

Diversifying the Oil Supply: Recommendations for Productive U.S. Involvement in Equatorial Guinea

Ryan A. Ives

With the rise of the al Qaeda terrorist network and the global war against terrorism impacting Middle East petroleum interests, it has become increasingly important for the United States to consider alternative sources of oil. New and important oil discoveries are being made on the western coast of Africa. In particular, the Republic of Equatorial Guinea is experiencing rapid change due to its sudden wealth of offshore petroleum resources. The United States should move quickly to strengthen its relationship with this new oil producer and gain from its unique lead role in oil production there. This article describes the current environment surrounding oil production in Equatorial Guinea, and offers policy recommendations to help the United States develop a strategic relationship with the country.

Since the discovery of significant deposits of offshore oil in 1996, the Republic of Equatorial Guinea, located on the western coast of Africa, has become known as the “Kuwait of Africa.”¹ Its neighbors, Gabon and Congo, have long been oil-producing states, but in March 2002 it was reported that Equatorial Guinea is expected to outpace them both with the production of 350,000 barrels of oil per day.² Although the energy production potential in Equatorial Guinea is indeed small when compared to an oil-producing giant like Saudi Arabia, its oil deposits are significant and should not be overlooked.³ In fact, oil production potential in the waters off Equatorial Guinea’s coast is significant enough that U.S. companies have already invested \$5 billion in order to further develop production capabilities.⁴

This article will discuss policy options for the United States to further develop its relationship with Equatorial Guinea as part of an effort to focus energy policy

Ryan A. Ives is a projects analyst with Novonics Corporation. He has an Master’s degree in national security studies from Georgetown University’s School of Foreign Service.

toward non-Persian Gulf oil. The first section of the article will describe why non-Persian Gulf oil is becoming increasingly important. The second section will address the current environment in Equatorial Guinea, including its history, oil sector, politics, economy, and regional relations. The third section will discuss U.S.-Equatorial Guinea relations, and also examine the various non-state actors opposed to increased cooperation between the two. Finally, the article offers policy recommendations that the Bush Administration should begin to implement in an effort to build a better strategic relationship with Equatorial Guinea.

The Importance of Non-Persian Gulf Oil

The Bush Administration faces many challenges as it formulates its national energy policy, including U.S. dependence on Persian Gulf oil. Oil imports from the Gulf require constant U.S. involvement and attention in the region, thanks to wars, price-fixing, and instability. As a result, the United States maintains a heavy military presence in the Persian Gulf, which involves a substantial cost and risk to U.S. personnel in the region. During the mid-1990s, two terrorist attacks killed 24 U.S. military servicemen in two incidents in Saudi Arabia. Today, there is an international terrorist network, led by al Qaeda, consisting of a loose coalition of Muslim extremists based in Afghanistan, Pakistan, the Philippines, and elsewhere; this network manifested itself most recently in the attacks of 11 September 2001 and is determined to push the United States out of the Middle East.⁵

The United States has traditionally had a strong interest in securing Persian Gulf oil. It is an important commodity that helps to keep U.S. industries running. Moreover, it is crucial for American trading partners in Europe and northeast Asia. If disruptions in the flow of oil were to affect the economies of these major hubs, then slowdowns, inflation, and panic among U.S. allies would seriously threaten the U.S. economy as well.

In order to protect U.S. interests from the potentially harmful effects of disruptions in the flow of Persian Gulf oil, it is imperative that new oil resources be found and extracted. Indeed, exploration for new sources of oil has already begun. Improved technology has made Arctic drilling and deep offshore deposits more accessible. Notwithstanding these developments, the majority of new oil will probably be found outside of North America. As America fights a war against terrorism that is in part over secure access to oil resources,⁶ it is important that the United States once again look at its relations with the many smaller oil-producing countries of the world to find alternative sources of petroleum. Equatorial Guinea is one such country that can be cultivated with significantly less effort than the United States expends on the Gulf region.

Equatorial Guinea: Background

As the only Spanish-speaking country on the continent, Equatorial Guinea is

an anomaly in Africa. It was colonized in the late fifteenth century by Portugal, which used the island of Bioko as a base of operations for a major slave market. In 1788 Portugal ceded the territory to Spain, which governed it as Spanish Guinea. The Spanish colony was granted autonomy in 1959 and independence in 1968.⁷

For centuries the country garnered little attention from the outside world, and its immediate post-independence years were an especially sad chapter. Equatorial Guinea's first president, Francisco Macias Nguema, declared himself leader for life; caused the execution or exodus of thousands; and, fearing a coup involving watercraft, outlawed fishing.⁸ Macias's nephew, the current president Teodoro Obiang Nguema Mbasogo, led a popular military coup in 1979 that resulted in Macias's trial and execution.⁹ However, many things have changed since the discovery of oil in the mid-1990s. Today, Equatorial Guinea plays host to oil companies from such places as Brazil, Malaysia, Australia, the United States, and Europe. The United States is the largest stakeholder, with ExxonMobil owning 75 percent of Zafiro, the largest oil field in Equatorial Guinea.¹⁰ Although it has one of the smallest populations in the world, Equatorial Guinea will likely soon be one of the wealthiest nations.¹¹

Oil Sector

The bulk of Equatorial Guinea's oil lies offshore as part of the Niger Delta-Rio del Rey basin. The Niger Delta is a top-tier source of the world's petroleum, with proven oil reserves of 48 billion barrels. The major fields under Equatorial Guinea's control are Zafiro and Ceiba. In southern Equatorial Guinea, near Rio Muni, oil activity is divided between accessing the Kribi-Camp (Douala) Basin of Cameroon, which contains the Sanaga Sud-Kribi fields, and the Gabon Basin. Also located nearby, the Rio Muni Basin has produced considerable oil at Ceiba Field, which was discovered in 1999 and with the aid of water injection technology was anticipated to produce 160,000 barrels of oil per day in 2002.¹² Oil seepages have been observed on the Sao Tome and Principe volcanic island chain. Annobon, an Equatorial Guinean island, is located so close to these islands that the oil industry is considering exploring the "ultra-deepwater" Gulf of Guinea.¹³

