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Through our study of African History we have identified and examined the roles and policies of the major colonial powers on this continent. The United States is not customarily grouped with our past oppressors because it was a relatively minor power in Africa during the colonial era. This should not mislead us into thinking that the evolution of capitalism in North America did not give rise to imperialism. Indeed, such a transformation did take place in the development of U.S. capitalism, but we must look outside Africa for its early manifestations. Therefore, to achieve a correct perspective on the contemporary role of the United States in Africa, we must briefly examine the past of that nation in the context of world history.

The nineteenth century was one in which merchant capitalism was being superseded by industrial capitalism in Europe and North America. The transformation took place earlier in Britain than in the United States where it did not achieve momentum until after the Civil War. The victory of the northern industrial capitalists in 1865 cleared the ground for the rapid development of industry in the United States to the end of the 19th century by which time competitive capitalism had given rise to monopoly capitalism and imperialism.¹

Because of its geographic location and relatively late entry into the imperialist phase of capitalist growth, the United States excluded from the scramble for Africa, but the United States was busy extending its imperial control in the western hemisphere and southeast Asia while Europe was struggling for control of our continent. Thus, while the United States was relatively inactive participant in the scramble for Africa, it was actively involved in the race which began in the late 19th century.

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⁺Throughout the paper I have deliberately avoided using the word "image". I preferred instead to use the word "role" in its place. Indeed, as I began to think more about the topic, I realized that to think in terms of the image of the U.S.A. in Africa might divert me from an analysis of the changing role of the U.S. in Africa. That is why I refused to be trapped by the word "image".

The invasion of Cuba by the United States in 1898 marked the beginning of U.S. imperialism. In that year the United States claimed and occupied other islands around the world: Puerto Rico, Guam, and the Philippines. It was also extending and strengthening its informal empire over the independent republics of Central and South America at that time. These activities clearly indicate the beginning of U.S. expansion abroad and should remind us that U.S. imperialism was not, and is not, different from that practised by the nations that colonised us.²

The driving force of U.S. imperialism has been the constant need for capital to expand beyond the borders of the nation. If capital does not expand it will contract and stagnate. There is no viable alternative. The government of the United States represents the interests of a dominant class and foreign policy of that government must facilitate and be consistent with the fundamental need for investment and trade by U.S. corporations. The U.S. is determined to keep the doors of the African nations open to the entry of U.S. capital and the exit of resources and profits created by African labour.

Historically it was not until after 1945 that the United States was in a position to challenge the capitalist nations which controlled Africa. By that time two World Wars had weakened the European nations and they had become increasingly dependent on U.S. foreign aid for recovery. The independence struggles of the colonial peoples after 1945 also contributed to the weakening of colonial rule in Africa. The situation was ripe for the entry of the U.S. into Africa. While voicing support for the independence of the peoples of this continent from foreign domination, United States capital silently moved in to challenge the domination of the continent by European capital.

ECONOMIC INVESTMENT:

Although United States capital has not succeeded in replacing European capital during the past three decades, it has made significant inroads in Africa. It has been most active in the sectors of petroleum production, mineral extraction, and manufacturing. In 1970, these three sectors received the following percentages of total U.S. investment in Africa: petroleum - 60 per cent; manufacturing - 15 per cent and mining and manufacturing - 13 per cent.³

The majority of U.S. investment has been in the production of petroleum and it is clear that this field of investment and politics are tightly interwoven. The primary center of U.S. petroleum investment was Libya until the revolution there. In Angola, the U.S. multi-national, Gulf Oil, had begun oil exploration during Portuguese rule and the company subsequently withheld revenue payments due to

the MPLA government in order to try and bring it down.⁴ Now U.S. oil interests have shifted to Nigeria which has become the world's second largest supplier of oil to the United States.⁵ When we examine the pattern of U.S. investments in manufacturing in Africa we find that over four-fifths of the total investments have been made in South Africa.⁶ U.S. investors are interested in manufacturing there because the profit is greater than elsewhere on the continent. This results from the greater development of the instruments of production and more intense exploitation of labour in South Africa. It is clear that the profits resulting from apartheid have been very attractive to United States investors.

