# SOCIAIST



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### IMF debt agreement conditions to be geopolitical template

# US increases pressure on Zambia over china projects



A word in your ear . . . IMF managing director Kristalina Georgieva (left) and US Treasury Secretary Janet Yellen's visits to Zambia coincided as it seeks IMF debt assistance

### Socialist staff reporter

US TREASURY Secretary Janet Yellen's recent trip to Zambia coincided with a visit by International Monetary Fund managing director Kristalina Geogieva as the country seeks a 38-month debt agreement with the IMF under the Extended Credit Facility Arrangement (ECF).

The proposed ECF-supported programme aims to restore macroeconomic stability and foster higher, more resilient, and more inclusive growth. In return, the IMF is seeking extensions of maturity dates and a reduction of interest payments.

But Socialist Party President Fred M'membe says there is a deeper geopolitical agenda to the visits, with US and IMF top brass putting pressure on a number of countries, including Zambia, over China's support and influence.

### Influence

"The International Monetary Fund, the US, and the EU are pressuring those nations to abandon infrastructure projects financed by China in return for debt relief. In the case of Zambia, the IMF made this very clear," he says, adding that, if successful, the Zambian model is likely to be used to influence other countries.

The projects with Chinese support under pressure are the US\$1.2 billion Lusaka-Ndola dual carriageway funded by China Jiangxi Corporation; digital projects, such as Smart Zambia phase II, being implemented by Huawei Technologies and funded by China Exim Bank and digital terrestrial tele-

### China's revolutionary modernisation P4; US, IMF big guns in Zambia P6/7; our solution does not lie with the IMF P12

vision broadcasting systems in Zambia phases II and III; funding for the Chalala army barracks in Lusaka; the FJT University under the Ministry of Education; and Rehabilitation of Urban Roads phase III.

"This seems to be the goal of the visit by US Treasury Secretary Janet Yellen to Zambia, i.e. making Zambia an example or a template for this new push to block the Belt and Road Initiative and China-Africa cooperation, which is soundly based on building infrastructure (transport, power, water management, modern telecommunications, healthcare and education) and modern agriculture and industry," he said.

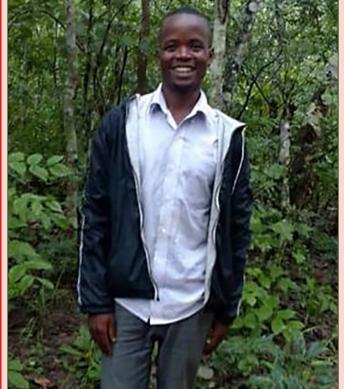
Dr M'membe says that, unlike the West "that lends the money it plundered from our poor countries through institutions such as the International Monetary Fund and the World Bank . . . then holds our poor countries hostage to a series of liberalising reforms that destroy the foundations of industrialisation as well as our social services like health and education", China offers a revolutionary way of modernising without falling into a debt trap.

"This is the way, as China proved at home, for these nations

to escape the double traps of poverty and chronic debt distress," he says. "At the same time, the looting of the raw materials of African nations by the same nations' (western) transnational corporations continues with great vigour and malice under the guise of reforms, privatisation, and investment incentives. In the case of Zambia, the situation is probably as bad as it was in the colonial period."

Dr M'membe says African nations need to radically change the way they do business with the

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### Victory for Ronald Mulenga and the Socialist Party in Kapanda ward by-election

RONALD Mulenga has won a by-election for the Socialist Party in Kapanda ward, Lukashya constituency, Kasama

Mulenga (pictured) won 890 votes, 312 ahead of UPND in second place with 578, and 555 ahead of PF in third place with 335. MZ won 99 votes and LM nine votes, with 41 rejected ballots.

The by-election came about after the previously elected PF councillor resigned to join the civil service as a teacher.

Mulenga, 30, a farmer, was educated at Mutale Munkonge Primary School, Lubushi Basic School, Luwingu Secondary School, and Lukashya Trades Institute, where he gained a Craft Certificate in electrical engineering.

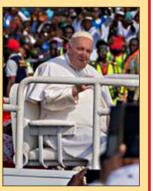
He joined the Socialist Party in 2020 and took part in the 2021 general election, standing as a councillor for Kapanda ward where he finished in second place.

Socialist Party President Fred M'membe congratulated Mulenga on his win.

"We celebrate this victory with him. Ours is a struggle for justice, equity and peace," Dr M'membe said.

"Comrade Mulenga joins a team of our SP councillors; Bright Mukupa for Mwiche ward, Shiwang'andu constituency; Mumba Zulu for Katipa ward, Nyimba constituency; Kelvin Mwenda for Killeen ward, Mufumbwe constituency; Mike

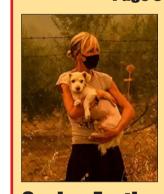
Musenge for Chifwenge ward, Chilubi constituency; and Eddy Mwandu for Lukusashi ward, Muchinga constituency, Serenje district," he said.



Hands off, says **Pope Francis** 



to Josam Banda



**Saving Earth** from the rich



### **A US offensive** in Ukraine war

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### THE SOCIALIST PARTY

stands for #realchange with policies based on justice, equity and peace. Manifesto/policies download details and information about how to join the party are on our back page

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## Face up to failures, **M'membe** tells **UPND**

### SP won Kapanda because of UPND's general election lies

Socialist staff reporter

BE COURAGEOUS and tell the people you have failed to deliver on your promises, Socialist Party President Fred M'membe told the UPND in a radio interview.

Speaking on Radio Mano in Kasama, Dr M'membe said Zambians now realised they had voted for liars who had failed to improve people's livelihoods.

He said this was the reason the Socialist Party had won the by-election in Kapanda ward, Lukashya constituency, because people were no longer prepared to tolerate lies.

Dr M'membe said that, unlike liars with false promises, the Socialist Party paid attention to people's needs.

Dr M'membe said, "People face many problems in Kapanda ward. They were promised the price of fertiliser was going to fall to K250. Today, it is more than K1,250. Fuel is K27. The government is full of lies. That's the message people were giving us not us telling them."

### **Export**

He added there was a need for all political players to pay attention to what the people were saving.

Dr M'membe said the escalating levels of poverty in the country were unacceptable, especially in Northern Province, and that nothing had changed since UPND had assumed power.

He said people had now adjusted how they eat, reducing from three meals a day to just one. In addition, as if that was not enough, the government continued to export electricity, to the disadvantage of businesses such as barbers, welders and salons. Dr M'membe said this is why the UPND leadership had abandoned their slogan "Bally will fix it" in favour of "give us more time".

"Their slogan was Bally will fix it. You can't be lying to the people. The people are unhappy. There are no jobs in the private sector, which is disoriented. A lot of things have gone wrong. The UPND should have the courage to admit it has failed."

• Separately, Dr M'membe said that to pay for expenditure while operating under a deficit, the government has been borrowing money by selling government treasury securities.

"And we are paying little, or no attention to this ballooning domestic debt through the issuance of government securities.

"There is a serious maturity risk here because the government is managing the risk it takes by forcing local institutional investors to roll over their government treasury bills and bond holdings in order to avoid a balloon payout, which they may be unable to meet, causing a default on the domestic market," he said.

"What are government plans on the relentless issuance of government securities to finance its operations, and when are we going to slow down on raising money by the issuance of government securities? This is what we are currently using to fund our budget deficit, but for how long and is this going to be sustainable?

"What is the debt ceiling on treasury bills and government bonds? And where are we at now?

"Journalists should be enlisted to ask the Bank of Zambia at the MPC briefing on February 14 where our reserves are currently sitting. Let's offer real checks and balances to avoid the country from crashing," Dr M'membe said.



### **Bigger and better draughts**

SOCIALIST Party Munali constituency aspiring lawmaker and member of the National Management Council Chrispin Chiinda officiates at the 2023 "Chris Mall Draughts Tournament" finals held in Chainda compound.

December last year, saw the winning team walk away with K3,000 in prize money.

Mr Chiinda - popularly known as Chris Mall - says he is hoping to make the next tournament even bigger.

'It will be the 'Munali Constituency

**Draughts Tournament' with various wards** participating," he said.

"We will go into Mtendere, we will go into Munali, we will go into Kalingalinga, and then later on we will do the Munali constituency

### Hands off DRC, hands off Africa, Pope Francis says in Kinshasa

WE ARE delighted to be joined by Pope Francis in demanding an end to Africa's humiliation, exploitation, oppression and marginalisation, Socialist Party President Fred M'membe says.

"Shortly after arriving in Kinshasa, the Democratic Republic of the Congo, Pope Francis strongly condemned the exploitation over centuries, not just of the Congo, but also of the whole continent of Africa," Dr M'membe wrote in a Facebook post.

"Pope Francis lamented political strangleholds giving way to 'economic colonialism', which he said was equally enslaving.

"The Pope told the outside world to acknowledge the catastrophic things that have been done in the DRC and to fully respect people of



Pope Francis: DRC's diamonds have been smeared with blood

" 'Hands off the Democratic Republic of the Congo! Hands off Africa! Stop choking Africa, it is not a mine to be stripped or a terrain to be plundered,' Pope Francis said to applause, referring to the rich resources that have brought so much conflict and death to the DRC.

"Pope Francis also talked about the greed that has more recently in the DRC 'smeared its diamonds with blood', referring to the nearly seven million people who are estimated to have been killed in conflict in the DRC over the past 30 years.

"As well as his denunciation of outsiders, Pope Francis' overriding message was for the people of the DRC to view themselves as 'infinitely more precious than any treasure' found in the soil of their country, and for political leaders to act in the interests of the people.

"Clearly, we African revolutionaries, patriots are not alone. We have Pope Francis on our side and as our source of inspiration. So we are not wrong and we have to continue our struggle against imperialist exploitation unabated."

### US, IMF put pressure on Zambia over China links

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West, taking back control of their natural resources and using them for the benefit of their people.

"African nations have to take control of their natural resources in a fair and organised manner. The neocolonial methods have to be exposed and ended.

"African nations need to abandon the primitive economic process of exporting raw materials. These raw materials, if processed and manufactured into products inside the countries will add value in many orders of magnitude to the raw materials extracted."

Dr M'membe says that by contrast with neocolonial pressure and exploitation, China offers poor countries "a new and revolutionary approach to modernisation".

"For us who are still shackled under neocolonialism, it offers an opportunity to set ourselves free and start to develop. It is not possible to develop under our current conditions of exploitation, marginalisation and neocolonial humiliation."

### NAPSA could soon find itself in a 'fix'

Spokesman Frank

Bwalya speak-

**Public Forum** 

programme

ing on Sun TV's

FOR THE better part of last year, Mr Hakainde Hichilema and his UPND government financed recurrent expenditure, including civil service salaries, by issuing treasury bills and government bonds, Socialist Party President Fred M'membe says.

"There may be nothing wrong with this approach, desperate as it may be, especially in the absence of adequate domestic taxes. The challenge, however, is that nearly all this money has come from the National Pension Scheme Authority (NAPSA). But NAPSA may soon find itself in a 'fix'," he said.

"NAPSA, as a relatively new pension fund, has not

yet faced serious requests from pensioners because employees who moved to it are now just reaching retirement age. So from this year, NAPSA will start experiencing a high demand to pay retiring pensioners, and there could be insufficient money because most of its funds are locked in treasury bills and government bonds.

"Added to this, NAPSA's investment decisions over the past 21 years have been imprudent, examples being Levy Mall in Lusaka with shops that have not been rented out for months, Kalulushi housing project with properties sold below cost, land bought from Meanwood, and Mandevu housing project, among others."

### **Inevitable**

He says China's modernisation "is sustainable because it doesn't plunder either other countries or

"In the past decade, an amazingly short period of time, China has led the world in reversing the inevitable historical consequences of industrialisation," he says.

"No other major country in human history has modernised to this level without invading and plundering other countries. It doesn't make sense at all for our poor countries to ever think of following the impossible path of modernisation set by the United States."

But he warns that imperialist countries will do everything in their power to stop China's aid and influence. Yellen and Georgieva's visits to Zambia are a case in point.

"It's not going to bed of roses. Imperialism will fight against these revolutionary measures. China and its leadership will increasingly come under all sorts of attacks, provocations, sanctions and slander under this counter-revolutionary wave," he says.

