## DIREconomics

# U.S.-AFRICA SUMMIT BRICS New Bank Provides A Pathway to Development

by Lawrence K. Freeman

Aug. 11-South Africa's President Jacob Zuma, speaking at the National Press Club on Aug. 4, the first day of President Obama's U.S.-Africa Summit, discussed the importance of the New Development Bank (NDB) initiated at the July 14-16 summit of the BRICS nations (Brazil, Russia, India, China, and South Africa) in Brazil. Contrary to Obama's private-sector-only approach to investment in Africa, the NDB's dedication to lending money to build infrastructure in developing nations, will provide Africa with an alternative institution to finance energy, water, and transportation projects desperately needed throughout the continent. There was a buzz of excitement at the Washington Summit of almost 50 heads of states, as news of the new BRICS bank was brought to the attention of those participating, by both President Zuma and EIR over the course of the week's events.

In his speech at the Press Club luncheon, Zuma spoke directly about the NDB, when asked to compare it to the International Monetary Fund and World Bank. He replied that the two existing banks have not been successful in helping developing countries. Zuma pointed out that unlike these "older institutions," the new BRICS bank and reserve fund come from developing countries. "There is a general consent that the other banks have not been doing their job," he said. "The BRICS bank will have a different approach. And it will avoid the problem of having to bail out the banks." These comments were made in the context of his remarks about South Africa's commitment to make poverty "history" for the 16 million living in deplorable conditions in his country.

Immediately after Zuma's remarks, this author stood outside and handed out *EIR*'s feature article from its July 25 issue reporting on the BRICS Summit, "Half of Humanity Launches a New World Economic Order." Over 100 copies were distributed during the course of the summit.

#### **Obama Offers Little to Help Africa**

It was known in advance that the United States was not going to provide any new programs at this summit that would materially improve the living conditions for hundreds of millions of Africans living in poverty on less than two dollars per day. When one representative of a leading African nation asked President Obama what he had budgeted for Africa, in terms of what are called "deliverables," the reply was: Nothing.

It was understood by most of the participants, that President Obama needed this conference for his legacy—i.e. that he could say that he was the first American President to convene a U.S.-Africa summit. African leaders were "persuaded," and felt obligated to attend, even though little more than a "photo-op" was expected. The Obama Administration felt pressured by the Africans to respond to China's dramatic increase of trade with Africa, and its aggressive program to build infrastructure on the continent. More than one African leader pointed out that China's trade with Africa in 2013 was \$210 billion, while trade with the U.S. was only \$85 billion.

Although President Obama and his State Department have obliquely criticized China's economic dominance in Africa, his anti-Africa National Security Advisor Susan Rice was more blunt, when speaking on Morning Edition of National Public Radio: "Typically, the nature of China's engagement," she said, "is it brings in thousands of Chinese workers and uses Chinese to build roads, build buildings, rather than giving jobs and opportunity and capacity building for Africans, which is a real distinction between the American approach and the Chinese approach. The American approach is not to bring in a bunch of foreigners to take jobs from Africa, but it's actually to build African capacity."

In reality, Obama's approach is to have the U.S. build nothing in Africa, but to convince the private sector to make inadequate investments, and claim credit for aiding the Africans. Obama's Summit has been referred to as a glorified trade mission, and a costly one at that, with each African leader accompanied by a large delegation, whose airplane tickets, accommodations, and travel in D.C., are an enormous expense.

As expected, Obama announced his support for programs from previous administrations: the African Growth and Opportunity Act, established under the President Clinton; President George W. Bush's PEPFAR (President's Emergency Plan for AIDS Relief) program to reduce the spread of HIV-AIDs in Africa through antiretroviral treatment, albeit with reduced funding; and Bush's Millennium Challenge Account, which is a limited program for small-scale infrastructure. Otherwise the President announced at the Summit, \$34 billion in pledges by major U.S. companies for new investment in Africa, although largely unspecified.

Obama's commitment to provide \$110 million per year over five years for military training was the only actual new money authorized to be spent by the U.S. government for Africa. Compared to other countries around the world, the U.S. is doing little to assist Africa, especially in infrastructure, and Obama's fakery to obscure this truth did not go unnoticed by many Africans, both from Africa and those living in the U.S.

Miraculously, Obama conjured up an additional \$12 billion in private investment and loan guarantees for his Power Africa program, which allegedly will provide electricity to 60 million Africans, a far cry from his claim to double access to Africa's 600 million without electricity. This author's critique of President Obama's "Powerless Africa" initiative was widely read and circulated before and during the Summit, to the delight and agreement of many of those attending (see below).

