

Towards Stability in Côte d'Ivoire?

AFRICA BRIEFING

Seminar Report

Egmont Palace, Brussels – 4th July 2007

State of the Peace Process – Dr. Karel Arnaut¹

The Ouagadougou Peace Agreement

The Ouagadougou Peace Agreement signed on the 4th March 2007 rather changed the political landscape in Côte d'Ivoire than it redirected the existing peace process. Before the signing of the agreement the political landscape saw two warring parties i.e. President Gbagbo's FPI (Front Populaire Ivoirien) and pro-government militias such as Charles Blé Goudé's Alliance des Jeunes Patriotes on the one hand and Guillaume Soro's Forces Nouvelles on the other hand, being taken along the road to peace by two other parties, i.e. the RDR (Rassemblement des Républicains) of Alassane Ouattara and the PDCI (Parti Démocratique de Côte d'Ivoire) of Bédié, in concord with the international community. The March peace accord reversed this situation in the sense that the former warmongers have taken up the role of peace bringers. Contrariwise, the two parties (RDR and

PDCI) who so far positioned themselves as the partners in the national and international peace effort, have seen the peace initiative taken away from them and are now even under threat of being seen as 'spoilers' in the sense that their critical remarks on the peace agreement and its implementation are easily rejected by the peace-bringing coalition of 'patriots' and 'rebels' as attempts to obstruct the newly found peace dynamic.

One very critical factor in the forthcoming transformation of the political landscape is the political allegiance of Blé Goudé and his supporters in relation to the FPI of which certain prominent members do not at all endorse Goudé's political ambitions. Another 'loose particle' who can mobilize a sizeable Ivorian electorate is Guillaume Soro whose constituency seems to overlap largely with that of the RDR, but so far Soro seems to keep all options open.

The current peace process has as its pinnacle the long overdue presidential elections (now foreseen for Spring 2008), and rests on two central pillars: the identification and the disarmament process. With respect to the first pillar, it seems that some progress has been made and things are heading in the right direction. With respect to the DDR process, it is observed that the money that the militias receive in exchange for their weapons ends up in the hands of the leaders who rather keep the money for themselves than distributing it among their fellow militia members. In several cases both in Abidjan and in Western Côte d'Ivoire this has led to break-away movements in which new leaders stand up who claim DDR money for

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This does not in any way express the views of EGMONT, nor the institutions to which the speakers belong.

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themselves and their underprivileged militiamen. The end of this vicious circle is not in sight and such dynamics at least suggests that the Ivorian DDR process will be a lengthy and certainly a very costly one.

Dr. Arnaut sees three problems posing a serious threat to the ongoing peace process:

- the uncontrolled behavior and hidden agendas of the defense and security forces remain a source of political and economic instability and prevent the advent of a more just and inclusive society;
- the quality and infrastructure of the education has been going down for about a decade now and at every level. This compromises the human resources necessary for rebuilding the public administration and the economy as well as for forming a critical and knowledgeable civil society;
- the absence of any genuine system of redistribution of riches adds to the growth of inequality within Ivorian society and leads directly to impoverishment and hunger of large sections of the population. This happens in the face of rising national revenue from cocoa and oil sales.

Roots of the conflict

Côte d'Ivoire has been in conflict for the past 12 years. Before the armed rebellion of September 2002 which split the country in two, there was already a political conflict going on since the coup d'état of December 1999. The latter followed after years of intense political tension since 1995 when Alassane Ouattara was excluded from participation in the elections.

According to Dr. Arnaut, the present conflict is basically about citizenship and political (non-) participation of different groups within the country.

The first one is a group identifying itself as 'Northerners' — people who originate from the northern part of Côte d'Ivoire as well from neighboring African countries — who are also designated with the term 'allogènes' in opposition to the ('southern') autochthones. As a consequence of a century of migrations, millions of people who consciously see themselves as 'Northerners' live in the southern parts of Côte d'Ivoire. A second group seeking political representation is the Ivorian youth (or those who consider themselves as such), in opposition to older generations who seem to stick to power. Both Blé Goudé and Guillaume Soro may be seen as representing the aspirations of the youth, respectively from the South and the North.

Towards stability?