### Frank Bwalya: It's not tribalist to accuse those who are

IT IS not being tribal to advise the President not to appoint people from one region in key positions of governance, Socialist Party Spokesperson Frank Bwalva savs.

Speaking on Sun TV's Public Forum programme, Bwalya said hired individuals, including some government officials, were trying to silence those who spoke out against tribalism by labelling them as tribalist themselves for doing so.

He said that despite the President having said he would form a government of national unity, his appointments did not back up his statements.

Bwalya said praise singers and the government instead chose to brand everyone who spoke up against tribalism of wanting to incite the people to rise up against the government.

"The problem with tribalism is that once you point out the appointment of people from one region, people gang up and say that you are a tribalist. The



people accusing us of tribalism want to silence us. We are not promoting tribalism, we are speaking against it," he said.

**Bwalya also accused President** Hakainde Hichilema of not having enough time to deal with the challenges the counprice of mealie meal, because he was too busy visiting various other countries.

more in agriculture because that was where the majority of the people worked.

try was facing, such as the escalating

He advised the government to invest

Bwalya criticised the government for failing to reduce the price of fuel as it had promised to do in its pre-election campaign. "One of the first things the President should have done was to announce the reduction of fuel by K3 because he

Bwalva also said it was unwise for the

government to rush to the International

money it was trying to borrow could have

He said the government needed to get

more money from the mining sector and

to resolve the issues at Mopani and KCM.

Copperbelt were because he convinced

"The votes the President got from the

people he was going to manage the mines

Monetary Fund for support when the

been raised by taxing the mines.

better," he said.

thieves," he said.

K3 on every litre. "If the thieves were stealing K3 for every litre for fuel, then the saints have failed to reduce it, meaning they are also

claimed the Patriotic Front was stealing

2 Socialist Monthly, February 2023

# This is why critics accuse govt of making tribal appointments

### Party platforms should be based on ideologies and not ethnic coalitions

Fred M'membe Socialist Party President

IT SEEMS Mr Hakainde Hichilema and the UPND are on the defensive over accusations of tribalism. Why? Probably because of the promises they made to have a tribal and regionally balanced and representative government. Critics are asking if what they are seeing equals what they were

promised: President (Tonga), Vice-President (Bemba married to a Lozi), Speaker (Lozi), Chief Justice (Lenje), Acting President of the Constitutional Court (Lozi), Attorney General (Lenje), Solicitor General (Tonga), Chairman of the Judicial Service Commission (Lozi), Chairman of the Judicial Complaints Commission (Tonga), Commissioner of Lands (Tonga), Chief Legal Advisor to the President (Lozi), Minister of Justice

They are saying the key state institutions and the country's justice system are basically in the hands of Tongas and Lozis (with very little or no meaningful participation from

They are saying the same about the key government ministries (ministries that are not easily done away with by any government):

Home Affairs (Tonga), Local Government (Tonga), Education (Tonga), Tourism (Tonga), Justice (Tonga), Foreign Affairs (Lenje), Health (Soli), Defence (Luvale), Infrastructure (Lozi), Finance (Lozi), Lands (Lunda), Governor of Bank of Zambia (Tonga).

The rest are, in the main, pushed to ministries that can easily be done away with and receive very limited budgetary allocations.

They say the picture is the same for key defence and security agen-

Zambia Army Commander (Lozi), Zambia Air Force Commander (Kaonde), ZNS Commandant (Luvale), Inspector General of Police (Kaonde), Director General of Intelligence (Lozi), Commissioner General of Correctional Services (Tonga), Chief Immigration Officer (Lozi).

### **Balance**

They are saying that in all these key command defence and security positions there is no one from the East or the North to keep the tribal and regional balance as the political leadership had promised.

They are also pointing to the Electoral Commission of Zambia: chairperson (Lozi), vice-chairperson (Mambwe), the other three commissioners are Tonga, Lozi and Lunda. There is no one from the East or the North proper.

These concerns are raised about lower positions in these and other state, government and quasi government institutions and agencies.

These are the concerns they are raising and the response is to label them tribalists, divisive elements and to prosecute or persecute them on charges of tribal hatred.

With these concerns and the debates they are generating, our multiparty political dispensation is back on the spot. The concern is no longer the lack of political pluralism or diversity, but the hijacking of the political processes by tribal politics.

The challenge to our multiparty political dispensation is not the prevalence of ethnic diversity, but the use of identity politics to promote narrow tribal interests. It is

But the African experience over the last six decades has shown us the dangers of ethnic competition and underscore the importance of building nations around ideas rather than clan identities.

In the absence of efforts to build genuine political parties with clear ideologies that compete on the basis of ideas, we have reverted to tribal identities as foundations for political competition

Leaders are often exploiting tribal loyalty to advance personal gain, parochial interests, patronage, and cronyism. How else can one explain the tribal or regional voting that was confirmed by a Commission of Inquiry following the 2016

We shouldn't forget the fact that them tribal politics is a zero-sum tribes are not built on multiparty democratic ideas but thrive on zerosum competition. As a result, they are inimical to multiparty democratic advancement. In essence, tribal practices are occupying a vacuum created by a lack of strong multiparty democratic institutions. The political parties are unable to find common ground through coherent party mani-

Many members of our political parties often don't even know that their parties have manifestos. The manifestos are generally issued just before the elections because much of the effort goes into regional manoeuvring and building tribal alliances.

festos and ideological positions.

Tribal politicians are clever and calculating. They are quick to dress in the latest fashion and co-opt emerging trends to preserve their identities. They buy influence and create convenient alliances.

Their sole mission is self-preservation, with the side effect of subverting multiparty democratic evolution. For

The way forward for our multiparty democracy lies in concerted efforts to build modern political parties founded on strong ideological foundations, clear development ideas and not tribal bonds. Such political parties must base their competition for power on ideological and development platforms. Defining party platforms will need to be supported by the search for ideas, not the appeal to tribal coalitions.

### **Initiatives**

Political parties that create genuine ideological and development platforms will launch initiatives that reflect popular needs. Those that rely on manipulating ethnic alliances will bring sectarian animosity into government business by appointing to key government positions people from their tribes and allied ethnicities

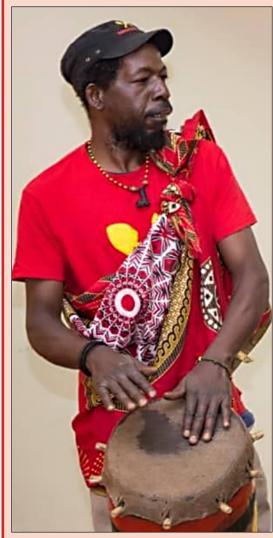
Party manifestos should fundamentally be documents in which parties outline their principles and goals in a manner that goes beyond popular rhetoric and cheap promises. They should arise from careful discussion, compromise, and efforts to express the core values and commitments of the party. But building clear party platforms requires effective intellectual input, usually provided through thinktanks and other research institutions. Most of our political parties lack such support and generally their manifestos are cobbled together with little consultation.

Tribal groupings see themselves as infallible, but parties have to be accountable to the people. By stating a vision for the future, political parties provide voters with ways to measure their performance on all fronts. Forging platforms fosters debate within parties that transcend tribal differences. Such debates are a central pillar of multiparty democracy. Building modern political

parties and associated think-tanks is, therefore, the most urgent way to counter tribal politics. Policy debate is a key element of multiparty democracy.

Specific manifestos would foster healthy political competition that would force parties to distinguish themselves from each other. Conversely, such debates would also help to illustrate areas of common interest. Indeed, it is becoming clear that issues such as poverty, infrastructure - energy, transportation, agriculture and food, and telecommunication - and youth employment are emerging as common themes in our politics irrespective of ideological differences.

So long as multiparty democracy offers the best chance for sustained growth and prosperity, tribal politics must be replaced by genuine party platforms and modern democratic institutions like thinktanks. Otherwise our road to doom will continue to be paved by tribal







THE Socialist Party has paid tribute to drummer Josam Banda, whose sudden death has shocked many people.

A large crowd turned out for his funeral, with Comrade Horace Longwe speaking at the burial on behalf of Socialist Party President Fred M'membe and other leaders.

"We are in tears for losing our beloved revolutionary comrade who has worked with us for many years. His death was sudden. He just collapsed," Longwe said.

'Natuponenwa (we have been befallen of the tragedy), we are grieving. Just a few weeks ago we were celebrating the victory of the Kapanda ward by-election in Northern Province. In the midst of our celebrations twaponenwa tulelosha. We are saddened to lose our beloved

"Josam Banda joined the Socialist Party in 2017 and was a hardworking revolutionary soldier. He was leader of the drummers in the Socialist Party choir.

"I appreciate the SP members who have come to mourn with us today; the choir, the provincial leadership, and the constituency leaders of Lusaka district, for offering solidarity to the bereaved family.

"Let's continue with this spirit whenever one of us has a problem. It should not just be funerals even when one of us is sick.

"The hope our beloved comrade Josam Banda, who we are putting to rest today, was to see a better Zambia. His wish was to see 2026 when we win power. May his soul rest in peace."

Banda, 43, who attended Muchinga Primary School in Lusaka, was well known for doing piecework in the community. He is survived by a wife and son.

Dr M'membe said, "Today we laid to rest our dearest comrade Josam Banda. Go well revolutionary comrade until we meet again. Rest in



# China example offers poor world a radical plan for modernisation

Fred M'membe Socialist Party President

THE NEW and revolutionary approach being taken by China to modernisation offers us in the poor world a new hope for development.

In a word, it offers all humanity a new hope for a more just, fair, and humane civilisation, a new option for the modernisation of mankind.

For us who are still shackled under neocolonialism, it offers an opportunity to set ourselves free and start to develop. It is not possible to develop under our current conditions of exploitation, marginalisation and neocolonial humiliation.

But this, as we are already witnessing, will not be accepted or supported by those who for centuries have benefited, profited from our exploitation, marginalisation, subjugation and humiliation. This is because it will break their monopoly on the course the world

This is a very big and important revolutionary move, initiative, being led by China. But whenever and wherever there's a revolutionary move, initiative, there will always be a desperate counter-revolutionary move, initiative. And we must factor this in and prepare for it.

It's not going to bed of roses. Imperialism will fight against these revolutionary measures. China and its leadership will increasingly come under all sorts of attacks, provocations, sanctions and slander under this counter-revolutionary

Those from our poor world, who will try to follow the Chinese model, will also be ostracised and fought in all sorts of ways. We will be fought for trying to liberate ourselves from this neocolonialism the same way we were fought trying to free ourselves from classical colo-

This Chinese new approach to modernisation offers us a chance to truly free ourselves from centuries of exploitation, domination and humiliation. And because of its liberating nature it poses an existential threat to their hegemonic system.

Today, under the imperialist-imposed neoliberal system, the neocolonial plundering of our continent – Africa – continues, and is directly responsible for our people's growing poverty, inequality, unemployment, and the destruction of our environment.

European, Canadian, and Australian mining companies are siphoning off our natural resources. Our rich natural deposits, instead of bringing economic development to our people, have made them targets for manipulation by developed Western countries, leaving them with poverty, chaos, and a badly damaged ecosystem.

The new approach being put forward by China, by contrast, redefines and de-stigmatises the concept of "modernisation" from a socialist and liberating perspective. The importance of the Chinese model of modernisation has been demonstrated by the amazing economic, political, and social developmental achievements of socialist China itself.

In 1949, when the People's Republic of China was founded, its economy accounted for less than five per cent of the world's total; its national income per capita was 20 per cent lower than that of India, and it ranked as the 11th poorest country in the world based on per capita PPP-adjusted GDP.

### Universal

By 2021, China's economy accounted for 18 per cent of the world's and its per capita income was 2.7 times that of India. Today, China has fully eradicated absolute poverty, achieved universal nineyear compulsory education, and covered more than 95 per cent of its population with basic health in-

In 2021, the CPC launched initiatives to comprehensively promote rural revitalisation and solidly advance common prosperity. This ensures that the country's rural population - 700 million people with relatively low levels of income



Xi Jinping, President of China, has overseen the eradication of absolute poverty, achieved compulsory universal education and covered more than 95 percent of the country's population with basic health insurance

will benefit from economic development. I could wax lyrical about the beautiful and modern cities, the incredible public transport system – a good part of which is green – the world's largest high-speed rail network, and so on.