Although the Spanish government that previously controlled Equatorial Guinea first granted oil license agreements in 1965 to Mobil and Spanish Gulf Oil, production of Equatorial Guinea's oil resources did not begin until nearly 30 years later. Neither the Americans nor the Spanish found oil in significant quantity to warrant commercial production during the 1960s and 1970s. During the 1980s, European oil companies, such as Hispanoil, Total, Elf, and Hamilton (BHP Petroleum), drilled for oil, but all withdrew from the area without success. A breakthrough occurred in 1991 when the independent American oil firm, Walter International, re-licensed areas that European firms abandoned and struck oil on two wells. The early 1990s saw greatly increased speculation concerning the oil production possibilities in Equatorial Guinea. Walter International was acquired by Nomeco, which was then purchased by CMS Oil and Gas. These events were followed by United Meridian Corporation's discovery of oil near Bioko, which prompted a merger with Ocean Energy. The last big player in the Equatorial Guinea oil boom was not new to the area; Mobil returned in 1995 and made a major oil discovery the following year on a well at Zafiro.¹⁴

Today, ExxonMobil retains the largest interest in Equatorial Guinea's oil. The blocks under the American firm's control cover roughly 1 million acres. In 2000, ExxonMobil was producing 110,000 barrels per day.¹⁵ With headquarters in New York, Amerada Hess is another U.S. company with a significant interest in oil production in Equatorial Guinea. Amerada Hess announced in March 2002 that it struck oil very close to the mainland at a well named Elon.¹⁶ In response to its oil find in the shallow waters off of Rio Muni, Amerada has decided to move its Equatorial Guinean headquarters to Bata on the mainland. Experts anticipate this move will strengthen Equatorial Guinea by further integrating the mainland with the center of commerce on the Island of Bioko.¹⁷ The move is also expected to add to the local economy at Bata by creating jobs to construct and staff the new facilities.¹⁸

Politics

Equatorial Guinea is led by President Obiang's family, part of the Mongomo sub clan of the majority Fang ethnic group.¹⁹ While it was Obiang who took power from his uncle, today Obiang's brothers and nephews are also in key positions in the government. One of his brothers, Armengol Ondo Nguema, is the Director General of National Security. Another brother is the head of the ruling political party, the Democratic Party of Equatorial Guinea (PDGE).²⁰ In addition, his brother-in-law is the ambassador to the United States.²¹ There are also indications of a family struggle between two of Obiang's two eldest sons—Teodorin Nguema Obiang and Gabriel Nguema Lima, both of whom are ministers in the government—who are vying to succeed him.²² This family style of politics has brought the government of Equatorial Guinea much criticism from a variety of international actors, ranging from Amnesty International to the U.S. State Department.²³

Equatorial Guinea is a small country, surrounded by giants. Obiang's talent at

befriending other African leaders and effectively using persuasion to further Equatorial Guinea's goals has not merely kept his own regime in power but has ensured the territorial integrity that is the source of the nation's newfound wealth. He is an effective leader and well equipped to lead Equatorial Guinea in its transition from an obscure former Spanish colony to a leading African oil producer and ally of the United States. In recent years, Equatorial Guinea has moved to create a multi-party democracy, and as a result the Corporate Council on Africa in Washington, D.C. now refers to the country as a "fledgling democracy."²⁴

Economy

Equatorial Guinea has the fastest growing economy in Africa.²⁵ Its economy was traditionally centered on coffee and timber, and at one time it was one of the world's largest exporters of cocoa. Recent discoveries of oil, however, now figure prominently in the national economy.²⁶ Equatorial Guinea's gross domestic product (GDP) has grown at phenomenal rates in recent years: 71.2 percent in 1997, 22 percent in 1998, and 15 percent in 2001; GDP growth is projected to be 53 percent in 2002.²⁷ A fledgling gas industry was born in Equatorial Guinea in 2001 with the development of a methanol plant on Bioko that processes gas from the offshore fields.²⁸ Largely as a result of the influx of capital, construction companies and the timber sector have seen growth, although most other sectors of the economy have not seen as much prosperity.

Foreign aid has also long been a mainstay for Equatorial Guinea's economy, but the future of those programs remains uncertain due to dissatisfaction in the United States and Europe over allegations of government mismanagement and corruption.²⁹ The European Union and the World Bank have suspended funds to Equatorial Guinea.³⁰ The African Development Bank, however, maintains favorable relations with Equatorial Guinea and made 15 loans and 5 grants from 1996 through 1999.³¹ The International Monetary Fund last negotiated in-depth consultations with the country in August 2001 and reported, "The government has largely liberalized the economy, with the exception of the commercialization of major agricultural export commodities."³² Spain and France are Equatorial Guinea's two largest aid donors. Equatorial Guinea joined the Franc Zone with the adoption of the *Communauté Financière Africaine* (CFA) franc in 1985,³³ which is a common monetary unit for 14 countries tied directly to the Euro; it also has become a member of the Bank of Central African States and the Central African States Customs Union.³⁴