When we look at U.S. investments in mineral extraction on this continent we find they are very substantial in the South African gold industry. Again, large profits are reaped through the system of apartheid, and the United States Government does not hesitate to use bodies like the International Monetary Fund (IMF) to prop up and perpetuate the racist system. Recently, when gold was abandoned as the international monetary standard, and its price plunged from record heights, the U.S. government persuaded the IMF to intervene and guarantee a minimum ceiling price on gold which is so vital to continue minority rule in South Africa.⁷

Mining and smelting should continue to be an important sector for U.S. investment because the continent is endowed with a wide range of mineral resources. Presently the U.S. imports 54 per cent of its manganese, 47 per cent of its cobalt, and 22 per cent of its graphite from Africa.⁸ Furthermore, the U.S. government estimates that it will be increasingly dependent in imported copper over the next decade, and it covets the large deposits of this metal in Zaire and Zambia.⁹ In this connection it is worth quoting U.S. Presidential contender, Mr. Jimmy Carter, on his view of U.S. policy, towards Africa: "U.S. interest (should) automatically move in the direction of those countries which (are) rich in natural resources such as Zambia, Zaire, Angola, and Nigeria".¹⁰

When these basic metals cannot be obtained through open negotiations, the United States government has resorted to sanction-busting tactics to keep the supply of these basic resources flowing to U.S. industries. Today, the contemptible regime of Ian Smith in Rhodesia continues to receive large amounts of dollars in payment for chrome which the United States imports in defiance of the 1972 United Nations embargo on such trade.¹¹

During the decade the U.S. corporations and multinationals have taken an increasing interest in Africa. This is because the profit

return on U.S. investment in Africa is two to three times greater than elsewhere.¹² In 1970, for example, the estimated average profit return on all U.S. investments in Africa was 26 per cent.¹³ In the petroleum industry the profit return was 33 per cent; in mining it was 17 per cent; and the profit in manufacturing was 4 per cent.¹⁴

These figures are declared earnings and, therefore do not give a complete picture of the total earnings of U.S. corporations in Africa. Present day multinationals have devised a variety of techniques to siphon off substantial profits before being taxed or subject to currency exchange regulations. Here are a few examples of the techniques used to increase profits beyond the declared figure:

- 1) Profits are increased by transfer pricing.
Through this technique machinery, raw materials and intermediate goods are bought by the multinational from an associated company at inflated prices.
- 2) Profits are increased through licensing, patent fees, and royalties. There may be fierce competition between individual companies, but they agree that advanced technology will be made available to the underdeveloped countries only at high price.
- 3) The third technique used to increase profits is through management fees paid to the multinational for managing a firm under joint partnership with an African Government.

Investment in Africa by U.S. corporation is also a stimulus to the national economy of the United States. A recent issue of the Harvard Business Review carried an article with this revealing title: "How Investment Abroad creates Jobs at Home".¹⁵ The author of the article writes that foreign investment is an essential strategy for the survival and growth of North American corporations through the sale of machinery for overseas plants; the sale of components for processing abroad; and the export of goods for which there was no internal market. More workers employed at home, of course, means more profits for the entrepreneurs and that is the motivating force for U.S. foreign investment.

Because of their aggressive and acquisitive nature, the American corporations operating in Africa often meet local resistance to their more blatant forms of exploitation. The U.S. corporations are, therefore, prepared to build new forms of relationships to meet this challenge. One such development is the increasing proportion of U.S.

capital being invested in Africa through the World Bank. Another such development are the partnership agreements with African governments, or government institutions, for joint investment enterprises. After the managers of a U.S. based multinational corporation overcome their general fear of government participation in enterprises, they find that it is lucrative business indeed. The advantages of such an arrangement are many:

First, it meets nationalistic objections in the host country and maintains a low profile for the multinational.

Second, the investment is more secure since it enjoys the protection of the state and there is no fear of nationalisation.

Third, labour is controlled by the government and the government-run labour unions. Strikes and wage increases are curtailed.

Fourth, markets are assured in the host country and often in neighbouring countries throughout the circumvention of tariff barriers: For example, goods manufactured in Tanzania meet with lower tariff when exported to Kenya or Uganda than do the same goods manufactured in North America.

Fifth, they can achieve the same purpose by putting less of their own capital while making use of local surplus i.e. they can make use of domestic savings and yet appropriate the profits realised.

U.S. AID:

In addition to this brief examination of U.S. corporate investments in Africa, I would like to explore the question of U.S. aid to Africa. Of the total amount that the U.S. government invest in foreign aid each year we find that the proportion allocated to Africa was only 6 per cent as recently as 1973. Since the primary aim of U.S. foreign aid is to keep the door open to investments by U.S. capital in the receiving country, it is worth asking ourselves why the amount of aid invested in African countries has been so small. There are two possible explanations. First, the total overseas capital investment by U.S. corporations has been relatively small in Africa. Second, until the past few years the western nations have believed their investments in Africa to be safe and, therefore, have not found it necessary to secure their business ventures through aid programmes.