When China began its reform and opening up in the 1980s, Deng Xiaoping's slogan, "let some people get rich first" and the rapid growth of the private and foreign-invested economy, caused some of us to wonder whether China had deviated from the socialist line. The facts are now available to lay those doubts to rest. Deng Xiaoping also explained socialism this way: "Poverty is not socialism," and, "Those who become rich first will lead those who become rich later to achieve common prosperity," he said. Those ideas are becoming China's reality today. From this decades-long process, we can see that generations of leaders of the CPC have taken up the mission of their respective times and continued the practice of enriching the country and strengthening the people.

attaches importance not only to economic development, but also to the spiritual civilisation and moral development of the people. It may not be easy to see the moral level of a population in times of peace and plenty, but in the face of an emergency like a global epidemic, it is possible to see the state of a society's spiritual civilisation. In the face of an epidemic that has claimed millions of lives globally – with more than a million in the United States alone - the ruling elite in the United States, the most developed country in the world, lied to its citizens, persuading them that the epidemic was over, while using insider information to make profits on the stock market.

By contrast, the Chinese people have demonstrated a high level of morality in the face of the epidemic. The CPC mobilised four million grassroots organisations every residential community, the lowest level of society – to provide services to the people related to epidemic prevention and control. These included managing and organising food supplies, arranging large-scale nucleic acid testing, isolating and escorting infected people to hospitals, and regular visits to the elderly. In return, the Chinese people showed mutual trust, strict discipline, selflessness, and small personal sacrifices to dynamically clear the epidemic nationwide and safeguard people's lives and production. This is the result of the spiritual civilisation inspired by and under the leadership and organisational capacity of the Communist Party of China.

### **Historical**

Chinese modernisation is sustainable because it doesn't plunder either other countries or nature. In the as well as our social services like past decade, an amazingly short period of time, China has led the world ones to blame for the constantly in reversing the inevitable historical expanding debt trap of our poor consequences of industrialisation. countries. No other major country in human history has modernised to this level without invading and plundering ful and peaceful new forms of soliother countries. It doesn't make darity and cooperation. sense at all for our poor countries to ever think of following the impossible path of modernisation set spire us to create our own new inby the United States. With 4.2 per digenous development models.

cent of the world's population, the United States accounts for 13 per cent of the world's carbon emissions and 13.7 tons of carbon dioxide emissions from fossil fuels per capita – three times the global average. Even though a significant portion of United States manufacturing has moved to China, its per capita carbon emissions are still 67 per cent higher than China's. If our poor countries were to use the United States as a benchmark for modernisation, the planet's natural environment would be quickly overwhelmed as the process has already begun. The Western modernisation narrative concludes that many, if not all, our countries will not be able to modernise.

There have been desperate and malicious attempts to smear the Belt and Road Initiative as a debt trap for our poor countries, but the reality of our daily existence exposes these lies. China owns only 13 per cent of poor African countries' debt; the average interest rate of Africa's debt to China is only 2.7 per cent, while the average interest rate of Africa's debt to Western private capital – 35 per cent of Africa's total debt – is five per cent. China's infrastructure investment in sub-Saharan Africa is more than twice that of Western countries combined; and China never imposes a political agenda on another country based on debt.

The West lends the money it plundered from our poor countries through institutions such as the International Monetary Fund and the World Bank. They then holds our countries hostage to a series of liberalising reforms that destroy the foundations of industrialisation health and education. They are the

Clearly, the Chinese model of modernisation can lead to success-

It can provide our poor countries with ideas and frameworks and in-

### General spells out US designs on minerals and resources

**SOCIALIST Party President** Fred M'membe posted a page as a warning to the African continent about US ambitions in the Southern Hemisphere.

The video shows US Southcom Commander General Laura Richardson spelling out in an interview with the Atlantic Council in January why the US is so concerned with many of the 31 countries that fall under "the US southern command area of responsibility".

**General Richardson focuses** on two things: the area's minerals and resources, and the competition by and perceived threat from China.

Dr M'membe said the video showed why the establishment of an AFRICOM Security Cooperation office in Lusaka "should be strongly opposed by all wellmeaning Zambians".

"It is not about our interests

but those of the US as it relates to our minerals," he said.

In the video, General Richardson says: "This region, why this region matters, with all of its rich resources and rare earth elements - you've got the Lithium Triangle, which is needed for technology today, 60 percent of the world's lithium is in the Lithium Triangle; Argentina, Bolivia, Chile,

"You just have the largest oil reserves, light, sweet crude, discovered off Guyana over a year ago. You have Venezuela's resources, as well, with oil, copper, gold.

"China gets 36 percent of its food source from this region. We have the Amazon lungs of the world. We have 31 percent of the world's fresh water in this region, too.

"I mean, it's just off the charts. But when you talk about trade, trade is unbelievable in the region. You know, I talked about all the ties that we have with this



General Laura Richardson, US Southcom Commander, speaking on KNTV about minerals and resources in the Southern Hemisphere

hemisphere, but the PRC in a lot of our countries in this region is the number one trade partner, with the United States number two in most cases, not in most

cases, I would say in some

"However, to see the increase in investment and trade from 2002 from China US\$18 billion

up to US\$450 billion now and on its way to what is predicted to be almost US\$750 billion in the near future, and so I think we have a lot at stake."

General Richardson referred to the southern hemisphere, which covers a third of Africa, including, wholly; Angola, Botswana, Burundi, Eswatini, Lesotho, Madagascar, Malawi, Mozambique, Namibia, Rwanda, South Africa, Tanzania, Zambia and Zimbabwe, mostly: Democratic Republic of Congo, Gabon and Republic of the Congo, and partly; Equatorial Guinea, Kenya, Somalia and Uganda.

Dr M'membe has repeatedly warned that the US has designs on the region's minerals, and a recent case highlights the threat.

In December, the governments of Zambia and Congo surrendered the supply chain and production of copper and cobalt to American control for the manufacture of batteries in a deal Dr M'membe described

as a "disgrace, treachery" and

Party General Secretary Cosmas Musheke Musumali said, "With this capitulation, the hope of a Pan-African owned and controlled electric car project is buried for generations to come.

"Using the occasion of the US-African summit, a memorandum of understanding was signed that will have a long-term impact on the control of the resources and technologies of the 21st century.

"They are finally securing their future with billion dollar profits to be made. The puppet governments from Africa are delivering to their American masters. After all, there was uncertainty that China Molybdenum, which had purchased the biggest copper and cobalt mine in the world (Tenke Fungurume in DRC) from an American company (Freeport MacMoran), could lead the global stage."

### REFLECTIONS

### **Fred M'membe**



### We're at a crossroads and need a creative solution

RECENTLY I had the privilege of having a meeting in Lusaka with Bruno Hanses, Minister Councillor of the delegation of the European Union to the Republic of Zambia and COMESA, and Bogdan Stefanescu, Councillor and Team Leader of the Social Sectors and Governance.

Our discussion touched on the war in Ukraine, China/Africa relations, and the political and economic situation in Zambia.

From our discussions it was very clear that we are in an epochal change, but a very different one than that which Chancellor Scholz of Germany has been talking about.

We in the Global South are now starting to strongly and assertively demand our innate right for development.

From our discussions it was very clear that the old order, which neither follows rules, nor is in order, is trying to prevent a change in the status quo, which protects the rights of the billionaires, but neglects the billions of people who suffer from scarcity.

Discussing AFRICOM and its attempt to militarise relations with us, it was also very clear that there is now an attempt to establish Global NATO through an interconnected network of military treaties; the NATO-EU agreement, the AUKUS (Australia-United Kingdom-United States partnership), the UK-Japan "Reciprocal Access Agreement", which look more and more like a march towards a global showdown with Russia and China, whose rise is seen as an existential threat

In the minds of people like Evan Ellis, the US Army War College's resident expert on Ibero-American-Chinese relations, there will be an inevitable war with China over Taiwan no later than 2027 and that war will be global. Therefore, Ellis argues, Ibero-American countries cannot be allowed to cooperate with China, because the many infrastructure projects in the region could be used by China in the projected global conflict as "intermediate staging bases" for attacks against the US supply of food and critical minerals, or perhaps directly "against the US Homeland". This argument can, in some way, be extended to us on the African continent.

But it should be clear to any sane person that global war will be nuclear and it will be the end of civilisation. So, it is completely insane to plan for it. And to deny the countries of the Global South access to cooperation with the BRI (Belt and Road Initiative), which is, for the first time, giving hope to the developing sector to overcome poverty and underdevelopment, is outright evil.

It is therefore more urgent than ever to find forces for peace in all countries of the world, who understand that we need to move to a new paradigm in international relations. We absolutely have to overcome geopolitics, which led to two world wars in the 20th Century.

We have to realise a new international security and development architecture, which takes into account the security interests of every single country on the planet – a lesson we should have learned from the Peace of Westphalia – and we have to realise that there can be no peace without development.

We have to discuss the principles upon which the future order of humanity can be built in order to be able to self-govern. The future world order must guarantee the life and creative potential of every person on the planet, and therefore must eliminate hunger, poverty, and underdevelopment. We need to contextualise and create institutions that can realise these goals. There are many useful historic reference points for the construction of a new order, such as FDR's original intentions for the Bretton Woods System to massively increase the living standard of the countries of the Global South, as well as the UN Charter. There are the GSI, the Global Security Initiative, and the GDI, Global Development Initiative, proposals of China.

We have clearly reached a crossroads in human history, where we either self-destruct in a global nuclear war, or we realise our potential as the only known creative species in the universe so far, and therefore find a solution which overcomes the present conflicts by establishing

a higher level of reason. A good example of that method of thinking was presented to the world by Nicholas of Cusa with his "Coincidentia Oppositorum" – the Coincidence of Opposites – which proceeds from the understanding that the One has a higher power than the Many.

This is why the offer of Pope Francis to provide the venue of the Vatican for immediate unconditional peace negotiation between Russia and Ukraine should be supported.

It is high time that we bring the political, economic, and social order on Earth into cohesion with the actual physical laws of the universe, which will also give rise to an unbounded optimism about the creative lawfulness that underlies creation.

If we change our thinking in this way, we can shape our future in ways few people have an inkling of today. We will soon use thermonuclear fusion power commercially and solve energy scarcity; we will cooperate to make Africa the promising continent of the future; we will cooperate on international space science and travel; we will increase longevity by discovering cures for many diseases; and we will create a new cultural renaissance to celebrate the creativity of our species, just to name a few of the many wonderful things we will be able to do.

Once again, I thank Mr Hanses and Mr Stefanescu for the great and honest exchanges.

It gets dark sometimes but the morning comes. We should not give up hope in our struggles for a more just, fair, humane and peaceful world.

### What do his words mean?

MR HAKAINDE Hichilema's rhetorical speeches to the outside world continue to raise eyebrows among concerned citizens. Our only hope is that he actually listens to his own words and what he means by them

His assessment of the relationship between food security and political and economic stability is correct. He tries to paint a picture of Zambia as a breadbasket of the region, but what he fails to tell people on the African continent and in the world beyond is that there is a food crisis in the country under his leadership.

We agree with him that it is shameful that Africa is hungry, but what he either doesn't realise or is not telling the world is that Zambia is the fourth hungriest country on the African continent and fifth in the world.

With the chaos we have witnessed around fertiliser distribution this year and the skyrocketing prices of mealie meal and other basic goods, it should not come as a surprise to Mr Hichilema if protests mushroom across the country.

As he says in his own words, a hungry person is an angry person, a hungry person cannot think properly.

Yes, the people are angry that his campaign

### Playing the blame game

WHEN you blame others, you give up your power to change things, correct wrongs. As we are witnessing with the rulers of our country today, over time, failing to accept responsibility has severe

First and foremost, it has a devastating effect on your own mind and heart. When you know you have failed to take responsibility for something that you should, it'll begin to bother you, to eat at you, little by little. Pretty soon, you'll feel very small inside. That may sound like an exaggeration, but it's the truth.