Obama managed to antagonize and insult the African press attending the Summit, who traveled from all over the U.S. and the world, by keeping them waiting over an hour for his press conference following the Summit, and then only calling on one member of the African press, leading one journalist to ask, "What did we come all this way for?"

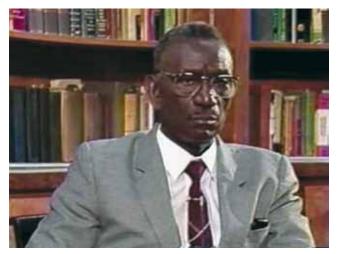
#### **Africa Wants and Needs Nuclear Power**

In addition to the concept of the BRICS Development Bank being raised at the Summit, the demand that African nations have nuclear energy as part of their power supply was made as well. This is very important for African countries, which have allowed themselves to be conditioned to believe that they can't have nuclear energy to power their economies because it is too "advanced" for them; that they should be satisfied with less powerful forms of energy, including those that are outright ineffective, such as so-called renewables, like wind and solar energy.

President Zuma, speaking at the U.S. Chamber of Commerce on Aug. 4, described his country's commitment to the future, outlining his support for a South-North rail corridor from Durban, South Africa, to Dar es Salaam, Tanzania, continuing to Cairo, Egypt; and South Africa's intention to spend 840 billion rand over the next three years on infrastructure and energy, including nuclear power. Even though it appears that not everyone in his government is fully committed to nuclear energy, at the luncheon that afternoon, Zuma spoke of the role of nuclear power, and how it can help "solve all of southern Africa's energy problems."<sup>1</sup> He also continued to express South Africa's support for the Grand Inga Dam project in the Democratic Republic of the Congo that could provide over 40,000 megawatts of electrical power to the continent.

Issoufou Mahamadou, the President of Niger, who spoke at the German Marshall Fund Aug. 5, also made a strong case for his country's right to have nuclear energy. In an excellent presentation on how his Sahalean country, 75% desert, intends to reduce food insecurity and eliminate famine, Mahamadou advocated

<sup>1.</sup> See David Cherry, "South Africa Bucks British Opposition, Goes Nuclear, *EIR*, July 25, 2014.



Senegalese scholar Cheikh Anta Diop was one of many African leaders who advocated for nuclear energy in the 1960s and 70s.

nuclear energy, telling his audience that it was the least costly next to hydropower, and dismissing solar energy as more expensive.

In response to a question from this author, the President of Niger reiterated his support for nuclear energy, building the East-West railroad, and rehabilitating Lake Chad.

Outstanding African leaders have historically demanded nuclear power. Senegalese scholar Cheikh Anta Diop, in the 1960s and 1970s, advocated for African economies to be powered by nuclear energy, and thermonuclear fusion energy, and wanted to establish training centers for Africans to master these technologies.

Diop wrote in 1978: "However, if that source of energy [fusion] control were to become available, with effective control of thermonuclear reactions, the energy needs of the planet would be answered for a period of a billion years—repeat, 1 billion—years. The future instruments that produce this energy, whether called thermonuclear reactors or tokomaks ... will be fed in their final and truly operational stages by heavy hydrogen, obtained basically through electrolysis of sea water."<sup>2</sup>

He demanded that thermonuclear fusion energy be studied in Africa, calling for the creation of "a pilot fusion center in an appropriate African country, open to all qualified African researchers willing to follow this line of pursuit."

More than a decade earlier, Diop identified both fis-

sion and fusion energy as primary energy sources for Africa, underscoring the potential of fusion: "Once the thermonuclear reaction has become adapted to industry, mankind will without doubt, as scientists foresee, have an abundant new source of energy." In discussing the type of research required in African universities, he put the need for "an institute of nuclear chemistry and physics" at the top of his list of scientific research institutions to be created in Africa.

When asked, in a 1977 interview with *Afriscope*, "What is the mission of culture?" Diop replied, "Survival and creativity. Man must create to survive. To create he must insure his survival." Later, he added, "Man's mission is creation," reflecting his own scientific thought process.

China, a founding member of the BRICS, is today leading the world to the next higher level of energy-flux density with its lunar program to industrially mine the Moon for helium-3, an advanced fuel for fusion energy that is far more powerful than the deuterium-tritium fuel cycle that Diop was studying.

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### Documentation

## Obama to Africa: We Don't Do Infrastructure

The following statement was distributed by Lawrence Freeman at the Aug. 4-6 U.S.-Africa Leaders Summit.