Dr. Arnaut finally addresses the issue of the expected stability in Côte d'Ivoire. Any future stability of Côte d'Ivoire will depend on two important factors which play out against a more general background of deficient redistribution and economic inequality:

- The resolution of the issues of political representation and the sharing of power in relation to at least two groups: 'Northerners' and 'youngsters';
- The resolution of the land issue. Although the 'Loi foncière' of December 1998 excluding non-Ivorians from land property in the South, has been largely abolished, the successive peace agreements as well as all important political parties lack the courage to work out sustainable solutions to the very sensitive issue of land property and use in a country in which millions of 'autochthones' and 'allochtones' are making claims on land that is becoming increasingly scarce.

The UN Mission in Côte d'Ivoire – Mr. Xavier Zeebroek²

Côte d'Ivoire, a non-typical situation

As introductory remark, Xavier Zeebroek laid emphasis on the non-typical situation in Côte d'Ivoire. First of all, the country is not a failed but functional state with good infrastructures and with a quite strong middle class. Secondly, the Ivorian conflict is a longstanding and frozen conflict with only few battles and no major destructions. Abidjan does not seem to be a war-torn city. According to various humanitarian organizations, there is no humanitarian crisis, although humanitarian needs exist.

Eventually, another non-typical aspect is the failure of the international community in imposing the various peace agreements. In Liberia and DRC for instance, the international community managed to find solutions for implementing the concluded peace agreements. On the contrary, it should be remarked that the Ouagadougou Peace Agreement was concluded without any official help of the international community.

ONUCI – The United Nations Operation in Côte d'Ivoire

The presence of the UN mission in Côte d'Ivoire is rather symbolic, and is more perceived as a deterrent force than an effective one. Until now there has not been any progress in the DDR and SSR programs, key to hold presidential elections. In addition no military operations were undertaken against rebel and armed groups.

² Mr. Xavier Zeebroek is researcher and responsible for the African projects at the GRIP – Groupe de recherche et d'information sur la paix et la sécurité (Brussels).

One of the factors that complicated the situation is the presence of the French troops 'Force Licorne', which provide a rapid deployment force for the UN. However, both missions do not have the same agenda, nor have the same image within the population.

As in the case in Sudan, the UN recipe for peacekeeping (i.e. cease fire agreement, peace agreement and UN peace mission) does not work in Côte d'Ivoire. It seems impossible to have an effective UN force in a non-failed state when there is still a political force in power refusing any presence of a UN mission.

In conclusion, Mr. Zeebroek mentioned that the population does not see any concrete changes after the signing of the Ouagadougou Peace Agreement: instead of abolishing the 'Zone de confiance', the same actors were redeployed in this zone. Everybody is still waiting for an effective disarmament process and the organization of presidential elections. Moreover, the recent attempt to kill Guillaume Soro demonstrates that peace spoilers are still present. In such conditions, the question remains whether or not the Ouagadougou Peace Agreement will effectively last.

Q&A Round

State of the Ivorian judicial system

Dr. Arnaut drew attention to the current tendency to forget and to settle impunity rather than to remember past crimes. Crimes are politically covered. A so-called 'Truth Commission' was set up some years ago but it did not apparently result in any tangible outcomes. As stated by Xavier

Zeebroek, Ivorian tribunals have not been destructed through the conflict, but they are not currently functioning since the judges ran away. The question remains whether the Ivorian courts will play a role in accountability.

Towards the 2008 Presidential elections

Dr. Arnaut observed that the identification process (through the ‘audiences foraines’) has recently encountered some progress. The ‘patriots’, however, will have difficulties to accept the new Ivorian electors, who came out of the ‘audiences foraines’. Furthermore, it should be noted that new ways of political participation have arose, for instance the ‘people’s parliaments’. That poses nevertheless the problem of parallel political structures. These new structures set up by youth associations are indeed cannibalizing the formal institutions. In view of the elections there is a necessity to integrate them into the formal institutions and political parties. But the question remains how?

Role of Burkina Faso in the peace process

Mr. Zeebroek pointed out that Burkina Faso was mediator in the peace process, which is a strange situation since Burkina Faso supported the rebel movement. This could be explained by the fact that the internal and external actors of the conflict (including President Compaoré) became little by little aware that there was no possibility of military victory. The peace agreement was therefore the only solution of this ‘virtual’ conflict. By the way, its content is not very innovating and original. The participation of President Compaoré in the conclusion of the peace agreement was undeniably a way to ensure to remain involved in the internal affairs of Côte d’Ivoire.