As a country, we need visionary leadership that will guide us to struggle and to rebuild this great nation anchored on values of honesty, humility, equity and solidarity.

### The struggle for change

THE ISSUES that we raised after the UPND's first 100 days in office still remain true today.

From the IMF deal and its challenges, to corruption, to the increasing cost of living, to increasing fuel and electricity tariffs and the challenges with fertilisers.

The struggles for our great majority poor continue. This country deserves better and we are ready to bring real revolutionary change in Zamhia

# Conflict a recipe for corruption, bad governance

### Businesses benefit from govt connection

Socialist staff reporter

SOCIALIST Party President Fred M'membe says it is impossible for President Hakainde Hichilema to fight corruption in an efficient, effective and orderly manner because he is highly conflicted.

"Mr Hichilema has many business interests through all sorts of fronts and associates that he has not disclosed," he said, "And he is continually getting into new ones with all sorts of associates and fronts. These businesses benefit from government business and fiscal policies presided over by Mr Hichilema himself.

Dr M'membe said it was very difficult, if not impossible, to escape corruption if one was so deeply conflicted.

"This is not a recipe for governing well. This is a recipe for bad governance. It is actually a recipe for corruption," he said.

"Instead of protecting the business interests of the people he was elected to serve, Mr Hichilema is protecting his own personal business interests and those of his associates. He is competing with the same businessmen he was elected to help, promote and develop. He is actually in a predatory position.

"Let's not deceive ourselves or allow ourselves to be deceived, there's no genuine or serious corruption fight Mr Hichilema can engage in. What we are seeing is simply a mock engagement. If he is serious about fighting corruption let him start with the corrupt fertiliser deal involving his associate Jangulo and his Alpha Commodities!

"Those who really and truly want to fight corruption should start with themselves, their party leaders, cadres and members before touching their opponents." Dr M'membe said we could learn something from the way the Chinese fight corruption.

"A decade ago, in his speech at the 18th CPC National Congress, outgoing Secretary General Hu Jintao mentioned the word 'corruption' several times. 'If we fail to handle this issue well,' he warned, 'it could prove fatal to the party, and even cause the collapse of the party and the fall of the state.'

"Xi Jinping's first task after taking over as general secretary of the CPC was to tackle this issue. In his inaugural speech as the party head in 2013, Xi said he was committed to "the fighting of tigers and flies at the same time", referring to the corruption that had spread from the high echelons down to the grassroots level within the party and the government.

"The party launched 'eightpoint' rules for its members in December 2012, to limit practices such as inconsequential meetings and extravagant receptions for official visits, and advocated 'diligence and thrift'.

#### **Expelled**

"Meanwhile, a year after the launch of the 'mass line campaign' by Xi's administration in June 2013, official meetings were reduced by 25 per cent in comparison with the period before the campaign, 160,000 'phantom staff' were removed from the government payroll, and 2,580 'unnecessary' official building projects were stopped.

"Over the past decade, from November 2012 to April 2022, nearly 4.4 million cases involving 4.7 million officials were investigated in the fight against corruption. Party members have been investigated.

"In the first half of this year alone, 24 senior officials were investigated for corruption, and former ministers, provincial governors, and presidents of the biggest state-owned banks have been expelled from the party and given harsh sentences, including life imprisonment."

Dr M'membe said that Hu Jintao's comments and Xi Jinping's actions reflected concerns that during the period of high growth after 1978, CPC members had grown increasingly detached from the people

"During the first months of his presidency, Xi launched the 'mass line campaign' to bring the party closer to the grassroots. As part of the 'targeted poverty alleviation' campaign launched in 2014, 800,000 party cadres were sent to survey and visit 128,000 villages as part of this project.

"In 2020, despite the COV-ID-19 pandemic, China successfully eradicated extreme poverty, contributing to 76 percent of the global reduction in poverty until October 2015.

"Beyond the party's self-correction, Xi's strong words and actions against the corrupt 'flies and tigers' contributed to the Chinese people's confidence in the government.

"According to a 2020 research paper by Harvard Kennedy School's Ash Center for Democratic Governance and Innovation, the overall satisfaction with the government's performance was 93.1 per cent in 2016, seeing the most significant growth in the more underdeveloped regions in the countryside

"This rise of confidence in rural areas resulted from increased social services, trust in local officials, and the campaign against poverty.

"This is how to fight corruption. But this approach is only possible if the key leadership is not conflicted or outrightly corrupt itself," Dr M'membe said.

# UPND leaders 'wolves in sheep's clothing' over IMF loan conditions

UPND government leaders are "wolves in sheep's clothing" for allowing the International Monetary Fund to impose loan conditions that negatively impact Zambia's poor, Socialist Party Copperbelt youth league provincial training coordinator Joseph Kangwa says.

"The IMF has indirectly sanctioned the poor people of this country through its unfriendly conditions attached to the US\$1.3 billion bailout package that President Hakainde Hichilema and his administration have been bragging about day in and day out," he said.

"These conditions have been imposed on a country which has more than 60 per cent of its population living in abject poverty. It is evident that the IMF deal is solely for the benefit of politically connected business people in the UPND government masquerading as politicians, and their allies in the West."

Kangwa said the masses were



Joseph Kangwa: policies for the benefit of foreign investors

suffering while the country's minerals were being given away, leading to irreparable damage to the local environment.

"This is due to poor government policies that are for the benefit of foreign investors and greedy UPND government leaders."

He said Mr Hakiende Hichilema and his government were unashamed of exacerbating the

suffering of the poor. "It matters less to them whether the citizens are suffering or dying as long as their deals are done. President Hichilema's insensitivity to the suffering of the Zambian people is difficult to ignore.

"The Zambian people need to realise that this suffering and economic hardship is due to the increasing prices of fuel, mealie meal and other food staples, which are the result of the government having sold us to the IMF."

Kangwa said there was an urgent need for change in the country following the UPND government's failure

"Mr Hichilema has proven to be chimbwi no plan (lack of vision). Let us all support Fred M>membe and the Socialist Party and vote against these people who don't bode well for this country.

"The people have the power!"

• IMF pressure on Zambia

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# US, IMF big guns press

Socialist Party Presdent Fred M'membe asks why US Treasury Secretary Janet Yellen's trip to Zambia coincided with IMF managing director Kristalina Georgieva's visit and finds the answer in US pressure on African nations to abandon infrastructure projects financed by China in return for debt relief. Zambia has requested 38-months assistance from the IMF under the **Extended Credit Facility** arrangement

WHAT WAS the purpose of US Treasury Secretary Janet Yellen's trip to Zambia and other African countries? To address Zambia's debt with China, to undermine China's position in Zambia and Africa, and for what? Critical minerals!

And it coincided with International Monetary Fund (IMF) managing director Kristalina Georgieva's visit to Zambia. What was Georgieva's mission to Zambia? The answer was transparent in all her meetings in Zambia, including one with President Hakainde Hichilema – the media were present. From what we observed this was nothing more than a PR stunt by the IMF to claim that the institution had become better and more humane.

Zambia has requested 38-months assistance from the IMF under the Extended Credit Facility arrangement (ECF) in the amount of SDR 978.2 million (Special Drawing Rights) – 100 percent of Zambia's quota. The proposed ECF-supported programme aims to restore macroeconomic stability and foster higher, more resilient, and more inclusive growth.

To support this, the IMF is seeking extensions of maturity dates and reduction of interest payments. But there are serious challenges. Unlike the debt relief efforts of the 1990s and early 2000s, where lenders were mainly bilateral and multilateral – and all belonged to the Paris Club – today, lenders include private bond market holders.

Presently, the lenders have different characteristics and motives. And today there's also China, which was not one of the lenders of the 1990s and 2000s. The Chinese debt is a mixed basket of private, quasi-government and government creditors. This makes it very difficult to reach a common framework.

Even when the characteristics of the lenders were similar under the Paris Club it took more than ten years to agree on the debt relief we received in the early 2000s. And how long has it taken the IMF and the Zambian government to reach a deal? They started negotiating in 2017. This complex mixture of lenders may take a long time to reach a deal or some consensus. It will certainly not be fair and just to blame China for this.

The truth is that following the





Above: International Monetary Fund managing director Kristalina Georgieva visits a recipient of a 'social cash transfer' initiative in her household in Chongwe. Right: US Treasury

"China debt-trap" narrative being thoroughly exposed as a fraud internationally, there is a new two-pronged game in town: China must bail out Western bondholders controlling the debt of many nations in distress; at the same time, the International Monetary Fund, the US, and the EU are pressuring those nations to abandon infrastructure projects financed by China in return for debt relief. In the case of Zambia, the IMF made this very clear.

This seems to be the goal of the visit by US Treasury Secretary Janet Yellen to Zambia, i.e. making Zambia an example or a template for this new push to block the Belt and Road Initiative and China-Africa cooperation, which is soundly based on building infrastructure (transport, power, water management, modern telecommunications, healthcare and education) and modern agriculture and industry. This is the way, as China proved at home, for these nations to escape the double traps of poverty and chronic debt distress.

### Malice

At the same time, the looting of the raw materials of African nations by the same nations' transnational corporations continues with great vigour and malice under the guise of reforms, privatisation, and investment incentives. In the case of Zambia, the situation is probably as bad as it was in the colonial period.

The debt distress experienced by these countries predates China's involvement through the Belt and Road Initiative in Africa and Asia and was made worse with the outbreak of the COVID-19 pandemic in 2020 and 2021. It continued as inflation in global energy and commodity prices maintained pressure throughout 2021, and finally dramatically worsened with the outbreak of the Ukraine crisis in February last year.

The nations that rely heavily on imports of fuel, food, and fertilisers are the worst hit. Zambia is a case in point. Zambia already defaulted in November 2020 on Eurobonds (not Chinese debt service) and has been negotiating a financial assistance package with the IMF and international creditors. Zambia had resorted to borrowing heavily from inter-

national private bond markets even before the COVID-19 pandemic.

When the commodity prices plunge took place in 2014, Zambia entered a major financial crisis, pushing it to resort to borrowing from international private bond markets. In 2014, Zambia issued Eurobonds worth US\$1bn, in a deal supported by the IMF and managed by Deutsche Bank and Barclays. In 2015, another US\$1.3 billion Eurobond was issued. The interest rate was an incredible 9.3 per cent. Maturity time for these bonds varied between seven and 11 years. The Eurobond issuances were intended to fill a gap in the budget deficit of US\$ 2 billion, and not to invest in any productive processes.

In November 2020, the country defaulted on a US\$42.5 million payment on one of the Eurobonds. This was not because the Zambia government couldn't raise this amount of money. Its advisors on debt told them not to pay it because it would make other lenders less eager to cooperate on its debt relief efforts.

For the IMF it is a matter of the same recipe being repackaged with better public relations in light of its dented image in the Global South.

The exact same mistake is being made in the new "debt relief" arrangements of the IMF, which focus on filling fiscal gaps in government finances rather than developing the economy. New loans ease emergency needs and will be consumed without any impact on improving the productivity of society. The new loans will mature sooner or later and the vicious cycle will be repeated.

The demands being made by the West on China and the type of conditions being imposed by the IMF on Zambia in return for assistance reveal several objectives that could be problematic for China and the Belt and Road Initiative:

The call on China to provide more assistance in the IMF-driven debt restructuring of Zambia implies that China contributes to bailing out Western private sovereign bond holders, who themselves are pressed by the global financial crisis.

The IMF is demanding that Zambia stop borrowing (from China without naming it) for important infrastructure projects.

Zambia is being pressured by

The IMF is demanding that Zambia stop borrowing (from China without naming it) for important infrastructure projects. Zambia is being pressured by the IMF to resort to 'publicprivate partnership' in financing and building infrastructure. This means many projects will not be achieved as their financial yield would be deemed too small or non-existent by private investors

the IMF to resort to "public-private partnership" in financing and building infrastructure. This means many projects will not be achieved, as their financial yield would be deemed as too small or non-existent by private investors. Or, otherwise, certain vital strategic facilities will be privatised and owned by foreign interests

There is a risk of asset grabbing by the same Western interests and their allies focused on strategic raw materials.

US Treasury Secretary Janet Yellen's counsellor Brent Neiman said in a speech on September 20 last year that China's lack of cooperation with the G-20 and the IMF on debt relief could burden dozens of low- and middle-income countries with years of debt-servicing problems, lower growth and underinvestment.

