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# Angola Forum 2017: Economic Diversification, Development and Strengthening Democracy

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## Introduction

The following is a summary of a meeting held at Chatham House on 1 June 2017 on the subject of inclusive economic perspectives for Angola. Speakers included Raúl Manuel Danda and Carlos Tiago Kandanda, and the session was chaired by Dr Alex Vines OBE. The meeting was held as part of a conference titled Angola Forum 2017: Economic Diversification, Development, and Strengthening Democracy.

The Angola Forum 2017 brought together representatives of government, opposition, civil society and businesses to examine Angola's economic and political future after the general elections scheduled for August 2017. The relationship between the state and citizens, and how Angola's institutions can be strengthened and become more accountable and effective were also debated.

This event was hosted in partnership with the Konrad-Adenauer-Stiftung (KAS).

The meeting was held on the record. The following summary is intended to serve as an aide-memoire for those who took part, and to provide a general summary of discussions for those who did not.

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### **Raúl Manuel Danda, Vice President, União Nacional para a Independência Total de Angola (UNITA)**

I believe the first step to solving a problem is admitting that the problem exists. The television in Angola likes to show an Angola free of hunger, disease and other social ailments. The truth is that this is the Angola we would like to see, not the real Angola. The real Angola needs to recognize that it has some problems.

We are going through a major economic crisis in the country. Some people, including the government, attribute it to fluctuation in oil prices. The other part of the story, which is not talked about, is that there is widespread corruption in the country. But how are we going to fight corruption? In my opinion, for the Movimento Popular de Libertação de Angola (MPLA) to fight corruption, they will have to fight themselves first because corruption starts from the top. Last year, a senior official of the Angolan government controversially said that huge amounts of money were invested to build roads which after three years are pot-holed. This is because labour and know-how is not carefully selected: we invite Brazilians to build in Angola when the Portuguese build in Brazil. In Portugal, it is the Germans who build strong and lasting infrastructures. Why don't we invite the Germans to build solid infrastructure in Angola?

If you look at those who are in line succeed to President José Eduardo dos Santos, you have people who say they are going to fight corruption but they are steeped in corruption scandals. How can they fight corruption when they became rich through corruption?

I would also address something: often, the slow speed of progress is attributed to the war. I believe this narrative is becoming toxic. Yes, the war was a very bad thing and at home the MPLA makes it sound like it was caused exclusively by UNITA, but attributing everything that is wrong in Angola to the war is not good. Let us not forget that a lot of the richest Angolans today became rich through the war.

We need change in Angola and UNITA is ready to bring that change. In Angola, skill and capacity are not prerequisites for getting things done: MPLA membership is. It has been stated by the secretary-general of the MPLA on the floor of the National Assembly. It is impossible in the country to find someone at director level who is not a member of the MPLA. As a result wrong statistics emerge from the country with

regards to MPLA membership, as people only join the party as a gateway to social mobility and jobs. Things should not be done this way.

We need an inclusive and participative government based on merit and not affiliation with a political party because we are Angolans before we are members of political parties. We cannot have a country where people steal and get away with it. We want to make sure that we have economic diversification. I have been telling MPLA MPs that economic diversification is an investment in itself and we should make that investment when we have money. Unfortunately we did not do that. The business environment in Angola today is not propitious for investment.

We have talked about the need to alleviate poverty across the country but how can we do that when the president himself has said that poverty is not his or his government's fault. How can he say that when he has been in power for more than 30 years?

### **Carlos Tiago Kandanda, Senior Adviser to the President, *Convergência Ampla de Salvação de Angola (CASA-CE)***

The elections on 23 August 2017 will be unique because President dos Santos, who has been leading the country for more than 30 years, will not be a candidate. Having said this, the system has not changed very much and the machine of the government, which is deeply anchored in the MPLA, has not changed. We should thus not be disillusioned [sic] into thinking that the transition period will be different from the times of dos Santos.

It is interesting that we are talking about economic diversification at a time when Angola has no revenues. When there were revenues available to launch an economic diversification programme, and when the opposition called for such a programme, the money was transferred by government officials in foreign banks. The consequence of widespread corruption in Angola is that commerce and the country's economy are at a standstill, leading to increases in unemployment rates and declines in purchasing power among the population.

Our vision in CASA-CE is primarily to change the political system. We have to accept democracy and the principles of democratic change. By this I mean that we need to have credible elections. So far, there is little knowledge on how the upcoming elections will be organized, which suggests that they will not be transparent, credible or fair. If the elections of August are fair, transparent and credible, the MPLA will lose.

In CASA-CE we believe that we have to invest in the Angolans first of all. Secondly, we have to acknowledge that most of the investment that has been made in Angola has been along the coastline, especially in Luanda. Our position on economic diversification and on development includes an awareness of positive geographical distinctions. In other words, we divide the country into three zones: Zone A, which comprises the territory along the coast, Zone B, which includes the central highlands, and Zone C, which covers the east of the country. In this way, we can distribute investment and the working force across the country. What we often see today in Angola is that some Angolan experts and/or professionals do not want to be appointed in certain areas of the country. They prefer to stay in Luanda where the conditions are somewhat favourable. We need to create incentives by investing in the interior of the country.