UN Sanctions & State of the Economy – Mr. Alex Vines³

UN Regime of Sanctions in Côte d’Ivoire

Mr. Alex Vines reminded the audience that the UN embargo on arms was imposed in November 2004 after the crisis of bombings in Bouake and Korogho. The UN Group of Experts on Côte d’Ivoire was then created in early 2005 in order to document the violations of the arms embargo and monitor the effectiveness of the sanctions regime.

Nevertheless, it seemed at this time that there was no necessity to violate the arms embargo in any gross manner. It could be explained by 2 factors. First of all, there were plenty of arms procured in the country before November 2004 and secondly, the funds were used for other purposes, mainly for ‘patronage’ and for the maintenance of existing militias and patriotic groups.

Regarding the diamond sector, the UN Group of Experts was able to find credible evidence of diamond production in the North of the country in 2 locations. Even if it corresponds to a small part of the rebel economy, UNSC decided late 2005 to impose a diamond embargo on Côte d’Ivoire. The UN Group of Experts has also observed diamonds smuggling activities channeled through Mali and Ghana and probably through Guinea.

Concerning the UN sanctions (travel ban and assets freeze) against 3 targeted individuals (Blé Goudé, leader of COJEP; Eugène Ngoran Kouadio Djué, leader of UPLTCI; Martin Fofié Kouakou, Chief Corporal ‘Forces Nouvelles’), it proved quite effective according

³ Mr. Alex Vines is Head of the Africa Programme at Chatham House. He was Member and later Chair of the UN Panel of Experts on Côte d’Ivoire in 2005-2007.

to Mr. Vines. Indeed these sanctions can threaten their longer-term political ambitions (even if they can bear it as a medal for internal purposes).

International players

According to Mr. Alex Vines, French decision-making process was paralyzed by the absence of coherent strategy and by contradictory political opinions. As such, France's position in Côte d'Ivoire could be viewed as a sort of neo-colonial situation. The same situation could be also described regarding the relation between UK and Zimbabwe or between Portugal and Angola.

Some new emerging actors have recently upgraded their presence and engagement in Côte d'Ivoire. For example, Iran is present in Côte d'Ivoire through trade and aid and notably provided some armaments for the Ivorian police through complex channels. India is also increasing its presence in Côte d'Ivoire, as part of a consistent and wider policy in West Africa (US\$3 billion of investment over the next few years). China has also committed itself in very major construction projects.

State of the Ivorian Economy

Côte d'Ivoire is still regarded as the most potential successful country for investors in West Africa. However, real GDP will stagnate (1.2% this year, 2% for 2008). The main source of employment remains cocoa production although it declined by 6% in 2006. This sector presently suffers from 2 factors: the very complex patterns of quasi-public agencies (often not accountable) on the one hand and the current price structure on the other hand. Consequently, it offers tremendous incentives for smuggling (which is, in fact, nothing new). It should be furthermore noted that because of the large number of Ivorians working in this industry, the importance of cocoa production in the run up to the election will be really strategic.

In contrast, hydrocarbon sector employs very few Ivorians. However it is significant for the Ivorian economy because it represents the main source of revenue. Still, the management of oil revenues remains problematic. If there is a relative transparency on the origins of the revenues, it is not yet clear about what happens when this money goes in the government coffers. The main function of the Ivorian economy in the government eyes is to extract sufficient domestic revenues in order to pay the civil servants' wages and to sustain the military budget and other expenditures.

Moreover, Mr. Vines noted that some worrying aspects are darkening the current situation of the Ivorian economy:

- Lack of transparent and open data's on public finances;
- Growth of graft and corruption;
- Large shares of the economy have been over the last few years transferring from the formalized sector to the informal one. Small and medium-size businesses (often linked with French investors who fled after the events of 2004) have been devastated. And where there are larger businesses, they are underperforming.

Prospects for the 2008 elections

Some observers have witnessed since 2005 concrete, irrefutable and consistent evidences of preparation and recruitment of individuals for very serious and fundamental electoral fraud. According to the speaker, it increases the fear of unpleasant elections even after the Ouagadougou Peace Agreement. Bad elections can cause many fundamental problems for the longer-term situation. A further worrying element could be the downgrading of the commitment of the UN and other entities just to technical observation.

Besides, ‘patronage’ will certainly play an important role in the framework of these elections. We will undoubtedly observe pressure on the diversion of the funds in the run up of the 2008 elections.