Equatorial Guinea does not participate in the Africa Growth and Opportunity Act (AGOA), an important piece of U.S. legislation passed in May 2000, which offers African exporters preferential access to American markets. On 31 December 2001, President George W. Bush designated 35 African countries that have made strides in their efforts to modernize their export practices and are thus eligible for AGOA. Equatorial Guinea was not included on this list. The United States claims this was

based on poor governance and human rights issues.³⁵

Regional Dynamics

Equatorial Guinea has suffered from some of the same instability that characterizes much of the region.³⁶ For example, a serious coup attempt in 1997 was quelled with support from its beleaguered neighbor, Angola.³⁷ Equatorial Guinea's southern border with Gabon, furthermore, represents a major transit point for the smuggling of illegal goods and immigrants. The Fang ethnic group extends across both borders, which can complicate crossings. Overall, there is considerable immigration into Equatorial Guinea from neighboring countries. In the early 1970's, for example, there were roughly 50,000 Nigerians working on the Equatorial Guinean plantations.³⁸

Equatorial Guinea has been at the center of several territorial disputes, including one currently under review by the International Court of Justice (ICJ). Nigeria, a regional powerhouse and major African oil exporter, has filed claims against Equatorial Guinea for allegedly tapping an oil deposit that extends into its territory. In addition, Cameroon has brought Nigeria to court over a boundary that crosses directly through waters that are currently under Equatorial Guinea's territorial jurisdiction. The parties completed their arguments in late March 2002, and at the time of this writing, judges are deliberating the case.³⁹

Recognizing the need for serious improvement in its military, including the need to develop an effective coast guard, the government of Equatorial Guinea has sought the assistance of an American firm, Military Professional Resources International (MPRI). After two years of negotiation with the U.S. Department of State, MPRI gained approval to begin work for Equatorial Guinea in July 2000.⁴⁰ MPRI's spokesman Ed Soyster indicates that offshore drilling and numerous border disputes are the impetus for the development of a competent coast guard. However, in addition to patrolling the nation's borders, Soyster maintains that the coast guard would aid in protecting the environment, increasing harbor safety, protecting fishing rights, and countering drugs and other contraband smuggling. Additionally, he notes the need for a small mobile land force to serve as an effective army. MPRI has completed its initial assessment and developed a National Security Enhancement Plan (NSEP).⁴¹

Equatorial Guinea's military buildup will be watched closely in the region. Nigeria is currently the regional hegemon and will probably view a strengthened Equatorial Guinea unfavorably. Whereas Nigeria has considerable oil revenue itself, its population of 120 million dwarfs Equatorial Guinea's population of less than 500,000. In terms of military size (troops and equipment), funding, and experience, Nigeria's capabilities far exceed those of Equatorial Guinea. In sum, Equatorial Guinea's advancements in military capabilities are important but could become problematic if the country is not sensitive to its effects on the already delicate regional balance.⁴²

Although the existence of the ICJ border dispute would imply otherwise, Cameroon's president, Paul Biya, maintains a close personal relationship with Obiang.

The two leaders are often quick to schedule summit meetings to resolve transborder issues that arise peaceably and quickly.⁴³ In addition, the U.S. ambassador currently responsible for Equatorial Guinea is actually based in Cameroon's capitol, Yaoundé. As Equatorial Guinea and the United States build a closer relationship, much of the initial interaction will occur through Cameroon.

Gabon, another neighboring country, also has good relations with Equatorial Guinea. However, France has long been a player in African politics and although Gabon is on friendly terms with Equatorial Guinea, Gabon's relationship with France is probably better than its relationships with other African states. Though the French are phasing out their troops stationed in Gabon's capital, Libreville, French oil, uranium, and timber interests will keep France engaged in the region.⁴⁴ Indeed, in April 2001 France announced a \$1.45 million gift to support development projects in Equatorial Guinea.⁴⁵ French oil companies have been known in the past to play politics at many levels, inspiring some pundits to call them an informal arm of French foreign affairs.⁴⁶ Equatorial Guinea is in a unique position as a buffer between Gabon and Nigeria. There is somewhat of a rivalry between the former French colony to the south and the former British colony to the north. However, designating French as the second official language in the country is an indicator that Equatorial Guinea is likely to remain on friendlier terms with French-influenced Gabon than with Nigeria.

As noted, France is a traditional player in West African affairs. The rise of a former Spanish colony, which now does business almost exclusively with the United States, may not continue to find favor in Paris. The Spanish, too, are not pleased that they were unsuccessful in their initial oil exploration and that not only did the Americans find oil, but also that Obiang has given them almost exclusive rights to it. One explanation for Obiang's actions is that Spain has long offered refuge to Equatorial Guinean dissidents, including Severo Moto, leader of the 1997 coup attempt.⁴⁷ Spain is also home to a vociferous Equatorial Guinean opposition radio station, *Radio Exterior*.

Policy Recommendations

Relations with the United States

Given the importance of securing non-Persian Gulf oil and the good opportunities available to the United States in Equatorial Guinea, the United States should seek to strengthen its strategic relationship with the country. Recently, however, it has been Equatorial Guinea that has taken the initiative in moving toward a closer friendship with the United States. The latest overtures indicate that it has been a tenuous friendship to develop. In March 2001, Obiang came to Washington in an effort to meet with the new Bush Administration; however, no one from the White House would meet with him. Instead, a delegation of eight lower-level State Department officials went to the embassy of Equatorial Guinea in Washington. Due to a series of critical State Department human rights reports and Obiang's dismissal of its findings,

there has been a cool relationship between the two parties. Obiang's wish for a U.S. embassy in Equatorial Guinea certainly did not seem realistic in this atmosphere. Henry Hand, desk officer for Equatorial Guinea at the State Department during the episode, cited only a lack of funds when he addressed the remote possibility of a new U.S. embassy in Equatorial Guinea.⁴⁸