Today the situation is changing rapidly, especially in Southern Africa, and the U.S. government is finding it necessary to use aid on an increasing scale to achieve its objectives. In order to maintain a hold on raw materials, and in pursuit of its goal of encouraging the growth of capitalism of this continent, the U.S. government has selected eight "development emphasis" states to receive the bulk of its aid.¹⁷ They are: Nigeria with its oil and vast population; Zaire with its copper and cobalt; Liberia with its iron ore and rubber; and Ghana with its bauxite. The fifth, Ethiopia has been of strategic importance and was the centre of CIA activities in Africa before the revolution. The other three states are Kenya, Tanzania, and Uganda. They are strategic in the U.S. objective of discouraging the growth of socialism by encouraging the growth of peripheral capitalism. Furthermore, we can be sure that Kissinger's most recent offer of aid to Mozambique was made with the same goal in mind.

What happens to the material aid that is provided to African states? Is it charity that is handed to the poor as a gift to be used as the needy see fit? There are members of the United States Congress who would have us believe that altruistic and humanitarian motives are the corner-stone of U.S. aid programmes. But we are not so naive, and we know that apart from the ideological objectives of aid there is a sound material reason for giving it. It is the fact that at least 90 per cent of it goes back to the United States to purchase services and goods from U.S. industry.¹⁸

One type of aid which may appear to be above ideological struggle and material gain is the provision of food by the U.S. government to underdeveloped countries. This type of aid has been extremely important to independent African countries which have not yet rebuilt and revitalised their food producing sectors which were distorted and stunted by the priority given to the industrial raw materials under colonial rule. Today we find the majority of our people malnourished and we are unprepared to fight famine. Until we remedy this distortion of our economies and become self-sufficient in food production we will remain poor, underdeveloped, and dependent on others for our daily bread.

A country pays a big price when it is obliged to obtain its food from others. Certainly the United States realises this, and that is why the provision of food remains so important in United States foreign aid programmes. The sale, barter, and donation of grain under the American Food for Peace Programme not only boosts the American economy, but also brings the recipient country more

closely under U.S. domination.¹⁹ The U.S. Secretary of Agriculture, Earl Butz, stated his government's position in these terms: "Food is a weapon. It is now one of the principal negotiating tools in our kit".²⁰ Jimmy Carter said recently that U.S. would use withholding of food as a means of foreign policy. And, no less important a body to U.S. policy makers than the CIA recently made public a report in the U.S. which was quoted in The Guardian Weekly. It stated that the control of food needed by the underdeveloped world "could give the United States a measure of power it never had before -- possibly an economic and political dominance greater than that of the immediate post-World War II years".²¹

These few examples of what the U.S. government considers its aid "weapons" should alert us to the danger of relying on it. Through aid we may experience growth but not development. Our exports may grow in volume but they decline in value. Genuine development linking a strong agricultural base with industry to satisfy domestic needs does not take place as a result of aid. Those programmes are designed to profit U.S. Corporations and perpetuate our state of underdevelopment. As a result our continent remains in many respects as underdeveloped as it became under colonial rule, and reliance of foreign aid has certainly contributed to this state of affairs.

Political and Military Role: Let us now move from the question of aid to an examination of the specific relations which have developed between the United States and certain African countries. When examining these relations we must keep in mind that they are a result of the two major objectives of the United States in Africa. The first of these objectives is the expansion of capitalist relations of the continent. The second is to hold and strengthen its position on the continent in its rivalry with other capitalist powers and the socialist nations.

The pursuit of these two objectives in the past has shown up most sharply over the fundamental issue of the right of nations to self-determination. The U.S. has opposed this right time and again by openly supporting racist regimes. In 1971, 500 million dollars were given to Portugal by the U.S. for the continued use of Lajes Air Base in the Azores.²² This aid made it possible for the Portuguese to continue its war against the liberation movements in its colonies. The U.S. military trained Portuguese troops to be used against these independence movements.²³ Nor did this aid end with Portuguese rule: the U.S. made more than 50 million dollars available to the renegade and puppet armies opposed to MPLA in Angola.²⁴

