he was an illegal diamond miner. He said no. "They replied that all Tchokwe people are *garimpeiros*⁴", explained Mr. António. The Lunda-Tchokwe people, it must be remembered, are the majority ethnic group in the area. The security men were working on the assumption that to be indigenous to this area meant being a potential criminal. Mr António continued: "They forced me to take off my shirt so they could tie my hands, and upon resisting, whipped me all over the body, for quite a while, until my wife came and begged for my release."

The provincial government of Lunda-Norte met the mining companies in July 2005⁵ to demand that they let people circulate freely on the public roads or to build alternative ones of equal or superior quality. The provincial authority warned of the tensions created by the security forces, on behalf of the mining companies, for impeding people to move freely in public areas.

Mr. António's case demonstrates that the foreign mining companies are above the local authorities and act at their own discretion. Why?

In the case of *Sociedade Mineira do Cuango*, a group of six top generals⁶, through a company Lumanhe, has 15% of the shares, Endiama holds 35% and ITM-Mining controls 50% and runs the joint-venture. The same generals and a few others are also the owners of Teleservice which provides security to the project. In normal circumstances it would have been a conflict of interests, but in Angola such an expression is forbidden in the language of power.

How the generals do came to be in control of the industry? The answer is to be found in the way the government managed the long civil war. One of the incentives for the generals to continue the war, while the civilian government officials were busy depleting the state coffers for personal enrichment, was to let the generals have the diamond areas as the spoils of war.

⁴ Artisanal miners

⁵ Boletim Informativo da Endiama, n°01, Dezembro de 2005

⁶ www.cuango.net see *Sociedade Mineira do Cuango*.

Much of the anarchy of the past years, in which scores of generals had equipment and personal groups of *garimpeiros* dredging for diamonds along the Cuango River, has come under the control of the private security companies. Essentially, only the top generals, as shareholders of such private outfits and mining companies, can now claim the authority and the rights to enjoy the rewards from the war.

For a moment, I shall address the events that mediates the publication, last July, of the human rights report on Cuango – “Operation Kissonde: The Diamonds of Misery and Humiliation” and the most recent abuses.

The Angolan state-owned diamond company Endiama, which is a shareholder in all three abovementioned mining projects, repudiated all acts of violence against the people. It reiterated its commitment to work with the mining and security companies, as well as with local authorities to verify the accusations and prevent such acts of happening again⁷. Moreover, the company stressed its efforts, as well as those of its partners, to reduce poverty in the area, and elaborated on the institutional undertakings for legal reforms. In the same statement, Endiama refuted the accusations of neo-colonialist practices in the diamond industry and the existence of blood diamonds in Angola.

The Attorney-General of the Republic, General August Carneiro, assured me, on 5 September 2006, that he would personally visit the region on a fact-finding mission to do his part. Indeed, he kept his word and, as far as I am concerned, took some institutional measures on the ground.

I printed 5,000 copies of an abridged version of the report, in a tabloid format, for dissemination in Cuango, in diamond producing areas and in the capital Luanda. One of the aims of this activity was to help as well dispel the inherited colonial prejudice that the Lunda-Tchokwe are lazy and backward people.

The article 20 n^o1 of the Diamond Law (n^o16/94) prohibits in the restricted and protected areas, and the whole region of Cuango is both, “any sort of economic activity, whatever its nature, be it industrial, commercial, agriculture or other.”

As an exception, in the reserve areas, one requires an express authorization by the provincial governor (art^o 13 n^o1 of the Diamond Law) and it conditionally applies to farming and cattle rearing as well. The law makes an exception for the local population to farm and to rear cattle (art^o 14 n^o2) but gives authority (art^o 8 n^o1) to the governor to prohibit the circulation of people and their residence and (art^o11) to prohibit or limit the circulation of goods as well. The same law (art^o 15 n^o1) empowers the governor to limit or prohibit any economic activity

⁷ <http://www.reports-and-materials.org/ENDIAMA-response-re-alleged-abuses-by-security-firms-Angola-19-Sep-2006.doc>

In principle, this is the modern law, a democratic one. Before, locals were not even allowed to dig for toilets, unless duly authorized and monitored by the state security apparatus, and the area was sealed off, until 1990, to the rest of Angolans, who could only travel to the region with a special state security permit. Prior to independence in 1975, the Lundas also had a very harsh and special regime to protect the colonial extraction of diamonds. Today the people's tragedy is their own government treats them far worse, and one could never have imagined the liberation movement driving its own people into a sort of feudal system. How on earth can people work if there are no jobs for them and they are permanently hindered to self-employ themselves? One of the most daunting observations one can make in the bustling village of Cafunfo, as the most populated area of Cuango and the diamond trading hub in the region, are the signs in the improvised shops: "Comércio Precário [precarious trade]."

On December 21 2006, I met the Minister of Justice, Mr. Manuel Aragão, to follow up on the Lundas, and I have been referred to other institutions of the government to continue addressing the issue.

Who is in charge?

The situation in the Lundas poses two immediate questions. Who is in charge and who has the power to give an order to stop the abuses? How can the companies claim any good deeds in the region, when they do not engage in dialogue with the affected communities and ignore the provincial government's pleas to behave? Is this a case of effective privatization of the State in the region?

For instance, on 14 August 14 2003, the Prime-Minister, Mr Fernando Dias dos Santos, and the President of the Republic, Mr José Eduardo dos Santos, issued Executive Order 86/03 regulating the activity of the Diamond Security Corps (CSD).

