Can a book be both inspiring and disappointing? The Real Politics of the Horn of Africa might just fall into this rare category. Alex de Waal’s book is theoretically original and empirically rich, but it also reductionist and, in the case of Ethiopia, biased. The book makes sense of the Horn of Africa’s complex contemporary politics through the prism of three elements. Firstly, de Waal proposes an innovative theory centering on the ‘political marketplace’. This theory grasps the causal interactions between violence, political finance and big men politics in East Africa and elsewhere. The ‘political marketplace’ framework is arguably the book’s most important contribution and it speaks to political scientists and policy analysts. Secondly, as the title suggests, the book sets out to explain the Horn of Africa’s ‘real politics’, i.e. the actors, interests, practices and dynamics that dominate political life. In chapters devoted to Darfur, Sudan, South Sudan, Somalia, Somaliland, Eritrea, and Ethiopia, leaving only Djibouti out from the region. These detailed but concise accounts to area studies students and specialists who want to know more about the ins and outs of elite politics in the Horn of Africa. De Waal writes eloquently and with great wit, offering the reader many insights. Thirdly, The Real Politics of the Horn of Africa captures three decades of research and policy involvement in the Horn of Africa by the author. De Waal is among the few intellectuals who regularly leave the ivory tower to undertake human rights advocacy and policy work. Both the potentials and pitfalls of his involvement in policy and political issues are on full display in his book. On the one hand, De Waal’s observations of peace negotiations and other politics in the region produce some of the book’s most memorable insights. On the other hand, his very personal approach to politics in the region at times clouds his judgment and analytical distance. This shortcoming is particularly evident in his book. On the one hand, De Waal’s ‘political marketplace’ is the real ‘political marketplace’. This theory grasps the causal interactions between violence, political finance and big men politics in East Africa and elsewhere. The ‘political marketplace’ framework is arguably the book’s most important contribution and it speaks to political scientists and policy analysts. Secondly, as the title suggests, the book sets out to explain the Horn of Africa’s ‘real politics’, i.e. the actors, interests, practices and dynamics that dominate political life. In chapters devoted to Darfur, Sudan, South Sudan, Somalia, Somaliland, Eritrea, and Ethiopia, leaving only Djibouti out from the region. These detailed but concise accounts to area studies students and specialists who want to know more about the ins and outs of elite politics in the Horn of Africa. De Waal writes eloquently and with great wit, offering the reader many insights. Thirdly, The Real Politics of the Horn of Africa captures three decades of research and policy involvement in the Horn of Africa by the author. De Waal is among the few intellectuals who regularly leave the ivory tower to undertake human rights advocacy and policy work. Both the potentials and pitfalls of his involvement in policy and political issues are on full display in his book. On the one hand, De Waal’s observations of peace negotiations and other politics in the region produce some of the book’s most memorable insights. On the other hand, his very personal approach to politics in the region at times clouds his judgment and analytical distance. This shortcoming is particularly evident in the Ethiopia chapter, in which the author turns into the uncritical mouthpiece of the late Prime Minister Meles Zenawi to whose memory this book is dedicated.

Political Marketplace

The book begins with an introduction to the ‘political marketplace’, which the author describes as a ‘contemporary system of governance in which politics is conducted as the exchange of political services or loyalty for payment or license to trade’. It’s the first to use this concept, de Waal does a fine job in theorizing the ‘political marketplace’ and connecting it to his field observations. Contrary to classic Western models that assume that national rulers control violence while intermediate elites control resources (and thus negotiate protection in return for payments), in a ‘political marketplace’ scenario national rulers control the financial market while intermediate elites control violence. So what does a political marketplace consist of? A political marketplace consists of an arena, rules and information (p. 197). More specifically, it is determined by four variables. The first is political finance, consisting of political budgets required to rent the loyalty of other politicians. These political budgets are often mobilized by primary accumulation including ‘thief and extortion, or selling licences for robbery’ (p. 23). They are spent with little or no accountability. Political entrepreneurs need different types of funds, namely personal security, political budget and public goods. The volume of political finance and budgets is determined by the ‘price of loyalty’ (p. 25) in a given marketplace. Market forces regulate how politicians’ allegiance costs, forcing entrepreneurs to secure a constant cash flow for payoffs. Political CEOs have an interest to ‘control the market’ (p. 25) in order to lower the price of loyalty. They do so by using ‘intimidation, divide-and-rule, and invoking popular solidarities by appeals to ethnicity, nationalism or religion’ (p. 25).