Aug. 3—Speaking at the Atlantic Council in Washington, D.C. July 31, Linda Thomas-Greenfield, Assistant Secretary of State for African Affairs, made it clear that the United States, as a matter of policy, will not build infrastructure in Africa. She stated that the purpose of President Obama's U.S.-Africa Leaders Summit was to reaffirm the U.S. partnership and friendship with Africa for 50 years, not give out billion-dollar goodies. She said other countries can build infrastructure, but warned Africa to be cautious in their relations with other economic powers.

Without infrastructure there will be no economic development in Africa, which has the largest infrastruc-

<sup>2.</sup> All the quotations from Cheikh Anta Diop, are from his book, *Black Africa: The Economic and Cultural Basis for a Federated State*, Africa World Press: Trenton, N.J., 1987.

ture deficit per capita and per square kilometer of any continent. The spreading lethal Ebola virus is itself a marker of the failure to develop healthy economies in Africa. The Ebola outbreak in West Africa is appropriately threatening to become the number one concern at the African Summit. Energy is crucial and indispensable for the development of any country, which is why President Obama's signature policy—Power Africa is such chicanery.

#### **Africa Needs Electrification**

With between 550 and 600 million Africans living in sub-Saharan Africa having no access to electricity—over 50% of the population living in the dark— President Obama's so-called signature policy for Africa, his "Powerless Africa" program, is either an outright fraud, a cruel joke, or done by someone who doesn't know how to simply add and divide. The initiative to generate 8-10,000 megawatts of power over five years, divided among several countries-Nigeria, Liberia, Ghana, Tanzania, Ethiopia, and Kenya-to provide electricity to 20 million additional users, will not double the access to electricity. Presently, Sub-Saharan Africa has about 400-450 million users of electricity, albeit at very low watts per capita. However, this did not prevent President Obama from making false claims of "doubling" twice when he spoke in South Africa in 2013, which his administration has repeated ever since.

The Sub-Saharan African continent generates the least amount of electricity in the world, and has the lowest number of watts per capita as well. Globally the world generates about 5,200 gigawatts (GW) of electricity-that is, 5,200 billion watts of power. Sub-Saharan Africa consumes about 70,000 megawatts (MW)that is 70,000 million watts of power, which gives the Subcontinent less than 1.5% of the world's total. Is it any wonder why it is called the "Dark Continent?" Even if we doubled or tripled Obama's "Powerless Africa" program every five years, Africa would still be in the dark. One blogger estimated that if Africa's total electrical power were shared equally, each household would be able to power one light bulb per day, per person, for 3.5 hours, Obama's program would add 18 minutes to each light bulb.

Take the case of Nigeria. At best, Nigeria generates 4,000 MW of power, not counting several thousands more MW produced by costly household diesel generators, which doesn't change the country's massive

energy deficit. With 177 million people, and at best, 4,000 MW of power, Nigerians average less than 25 watts of energy per capita, and some estimates are as low as 12 watts per capita. For Nigeria to enjoy American standard of energy consumption of 1,400 watts per capita, which they deserve, Nigeria would require 248,000 MW or 248 GW—approximately 60 times its current power generation. And Nigeria's population is expected to increase to 250 million in the next 20 years, thus requiring even more power. Obama's "Powerless Africa," if and when completed, will provide Nigeria with a mere 2,000 MW in five years.

For all of sub-Saharan Africa's nearly 1 billion people to enjoy an American standard would require 1,400,000 MW or 1,400 GW of electrical power. This can only be accomplished with nuclear power, which is the most efficient, cost effective, and most powerful in terms of its energy-flux density.<sup>3</sup> That is why South Africa's commitment to build six nuclear power plants, with 9,600 MW of capacity, is exciting for all of Africa. South Africa, which already has the highest energy per capita on the Subcontinent, will be generating an equivalent amount of energy to Obama's total "Powerless Africa," and it will be far more productive than solar energy and wind farms. It doesn't matter that they are renewable; they are too inefficient, too low energy-flux density to power a modern agricultural-industrial economy. Russia has already discussed with South Africa a proposal to build and provide favorable financing for the construction of these nuclear plants.

With nuclear energy, and then fusion energy, Africa will have the energy-flux density to power transportation, to power pumping for irrigation, to construct new waterways, and nuclear power plants, with its energy and high-temperature steam ideal for desalination. Why not start building the equivalent of a new Nile River with desalinated water? We know Egypt and the Horn of Africa need it. With this type of high energy-flux-density program, the people of Africa can finally be freed from the deplorable conditions of life caused by a lack of energy, food, clean water, and sanitation.

Not surprisingly, of the 72 nuclear plants currently under construction worldwide, 47 of them—65%—are in BRICS countries.

<sup>3.</sup> Energy-flux density is the organization and power/heat intensity of a form of energy to accomplish work.