In conclusion, Mr. Alex Vines stressed that the economic future in the mid- and long-term perspective is promising but as long as the political crisis continues, economic policy will arguably be short term and of secondary importance. The focus of the government is to maintain the country ‘à flot’, paying the civil servants’ wages and ensuring that there are extra and sufficient budgetary funds for ‘patronage’. The only serious reform will probably happen after the election. The question definitely remains whether the upcoming elections will contribute to stability that Côte d’Ivoire needs so that it can realize its potential.

Conflict and cocoa production in Côte d’Ivoire – Mrs. Emilie Serralta⁴

Introduction

Mrs. Serralta’s presentation is based on the June 2007 Global Witness’ report untitled “Hot Chocolate: how cocoa fuelled the conflict in Côte d’Ivoire”, that demonstrates how international cocoa-exporting companies have contributed significantly to the finances of both the Ivorian government and the ‘Forces Nouvelles’ and, by doing so, have helped fuel years of conflict in the country.

Côte d’Ivoire is the biggest supplier of cocoa, representing 40% of the world’s cocoa supply. 10% of the cocoa is produced in the rebels controlled North, 90% in the government controlled South. Cocoa is the main economic resource of the country, representing on

average 35% of the total value of Ivorian exports, worth around US\$1.4 billion per year.

Diversion of funds

The report presents detailed evidences showing the diversion of more than US\$58 million from cocoa levies to the government’s war effort. On the government side, five institutions administrated by allies of President Gbagbo are controlling the cocoa production: the ARCC, BCC, FRC, FDPCC and FGCCC. The big cocoa and coffee exporters’ union, whose members include European and American cocoa companies, is represented on the board of one of these institutions. European and American cocoa companies are often members of the boards of these institutions. The deliberately complex structure of the cocoa sector, the nomination of the President’s allies to strategic managerial posts and the resulting lack of transparency has given numerous opportunities to use the profits from this trade in an inappropriate way. In 2001, these national institutions have directly contributed to the war effort by diverting at least US\$20 million to the government. This is an obvious deviation from the cocoa institutions’ official role, which is to regulate the cocoa trade and support cocoa farmers. President Gbagbo, and his entourage, who retain control of the national cocoa institutions, have also tapped into the profits from the industry, using at least US\$38.5 million of cocoa revenues to finance their war effort (in addition to the US\$20 million mentioned above).

In the North, the ‘Forces Nouvelles’ have set up a parallel tax and customs body called the ‘Centrale’, which centralizes all taxes (exportation and registry taxes) levied on cocoa. The report documents that, since 2004, the ‘Forces Nouvelles’ rebels raise approximately US\$30 million a year by taxing cocoa transiting through the north and preventing northern-produced cocoa from transiting south into the government-controlled zone. The taxes levied by the ‘Centrale’ do not contribute to the development of the

⁴ Mrs. Emilie Serralta is campaigner at Global Witness (London).

FN zone; taxes serve primarily to finance the FN as a movement. Nearly 80 000 tons of cocoa beans are exported each year from the FN zone through Burkina Faso and Togo.

The report also demonstrates a pattern of intimidation against those who have investigated or denounced corruption in the cocoa trade – from the disappearance and probable murder of Franco-Canadian journalist Guy-André Kieffer in 2004 to the kidnapping of a French lawyer who was auditing the cocoa sector for the European Union.

Recommendations

Global Witness is calling on cocoa exporters, the largest of which are multinationals, to publish what they pay in taxes and levies to make it easier to root out corruption and reduce the chance cocoa will again fund conflict and human rights abuses. The question is whether these companies are prepared to do so, considering for instance the risk of their national exploitation license being revoked.

Global Witness is not lobbying to impose an embargo on Ivorian cocoa, since this kind of measure would have negative consequences for the local economy and, above all, the local farmers. It rather calls upon the multinational export companies to play a positive and proactive role by demanding improvements in the way cocoa revenues are managed, by refusing to be involved with corrupt acts and by encouraging transparency and responsibility.

ANNEX: AGENDA

Towards Stability in Côte d'Ivoire?

Africa Briefing

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9.20 Panel I. State of Play

Dr. Karel Arnaut (Professor, Ghent University)
Mr. Xavier Zeebroek (Researcher, GRIP – Brussels)

10.00 Q & A session

10.45 Panel II. Resources and Conflict – The Role of the International Community

Mr. Alex Vines (Head Africa Programme, Chatham House – London)
Mrs. Emilie Serralta (Global Witness – London)

11.45 Q & A session

12.15 End

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