The second variable concerns the control over violence and whether that control is more centralized or more decentralized. In most marketplaces, sub-national military leaders, rebel commanders or tribal chiefs have the option of ‘threatening or staging a rent-seeking rebellion’ (p. 26). National political entrepreneurs face the challenge of managing and appeasing these sub-national threats through extortionist manoeuvres without going bankrupt themselves. The third variable concerns the ‘rules, norms and mechanisms that regulate bargaining and dispute resolution’ (p. 26) in the marketplace. More or less formal regulations, better or worse information and communication, and greater or lesser congruence between elite bargains and the broader public explain why marketplaces vary. In the Horn of Africa, so runs de Waal’s argument, the ‘political circuitry’ (p. 27) remains inaccessible to the public. The fourth and last variable concerns ‘the conditions of integration into the global marketplace’ (p. 28). Marketplace managers negotiate both revenue and spending with their financiers and clients. Whether financiers are domestic or foreign and whether they act in unison or in competition has a major impact on the marketplace’s main currency, i.e. the ‘price of loyalty’. In contemporary marketplaces, these four variables produce ‘variant political systems’ (p. 29). Yet in the Horn of Africa the ‘militarized rentier political marketplace’ (p. 31 and elsewhere) represents the predominant model, de Waal suggests.

De Waal’s theory highlights the role of political entrepreneurs (or ‘political-business managers’ or ‘national political CEOs’) that dominate the marketplace. Political entrepreneurs seek to increase revenue and to limit costs. They finance their activities ‘through debt, equity, revenue from operations, or rent’ (p. 21). ‘Political rents’ are of particular importance, deriving from ‘owning land or natural resources, from the privilege of being able to assert sovereignty, from external patronage, and from using or threatening violence’ (p. 21). Like any marketplace, the political marketplace rejoins buyers and sellers as market operators sell their loyalties to higher and lower level traders.

Political marketplace theory reflects a decidedly materialist and utilitarian conception of politics. An anthropologist by training, de Waal highlights the need to ‘focus on the material factors that drive change’ (p. 33). The author recognizes the merits of, but ultimately distances himself from, the literature on neo-patrimonialism, which he criticizes for being overly culturalist. In reality, de Waal’s political marketplace contains many ideas that are central to neo-patrimonialism. This is particularly true of the role of patronage, which ties patrons (entrepreneurs) and clients (buyers/sellers) into reciprocal relationships.

Political marketplaces reflect historically evolving state-society relations. They signify a shift from a colonial and post-colonial era of state building that was accompanied by a public sphere to a more post-modern era of competitive and commodified politics, which produce public circuitry, but not a public sphere (p. 197). De Waal draws our attention to the structural changes of university education, the telecommunication revolution and the internationalization of local and national elites in the past decades. In combination these three trends changed information flows and multiplied interconnections, making it much easier for ‘lower-level political entrepreneurs’ (p. 199) to enter the political marketplace – to the detriment of national politics.

Two critiques can be levied against de Waal’s ‘political marketplace’. First, his theory is overly materialist. It reduces politics to financial transactions and violent cost-benefit calculations, leaving no room for ideology, identity – whether in the form of nationalism or ethnicity – or religion. The ‘political marketplace’ framework remains largely silent on the Horn of Africa’s long history of ethno-national and class conflict. Ignoring the role of political ideas in the Horn of Africa appears shortsighted, given the prominence and continued relevance of Marxist-Leninist revolutionary practice in Ethiopia and Eritrea as well as the importance of political Islam in Sudan and Somalia. This, the ‘political marketplace’ framework provides important insights into the rationality of actors in contexts that are both strongly commoditized and violent. But like Collier and Hoeffler’s ‘greed and grievance’ model, it runs the risk of becoming yet another paradigm reducing African politics to mere materialism devoid of political vision or ethics.