This body, under the direct control of the head of the Intelligence Services (SINFO), has the task to "draft, control and execute the operations to fight *garimpo*, the illegal trade of diamonds and any other connected illegal activities that threaten the stability of the diamond sector (Chapter 1, art^o1 of Decree 86/03). Furthermore, the CSD also has the duty to take part and oversee the security operations undertaken by the mining companies (art^o4 I).

Yet, the private security companies, on behalf, of the mining companies have taken over, altogether, the duties of the National Police and of the CSD. That's why the Lundas are a landmark of lawlessness in the country.

Fellow Students,
Ladies and Gentlemen,

I would like to share with you two more cases that are part of the Report "Operation Kissonde: The Diamonds of Misery and Humiliation." This document contains 100 cases of multiple human rights abuses, one of which involved the torture of more than 70 miners in a single operation.

On the nightfall of 31 March 2006, I found Jack Cuiulula, 32, rotting away with a sepsis in the lower stomach and pelvic area, in a mat, outside his hut. A dog had bit Mr. Cuiulula in the buttocks when he was caught mining for diamonds in Cafunfo, province of Lunda-Norte, on 26 February 2006.

The guards of a private security company Teleservice, who unleashed the dog, undressed the miner and hit him 15 times in the buttocks with the handle of a shovel. As a further punishment, the victim was forced into domestic labour of fetching water and other duties in their observation post before being freed.

He could not get medical care. I took him to the local hospital, where I had to provide a short-lived assistance in medicine and water for his treatment. The hospital did not even have water for the patients' personal hygiene. I reported the case to the police, who visited him, took pictures and recorded his statement. Ten days later, I went back to the police to lodge a criminal case against the company. But the case, certainly will not reach the courts of law, and Mr Cuiulula is gone.

On March 15, 2006, Alfa-5 guards rounded up 27 *garimpeiros*, in Cuango, forced them to undress and bit them in the buttocks with a shovel. One of the guards clubbed Alexandre Quianga, 35, in his right arm and broke his bones. He told me how the bodies of Luciano Joaquim, Adriano Ngamatxituba and Sozinho Walinhengue, who were among the group of tortured *garimpeiros*, were later discovered with stab wounds and machete blows.

Garimpeiros have been contributing more to the profits of a number of diamond enterprises than many industrial projects. Paradoxically, the fortune they seek is often illusory. Disgrace and tragedy is what befalls many of them.

The government allows two companies to buy from *garimpeiros* and, in a contradictory policy, to foster a practice it is so adamant to combat with extreme violence. Ascorp, co-owned by Mr Lev Leviev, and Sodiam/Lazare Kaplan International, a joint venture between Endiama and Mr Maurice Tempelsman's company, have outposts throughout the region to make deals with *garimpeiros*. These companies are protected by the ruthless K&P Mineira, whose shareholders are the top brass of the National Police, including the head of the police in Lunda-Norte, Sub-Commissar Elias Livulo. In short, K&P Mineira protects business with the very same people whom it tortures and abuses on a daily basis. The same applies to the Lev Leviev Group and Endiama, who also have dual roles as mining companies (both are partners in Luminas) and *garimpeiros'* exclusive dealers (both are shareholders of Ascorp). As I

mentioned, the term conflict of interests does not apply as well to the ethics of doing business in Angola.

More importantly, Ascorp and Sodiam/LKI exploit the *garimpeiros* at will, for they practice fixed prices, and do not record the transactions on the ground to protect the interests of the sellers as well. There have been many cases of buyers refusing to pay a price and conniving with the security forces to extort the diamonds from the *garimpeiros* for a service fee.

A Job

The increasing awareness among the local populations and the exposure of the abuses as earned some counter-measures. For instance, my closest collaborator has been offered a job to head a youth, culture and sports department of the local administration and to take another position within the ranks of the local ruling MPLA structures. In exchange, he has to stop playing the role of a human rights activist and to discourage the youth to be inspired by the cause.

But, as I learnt from the call I mentioned earlier, this failed co-option attempt was in tandem with a plan by the local administration to tighten its grip on the local population.

Hence, a kind of militia (known as *fiscais*), under the direct control of the Cuango administration, has stepped up, in recent days, its pressure against the population to disrupt informal trading, to raid goods and money, through coercion and violence.

In Cuango, there are only a handful of jobs in the diamond companies for more than 140,000 locals and there are no prospects for job creation any time soon. However, instead of engaging in a serious and constructive dialogue to end the abuses, which would be beneficial to their own image and to improve their relationship with the population, the local authorities, who also run the MPLA structures, prefer to cover up the reality.

Should one, after this brief explanation, say that the extraction of diamonds in Angola is OK? What the Kimberley Process, which was designed to drive blood diamonds out of the market, is doing is to rinse the blood from the gems, extracted in the Lundas, and certify them as clean.

Diamonds are beautiful, glittering objects, symbols of love and enduring commitment. For the people of the Lundas, they are a curse that is decimating their region.

There is one challenge for the mining companies, Sodiam/LKI, Ascorp and the central government. Please, do not listen to reports, do not be bothered by the bad publicity Leonardo Di Caprio and pals bring to the trade. Go to Cuango and

listen from the local populations about violence and their further impoverishment. Then, you will realize that the movie "Blood Diamond" is just pure entertainment. The reality is too painful to bear.

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