There have been encouraging signs in the year since Obiang first attempted to meet with the Bush Administration. Obiang has come back to the United States since the unproductive visit in March 2001. In January 2002, Obiang was in Washington for the National Prayer Breakfast with President Bush. Africa Global, Equatorial Guinea's public relations firm at the time, succeeded in putting Obiang before Bush for a quick handshake. It is unknown whether the U.S. president knew whom he was meeting.⁴⁹ The mood in Washington during February and March 2002 was tense for Equatorial Guinea after the State Department sent the embassy another critical human rights report.⁵⁰

However, the fact that President Bush, Secretary of State Colin Powell, and National Security Advisor Condoleeza Rice did not meet with Obiang in March 2001 may be less serious than it seems. The African leader chose an inopportune time to visit Washington. During the week Obiang was in town, the White House hosted leaders from Japan, China, Israel, Greece, the Catholic Church, and the United Nations. It is conceivable that the new administration did not have the time to give serious thought to Equatorial Guinea and so deferred the matter to the lower-level State Department officials.

While it is lamentable that the United States was not able to give adequate attention to a thorough strategic review of its relationship with Equatorial Guinea, with 180 nations constantly vying for America's attention, some countries must be sensitive to the timing of their visits. The delicate game of diplomatic strategy constrains the order in which countries are received. Obiang would probably not receive priority for a high-level audience from the administration prior to other African leaders. For example, when President Joseph Kabila of the Democratic Republic of the Congo and President Paul Kagame of Rwanda met with Bush and Powell in the spring of 2001, diplomatic strategy determined how the White House presented the event. The administration chose to portray it not as a summit meeting, but instead invited the leaders to attend the same National Prayer Breakfast in 2001 that Obiang attended in March 2002.

There are compelling reasons for the United States to establish an embassy in Equatorial Guinea. Estimates of the number of Americans living in Equatorial Guinea vary widely, from 280 to 1,500.⁵¹ The nearest diplomatic representation is in Yaoundé, where reliable transportation is scarce, and there has been a steady movement for the United States to assign an embassy solely to Equatorial Guinea. Ollie Anderson, U.S. State Department desk officer for Equatorial Guinea, confirms that Bush has agreed to the department's request to establish an embassy in Equatorial Guinea. The State

Department is now in the process of preparing to notify Congress of the decision in order to receive its “advice and consent.”⁵²

Challenges

There are several nongovernmental organizations that routinely register concerns about activity in Equatorial Guinea. Amnesty International decried a law in Equatorial Guinea forbidding “material of dubious provenance” in a 2000 report; the same report lamented the poor criminal court process in Equatorial Guinea that can result in lengthy and unorthodox trials and concluded that improvement is needed.⁵³ However, the developing judiciary system of this small country is average in its struggles when compared to other sub-Saharan African countries.⁵⁴ In addition, unlike its neighbor, Nigeria—whose northern region has Sharia laws, which condone amputation as a punishment for stealing and allow the stoning to death of women for adultery—Equatorial Guinea’s 79 percent literate and predominantly Catholic population is largely Western oriented.⁵⁵

The U.S. State Department’s 2001 *Report on Human Rights* laments the lack of medical care available to Equatorial Guinea’s prisoners and the general state of conditions in its jails. The report states that no one was detained as a result of his or her political leanings in 2001, though it alleges some cases of torture; it also cites a lack of fiscal transparency and limits on expression.⁵⁶ The State Department report, however, stands in stark contrast to some opinion within the department. When discussing sectors in need of improvement, current desk officer Anderson speaks first of persistent poverty. Though oil was discovered in 1996, Equatorial Guinea has been obligated to repay the international oil companies fees for their work in exploration and extraction. Equatorial Guinea is only recently beginning to recover those investments, and the State Department would like to ensure that the funds trickle down to the neediest parts of the population. Anderson notes that his team is awaiting further details on the trust that Equatorial Guinea has established to facilitate the transformation of oil revenues into development efforts and poverty eradication programs.⁵⁷ Further evidence of changing sentiments at the State Department are reflected in the information section for Equatorial Guinea at the Bureau of African Affairs on the State Department’s web site: “Although Equatorial Guinea lacks a well-established democratic tradition comparable to the developed democracies of the West, it has progressed toward developing a participatory political system out of the anarchic, chaotic, and repressive conditions of the Macias years.”⁵⁸

Obiang generally refutes the claims made by the State Department Human Rights Report. While in Washington, he suggested that the report on repression was the work of lower-level officials, stating, “We got the impression from reading it that it was the work of one man. There was no real information in it about Equatorial Guinea today. These were old stories from people who are not in the country.”⁵⁹

The leading opposition groups created to counter Obiang take an active inter-

est in thwarting the development of a closer friendship between Equatorial Guinea and the United States. One such opposition group, MONALIGE is based in Spain, where it broadcasts its anti-PDGE views via *Radio Exterior*.⁶⁰ Its leader, who has not been in Equatorial Guinea for over 40 years, recently came to Washington at the invitation of the American non-profit organization TransAfrica. MONALIGE railed against the notion of the United States increasing any ties with Obiang's government, based on commentaries it routinely offers on *Radio Exterior*. The State Department report states that *Radio Exterior* occasionally misrepresents the situation in Equatorial Guinea.⁶¹

Equatorial Guinea also faces challenges from environmental groups, though not necessarily in regard to its oil production. Like many impoverished coastal countries, Equatorial Guinea has been charged with violating international fishing conventions. Greenpeace reports that its staff has confronted illegal tuna ships with Equatorial Guinean flags.⁶²