"China's enormous scale as a lender means its participation is essential," Neiman said in the speech citing estimates that China has US\$500 billion to US\$1 trillion in outstanding official loans, mainly to low- and middle-income countries. However, these numbers are difficult to ascertain and it is not clear to what projects and what countries these loans were extended.

China's share of Zambia's foreign debt is a mere 30 percent. The real culprits that Yellen should be focusing on are the Western private bondholders. It became obvious that the IMF's main conditionality to help Zambia was to cut a deal first on repayment of the debt of West-

ern bondholders. The statements by Yellen and other American officials are being used in Western media to show that China's unwillingness to help the IMF programmes is undermining the efforts to help poor nation with debt restructuring. But China is doing the right thing by avoiding the IMF methods and focusing instead on its own solutions.

Zambia is Africa's second largest exporter of copper and other industrial minerals like cobalt and gold. But while the mining sector constitutes 70 to 80 percent of the country's exports, it does not contribute more than four to five percent of government revenues, because foreign Western companies largely own the mining sector. The absolute largest of these are: Glencore PLC (Glencore Xstrata PLC), Konkola Copper Mines PLC (subsidiary of Vedanta Resources), Barrick Gold Corp, First Quantum Minerals Ltd, Axmin Inc., Caledonia Mining Corp, Lubambe Copper Mine Limited, and Trek Metals Limited (Zambezi Resources Pty Ltd).

Only one major company is Chinese, China Nonferrous Metals Corporation (CNMC).

Most of the profit from mining



Work on the US\$1.2 billion Lusaka-Ndola dual carriageway funded by China Jiangxi Corporation

# ure Zambia over China





Secretary Janet Yellen signs the guest book at State House during her visit to Zambia. The US and the EU are pressuring African nations, including Zambia, to abandon infrastructure projects financed by China

does not return to the country. In 2021, Zambia estimated exports were US\$8.1 billion. Copper accounted for US\$6.1 billion of that (76 percent of total exports). But those companies repatriated only less than US\$1 billion to Zambia. These companies do not use local suppliers for the mining operations and all machinery and services are supplied from abroad.

The privatisation of the mining sector was part of the liberalisation process in the 1990s agreed upon with the IMF and World Bank. These policies also made foreign mining companies largely exempt from taxation under the pretext of encouraging more foreign direct investments into the country.

Zambia external debt reached US\$8,472 billion in late 2021. Eurobond holders held \$3 billion of Zambian debt plus US\$336 million of interest arrears at the end of 2021. British Abrdn (Aberdeen) is one of the largest bondholders, and it leads a committee of bondholders estimated to hold around 45 per cent of Zambia's international market debt. Aberdeen and its partners were opposed to any "haircut" to the bondholders in any settlement. American ber 2022 stated clearly, "Zambia

giant investment fund BlackRock holds around US\$215 million worth of these bonds. BlackRock has reportedly made big profits from these holdings through the years. By comparison, Zambia's nominal GDP was reported at US\$17.1 billion in December 2019.

Chinese loans to Zambia account for 30 percent of its total external debt. However, these are longterm loans with long grace periods dedicated mostly to infrastructure projects, such as airports and hydropower projects, roads, highways, telecom and digital infrastructure, hospitals, and clean drinking water management systems.

The most important results of the agreement between the IMF and Zambia's government to be granted a zero-interest loan of US\$1.3 billion with a grace period of five-anda-half years and a final maturity of 10 years, was indicated in the reports of the IMF staff. To receive the financial support, Zambia had to accept specific conditionalities to reduce government spending, but most emphatically to stop borrowing for infrastructure projects.

The IMF staff report in Septem-

The attempt to presure China to make concessions to the IMF and other financial institutions is intended to help bailout private interests in the **US and Britain, which** are themselves facing huge risks due to the **current Transatlantic** financial and banking crisis. The other goal is to block BRI projects, especially in the least-developed countries with large mineral reserves

is dealing with large fiscal and external imbalances resulting from years of economic mismanagement, especially an overly ambitious public investment drive that did not yield any significant boost to growth or revenues", it asserts also that, "rapid debt accumulation on the backdrop of deteriorating economic fundamentals has led to

unsustainable debt levels and subsequent accumulation of arrears. Debt contracted has mainly been for infrastructure projects in sectors such as roads, education, health and defence". This is outright sophistry, since the most poisonous part of the debt was accumulated through borrowing in the global bond markets from mainly British and American sources. China's credits were long term and focused on improving the physical economy and productivity of Zambia.

This has been the demand of the IMF since the previous government started its negotiations in 2017. It led the government to cancel a large number of projects mostly agreed with China, but whose loan disbursements were not yet made. Some of the Chinese projects cancelled are:

- A major highway the US\$1.2 billion Lusaka-Ndola dual carriageway funded by China Jiangxi Corporation. Zambia has engaged China Jiangxi to cancel US\$157 million in undisbursed loans.
- Digital projects, such as Smart Zambia phase II (US\$333.2 million), which was being implemented by Huawei Technologies and funded by China Exim Bank. Digital terrestrial television broadcasting systems in Zambia phases II and III.
- Zambia asked China Exim Bank to cancel US\$159 million of funding for the building of Chalala army barracks in Lusaka.
- FJT University under the Ministry of Education.
- Rehabilitation of Urban Roads phase III under the Ministry of Infrastructure and Urban Develop-

Given the conditionalities imposed by the IMF and Western partners on Zambia and other countries to cancel vital infrastructure projects, mostly with China under the BRI, it is not reasonable for China to participate in these programmes.

When 77 percent of Zambia's population do not have access to clean drinking water, 60 percent do not have access to electricity, 46 percent do not have access to the internet, and the roads are in a bad shape, it is unfathomable how cancelling all these infrastructure projects will lead to any improvement in

the country's economy. There is no evidence supporting the IMF staff assertion that these infrastructure projects "do not yield any significant boost to growth or revenues". It is a basic fact of economics that improvements in infrastructure lead to direct and indirect increase in the productivity of the economy by creating efficient transport networks, lowering the cost of production through abundant electricity and transport facilities, and increasing

access to markets. The other risk resulting from this policy is that the government will be allowed to continue nonproductive public spending, such as payment of public employees and disbursements to mitigate the globally induced inflation. This will increase the non-productive financial burden. At the same time, the IMF conditionality of lifting government subsidies on fuel will lead to an increase in the cost of production of most commodities

### **Template**

China will be pushed back as a partner and the Western-controlled multilateral partners, like the World Bank, will assume the major role through assistance measures that are directed as social programmes to deal with effects of poverty rather than dealing with the causes. This will keep the country, where over 60 per cent of the population is under the poverty line, in a permanent state of poverty and reliance on aid programmes from the West.

If this push in Zambia succeeds in achieving the goals set by the United States and its partners, it will be used as a template elsewhere, where it will become the precedent and standard.

The attempt to pressure China to make concessions to the IMF and other financial institutions is intended to help bailout the private interests in the US and Britain, which are themselves facing huge risks due to the current Transatlantic financial and banking crisis. The other goal is to block BRI projects, especially in the least-developed countries with large mineral reserves.

China is recommended to make public its position on "no bailout" of private interests, with loans to those countries not made to benefit the people but to make profit in times of crisis. China must make it clear that its loans to those countries, especially for the building of vital infrastructure, are "qualitatively" different to the Western loans, because China's projects lead to an increase in the productivity of the countries and their ability to refinance their debt

Western loans in times of crisis are intended to pay old debt (especially to private interests as argued by the IMF itself). This kind of credit policy puts developing countries in a real debt-trap and vicious spiral, as they are not given the opportunity or permission to invest in productive projects.

China should, otherwise, continue its well-known and documented debt-forgiveness and rescheduling in a case-by-case manner. China's loans for vital infrastructure projects must continue because China has become the creditor of final resort for such important investments to pull nations out of poverty. In the worst case, China may shift to "investments" in infrastructure rather than financing and constructing through loans, and secure the mineral resources it needs for its industrial development through winwin cooperation with mineral-rich countries.

African nations have to take control of their natural resources in a fair and organised manner. The neocolonial methods have to be exposed and ended.

African nations need to abandon the primitive economic process of exporting raw materials. These raw materials, if processed and manufactured into products inside the countries will add value in many orders of magnitude to the raw materials extracted. The recent case of Zimbabwe banning the export of raw lithium and entering a joint venture with a Chinese company to build a lithium-ion battery plant in the country is a revolutionary move. It has the potential to reconstruct the relationship of the whole African continent with the rest of the world.

The age of exploitation of nations through colonialism and neocolonialism has to end and be replaced by the win-win concept manifested in the Belt and Road Initiative.



FJT University under the Ministry of Education, originally the subject of a US\$255 million loan request

# Billions of reasons to save the Earth from the wealthy

### Oxfam report argues capitalism is to blame for climate crisis

**Tina Landis** 

A RECENT report from Oxfam entitled "Carbon Billionaires: The Investment Emissions of the World's Richest People" points the finger at the wealthiest individuals for causing and continuing to fuel climate change through not only their individual carbon footprints, but more importantly their investments in polluting industries.

The study looks at the impact of 125 of the richest billionaires globally, whose carbon emissions equal those of France, or 67 million people, and shows that just the richest ten of those individuals own more wealth than the poorest 40 percent of humanity. The average billionaire in the study is responsible for carbon emissions over one million times higher than the average person in the bottom 90 percent of humanity.

While their lavish lifestyles yachts, private jets, mansions and other excessive material wealth contribute to climate change, their investments account for 50 to 70 percent of their carbon footprint. Fourteen percent of these investments are in fossil fuels and other polluting industries, with only one of the 125 billionaires having investments in a renewable energy

A disclaimer from Oxfam states that these figures are likely to be low estimates of the true carbon emissions of the wealthiest due to lack of independent verification for half of corporate emissions disclosures, as well as failure by most companies to report Scope 3 emissions from their supply chains and consumer use of their products, which often have significant impacts

### **Taxation**

The report suggests that governments should increase taxation on the wealthiest, tighten regulations on industry and investors and provide more transparency through income-based emissions reporting. It also highlights the inequities in emissions versus climate impacts with the Global North holding the majority of the responsibility for causing climate change while the still-developing Global South and working-class communities are bearing the brunt of climate disasters.

The amount of emissions from the richest sectors of society mirrors income inequality. So the report argues that by taxing the richest, we can distribute wealth more evenly and reduce overall emissions to levels that can stem climate catastrophe – as if just hindering the investment choices of a few bad actors will shift the trajectory we are on.

But what is missing from this report is that the system of capitalism is the root cause. The very nature of capitalism - endless growth, maximisation of profits, competition over markets and resources, lack of centralised planning - has caused climate change.

The insatiable need to endlessly



Forest fires approach the village of Pefki on Evia, Greece's second largest island, during the worst heatwave in decades

produce products using the cheapest materials and most exploitative labour with complete disregard for the long-term implications has decimated ecosystems worldwide and spewed massive amounts of greenhouse gases into the atmosphere since the Industrial Revolution.

Imperialist domination of markets backed by military might has impeded Global South countries from developing on a sustainable path due to indebtedness, interventions and domination by the Global North. No amount of taxation and regulation will change this dynamic. The wealthy already find ways to avoid paying taxes by hiding funds in offshore accounts and taking advantage of the many tax loopholes and benefits that cater to the elite. And the corporations literally write legislation with the consent of our so-called representatives, while environmental laws protect the right of industry to profit above the health of our com-

Capitalism can never be environmentally sustainable, as it treats the living world as a commodity to be exploited until there are no more profits to be made. For in-

stance, before colonisation, North America was a lush, bountiful landscape supporting an abundance of biodiversity due to the Indigenous peoples' understanding and respect for the natural world. With the invasion of Europeans came capitalist market forces that drove entire species to near extinction for profit - beaver and otters were killed for their fur, bison slaughtered for their meat, bones and hide, and forests clear cut for lumber, cash crops and cattle grazing.

This drive for profits, largely to feed the markets of Europe, forever altered the ecosystems of this continent. The disruption of the inextricable balance between species that had evolved over millions of years to create the most optimal conditions for all life to thrive impacted how water cycled through the landscape and transformed once-lush ecosystems into deserts.