In the south of the continent the Vorster regime is heavily indebted to the United States for economic and military support. Historically this part of the continent has had strategic importance in the worldwide capitalist system. Most recently, when the Suez Canal was closed to international traffic, the main shipping route for Middle Eastern oil going to Europe and North America was around the Cape. A sympathetic government in South Africa also strengthens U.S. military presence in the Indian Ocean now that it has a base on the island of Diego Garcia. In order to keep that sympathetic government in power the U.S. provides heavy military assistance to it, often through NATO, in the form of military know-how, blueprints and equipment. The entire South African army is equipped with rifles manufactured in South Africa under license from NATO.²⁵

Not only has the U.S. supported the racist regimes on this continent and opposed the liberation movements fighting against those regimes; it has continued to openly oppose and work against the national policies of independent African states. The examples are too numerous to list here, but I will use Tanzania as a case in point. In my opening statement I noted that the island of Puerto Rico in the Caribbean was one of the first colonial possessions of the United States. By conferring commonwealth status on the island the United States government has attempted to mask Puerto Rico's colonial status. Of course the Puerto Rican people realize this and are now demanding their complete independence. Last August, a resolution was introduced to the United Nations Decolonisation Committee with the purpose of discussing the question of Puerto Rican independence. When it became apparent that Tanzania might support the resolution the United States Charge d'Affaires in Dar es Salaam had the temerity to write to the Tanzanian Foreign Minister to inform him that a vote in support of the resolution would group Tanzania within the enemies of the United States and would, in his words, constitute "a flagrant interference in United States' internal affairs".²⁶ Of course Tanzania did not shift its position as a result of these bullying tactics and we voted to support the resolution. I leave it to you to decide who was interfering in whose internal affairs!

CONCLUSION:

Now that I have outlined the nature of U.S. imperialism and the role that the American government plays in promoting and protecting its corporate interest, I would like to conclude my remarks

with one or two final observations. There is a French expression which I believe aptly sums up the role of the United States in Africa. The expression is "plus ça change, plus c'est la même chose" and the expression translates into English as "the more it changes, the more it remains the same". U.S. policy, for example, has continuously evolved different forms in response to various opposing forces in Africa, but the basic objectives has remained the same.

This unchanging objective of maintaining an open door in Africa for the penetration of U.S. capital has made it necessary for the U.S. government to use tactics which often appear contradictory. In Southern Africa the U.S. government props up the racist Vorster regime while it maintains that it is a friend of the independent African states of the region. As Kissinger reportedly said to Vorster in Bavaria, Germany: "Look, stop! I don't want a racial conflagration in Southern Africa which drags the Cubans, the Russians and the dogs of war into the arena. That will mean tens of thousands dead; it will finish South Africa; it will put world peace at risk; and it will be a situation where you will have no friends at all. I've had a lot of other things on my mind for years and perhaps I haven't taken up the defined stance on your kind of racialism that I should have. But there's absolutely no doubt which side I'm on; or which side the American people are on. We cannot get caught supporting Whites against Blacks. Our own negro population wouldn't stand for it. Our world influence would disappear overnight. So, at the end of the road, there's no help coming to you. What there is, and where I can maybe extend some aid, is the chance to bid time, time you yourselves will have to use to avoid chaos... If you cut yourself adrift from Ian Smith's fate and get rid of Namibia fast to an open and agreed timetable, then you have prospect of a decade or two in which to get your internal affairs sorted out". One is left to wonder if the Soweto massacre which took place at this same time was the first step taken by Vorster to "get his internal affairs sorted out?" The story is similar in Angola. The United States has supported South African troops, trained counter-revolutionaries, and mercenaries, all of whom invaded the country to try and bring down the legitimate government; calls it "interference" when Cuban troops join alongside MPLA to defeat the very forces whose presence in Angola was made possible by the United States.²⁷

These contradictions are inevitable and will plague U.S. policy makers in Africa. One section of the U.S. ruling class is bold, shameless, and aggressive. It is interested only in Africa's

resources and markets, and it calls for U.S. government support whatever the consequences. On the other hand, there are the liberals who advise more subtle tactics to achieve the same goal.²⁸ They support foreign aid; they encourage exchange programmes in order to win over a section of our leaders, businessmen, clergy, academics, and students to support the basic aim of U.S. policy in Africa. While the conservatives encourage brinkmanship and are ready to fight the Soviet Union, the liberals support detente and fear American military engagements after the resounding and spectacular U.S. military defeat in Vietnam.