Equatorial Guinea's oil lies entirely offshore and the region has long been the site of oil rigs, though Angola, Nigeria, and Gabon are the traditional producers. Currently, there are no major campaigns opposing oil production in Equatorial Guinea due to environmental concerns, though there has been heated environmental debate concerning Nigeria's oil production in the Delta region, which is not far from Equatorial Guinea. A primary reason for the muted environmental opposition to oil production is that as the last African country to discover oil, Equatorial Guinea has benefited from close study of the struggles in places like Nigeria. Ken Keag, vice president for African operations at CMS Oil and Gas reports, "Lessons have very definitely been learned in terms of how to work with the local population and protect the environment. People understand that you don't just go out, find the stuff, produce it and leave."⁶³ The primary concern for environmental groups in this region centers on the production of timber. Some 5.4 million acres of Equatorial Guinea is forest, and environmental groups such as Forest Monitor and Agir Ici report the clearing of exotic woods and the sale of such wood in Europe as especially hurtful to the local environment.⁶⁴

Equatorial Guinea is not without its allies in Washington. The Corporate Council on Africa is supportive of U.S. business in country and has sent a member of its staff to Equatorial Guinea on a research mission to produce an economic guide for American business in Equatorial Guinea.⁶⁵

Recommendations

Equatorial Guinea's oil production, and indeed Equatorial Guinea itself, face many threats. As stated above, the region is unstable and the precarious leadership under President Obiang may be untenable in the long run. Obiang has no heir apparent and his health is in question. In September 1999 Obiang confirmed that he had visited the Mayo Clinic in Rochester, Minn.⁶⁶ It is likely that he has prostate cancer and that his visits to Washington include visits with American doctors.⁶⁷ The fledgling

democracy in Equatorial Guinea could be threatened if the president leaves office unexpectedly for health reasons or if someone attempts another coup. How will the United States continue to assure its access to Equatorial Guinean oil, thereby protecting a significant investment from American firms and diminishing U.S. dependence on Persian Gulf oil?

Given the many obstacles to effecting positive change in American-Equatorial Guinean relations, this article offers the following recommendations for the Bush Administration:

1. Increase efforts to establish a U.S. embassy in Equatorial Guinea.

This recommendation is paramount. Obiang's government has been requesting one for years. It is the single most meaningful step the United States can make in affirming its friendship to the country. From 1968 to 1995, the United States did operate a small embassy in Equatorial Guinea's capital, Malabo. The embassy closed in 1995, just prior to the major oil finds. Since then, according to the U.S. State Department website, a U.S. Consular Agency has been established on the mainland at Bata.⁶⁸ While a positive step, this presence is not enough. With so many American citizens living on Bioko (and very few on Rio Muni), the U.S. government has an obligation to provide them the services only a full-fledged embassy can provide, including security.

2. Reevaluate Equatorial Guinea's application to the Africa Growth and Opportunity Act and permit the country to participate. The Commerce Department cites two primary reasons in its exclusion of Equatorial Guinea from AGOA: human rights and governance. However, AGOA readily accepted other African countries with similar challenges such as Chad, the Central African Republic, and Nigeria. Doug Wallace, an international trade specialist at the U.S. Commerce Department, is responsible for researching Equatorial Guinea for the agency. He reports that AGOA was not made to be exclusionary; there is an annual review process that receives input from many sources, such as the State Department and Treasury Department and it is possible for Equatorial Guinea to be made eligible at a later date.⁶⁹

Equatorial Guinea's exclusion from the AGOA is indeed unfortunate. It sends the wrong message from Washington and should be reversed with tact and alacrity. As the director of AGOA, the Department of Commerce has the opportunity to play a significant role in the development of United States-Equatorial Guinea relations. While the Commerce Department laments spotty human rights violations, it also readily admits that the country has made significant progress. Additionally, the Commerce Department appears to stipulate that Equatorial Guinea is getting better at distributing its new-found wealth.⁷⁰ These events did not happen by accident, and there is a clear trend working here. When Equatorial Guinea was an average poverty-stricken African country, no one from the Commerce Department, or even much of the world, seemed to care about knowing what went on there. However, after Obiang's rise to power, the discovery of oil, and a \$5 billion American investment, Equatorial Guinea has made strides in improving its human rights record and election process. The

simple lesson is that Equatorial Guinea does not need more righteous isolation from afar; rather by integrating trade, culture, defense, and diplomacy, African states like Equatorial Guinea will grow closer to an American style of governance.

3. *Work with the U.S. Department of Defense's Africa Crisis Response Initiative to increase stability in the region through the creation of a U.S. military presence on the island of Bioko, Equatorial Guinea.* In an effort to increase stability in the region, secure access to oil reserves, and demonstrate U.S. resolve toward a productive relationship, the Department of Defense should increase its military cooperation with Equatorial Guinea. The U.S. military is already engaged in Africa with the Africa Crisis Response Initiative (ACRI), and in 1998 the Third Special Forces Group stationed at Fort Bragg, N.C. traveled to Equatorial Guinea to train the country's troops in "light infantry skills, including operations planning, small unit tactics, land navigation, reconnaissance and medicine."⁷¹ This article recommends establishing a contingent of U.S. Marines to be based on Bioko.

