The Commodification of African Politics1

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The Real Politics of the Horn of Africa: Money, War and the Business of Power

by Alex de Waal

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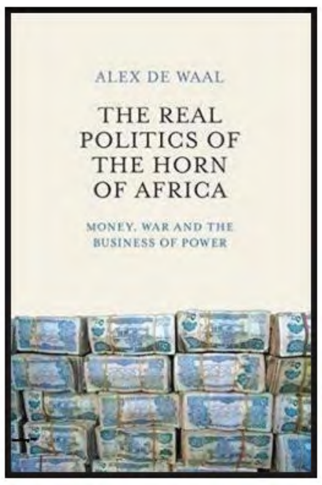
Can a book be both inspiring *and* disappointing? *The Real Politics of the Horn of Africa* might just fall into this rare category. Alex de Waal's book is theoretically original and empirically rich, but it is also reductionist and, in the case of Ethiopia, biased. The book makes sense of the Horn of Africa's complex contemporary politics through the prism of three elements. *Firstly*, de Waal proposes an innovative theory centred on the idea of the 'political marketplace'. This theory grasps the causal interactions between violence, political finance and big man politics in East Africa and elsewhere. The 'political marketplace' framework is arguably the book's most important contribution[1] 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. Individual chapters are devoted to Darfur, Sudan, South Sudan, Somalia, Somaliland, Eritrea, and Ethiopia, leaving only Djibouti out from the region. These detailed empirical chapters are of interest 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 political processes 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 licence' (p. 16). Although not the first to use this concept[2], de Waal does a fine job in theorizing the 'political marketplace' and connecting it to his field observations. Contrary to classic Western state building 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 finances (resources) while intermediate elites control violence.[3] 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 'theft 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 much a politician's 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 and 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 real 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 combination, 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 for 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 levelled 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 doctrine and political practice in Ethiopia and Eritrea as well as the importance of political Islam in Sudan and Somalia.[4] This said, the 'political marketplace' framework provides important insights into the rationality of political entrepreneurs in contexts that are both strongly commoditized and violent. But like Collier and Hoeffler's 'greed and grievance' model,[5] 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 budget' and 'patterns 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 commodified 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.[6] 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* highlights how historically marginalized Western Sudan evolved into a complex regionalized conflict with global reverberations. De Waal describes Darfur as 'perhaps the most efficient auction-room of loyalties in Africa' (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 to repeatedly underestimate the cost of 'African' and 'Arab' Darfurians' loyalty, thereby provoking insurgency. De Waal emphasizes that the different Darfur peace agreements were less the result of negotiation or power-sharing, but essentially functioned 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 negotiations not to end war, but to 'position themselves better for the next round of fighting' (p. 67).

De Waal expounds *Sudanese* politics in the context of the government's fluctuating political budgets and its longstanding policy of marginalizing and repressing the peripheries. Sudanese budgets are 'works of wonder and sorcery' (p. 70) that correlate with state leaders' ability to make peace with or co-opt armed insurgents in times of expanding budgets. Sudan's political budget experienced ups and downs in the past 40 years. It increased dramatically during the 1970s due to international borrowing and was then reduced by austerity measures from the mid- to late 1980s. The political budget stabilized during the 1990s when the Muslim Brotherhood and president Bashir formed a 'cartel with distributed responsibilities' (p. 78). While the former provided finances, the latter provided security. The start of oil exploration in 1999 refuelled government coffers, creating a 'rentier political marketplace funded by oil' (p. 82) that lasted until South Sudan's separation in 2011. The oil boom made the 2005 Comprehensive Peace Agreement (CPA) between the ruling National Congress Party (NCP) and the opposition Sudan People's Liberation Army/Movement (SPLA/M) possible, functioning as a 'rent allocation formula' (p. 84) between the two. An exception and limit to Sudan's marketplace logic are ethno-political movements with strong territorial roots, for instance the SPLA/M's Nuba branch in South Kordofan.

South Sudan's political marketplace morphed into a 'remarkably pure example of a rentier militarized political marketplace' (p. 96) between the conclusion of the CPA in 2005 and renewed civil strife after 2013. De Waal contends that ethnic tensions between the Dinka and the Nuer were not the prime reason for South Sudan's renewed disintegration. Instead he blames internal conflict within the SPLA/M – some of whose constituencies were betting on renewed war with Sudan – dwindling oil rents and president Salva Kiir Mayardit's bungled tactics. In the absence of political cohesion among Southern Sudanese factions, the SPLA/M constantly had to outbid Sudan from 'buying' or 'renting' southern military commanders. Salva's business plan of 'massive purchase of loyalty using oil money' (p. 91) allowed to conceal internal differences in the run-up to independence in July 2011. It inflated military payrolls and encouraged large-scale fraud and corruption. After South Sudan's independence, old rifts emerged within the military-political elite. Once oil production stopped and decreased, political loyalty could no longer be secured financially on the marketplace, hence the return to civil war. In an attempt to signal that not all is bleak in the world's youngest nation, de Waal concludes this chapter with a note on the personal integrity of some South Sudanese judges.