The second critique concerns the question as to whether political marketplaces are specific to or simply particularly prominent in the Horn of Africa. The author is ambivalent on this point. On the one hand, he states that the ‘political entrepreneurs and ‘rents of monetized politics’ (p. 4) are not unique to the Horn of Africa. On the other hand, he sees the region’s political markets as particularly “advanced” (p. 4) and “integrated horizontally (across borders) and vertically (with foreign sponsors)” (p. 51). He argues that a ‘new rentierism’ emerged in the Horn of Africa after 2000. This rentierism has been driven by a commodities boom, illicit finance, aid rents, counter-terrorism rents and the ‘new peacekeeping’ by African troop contributing countries. De Waal criticizes, in particular, the African Union for succumbing ‘to the relentless political-commercial logic of the rentier marketplace’ by becoming a ‘subcontractor in the market of providing international security’ (p. 192) in the region. While this observation certainly holds true, the Horn of Africa is by far not the only region in the world where politics and violence are monetized and where local actors do the bidding of external actors. In many ways the US remains the archetype of a thoroughly monetized political marketplace that has a long history of urban ‘machine politics’ in which political bosses bought and traded loyalty using patronage and corruption. *There is thus no reason to assume that countries in the Horn of Africa evolve on the basis of a marketplace trajectory while others do not.*