The primary military forces of Equatorial Guinea are nominally the army, navy, air force, rapid intervention force, and the national police.⁷² The army has 1,400 soldiers, the police 400 men, the navy 200 sailors, and the air force 120 members,⁷³ but the Equatorial Guinean military has been characterized as "one to two thousand poorly trained soldiers who operate a couple of patrol boats and very little aircraft."⁷⁴ The U.S. Central Intelligence Agency estimates that there are roughly 53,347 men fit for military service and that the Equatorial Guinean government spent 0.6 percent of its GDP, or \$3 million dollars, on its military in 1998.⁷⁵ The Bonn International Center for Conversion estimates that Equatorial Guinea held only 10 heavy weapons in 1997.⁷⁶

Equatorial Guinea's air force needs are limited. Its security structure is centered on a defensive or balancing position. While sophisticated fighter jets are not necessary or advisable, a small fleet of dependable helicopters to facilitate rapid troop movement, ambulatory needs, and presidential and cabinet evacuation are recommended. Toward that end, Equatorial Guinea has purchased helicopters from the Canadian Helicopter Corporation, but since most of their services are geared toward oil exploration and recovery, they are not sufficient for military needs.⁷⁷

Equatorial Guinea's unusual territorial layout, which includes a small piece of land on the mainland of Africa in addition to the center of commerce and government on the island of Bioko, seems to stress the importance of a coast guard. However, a small light land force is also appropriate. While most of the country's wealth and infrastructure is on the island of Bioko and its surrounding waters, the Equatorial Guinean government maintains a provincial capitol on the mainland at Bata. Bioko is a traditional stronghold of the Bubis, while Obiang's political party is of the Fang ethnic group. Equatorial Guinea will need a professional and competent army to protect its territorial integrity on the mainland.

The State Department refers to the Equatorial Guinean military as "poorly trained and equipped," in noting that all of its Soviet-era light armored vehicles and

trucks are non-functional. It has recently obtained some Chinese artillery pieces and Ukrainian naval equipment and helicopter gunships. Few in the Equatorial Guinean military are trained to operate this equipment, and thus they are heavily reliant on foreigners. Between 1984 and 1992 many Equatorial Guinean members of the armed forces traveled to the United States for training as part of the International Military Education Training (IMET) program. Though funding for this program was cut, efforts should be made to resume these events. Today, most military training in Equatorial Guinea is carried out by France, which has outfitted the country with a new branch of service, the *Gendarmerie*.⁷⁸

The U.S. Marines at Bioko would serve several key roles. The first would be to act as a deterrent force to anyone who would threaten American lives or property on the island. Indeed, their presence would also arguably lend stability to the entire oil producing region, thereby protecting a substantial U.S. investment and securing access to dependable oil reserves. The Marines in Equatorial Guinea would also pick up where the U.S. Special Forces left off in training the indigenous military in simple, effective defensive skills.⁷⁹

4. *Send the U.S. assistant secretary of state for Africa to Equatorial Guinea for an official visit. President Bush is likely to visit Africa within the next two years and while on that multi-nation trip, he should stop in Equatorial Guinea—even if only for a few hours.* Assistant Secretary of State for Africa Walter H. Kansteiner III will make many trips to Africa during his tenure at the State Department, and aside from crisis situations and possible U.S. military action on the Horn of Africa, most of his time will likely be spent with the predictable states of South Africa, Nigeria, and Uganda. Ideally, Kansteiner will have an opportunity to visit Equatorial Guinea in the coming months to lend support to the construction of a U.S. embassy, begin to establish a relationship with Obiang, and lay the groundwork for increased U.S. military, diplomatic, and economic cooperation. A follow-up visit from the U.S. president is also encouraged. Though Bush will make far fewer trips to Africa while in office and demands on his schedule will be great, Equatorial Guinea is the fourth largest recipient of U.S. investment in sub-Saharan Africa and well worth the president's attention.⁸⁰

5. *Request that the Environmental Protection Agency begin a study on the environmental impact of oil production in the region. Establish a dialogue with likely opponents whose arguments may be based on humanitarian grounds and consider including representatives of these groups in official visits with Equatorial Guinea.* The above initiatives will require some justification to various U.S. constituencies. Along with the travel suggestions, it is recommended that the various nongovernmental and environmental groups who oppose elements of Equatorial Guinea's government be included on the trips. Just as ignoring Equatorial Guinea because its government does not seem to meet an artificial American bar for civility is misguided, so is excluding diverse opinions and agendas from discussion. All sides will

benefit from an open exchange and face-to-face dialogue. The U.S. Environmental Protection Agency could be funded to undertake an environmental impact study in Equatorial Guinea. The data they uncover is likely to reinforce the positive lessons that American oil companies have learned over the years of doing business in Africa and add further credence to the policy of increased U.S. involvement in Equatorial Guinea.

6. *Establish support in the U.S. Congress. Encourage congressional delegations to visit Equatorial Guinea and create a core of legislators committed to this issue to secure funding for the various efforts.* The U.S. Congress will need to play an active role in the development of U.S.-Equatorial Guinea relations. Congressional support would serve as a foundation for further government action and help to ensure that funding is available to support new initiatives. In establishing a corps of interested and committed members, efforts should be undertaken to promote official congressional delegations to Equatorial Guinea and include high-level meetings.⁸¹ The U.S. Congress also may play an important role in giving a voice to groups concerned about development of Equatorial Guinea's judicial and electoral systems.

Conclusion

The U.S. government is right to advocate cleaner elections and poverty eradication in Equatorial Guinea. Encouraging Equatorial Guinea to join the fold of responsible world players is good policy. Due to significant U.S. national interests in oil producing states, it makes sense for the United States to support Equatorial Guinea in its transformation. In addition to access to secure oil reserves, which allows for less dependence on Persian Gulf resources, the United States has much to gain in an expanded relationship with Equatorial Guinea, including the propagation of democracy and universally recognized human rights. Current progress is a mixed bag. On some issues such as establishing an American embassy, the United States is on the right track and need only redouble its efforts. Other policy decisions, such as executive-level visits, Congressional support building, and expanded military cooperation, will take some time to implement but are well worth beginning immediately. Finally, the decision to exclude Equatorial Guinea from AGOA was an unfortunate and misguided step that should be remedied as soon as possible.