What is to be done? We are deeply enmeshed in the international capitalist system dominated by the United States. Our economies are oriented towards exporting raw materials and importing capital and consumer goods. The terms of trade of our countries continue to deteriorate and throw one African country after another into disorder because of the widening balance of payment gap. Unable, or unwilling, to bring about a fundamental change in their relationship with the developed capitalist countries like the United States, the African governments endeavour to exploit the rivalries within a particular capitalist ruling class, or the rivalries between the different powers by setting them off against each other. In this way they succeed at times to extract more favourable terms of economic agreements, but this does not bring development.

The basic problem facing our nations is the lack of a clear cut strategy which would enable us to disengage from the international capitalist system. Positive steps have been made in the direction through our support of the liberation movements in the Portuguese colonies and in Southern Africa. But the struggle must be carried much further to bring about the liberation of every African nation from imperialist domination.

Who will carry on the struggle? Ultimately, the answer to this question must be sought through a class analysis of the African state today. The petty bourgeoisie played a progressive role by leading the nationalist movements to independence. But it cannot be relied on to continue the struggle against capitalism and imperialism which will result in the transformation of the very class structures which the petty bourgeoisie dominate. In the final analysis, the struggle will be continued by the proletariat and peasantry. They are the most oppressed classes in our societies. The small returns they receive from their labours in the fields, factories, ports, mines, and railways, buy less and less in the shops as time passes by. These two classes will perform their historic role when organised and led by

revolutionary parties. At that point we can expect them to rise up, make the break with imperialism, and put an end to their subjugation. Through the revolutionary class action the potential on this continent for a better life for all will be set free.

FOOTNOTES

- ¹ See Louis M. Hacker, The Triumph of American Capitalism: The Development of Forces in American History to the End of the Nineteenth Century, New York, 1940.
- ² A brief introduction to U.S. imperialism is provided by Felix Greene in his book, The Enemy: What Every American Should Know About Imperialism, New York, 1971.
- ³ Skurnik, W.A.E., "Recent United States Policy in Africa", Current History, 64, 379 (March 1973), pp. 99-100.
- ⁴ New York Times, Feb. 1, 1976.
- ⁵ Cotter, William R., "How Africa is Short-Changed", Africa Report, November-December 1974, p.2.
- ⁶ Skurnik, W.A.E., op. cit.,
- ⁷ American Committee on Africa, "Apartheid and Imperialism: A Study of U.S. Corporate Involvement in South Africa", special issue of Africa Today, 17, 5 (September-October, 1970), pp. 30-32.
- ⁸ Cotter, William, R., op. cit., pp. 2-3.
- ⁹ Ibid.
- ¹⁰ Quoted in The Standard (Kenya), May 21, 1976.
- ¹¹ Skurnik, W.A.E., op. cit., p. 97.
- ¹² It is probably higher now since there has been a shift of investments into petroleum. See Cotter, William R., op. cit.
- ¹³ Ibid.

- ¹⁴Data for 1969 from William Loehr and Satish Raichan, "A Decade of United States Investment Activity in Africa: Implications for Economic Development", p.56.
- ¹⁵Stobaugh, Robert R., "How Investment Abroad creates Jobs at Home" Harvard Business Review, Sept.-Oct., 1972, pp. 118-120.
- ¹⁶For example, see Douglas F. Lamont, "Joining Forces with Foreign State Enterprises, "Harvard Business Review, July-August, 1973.
- ¹⁷Skurnik, W.A.E., op. cit. p. 97.
- ¹⁸Cotter, William R., op. cit., p. 6.
- ¹⁹See Steve Weissman, et al The Trojan Horse, San Francisco, 1974.
- ²⁰Quoted in The Guardian Weekly, Jan. 4, 1976.
- ²¹Ibid.
- ²²Skurnik, W.A.E., op. cit., p. 97.
- ²³Miah, Malik, The U.S. Role in Southern Africa, New York, 1973, p. 4.
- ²⁴Advertisement by the American Committee on African, in "The week in Review" New York Times, January 18, 1976
- ²⁵Miah, Malik, op. cit., p. 7.
- ²⁶Letter reproduced Daily News (Tanzania), August, 22, 1975.
- ²⁷See David Martin, "The Angolan Connection", The New statesman Jan. 30, 1976.
- ²⁸A leading liberal spokesman is Senator Dick Clark of Iowa. See, for example, New York Times, Dec. 13, 1975; International Herald Tribune, Dec. 16, 1975 and Christian Science Monitor, Feb. 1976.