This environmental decimation has been replicated around the globe, along with the burning of fossil fuels and ongoing land use changes. It has created the current state of droughts, fires, floods and extreme weather, which is seen by the capitalists as mere collateral damage in the paramount goal of hand. Most can't afford energy-effiprofit making.

oceans – is all being carried out to is delusional. bring increasing returns on investments for these billionaires.

### **Emissions**

The majority of planet-warming the same ruling elite, loves to pro-socialist system. mote philanthropic efforts as the

Working-class individuals and path forward. the poorest of the world have Tina Landis is the author of the little impact on the problem and book Climate Solutions Beyond little choice regarding their carbon Capitalism. footprint with limited resources at

cient housing and often have to rely Continuing ecological destruc- on getting around by gas-powered tion - rainforests being cleared for vehicles due to lack of adequate palm oil, cattle, and biofuels, min- public transit or the funds to buy a eral and fossil fuel extraction that zero-emission vehicle. Billionaires poisons landscapes, petrochemical have that choice, but considering that industries producing a constant their wealth came from plundering stream of synthetic materials and the planet and exploiting our labour, disposable plastics that choke the looking to them to solve the problem

The UN Intergovernmental Panel on Climate Change continues to warn us that the window is rapidly closing to maintain a habitable world with only a few years remaining for rapid emission reductions. It is too emissions stem from these same late for taxes and regulations. If we corporations that plunder the plan- are to survive, the workers must take et. The corporate media, owned by control of our economies and create a

Under a worker-controlled socialpath to solving the climate crisis; ist government and a planned econofrom Elon Musk to Jeff Bezos to my, the wealth and resources of soci-Bill Gates, who in reality do nothety would be utilised in a sustainable ing with their money that won't in and equitable manner to meet the the end bring some benefit to them- needs of the people and the planet. A selves while improving their brand. world without billionaires is the only

Liberation

### Africa will bear the brunt of global heating

responsible for the global climate crisis, face seeing their GDP growth rate fall by up to 64 percent by the end of the century, according to research - even if the world succeeds in limiting global heating to 1.5C.

As world leaders hustled over climate action at the UN summit in Egypt, a study commissioned by Christian Aid found that burning fossil fuels at the current rate will have a huge impact on the finances of African countries

The average hit to GDP per capita could be as much as 34 percent, the report finds, while the effect on GDP growth will lead to an average 20 percent reduction in rates by 2050 and a huge 64 percent on average by 2100.

The findings underscore the urgent need for tangible progress on climate finance for adaptation, loss and damage. "Climate finance is not charity, it's climate justice," said Nabeel Munir, a Pakistani diplomat and chief negotia-

tor for the G77 developing countries at Cop27. The 54 countries of Africa account for 15 percent of the world's population but contribute less than 4 percent of the CO2 heating the planet, in contrast with 27 percent from China,

the EU. But it is the continent most affected by catastrophic climatic changes, such as rising sea level and melting glaciers, as well as increasingly erratic and destructive extreme weather events, such as drought, wildfires, floods, and heatwaves.

The study analysed the estimated GDP growth for 50 African countries if there was no global heating, compared with best and worst ase scenarios of 1.5C and 2.4C by 2100.

Under current climate policies, the GDP growth of eight countries - Sudan, Mauritania, Mali, Niger, Burkina Faso, Chad, Djibouti, and Nigeria - could be reduced by as much as 75 percent. The worst hit nations generate less than 0.43 tonnes of carbon dioxide (CO2) per person, in contrast to the US and Canada generating 14, and Saudi Arabia 18 tonnes.

Sudan, where heavy rains and flash floods affected more than 250,000 people in 15 out of 18 provinces recently, economic growth could be hit by a staggering 84 percent under global current climate policies.

The study did not factor in new climate adaptation measures, so the GDP downslide

into account the economic damage caused by extreme weather, so the downslide could conceivably be even worse.

Last year, more than 200,000 homes were destroyed by floods and landslides in Nigeria, while 37 million people faced starvation after four consecutive droughts in the Horn of Africa. A UN report published recently found that international adaptation finance is five to 10 times below what developing countries actually need, and the gap is widening every year.

Mohamed Adow, the director of the climate thinktank Power Shift Africa, said the shocking economic forecasts should be a wake-up call. "The fact that African countries will suffer painful economic harm, even if we limit global heating to 1.5C, shows the need for a loss and damage fund to help those on the frontlines of the climate crisis.

"These countries have contributed the least to cause the problem, and yet they face such grave economic consequences created by others. That is why climate change is a matter of injustice."

UK Guardian

## CHINA

INTEREST in China is growing, yet most news and analysis outside the country is produced by mainstream media from the global north. To provide Chinese perspectives, the Dongsheng Collective - researchers from various countries - offers a China digest. This is an edited selection. https://dongshengnews.org/en

#### **US-Japan pact threat**

A US-Japan alliance for military expansion in the Indo-Pacific poses a threat to peace in the region, experts have warned. At a meeting between top diplomatic and defence officials from both countries, China was cited as the "biggest strategic challenge", while the Japanese government says it will approve a record military budget of more than US\$50

Global Times

### 60,000 COVID deaths

CHINA recorded nearly 60,000 COVID-related deaths between December 8 and January 12. The average age of the victims was 80.3 years old, with 90.1 percent of them over the age of 65. The country reached a peak in the number of severe cases of COVID (128,000) on January 5, and is now prioritising strengthening exchanges and cooperation on pandemic prevention and control with the WHO.

Global Times

#### Inflation limited to 2%

CHINA managed to avoid the inflationary shock that affected most Western economies in 2022, with the consumer price index rising 2 percent. State food stocks, reduction of tariffs on coal imports, control of speculation, and subsidies to vulnerable populations are among the measures that have prevented strong increases in inflation such as in the US (6.5 percent) or the UK (10.5 percent).

South China Morning Post

### **GDP up by 3% in 2022**

CHINA'S gross domestic product increased by 3 percent in 2022, reaching US\$17.9 trillion. Industrial production grew 3.6 percent and the value of imports and exports increased 7.7 percent. The number of new jobs in urban areas exceeded 12 million, and the disposable income of urban families had a real growth of 1.9 percent, and rural families, 4.2 percent.

National Bureau of Statistics

### China beats US on Al

CHINA has surpassed the US in Artificial Intelligence (AI) research output and quality, with Tencent, Alibaba and Huawei among the top 10 companies. Chinese articles on AI exploded from about 25,000 in 2012 to around 135,000 in 2021, with 7,401 articles from China among the most cited, surpassing the US by 70 percent. In another milestone, China became the first country to register more than 3 million patents in 2022.

South China Morning Post

### Population down 10%

CHINA'S population has decreased for the first time in 60 years and stood at 1.411 billion last year. With a drop of nearly 10 percent (9.98) in births and a growth rate of -0.6 per thousand people, the country has 850,000 fewer inhabitants due to cultural changes, high costs of raising children, and economic slowdown. With a shrinking labour force, economic growth will depend more on increasing productivity.

South China Morning Post

# Brazil insurrection has the same dynamic as centrist coup in Peru

Political forces are funded and brought to power in the Global South to ensure their own citizens remain at the rear of the queue, while the wealthy tax-free bondholders of the Global North remain at the front. **Vijay Prashad** 

ON JANUARY 8, large crowds of people dressed in colours of the Brazilian flag descended on the country's capital, Brasília. They invaded federal buildings, including Congress, Supreme Court, and

presidential palace, and vandalised public property.

analyses the process

The attack, carried out by supporters of former President Jair Bolsonaro, came as no surprise, since the rioters had been planning weekend demonstrations on social media for days.

When Luiz Inácio Lula da Silva (known as Lula) was formally sworn in as Brazil's new president one week prior, on January 1, there was no such melee; it appears that the vandals were waiting until the city was quiet and Lula was out of town. For all its bluster, the attack was an act of extreme cowardice

Meanwhile, the defeated Bolsonaro was nowhere near Brasília. He fled Brazil prior to the inauguration – presumably to escape prosecution - and sought haven in Orlando, Florida (in the United States). Even though Bolsonaro was not in Brasília, the Bolsonaristas, as his supporters are known, left their mark throughout the city.

### Toxic

Even before Bolsonaro lost the election to Lula last October, Le Monde Diplomatique Brasil suggested that Brazil was going to experience "Bolsonarism without Bolsonaro". This prediction is supported by the fact that the far-right Liberal Party, which served as Bolsonaro's political vehicle during his presidency, holds the largest bloc in the country's Chamber of Deputies and Senate, while the toxic influence of the right wing persists both in Brazil's elected bodies and political climate, especially on social media.

The two men responsible for public safety in Brasília - Anderson Torres (the secretary of public security of the Federal District) and Ibaneis Rocha (the governor of the Federal District) - are close to Bolsonaro. Torres served as the minister of justice and public security in Bolsonaro's government while Rocha formally supported Bolsonaro during the election.

As the Bolsonaristas prepared their assault on the capital, both men appeared to have abdicated their responsibilities: Torres was on holiday in Orlando, while



Supporters of former President of Brazil Jair Bolsonaro breach security barriers and gain access to the country's congressional building, the Supreme Court and Planalto Presidential Palace. The uprising came as no surprise since the rioters had been planning weekend demonstrations on social media for days

Rocha took the afternoon off on the last working day before the coup attempt. For this complicity in the violence, Torres has been dismissed from his post and faces charges, and Rocha has been suspended. The federal government has taken charge of security and arrested over a thousand of these "fanatic Nazis", as Lula called them. There is a good case to be made that these "fanatic Nazis" do not deserve am-

The slogans and signs that pervaded Brasília on January 8 were less about Bolsonaro and more about the rioters' hatred for Lula and the potential of his pro-people government. This sentiment is shared by big business sectors mainly agribusiness – which are furious about the reforms proposed by Lula.

The attack was partly the result of the built-up frustration felt by people who have been led, by intentional misinformation campaigns and the use of the judicial system to unseat the Lula's party, the Workers' Party (PT), through "lawfare", to believe that Lula is a criminal – even though the courts have ruled this to be false. It was also a warning from Brazil's elites.

The unruly nature of the attack on Brasília resembles the January 6, 2021 attack on the US Capitol by supporters of former US President Donald Trump. In both cases, far-right illusions, whether about the dangers of the "socialism" of US President Joe Biden or the "communism" of Lula symbolise the hostile opposition of the elites to even the mildest rollback of neoliberal austerity.

The attacks on government offices in the United States (2021) and Brazil (2023), as well as the recent coup in Peru (2022), are not random events, beneath them is a pattern that requires examination. At Tricontinental: Institute for Social Research, we have been engaged in this study since our founding five years ago. In our first publication, In the Ruins of the Present (March 2018), we offered a preliminary analysis of this pattern, which I will develop further below.

After the Soviet Union collapsed in 1991 and the Third World Project withered as a result of the debt crisis, the US-driven agenda of neoliberal globalisation prevailed. This programme was characterised by the state's withdrawal from the regulation of capital and by the erosion of social welfare policies.

### Riots

The neoliberal framework had two major consequences: first, a rapid increase in social inequality, with the growth of billionaires at one pole and the growth of poverty at the other, along with an exacerbation of inequality along North-South lines; and second, the consolidation of a "centrist" political force that pretended that history, and therefore politics, had ended, leaving only administration (which in Brazil is well-named as centrão, or the "centre") remaining.

Most countries around the world fell victim to both the neoliberal austerity agenda and this "end of politics" ideology, which became increasingly anti-democratic, making the case for technocrats to be in charge. However, these austerity policies, cutting close to the bone of humanity, created their own new politics on the streets, a trend that was foreshadowed by the IMF riots and bread riots of the 1980s and

later coalesced into the "anti-globalisation" protests. The US-driven globalisation agenda produced new contradictions that belied the argument that politics had ended.

The Great Recession that set in with the global financial crisis of 2007-08 increasingly invalidated the political credentials of the "centrists" who had managed the austerity regime. The World Inequality Report 2022 is an indictment of neoliberalism's legacy. Today, wealth inequality is as bad as it was in the early years of the 20th century: on average, the poorest half of the world's population owns just US\$4,100 per adult (in purchasing power parity), while the richest ten percent owns US\$771,300 - roughly 190 times as much wealth.