U.S. business is currently the single largest investor in Equatorial Guinea, and American citizens are the only ones not required to have a visa for entry into the country. The U.S. investment institution, the Overseas Private Investment Corporation, has negotiated its largest agreement in sub-Saharan Africa ever in Equatorial Guinea. However, the U.S. Peace Corps and U.S. Agency for International Development do not have a single program in Equatorial Guinea.⁸² With Equatorial Guinea poised to join the "Big Three" of sub-Saharan oil producers, it is now well-past time for the U.S. government to follow American business and its new national security interests into Equatorial Guinea as well.

NOTES

¹ Larry Luxner, "Equatorial Guinea Goes from Rags to Riches with Oil Boom," *The Washington Diplomat*, August 2001, 6.

² Raj Rajendran, "Equatorial Guinea Set to Outpace Oil Neighbours," Reuters, 21 March 2002.

³ U.S. Department of Energy, Equatorial Guinea Country Analysis Brief, April 2002, at <http://www.eia.doe.gov/emeu/cabs/eqguinea.html>.

⁴ Ollie Anderson, Equatorial Guinea desk officer, U.S. Department of State, interview by author, 22 March 2002.

⁵ Based on text of Osama Bin Laden's *fatwa*, originally published in Arabic in *al Quds al Arabi*, London, 1996.

⁶ The United States maintains a sophisticated military command and intelligence center in Saudi Arabia that serves U.S. interests for much of the Middle East. While another such center is currently being built in Qatar, the Saudi Arabian location is superior. This major presence in Saudi Arabia at the Prince Sultan Air Force Base serves several purposes. It is an essential base to launch future military action against Iraq, but also it serves as a deterrent to Iraq, lest it contemplate invading Saudi Arabia. However, this major presence in the Kingdom of Saudi Arabia, the "Keeper of the Two Holy Places," inspires al Qaeda to attack the United States in an effort "to drive the infidels out." See the 1996 *fatwa*.

⁷ WorldInformation.com, Equatorial Guinea profile, at http://www.worldinformation.com/World/Africa/Equatorial_Guinea/profile.asp?country=240. 10 May 2002.

⁸ Equatorial Guinea Archive, President Teodoro Obiang Nguema profile, at http://www.equatorialguinea.advocate.net/whos_who/teodoroPresident_Obiangnguema.html. 24 March 2001.

⁹ Ibid.

¹⁰ Rajendran, "Equatorial Guinea Set to Outpace Oil Neighbours."

¹¹ According to the Canadian International Development Agency (CIDA), Equatorial Guinea has a population of less than half a million, while the gross national income per capita is \$1,170. CIDA, "Equatorial Guinea: Facts at a Glance," at <http://www.acdi-cida.gc.ca/CIDAWEB/webcountry.nsf/VLUDocEn/EquatorialGuinea-Factsataglance>. 10 May 2002.

¹² From the Ministry of Mines and Energy, Government of the Republic of Equatorial Guinea, at <http://www.equatorialoil.com>. 27 March 2002.

¹³ Ibid.

¹⁴ Ministry of Mines and Energy, Equatorial Guinea.

¹⁵ ExxonMobil, *2000 Financial and Operating Review*, at http://www.exxonmobil.com/shareholder_publications/c_fo_00/c_index.html. 28 March 2002.

¹⁶ Amerada Hess Corporation, "Amerada Hess Announces Elon Oil Discovery Offshore Equatorial Guinea," press release, 25 March 2002, at http://www.hess.com/news/2002/pr_02mar25.html.

¹⁷ Today, Equatorial Guinea is advancing the interests of a newly formed national oil company, GE Petrol. The company will be directed by Domingo Mba Esono, who previously served as Equatorial Guinea's secretary general of the Ministry of Mines and Energy.

¹⁸ Anderson, 22 March 2002.

¹⁹ U.S. Department of State, Bureau of Democracy, Human Rights, and Labor, "1999 Country Reports on Human Rights Practices—Equatorial Guinea," 25 February 2000, at <http://www.state.gov/g/drl/rls/hrrpt/1999/244.htm>.

²⁰ In Spanish, *Partido Democrático Guinea Ecuatorial*.

²¹ Equatorial Guinea's current ambassador to the United States is Teodoro Biyogo Nsue.

²² "Brothers Nguema," *Africa Confidential*, 18 May 2001, at <http://www.africa-confidential.com/country.asp?ID=17>.

²³ Amnesty International, "Equatorial Guinea: No Free Flow of Information," Report AFR 24/04/00, 6 June 2000, at <http://www.amnesty.org>; U.S. Department of State, Bureau of Democracy, Human Rights, and Labor.

²⁴ Corporate Council on Africa, *Equatorial Guinea: A Country Profile for U.S. Businesses* (Washington, DC: 2001).

²⁵ Ministry of Mines and Energy, Equatorial Guinea.

²⁶ Rajendran, "Equatorial Guinea Set to Outpace Oil Neighbours."

²⁷ U.S. Department of Energy; International Monetary Fund (IMF), "IMF Concludes 2001 Article IV Consultation with Equatorial Guinea," public information notice (PIN) No. 01/106, 11 October 2001, at <http://www.imf.org/external/np/sec/pn/2001/pn01106.htm>.

²⁸ Ministry of Mines and Energy, Equatorial Guinea.

²⁹ U.S. Department of Energy.

³⁰ European Union External Relations, 1998 Annual Report, at <http://europa.eu.int/comm/development/publicat/rep98/pdf/en/gq.pdf>. 25 March 2001; The World Bank Group. Equatorial Guinea profile, at <http://www.worldbank.org/afr/gq2.htm>. 25 March 2001; The World Bank Group Press Review, "Equatorial Guinea Grapples with New Oil Wealth," 14 December 2000, at <http://wbln0018.worldbank.org/NEWS/DEVNEWS.NSF/eb730c645da440418525673500723bf3/17d537eff1a57ae2852569b50050c8b8?OpenDocument#Story5>.

