



POT CALLING THE KETTLE BLACK? France's shady deals in Africa

By Lorenzo Bagnoli



"I think the corruption of Africa is taken totally out of context, Africa is no more corrupt than any other place around us. For every African leader who is corrupt, we have a 1000 European, American, Chinese business people who are corrupt, where are those guys? Why only talk about African corruption? What about the Chinese corruption, American corruption and European corruption? We need to be really fair in looking at this issue of corruption. What about companies not paying taxes in Africa? What about profit shifting, mispricing? There is a whole lot of corruption around us. What about anonymous companies? Companies whose official ownership is not known, where people hide their stolen money. All that are issues of corruption, so that is all that needs to be discussed and let's get away from the scenario that only African leaders have a monopoly on corruption which is not true".

These words came from the mouth of Mo Ibrahim, the Sudanese-British businessman who in 1998 founded the telecommunications company Celtel International and is now the chairman and founder of the Mo Ibrahim Foundation, established in 2006 to support good governance and exceptional leadership on the African continent. Since 2013, Mo Ibrahim has been measuring and monitoring governance performance in African countries through the Ibrahim Index of African Governance (IIAG). He is an iconic figure: he represents African efficiency and good entrepreneurship.

The point made by Mo Ibrahim is clear: corruption is a global issue that is making the world sick. Targeting the sickness should be a priority of the whole planet. There is no moral superiority here: each country should blame itself for something. There are countries that behave like strong boxes protecting the financial secrecy of the rich world; others are still trying to colonise the poor while some allow a tiny elite to control the rest of the population.

There is a tendency to view Africa as corrupt. No doubt lack of ethical leadership and economic and political neocolonialism are key factors in the high levels of corruption on the continent. However, treating the corruption issue as an African peculiarity is unfair. Especially if the one complaining is a European country.

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European companies are part and parcel of corruption in African countries. The most recent example concerns Eni SpA, the partially-national Italian oil company and the partially-national Dutch Royal Dutch Shell PLC. On December 20 this year, the Court of Milan indicted Royal Dutch Shell PLC, the chief executive of the Italian oil and gas company Eni SpA and other industry executives on corruption charges connected to a 2011 deal to acquire drilling rights off the coast of Nigeria. "Prosecutors say in court documents that Eni CEO Claudio Descalzi and the other executives at both Shell and Eni knew that most of the \$1.3 billion Eni and Shell paid to the Nigerian government to acquire the drilling rights would be distributed as bribes. Prosecutors will argue that Goodluck Jonathan, the Nigerian president at the time of the deal, received part of the kickbacks, according to court documents", FoxBusiness reported.

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Nigeria is ranked among the most corrupt countries in the world. Corruption has remained rampant in Nigeria, and became worse under the rule of Goodluck Jonathan. In the 2011 case connected to Eni and Shell, there are also several prominent Nigerian figures mentioned in the alleged bribing scheme.

In the European mindset, corruption is a vicious circle: nobody seems to be interested in breaking the bribe rule because it is considered "normal" and it secures success, especially in countries where impunity is the norm. Yet Western countries that have invested in Africa always claim moral superiority: they have better governance, accountable and efficient systems, and they bring jobs. But this supposed superiority is just a veneer that allows these countries to be corrupt and opaque abroad.

France is globally recognised as among the most corruption-free countries. However, there are questions being raised in Kenya concerning whether the France-based company OT-Morpho paid bribes to officials of the Independent Electoral and Boundaries Commission (IEBC) in order to be granted the contract for the electronic voting system used in the 2017 election.