Somalia's political history since the end of the 1980s is portrayed as a futile struggle by Somali and foreign politicians to regulate a 'violent political marketplace' (p. 128). Siyad Barre's downfall was aided by a mismatch between his political budget and increasing prices of loyalty as the regime lost control over Somalia's informal economy. After state collapse in 1991, 'political-military entrepreneurs' who finance 'their operations through a combination of looting and extortion, foreign patronage and political credit' (p. 117) dominated. Somalia's political dynamics have changed considerably since the early 1990s. But a 'high price of loyalty, short time horizons, pervasive rent-seeking and tactical use of violence' (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 pointedly characterizes 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 core of this chapter is the question why the breakaway Republic managed to build a comparatively peaceful and democratic nation-state? De Waal provides only a partial explanation for Somaliland's trajectory from civil war 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 factors that contributed 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 recognition or rents, livestock and other traders' interest in keeping the Berbera corridor peaceful, and the inclusive nature of the peace conferences of the early 1990s. Other factors include president Egal's ability to further a state monopoly of violence by disarming the veterans of the Somali National Movement (SNM) and pushing back armed challengers. As a result, Somaliland emerged as a non-rentier state with little political finance and opportunities for rent-seeking rebels. While this point is worth underlining, the book provides no information on the evolution of Somaliland's political marketplace in the past two decades, which was accompanied by a commodification of political loyalties.[7]

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 Afewerki. Eritrea never published a budget as the country's finances are secretly managed by the ruling Popular 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 20 percent 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 insurgent' (p. 149) and troublemaker, 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 Peoples' 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 versed 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 convoluted tracts on the developmental state and the need to combat 'rent-seeking' or internal policy discourse are interesting. But most of the chapter is a whitewash of Ethiopia's ruling party that is painful to read for anyone familiar with Ethiopian politics. While de Waal was close to Meles – arguably the most influential shaper of post-1991 Ethiopia – he evidently lacks familiarity with the real politics of Ethiopia. A complete list of the omissions, contradictions and apologetic passages in this chapter is beyond the scope of this book review. Three of the author's gravest misinterpretations deserve mentioning.

First, EPRDF's changing policy discourse is self-serving and strategic as much as it is guided by principles. A more complete analysis of Ethiopian political developments after 1991 highlights this point. After toppling the Derg in 1991, Meles promised Ethiopians 'democracy', later 'democratization', and once it become obvious that voters wanted to get rid of the EPRDF at the ballot box in 2005, he then – and only then – started propagating the 'developmental state'. While de Waal elevates the developmental state to theoretical heights, he ignores that it provides a political justification for the continuation of a repressive one-party state in the absence of democratization, EPRDF's original promise. As another author pointed out, de Waal clearly is more enamoured with Meles' 'theory' than his 'practice'.[8] *Second*, de Waal highlights Meles' commitment against 'rent-seeking' as well as EPRDF's attempts to capture resources and rents in order to make them productive for the common Ethiopian good. De Waal wrongly suggests that high-ranking EPRDF cadres and military commanders did not benefit economically from their positions. A good part of the Ethiopian economy is dominated by a cartel of firms that either belong to pro-government Saudi-Ethiopian business tycoon Sheikh Mohammed Hussein Al-Amoudi or to party, state and army affiliated enterprises. The anti-capitalist 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 makes no attempt to apply his 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 *liyu* or special police. In sum, simply because Meles had intellect doesn'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 writing style, 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 rationales of peace bargaining or the transformation of intellectual life in the region. In many ways De Waal's materialist interpretation provides a welcome alternative to identity-based explanations of politics and conflict in the Horn of Africa. On the negative side, de Waal clearly is stronger in theorizing than in applying his theory. In the case of the Horn of Africa, both the scope and empirical applicability of the political 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.
2. See for example A. Bonica, 2013, 'Ideology and Interests in the Political Marketplace', *American Journal of Political Science*, 57(2), 294–311.
3. De Waal mischaracterizes classic state formation theories, which are more subtle on the relation between those who hold capital and those who provide coercion; see H. Spruyt, 2011, 'War, Trade, and State Formation', in R. E. Goodin, ed., *Oxford Handbook of Political Science*, Oxford: Oxford University Press: 568–592.
4. Alex de Waal, ed., 2004, *Islamism and its Enemies in the Horn of Africa*, London: Hurst & Company; and W. Reno, 2011, *Warfare in Independent Africa*, Cambridge: Cambridge University Press.
5. P. Collier and A. Hoeffler, 2004, 'Greed and Grievance in Civil War', *Oxford Economic Papers*, 56(4): 563–595.
6. J. C. Scott, 1969, 'Corruption, Machine Politics, and Political Change', *American Political Science* Review, 63(4): 1142–1158.
7. A. Verjee et al., 2015, *The Economics of Elections in Somaliland: The Financing of Political Parties and Candidates*, London & Nairobi: Rift Valley Institute.
8. R. Lefort, 2013, 'The Theory and Practice of Meles Zenawi: A Response to Alex de Waal', *African Affairs*,112 (448): 460–470.