Income inequality is equally harsh, with the richest ten percent absorbing 52 percent of world income, leaving the poorest 50 percent with merely 8.5 percent of

It gets worse if you look at the ultra-rich. Between 1995 and 2021, the wealth of the top one percent grew astronomically, capturing 38 percent of global wealth while the bottom 50 percent only "captured a frightening two percent", the authors of the report write. During the same period, the share of global wealth owned by the top 0.1 percent rose from seven percent to 11 percent. This obscene wealth largely untaxed – provides this tiny fraction of the world's population with a disproportionate amount of power over political life and information and increasingly squeezes the ability of the poor to survive.

The World Bank's Global Economic Prospects report (January 2023) forecasts that, at the end of 2024, gross domestic product

(GDP) in 92 of the world's poorer countries will be six percent below the level expected on the eve of the pandemic. Between 2020 and 2024, these countries are projected to suffer a cumulative loss in GDP equal to roughly 30 percent of their 2019 GDP.

As central banks in the richest countries tighten their monetary policies, capital for investment in the poorer nations is drying up and the cost of debts already held has increased. Total debt in these poorer countries, the World Bank notes, "is at a 50-year high". Roughly one in five of these countries are "effectively locked out of global debt markets", up from one in 15 in 2019.

### **Pivot**

All of these countries - excludsharp investment contraction of more than eight percent" during the pandemic, "a deeper decline than in 2009", in the throes of the

Great Recession. The report estimates that aggregate investment in these countries will be eight percent lower in 2024 than had been expected in 2020. Faced with this reality, the World Bank offers the following prognosis: "Sluggish investment weakens the rate of growth of potential output, reducing the capacity of economies to increase median incomes, promote shared prosperity, and repay debts". In other words, the poorer nations will slide deeper into a debt crisis and into a permanent condition of social distress.

The World Bank has sounded the alarm, but the forces of "centrism" - beholden to the billionaire class and the politics of austerity – simply refuse to pivot away from

the neoliberal catastrophe. If a leader of the centre-left or left tries to wrench their country out of persistent social inequality and polarised wealth distribution, they face the wrath of not merely the "centrists", but the wealthy bondholders in the North, the International Monetary Fund, and the Western

When Pedro Castillo won the presidency in Peru in July 2021, he was not permitted to pursue even a Scandinavian form of social democracy; the coup machinations against him began before he was inaugurated. The civilised politics that would end hunger and illiteracy are simply not permitted by the billionaire class, who spend vast amounts of money on think tanks and media to undermine any project of decency and fund the dangerous forces of the far right, who ing China – "suffered an especially shift the blame for social chaos away from the tax-free ultra-rich and the capitalist system and on to the poor and marginalised.

The hallucinatory insurrection in Brasília emerged from the same dynamic that produced the coup in Peru: a process in which "centrist" political forces are funded and brought to power in the Global South to ensure that their own citizens remain at the rear of the queue, while the wealthy tax-free bondholders of the Global North remain at the front.

On the barricades in Paris on 14 October 1793, Pierre Gaspard Chaumette, the president of the Paris Commune, who himself fell to the guillotine to which he sent many others, quoted these fine words from Jean-Jacques Rousseau: "When the people shall have nothing more to eat, they will eat the rich".

Tricontinental

# Cold war leads to icy ties in the Arctic

### Russia frozen out with mineral spoils at stake

Vijay Prashad

IN 1996, the eight countries on the Arctic rim – Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the United States - formed the Arctic Council, a journey that began in 1989 when Finland approached the other countries to hold a discussion about the Arctic environment. The Finnish initiative led to the Rovaniemi Declaration (1991), which established the council's precursor, the Arctic Environmental Protection Strategy.

The main concern for these governments at the time was the impact of "global pollution and resulting environmental threats" to the Arctic, which was destroying the region's ecosystem. There was little understanding of the scale and implications of the polar ice cap melting (consensus about that danger was amplified by the research of scientists such as Xiangdong Zhang and John Walsh in 2006 and the Fourth Assessment Report by the Intergovernmental Panel on Climate Change in 2007). The Arctic Council's remit was later expanded to include investigations on climate change and development in the region.

### **Boycott**

More recently, at the 2021 ministerial meeting of the Arctic Council in Reykjavík (Iceland), Russia took over as the organisation's rotating two-year chair. However, on March 3 last year - exactly one week after Russia's invasion of Ukraine - the other council members began to boycott meetings in protest of Moscow's involvement in the group. In June 2022, these seven countries agreed to "implement a limited resumption of our work in the Arctic Council on projects that do not involve the participation of the Russian Federation". In essence, the council's future is at stake.

Yet, geopolitical tensions in the Arctic did not begin last year. They have been simmering for more than a decade as these eight countries have jockeyed for control over the area – not to stem the dangers of climate change, but to exploit the vast deposits of minerals, metals, and fossil fuels that are present within the 21 million square kilometres of the Arctic Circle.

The region is estimated to con-

tain 22 percent of the world's undiscovered oil and natural gas (although extraction from this region remains expensive). Far more lucrative is the mining of rare earth minerals (such as neodymium for capacitors and electric motors, and terbium for magnets and lasers), whose value across the Arctic from Greenland's Kvanefjeld to Russia's Kola Peninsula to the Canadian Shield – is estimated to be at least one trillion dollars. Each member of the Arctic Council is racing to establish control over these precious resources, which, until now, have been locked beneath the melting ice.

Because more than half of the Arctic is made up of international waters and the continental shelves of these eight countries (ie, landmass that extends into shallow ocean waters), its regulation largely falls under the United Nations Convention on the Law of the Sea (UNCLOS), which is ratified by 168 parties.

According to the UNCLOS, the sovereignty of a coastal state extends to its territorial sea, defined as the area within 12 nautical miles from the low-water line of their coast. States also have the right to create an "exclusive economic zone" within 200 nautical miles of that low-water mark, where many of these resources are located. As a result, exploitation of the Arctic's resources is mainly the domain of the council's member states and is largely outside of multilateral control.

However, the UNCLOS does constrain individual state sovereignty by declaring that the deep seabed is the "common heritage" of humanity and its exploration and exploitation "shall be carried out for the benefits of mankind as a whole, irrespective of the geographical location of states".

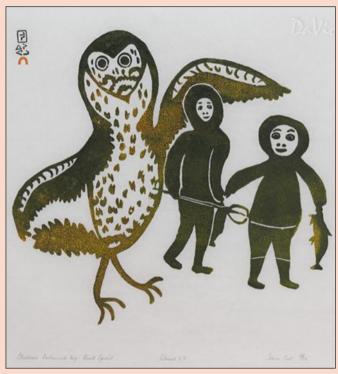
The UN created the International Seabed Authority (ISA) to implement the UNCLOS treaty. In Kingston (Jamaica), the ISA's legal and technical commission is developing a mining code to regulate exploration and exploitation of the international seabed area. It is worth noting that one fifth of the commission's members are from mining companies.

While there is no possibility of enacting a global moratorium on deep-sea mining – despite the 1959 Antarctic Treaty effectively banning mining on Antarctica – a mining code that favours mining companies will not only increase exploitation, but also increase competition and the risk of conflict between major powers. This competition has already intensified the New Cold War between North Atlantic Treaty Organisa-



Above: Spiridonov Yuri Vasilyevich (Sakha), Landlord of the Moma Mountains, 2006; Below left: Andreas Alariesto (Sápmi), Away, Bad Spirit, 1976; Right: Lucy Qinnuayuak (Kinngait), Children Followed by Bird Spirit, 1967.





tion (NATO) states – led by the US – and countries such as China and Russia and has led to the rapid militarisation of the Arctic.

Every member of the Arctic Council has already created military bases on the Arctic rim, with the race to dominate the region accelerating after 2007, when Russian scientists symbolically placed a titanium flag on the Arctic seabed, 4,302 metres below the North Pole.

Artur Chilingarov, the Russian explorer who led this geographical expedition, said that he was motivated by science and a concern for climate change and that "the Arctic must be protected not in words, but in deeds". Nonetheless, the Russian geological expedition was used as a pretext to expand militarisation in the region.

### **Military**

For decades, the US has had a military presence deep inside the Arctic Circle, the Thule Air Base in Greenland, which it developed in the 1950s after Denmark - the colonial ruler over Greenland joined NATO. Other Arctic littoral countries, too, have long had military forces that traverse the ice and snows of the north, a presence that has grown in recent years. Canada, for instance, is building the Nanisivik Naval Facility on Baffin Island, Nunavut, aiming for it to be operational this year. Meanwhile, over the past decade, Russia has

renovated the Nagurskoye air base in Alexandra Land and the Temp air base on Kotelny Island.

The Arctic Council was one of the few multilateral institutions to facilitate communication between the powers in the region. Now, seven of them have decided to no longer participate. Five of these abstaining members (Canada, Denmark, Iceland, Norway, and the US) are already part of NATO, while the remaining two (Finland and Sweden) are being fasttracked into the organisation. Increasingly, NATO is replacing the Arctic Council as a decisionmaking authority in the region, with its operations based out of the Centre of Excellence for Cold Weather Operations in Norway. Since 2006, this hub has brought together NATO allies and partners for biannual military exercises in the Arctic called Cold Response.

In May 2019, US Secretary of State Mike Pompeo went to the Arctic Council meeting in Rovaniemi (Finland) and accused China of being responsible for environmental destruction in the Arctic. Although China has launched a Polar Silk Road project, there is no real evidence that it has played a particularly deleterious role in the northern sea lanes. This hostile comment towards China and similar sentiments about Russia's role in the Arctic are part of the ideological battle to justify the New Cold War. Less than a month after Pompeo's speech, the US Department of Defence released its Arctic Strategy (2019), which focused on "limiting the ability of China and Russia to leverage the region as a corridor for competition" (a mood repeated in the US Air Force's 2020 Arctic Strategy).

Last October, Reykjavík hosted its annual Arctic Circle gathering, attended by all of the major powers, except Russia, which was not invited. Iceland's former President Ólafur Ragnar Grímsson, who was embroiled in the 2016 Panama Papers corruption scandal, chaired the keynote speech given by the Dutch Admiral Rob Bauer, chairman of the NATO Military Committee.

### Muscular

Bauer said that NATO must have a more muscular presence in the Arctic in order to check Russia as well as China, which he called "another authoritarian regime that does not share our values and undermines the rules-based international order". China's Polar Silk Road, Admiral Bauer said, is merely a shield behind which Chinese "naval formations could move more quickly from the Pacific to the Atlantic, and submarines could shelter in the Arctic".

During the discussion period, China's ambassador to Iceland, He Rulong, rose from his seat to say to the NATO admiral, "Your speech and remarks are full of arrogance and also paranoid. The Arctic region is an area for high cooperation and low confrontation . . . the Arctic plays an important role when it comes to climate change .

. . every country should be part of this process". China, he continued, should not be "singled out [from] the cooperation". Grímsson closed the session after He's intervention to muted laughter in the hall.

Absent from most of these discussions are the indigenous communities who live in the Arctic; the Aleut and Yupik (United States), the Inuit (Canada, Greenland, and the United States), the Chukchi, Evenk, Khanty, Nenets, and Sakha (Russia), and the Saami (Finland, Norway, Russia, and Sweden). Although these communities are represented by six organisations on the Arctic Council - the Aleut International Association, the Arctic Athabaskan Council, the Gwich'in Council, the Inuit Circumpolar Council, and the Russian Association of Indigenous People of the North, and the Saami Council - their voices have been further muted during the intensified conflict.

This silencing of indigenous voices reminds me of Nils-Aslak Valkeapää (1943-2001), the great Saami artist, whose poetry rattles like the sound of the wind:

Can you hear the sounds of life in the roaring of the creek in the blowing of the wind That is all I want to say

Tricontinental

# US declarations on Ukraine show planned imperialist aggression

### Supply of weapons no longer defensive in nature

**Andre Damon** 

DEFENCE Secretary Lloyd Austin and Chairman of the Joint Chiefs of Staff General Mark Milley gave a briefing at Ramstein Air Base in Germany recently, where they pledged the United States to the military defeat of Russia.

announced Milley commitment of the United States and NATO to "go on the offensive to liberate Russianoccupied Ukraine". He repeated that Ukraine would use NATO armoured vehicles and tanks to go on the "tactical and operational offensive to liberate the occupied areas".