We also believe that there is a strong need to invest heavily into agriculture. Most of the people located in the big cities such as Luanda come from the countryside. The rise of rural-to-urban migration has led to a population explosion in Luanda, and an increased demand for security and healthcare. This could be remedied through a dedicated investment in agriculture in the countryside, which would empower peasants.

There is a monopoly in Angola over the resources. First, it was oil, which was divided among the leaders, but now that oil prices have gone down they are confiscating community lands in rural areas in the name of diversification.

Finally, I would like to raise the issue of the growing debt of Angola to China. How are we going to pay it? We know neither the total value, nor the modalities of repayment. At the time when deals were signed with China, oil prices were high and production was steady. Today, these prices have dramatically decreased. Most of the oil produced in Angola today goes to China. With what revenues are we going to diversify the economy considering the growing debt and corruption?

## Summary of Questions and Answer Session

### Question

It is hard to gauge what the political agenda of the opposition is when it spends most of the time criticizing the ruling party. We are already aware of what the problem is, but I am wondering, as a young voter, what are UNITA's two or three policy priorities, as well as what they have actually been doing over the past decade?

### Raúl Manuel Danda

In the past we have communicated some important policy directions to MPLA parliamentarians but they do not listen to us. There is not much we can do because at the end, they have the majority. In parliamentary discussions, no one wants to openly oppose President dos Santos. Some of our specific projects on economic diversification include investing in agriculture and in industry to reduce Angola's import dependence. We are keen to launch a process to change the constitution, which would make the government less personalistic and more accountable. We also want to reduce patronage-based public expenditure.

### Carlos Tiago Kandanda

Our first policy priority is investment in agriculture and the second is investment in the Angolan people, to give them the quality education and technical capacity they need. We also want to invest in new technologies and renewable energy sources.

### Questions

We now know that there is a lack of transparency with regard to the upcoming elections, and we also know that the MPLA will ignore protests and calls for more transparency in the electoral process. What are UNITA's thoughts on that and what is next for the opposition?

Were you both to become presidents, how would you and your respective parties avoid personalizing power? How would you change a system in which men and women are held to the highest esteem because of the cars they drive?

### Raúl Manuel Danda

We need to build a system in which we can live together. In Angola, the budget is prepared by the government before it is sent to the civil society groups for opinion. But we know that regardless of what the civil society says, the budget as it is will not change. We should be creating dialogue to come up with

the best policies for Angola. The country does not belong to a president, vice-president or a minister. The country belongs to the citizens, and before creating a public policy you have to consult with the citizens. I also think transparency is key to building confidence between the people and the leaders.

Regarding the demonstrations, protesting is a constitutional right and no one needs authorization to organize a demonstration. It is true that the behaviour of the electoral commission is strange. It launched a public tender on a Friday night and then early in the next week, Indra and Sinfic, the same companies which provided services in 2008 and 2012, and which created several problems, were the only ones which had submitted a valid proposal. There was no transparency about this process.

## Questions

Even though the responsibility to change the country lies with civil society, lawmakers and businesses in Angola, is there something that the international community can do to prevent the illicit transfers of money referred to earlier, or anything in terms of trade and business that can foster transparency in financial transactions?

Do CASA-CE and UNITA have manifestos outlining their political priorities?

When UNITA was exploring for diamonds to support its activities during the war, it was never its concern to cater to the welfare of the people or to develop the Angolan territory towards agriculture. Today it is the government that is demining the territory and developing infrastructure. If UNITA is so democratic, why do some many in its leaders defect?

## Raúl Manuel Danda

People leaving UNITA is a sign of democracy. In a democracy, people are free to leave or stay in a grouping or party. I do not believe in a society where everyone thinks the same thing; people should have the freedom to think independently. Also, UNITA was first a liberation movement and during those years we occupied about 70 per cent of the land. It is while we occupied that land that we accepted negotiations with the MPLA.

Building schools, hospitals, roads and infrastructure is not the responsibility of a political party but that of a government. MPLA did not build roads, the government did. We should not confuse party, government and state, which are three different entities.

MPLA had no right to be in power in 1975. According to the Alvor Agreement, the MPLA, UNITA and FLNA were supposed to hold elections. But with the help of the Portuguese communists, the MPLA unilaterally decided to take power on the grounds that it was the people's party. No one elected the MPLA to lead the country in 1975. Instead it used the money of the country to wage a war against the FNLA and UNITA.

## Carlos Tiago Kandanda

We believe that through the parliament it would be possible to launch constitutional reform, which would strengthen the rule of law and enable us to tackle money laundering and corruption. The reason why these issues are hard to tackle is the culture of impunity in the country. The justice system does not prosecute law-breaking because the judges and attorneys are part of the corrupt system. A constitutional review will also put in place checks and balance the powers of government officials. Currently, MPLA members are seen as above the law. As long as they remain above the law and the political system remains as it is, it will be difficult to address money laundering and corruption issues in Angola.