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The French government has also in the past been accused of being infiltrated by mafia-like groups that use bribery as a tool to influence politics. Recently, the strongest criticism of France's dealings abroad came from the broadcaster Arte, which aired a documentary called "Mafia et Republique". The historical investigation started in 1929, when in Marseille, Southern France, two friends, Carbone and Spirito, started a criminal group: the very first group of Corsican mafia. In the beginning, this was a gang dedicated to drug trafficking, but the next generation of mobsters in the '60s found some politicians who were closer to their interests. The most prominent one was Charles Pasqua, the former interior minister ('86-'88 and '93-'95) and congressman for almost 35 years. When he died in 2015, he was called the Godfather of Francafrigue - the term coined by the former Ivorian president Félix Houphouët-Boigny to define the colonial-style influence that France has in some former French colonies in West Africa. Tchad, Cameroun, Centrafrican Republic, Gabon, Angola - these are some of the African kleptocracies, some still in power, that began their rule in these years. The other important Godfather of Francafrigue was Robert Feliciaggi, the middleman between politicians and mafia gangs. He ran casinos with Michel Tomi in Western Africa and died in uncertain circumstances in Ajaccio, Corsica, in 2006.

From 1980 to 1994, France was shaken by the Elf affair, probably the biggest political and corporate sleaze scandal to hit a Western democracy since the Second World War that exposed bribes paid by the national oil company all over the world. In Africa, the intermediaries for the illicit payments were Feliciaggi and Tomi. "Elf's former chairman, Loik Le Floch-Prigent, 60, was sentenced to five years in jail and fined €375,000 (£260,724); his principal bag-man, the former director Alfred Sirven, was given the same prison term and ordered to pay €1m. The company's 'Mr Africa', André Tarallo, was jailed for four years and fined €2m", reported [the Guardian](#) in 2003. After an eight-year investigation and four-month trial, 30 out of 37 defendants were jailed for embezzling €305 million. This case is a concrete example of an organised, hierarchical mafia-like syndicate that is able to penetrate the so-called grey zone where criminals, politicians and businesses merge together.

According to Reuters' findings, "Areva's mines pay no export duties on uranium, no taxes on materials and equipment used in mining operations, and pay a royalty of just 5.5 percent on the uranium they produce. A spokesman for Areva declined to confirm the authenticity of the documents and did not comment on their contents".

Sometimes corruption is simply a matter of money and power, without criminals or gangs involved. These cases are harder to prosecute because often finding the money is impossible. One such case was reported by Reuters in 2014. The main character was Areva, the mining company that is the global leader in uranium extraction. Areva-Niger's agreements had never made public and in 2014 they expired. According to Reuters' findings, "Areva's mines pay no export duties on uranium, no taxes on materials and equipment used in mining operations, and pay a royalty of just 5.5 percent on the uranium they produce. A spokesman for Areva declined to confirm the authenticity of the documents and did not comment on their contents". Profits without expenses.

Reuters reported that Areva said that a higher royalty rate would have made the business unprofitable. "Mining Minister Omar Hamidou Tchiana, leading the negotiations for Niger, told Reuters the government wants to increase uranium revenues to at least 20 percent of the budget, from just 5 percent at present... 'For 40 years, Niger has been one of the world's largest uranium producers, but it's still one of the poorest countries on the planet,' he said. 'At the same time, Areva has grown to be one of the world's largest companies. You see the contrast?'"

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to reset French-African relations and get rid of Francafrique-style dealings. “I haven’t come here to tell you what is France’s African policy because there no longer is one, there is only a continent that we need to look straight in the face”, he said in his November 2017 speech in Ouagadougou.

How did Areva obtain these privileges? The answer has never been found.

In 2017 Oxfam France’s report called “[La transparence à l’état brut](#)” exposed the lack of transparency in Areva’s taxes paid in Niger. The same report also mentioned some questionable tax payments by Total in Angola.

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Despite this new approach, there are still enormous biases that divide France from its former colonies. The first one is the colonial approach of the French multinational corporations, as listed above. The second is more symbolic and maybe more important. France is still hiding secrets from its former colonies. There are strong suspicions about a French role in the conspiracy to kill Thomas Sankara, Burkina Faso’s Che Guevara, in 1987. The French government has also been accused of being involved in the Rwandan genocide in 1994. (However, the military documents that can prove that France supplied some militias with arms are still classified.) People protesting in Togo blame the French authorities of supporting President Faure Gnassingbé, the kleptocrat who has refused to follow the constitution, according to his opponents. The same situation applies to other West African ruling families who are heavily criticised at home, but who have good allies in Paris.

Corruption is criminal and immoral. While European countries benefit from this vice, African countries are left to deal with its devastating consequences.

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