With this declaration, the entire prestige of the NATO alliance has been staked on the reconquest of all Ukrainian territory, which, according to the United States, includes both the entire Donbas and the Crimean Peninsula.

As the immense challenges posed by the new American strategy emerge in the coming months, and as the death toll among Ukrainian troops rises, the demand will inevitably be made for the direct deployment of NATO troops in the war. This would mean that American and Russian soldiers would be shooting at each other in the first general engagement between nuclear-armed states in history.

### **Escalation**

Milley is an active-duty military officer, and Austin is a retired fourstar general who was granted a special dispensation from Congress to serve in the civilian office of defence secretary. These two four-star generals were effectively setting the foreign policy of the United States in a sweeping display of the power of the military in American

The explicit assertion by Milley and Austin that the weapons being provided by the US and NATO are of an offensive, not defensive, character is a 180-degree reversal of public statements by the Biden administration, which justified the escalation of US involvement in the war with the declaration that it would not provide "offensive"

"The equipment that we've provided is defensive, as you know, not offensive. And we see that as being a difference," White House spokesperson Jen Psaki said at a briefing in May.

"The idea that we're going to send in offensive equipment," Biden said that same month, "and have planes and tanks and trains



The public statements of Milley and repeated assertions of Biden mean that the United States is in reality 'at war with Russia'

going in with American pilots and American crews, just understand - and don't kid yourself, no matter what you all say – that's called World War III."

More recently, Biden declared, "The idea we would give Ukraine material that is fundamentally different than is already going there, would have the prospect of breaking up NATO, and breaking up the European Union." He added. "They're not looking to go to war with Russia, they're not looking for a third world war.'

If one accepts both the public statements of Milley and the repeated assertions of Biden, it means that the United States is in reality at "war with Russia". This undeclared war is being waged without congressional authorisation or any effort to seek the approval of the American people.

The announcement by NATO that it is sending offensive weapons

to Ukraine has exposed the Biden administration's entire narrative of US involvement in Ukraine as a fraud. It has repeatedly claimed that the US and NATO are not involved in the war. But NATO is not only a party to the conflict, it is its driving force.

As in all wars, as the fighting progresses the debate over "who fired the first shot" fades away, and the real, complex social forces driving the war come into view.

Throughout 2022, the Biden administration claimed it was intervening in the conflict in order to save Ukrainian lives. In the yearlong conflict, it has become clear that America's only use for the Ukrainian population is as cannon fodder for a war to dominate the Eurasian landmass.

Opening the meeting, Austin declared, "As President Biden said, this is a decisive decade for the Biden's introduction to the United States' National Security Strategy, which declares that the United States "will seize this decisive decade to advance America's vital interests, position the United States to outmaneuver our geopolitical

Throughout the event, there was no mention of the word "ceasefire" or "peace". Instead, Milley declared, "This war, like many wars in the past, will end at some sort of negotiating table."

### **Destruction**

But what Milley was describing as a "negotiating table" is like the one plated aboard the USS Missouri, where Japanese Foreign Minister Mamoru Shigemitsu signed the unconditional surrender of Japan, with the alternative being, in the words of the Potsdam Declaration, "prompt and utter destruction".

Following the dropping of two atomic bombs on Japanese cities and a series of fire-bombings that killed hundreds of thousands of Japanese civilians, that war, too, ended at the negotiating table.

Even as they admitted that the United States' intentions in the war were fundamentally offensive, the generals engaged in the obligatory lies and hypocrisy with which the gears of war are oiled.

"International aggression, where large countries use military force to attack small countries and change recognised borders, cannot be allowed to stand," declared Austin. This comes from a country that has, in the past quarter century alone, illegally attacked or occupied Iraq, Yugoslavia, Afghanistan, Libya and Syria.

Austin continued, "It's about the world that we want our children and grandchildren to inherit." In fact, the catastrophe unleashed by

decade" will, if not stopped, leave the next generation with a charred wasteland, if there is a generation left to witness it.

Responding to NATO's assertion that its goal is the defeat of Russia, Dmitry Medvedev, deputy chairman of Russia's Security Council, penned a brief statement on Telegram: "The loss of a nuclear power in a conventional war can provoke the outbreak of a nuclear war. Nuclear powers do not lose major conflicts on which their fate depends."

The position of American imperialism, however, is that the use of nuclear weapons - either by Russia or the US itself - cannot be a deterrent in the escalation of the conflict. In an editorial, the Wall Street Journal demanded strikes inside Russian territory, declaring, "Why should a dictator who rolled over a foreign border be free to claim his territory as sacrosanct?" It concluded, "The rejoinder is that Mr Putin might unleash a nuclear weapon, but the past months have shown that he will make that decision based on his own calculations in any case."

This editorial reflects the utterly reckless mood that has gripped the capitalist oligarchy, which sees war as a way out of the myriad social, economic and political crises gripping the capitalist social order.

The social forces driving the war were shown at the World Economic Forum in Davos, where billionaires and the heads of major banks hobnobbed with Ukrainian oligarchs and warmongers, such as disgraced former British Prime Minister Boris "let the bodies pile high in their thousands" Johnson, who declared, "Give them the tanks. There's absolutely nothing to be lost."

But the same crisis that underlies imperialist war is propelling the growth of the class struggle throughout the world.

It is the international working class, mobilised on the basis of a socialist programme, that will put an end to the conspiracies of the ruling elites and the capitalist profit

### Socialism is not a dream but an achievable necessity

IN MAY 2021, the executive director of UN Women, Phumzile Mlambo-Ngcuka, and the build those shards into a worldview. The UN high representative for disarmament affairs, Izumi Nakamitsu, wrote an article urging governments to cut excessive military spending in favour of increasing spending on social and economic development. Their wise words were not heard at all.

To cut money for war and to increase money for social development, they wrote, is "not a utopian ideal, but an achievable necessity". That phrase - not a utopian ideal, but an achievable necessity - is essential. It describes the project of socialism almost perfectly.

Our institute - Tricontinental: Institute for Social Research - has been at work for over five years, driven precisely by this idea that it is possible to transform the world to meet the needs of humanity while living within nature's limits. We have accompanied social and political movements, listened to their theories, observed their work, and built our own understanding of the world based on these attempts to change it.

This process has been illuminating. It has taught us that it is not enough to try to build a theory from older theories, but that it is necessary to engage with the world, to acknowledge that those who are trying to change the world are able to develop the shards of an assessment of the world, and that our task as researchers of Tricontinental: Institute for Social Research is to worldview that we are developing does not merely understand the world as it is: it also takes hold of the dynamic that seeks to produce the world as it should be.

Our institute is committed to tracing the dynamics of social transcendence, and how we can get out of a world system that is driving us to annihilation and extinction. There are sufficient answers that exist in the world now, already present with us even when social transformation seems impossible. The total social wealth on the planet is extraordinary, although - due to the long history of colonialism and violence - this wealth is simply not used to generate solutions for common problems, but to aggrandise the fortunes of the few. There is enough food to feed every person on the planet, for instance, and yet billions of people remain hungry.

In one of our earliest newsletters, which brought our first year of work (2018) to a close, we wrote that, "it is easier to imagine the end of the Earth than to imagine the end of capitalism, to imagine the polar ice cap flooding us into extinction than to imagine a world where our productive capacity enriches all of us" This remains true. And yet, despite this, there is "a possible future that is built to meet people's aspirations. ... It is cruel to think of these hopes as naïve"

The problems we face are not for lack of

resources or lack of technological and scientific knowhow. At Tricontinental: Institute for Social Research, we believe that it is because of the social system of capitalism that we are unable to transcend our common problems. This system constrains the forward movement that requires the democratisation of nations and the democratisation of social wealth.

There are hundreds of millions of people organised into political and social formations that are pushing against the gated communities in our world, fighting to break down the barriers and build the utopias that we require to survive. But, rather than recognise that these formations seek to realise genuine democracy, they are criminalised, their leaders arrested and assassinated, and their own precious social confidence vanguished. Much the same repressive behaviour is meted out to national projects that are rooted in such political and social movements, projects that are committed to using social wealth for the greatest good.

Coups, assassinations, and sanctions regimes are routine, their frequency illustrated by an unending sequence of events, from the coup in Peru in December last year to the ongoing blockade of Cuba.

In his introduction to philosophy in 1997, the German Marxist philosopher Ernst Bloch wrote, "I am. But I don't have myself. And only therefore we become". This is an interesting statement. Bloch is reformulating René Descartes' "I think, therefore I am', an idealist proposition. Bloch affirms existence ("I am"), but then suggests that human existence does not flourish due to forms of alienation and loneliness ("But I don't have myself'). The "I" - the atomised, fragmented, and lonely individual - does not have the capacity to change the world alone. To build a process towards social transcendence requires the creation of a collective "we". This collective is the subjective force that must strengthen itself to overpower the contradictions that stand in the way of human progress. "To be human means in reality to have utopia". Bloch wrote. This phrase resonates deeply with me, and I hope that it touches you, too.

In the new year, we at Tricontinental will reflect at length on the pathways to socialism and the barricades that seek to prevent the world's billions from going beyond a system that extracts their social labour and promises greatness while delivering the barest minimum of life's possibilities. We walk into this new year with a renewed commitment to the simple postulate, socialism is an achievable necessity.

If you would like to assist our work. please remember that we welcome donations.

You can contact Tricontinental: Institute for Social Research by clicking this link: https://thetricontinental.org/contact

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### ZAMBIA'S LASTING SOLUTION DOES NOT LIE WITH THE IMF

THOSE IN power today should not blame anyone for the political fallout that is surely coming as a result of implementing a dreadful IMF deal. They made a lot of noise about the IMF loan. They sang hymns of self-praise for securing the bailout and attempt to drive out any reasonable voice that warned about the adverse consequences of the deal.

We warned that it was just a matter of time before Zambians would realise that there is no future in the past. We have been on this route before and it has not worked for us. It is not the first time Zambia has gone to the IMF.

UNIP under president Kenneth Kaunda went to the IMF in the 1980s though KK was quick to abandon the Brettonwood institution after they failed to answer his famous question: "are you able to design a programme that will not require me to kill my own people?"

The MMD under Frederick Chiluba went to the IMF in the 1990s. The MMD under Levy Mwanawasa went to the IMF in the early 2000s. Where have all

these previous IMF deals left Zambia? They have simply exposed our incapacity as a people to govern ourselves.

After winning independence on the ground that we can govern ourselves, does it really make sense for us to subcontract the running of our economy to the IMF, to return to the West and ask them to help us govern ourselves? As Simon Kapwepwe would say, Zambia twasebana!

The greatest beneficiaries of IMF bailout programmes in Zambia are usually the same forces: Western companies, South African finance capital and the local businessmen connected to those in power. These forces are usually the ones who buy our state-owned enterprises at cheaper rates on the pretext that they are making losses. It is not different this time. The poor are being hit hard. The workers are being hit hard. Our people are crying for help.

Companies that even Chiluba refused to privatise under any circumstances such as ZAMTEL and ZESCO are this time likely to be sold to their business associates or the western firms. For years, those in power today told us when they were in opposi-

tion that they are very good at business; that the reason why state enterprises make losses is because of political interference from the ruling party and the politicians in power. Now that they are in power themselves, what will be their excuse be for selling state enterprises since all they need to do is stop interfering in the operations of ZESCO or ZAMTEL and appoint competent people who can run such companies professionally and like private entities?

We repeat: the lasting solution to Zambia's economic difficulties does not lie in the IMF. It lies in the collection of fair and adequate revenue from the mining sector for support to secondary industries such as manufacturing. It lies in the development of the arts, a hugely important industry that those in power today have reduced to a footnote in a ministry! It lies in increased state support to agriculture and enhanced food security, but those in power today are quicker to listen to the IMF and remove subsidies on farming inputs even when the US and other Western countries still subsidise their own agriculture industry. It lies in increased state investment to social sectors such as education and health.

Fred M'membe, Socialist Party President



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