Real Politics in the Horn of Africa

The bulk of the book consists of country cases in which the author seeks to illustrate his argument. The chapter on Darfur as ‘perhaps the most efficient political-entrepreneurship model’ (p. 52) whose war increasingly followed ‘the logic of a rent-seeking rebellion’ (p. 57) after 2003, inviting new patrons and increased cash payments to local militias.
and political leaders. Arab and non-Arab faction leaders started to bid their loyalty to Khartoum, respectively to Chad, Eritrea, Uganda and South Sudan. The Sudanese government’s main mistake was essentially functioning as ‘a security pact aimed at regulating (and reducing) the price of loyalty’ (p. 62). The crucial insight from this chapter is that in a violent marketplace fuelled by external rents, political entrepreneurs pursue lucrative ‘works of wonder and deceit’ (p. 124) remained constant. The Union of Islamic Courts (UIC), which appeared in the early 2000s, was an exceptional attempt to regulate Mogadishu’s violent marketplace on the basis of Islamic principles. Yet militant Islamic groups like al-Shabaab or al-Qaeda are not immune to the prevailing logic of buying and selling loyalties. International state builders had little success in attempting to ‘re-establish a government based on external rents’ (p. 110) in Somalia. De Waal postulates three important factors of the current Somali Federal Government as a ‘hybrid of protectorate and native administration’ resulting from ‘an internationally sponsored plan for a vertically integrated cartel to manage the Somali political marketplace’ (p. 124). The Somaliland chapter draws on the existing literature and an unpublished report by another researcher. At the beginning of the Horn of Africa’s ‘rentier state with little political finance’ according to the author, to democracy. Meles as a vigorous and theoretically versed intellectual who did his best to steer Ethiopia towards development and, of course, his political survival and the need to combat ‘rent-seeking’ as well as EPRDF’s own political marketplace framework. De Waal makes no attempt to apply his analysis to other Horn of Africa’s countries, which Meles propagated to Ethiopia to ‘well-regulated political marketplace’ (p. 131). His analysis concentrates on what is arguably the first and most important phase of Somaliland’s state formation between ca. 1991 to 1995. Among the findings attributed to Somaliland’s unique state building history are the little and diversified political budget that was in play, the authorities’ reliance on domestic support in the absence of international borders, revenues and rents, local warlords’ and army affiliated enterprises. The chapter on Eritrea offers a chronological account from the Eritrean People’s Liberation Front’s (EPLF) armed struggle to the post-independence dictatorship of President Isaias Afwerki. Eritrea never published a budget as the country’s finances are secret, but Meles was accompanied by the ruling People’s Front for Democracy and Justice (PFDJ), which runs an ‘opaque, offshore and largely illicit financial system’ (p. 148). After renewed war with Ethiopia (1998-2000), Isaias’ main preoccupations have been his political survival and the threat of military defeat by his former ally. Further militarization of Eritrean society and state was the consequence, with military spending reaching some 45% of GDP in the early 2000s. To avoid a coup, the president separated the army (in charge of security) from the party (in charge of business), with the latter illicitly financing the former. Eritrea positioned itself as a ‘regional power’ (p. 149) and could not discourage the provoking international condemnation, but generating a certain political budget. Eritrean generals became involved in trafficking, smuggling and extorting bribes from young men fleeing conscription. For a long time Eritrea’s political marketplace ran almost without cash. With the recent (2001) discovery and export of gold and copper, it might evolve into a more ‘conventional rentier system’ (p. 153). Ethiopia: Exceptional or Exceptionally Misunderstood? The Ethiopia chapter differs from the rest of book both in tone and substance. De Waal makes extensive use of his multiple discussions with the late Prime Minister Meles Zenawi to describe the ruling Ethiopian People’s Revolutionary Democratic Front’s (EPRDF) philosophy, in particular its ‘democratic developmental state’ doctrine (pp. 163-172). De Waal presents Meles as a vigorous and theoretically involved intellectual who did his best to steer Ethiopia towards development and, according to the author, to democracy. Some of the insights into the EPRDF’s impact on the development of the country would be helpful for anyone interested in the survival of the EPRDF one-party state and whose real political mechanisms need to be properly analyzed, something this book doesn’t do. Strong Book Despite Deficits The strengths of Real Politics in the Horn of Africa’s are considerable, but so are its weaknesses. On the positive side, de Waal impresses the reader with his wide reading base and his knowledge of the region, his ability to generalize and theorize and his many critical insights into the nature of elite politics, recurring ‘rent-seeking rebellions’, the hidden mechanisms of bashing against ‘rent-seekers’, which Meles propagated to discredit his political opposition, sounds hypocritical in light of Ethiopia’s real economy and the dominant role of government friendly companies. Third, de Waal marks Ethiopia’s own political marketplace framework to Ethiopia. He doesn’t mention the gradual commodification of political loyalties in Ethiopia, for instance the fact that hundreds of thousands of civil servants became party members in order to advance their careers, or the privatization of violence, for example the outsourcing of counter-insurgency in Ethiopia’s Somali regional state to the lfyu or special police. In sum, simply because Meles didn’t mean he didn’t also run a tight political marketplace whose main aim is the survival of the EPRDF one-party state and whose real political mechanisms need to be properly analyzed, something this book doesn’t do. Strong Book Despite Deficits The strengths of Real Politics in the Horn of Africa’s are considerable, but so are its weaknesses. On the positive side, de Waal impresses the reader with his wide reading base and his knowledge of the region, his ability to generalize and theorize and his many critical insights into the nature of elite politics, recurring ‘rent-seeking rebellions’, the hidden mechanisms of bashing against ‘rent-seekers’, which Meles propagated to discredit his political opposition, sounds hypocritical in light of Ethiopia’s real economy and the dominant role of government friendly companies. Third, de Waal marks Ethiopia’s own political marketplace framework to Ethiopia. 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marketplace framework remain in doubt. De Waal provides convincing arguments as to why Darfur, Sudan and Somalia fit or fitted the bill of a militarized political marketplace fuelled by rents. But South Sudan, Somaliland, Ethiopia and Eritrea do not fulfill, or do so only partly, the author’s definition of a political marketplace. If every African country is a political marketplace, then the concept clearly runs the risk of analytical dilution. The author’s tendency to highlight only these political dynamics that fit with his framework undermine what is otherwise a theoretically productive theory. A more rigorous effort at comparative political analysis is thus required to determine if, how and under which circumstances political loyalties are monetized and traded in the Horn of Africa.

In conclusion, the book offers valuable lessons and advice for its readers. If you are a ruler – or as the author would put it, a political marketplace operator – make sure not to underestimate the price of loyalty of your competitors and subordinates. Diplomats and development officials are reminded to act with care when providing security and aid rents that inflate political budgets and undermine state building in the region. Mediators are advised not to fall into the trap of giving credence to or prolonging peace talks that serve the sole objective of maximizing participants’ personal benefits. Pessimists will be vindicated when de Waal writes that the proliferation of political marketplaces has led to a situation in which ‘the politics of ideas (…) will not return’ (p. 209). Optimists, this reviewer included, hope that he is wrong.

Notes
1. First presented in the lecture ‘Fixing the Political Marketplace: How can we make peace without functioning state institutions?’ given at the Chr. Michelsen Institute in Bergen, Norway, on 15 October 2009.