³¹ The African Development Bank, Equatorial Guinea page, at http://www.afdb.org/african_countries/home_equatorialguinea.htm. 25 March 2001.

³² IMF, "IMF Concludes 2001 Article IV Consultation with Equatorial Guinea."

³³ One Equatorial Guinean Franc (CFAF) = 100 centimos, French Franc (100.0) or 695 CFAF = 1 Euro as of March 25, 2002. See Franc-Zone website at <http://www.izf.net/izf/index.htm>.

³⁴ The Franc-Zone. Equatorial Guinea profile, at <http://www.izf.net/izf/Guide/GuineEquatoriale/Default.htm>. 25 March 2001.

³⁵ Office of the President, The White House, "President Approves Tariff Preferences, statement by the deputy press secretary, 2 January 2002, at <http://www.whitehouse.gov/news/releases/2002/01/20020102-4.html>.

³⁶ While the larger West Africa region consists of many countries with troubled histories such as Sierra Leone, Liberia, and Nigeria, a review of the countries in the immediate area of Equatorial Guinea reveals an image of a region of the world with many challenges. The Congo: Democratically elected President Lissouba is overthrown in a violent coup in 1997 and after a bloody civil war Marxist leader Sassou-Nguesso is installed (CIA World Factbook). Gabon: At least 25 people die from an ebola outbreak in January 2002 (British Broadcasting Corporation, 16 January 2002). Democratic Republic of the Congo: In mid-1997, the capital, Kinshasa, is sacked by an invasion force supported by Rwanda and Uganda. Cameroon: A border dispute between Cameroon and Nigeria leads to incursion attacks on Nigerian villagers by Cameroonian gendarmes (UN Office for the Coordination of Humanitarian Affairs, IRIN, October 2000). Sao Tome and Principe: Political unrest leads to a coup d'état against President Trovado in 1995, later he is reinstated (British Broadcasting Corporation, 25 February 2002).

³⁷ U.S. Department of Commerce Trade Information Center, Africa Regional Database, at <http://>

/web.ita.doc.gov/ticwebsite/afweb.nsf. 25 March 2002.

³⁸ Ibid.

³⁹ International Court of Justice (ICJ), “The Court Ready to Consider its Judgment,” press release, 22 March 2002, at http://www.icj-cij.org/icjwww/ipresscom/ipress2002/ipresscom2002-11_cn_20020322.htm.

⁴⁰ “Call the Ex-Marines,” *Africa Confidential*, 21 July 2000, at <http://www.africa-confidential.com/country.asp?ID=17>.

⁴¹ Ed Soyster, MPRI. E-mail communication with author, 20 February 2001.

⁴² Currently Equatorial Guinea is party to CEEAC (*Communauté économique des États d’Afrique centrale*), which, at a February 2000 summit meeting attended by presidents from Cameroon, Central African Republic, Congo, Equatorial Guinea, Gabon, and Sao Tome and Principe, pledged support for a peace and security treaty in Central Africa. UN Office for the Coordination of Humanitarian Affairs, IRIN news article, at <http://www.reliefweb.int/irin/wa/countrystories/equinea/20000225.htm>. 26 March 2001

⁴³ This stands in contrast to Cameroon’s border tension with its neighbor, Nigeria.

⁴⁴ Ensuring secure access to uranium resources in West Africa to supply France’s nuclear needs is a military priority for France. See Nicholas Pederson, “The French Desire for Uranium,” University of Illinois at Champaign-Urbana Program in Arms Control, Disarmament, and International Security (ACDIS), occasional paper, May 2000, at http://www.acdis.uiuc.edu/homepage_docs/pubs_docs/PDF_Files/Peder%20OP%20Folder/dreamweaver/cover.html

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⁴⁶ British Broadcasting Corporation, “France: Superpower or Sugar Daddy?” 15 December 1998; John Bacher, *Petrotyranny* (Toronto: Dundurn Press, 2000).

⁴⁷ “Fishy Tale,” *Africa Confidential*, 29 August 1997, at <http://www.africa-confidential.com/country.asp?ID=17>.

⁴⁸ Henry Hand. Equatorial Guinea desk officer, U.S. Department of State, interview by author, 22 March 2001.

⁴⁹ Equatorial Guinea ended its relationship with Africa Global in February 2002.

⁵⁰ U.S. Department of State, Bureau of Democracy, Human Rights, and Labor, “2001 Country Reports on Human Rights Practices—Equatorial Guinea,” 4 March 2002, at <http://www.state.gov/g/drl/rls/hrrpt/2001/af/8367.htm>.

⁵¹ U.S. Department of State, Bureau of African Affairs, “Background Note: Equatorial Guinea,” January 2002, at <http://www.state.gov/r/pa/bgn/7221.htm>; Corporate Council on Africa, 9.

⁵² Anderson, 22 March 2002.

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⁵⁹ All Africa.com, “President in Washington DC to Win U.S. Embassy,” 19 March 2001, at <http://>

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⁶¹ Ibid.

⁶² See Greenpeace International website, at <http://www.greenpeace.org>. 24 March 2002.

⁶³ Associated Press, “Africa’s Oil Richness Isn’t Reaching Its People Yet,” article at Alexander’s Gas and Oil Connections—News and Trends: Africa, 22 March 2001, at <http://www.gasandoil.com/goc/news/nta11229.htm>.

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⁶⁵ Corporate Council on Africa.

⁶⁶ “Obiang’s Heritage,” *Africa Confidential*, 17 December 1999, at <http://www.africa-confidential.com/country.asp?ID=17>.

⁶⁷ As reported in Agence Free Presse in August 1999. Equatorial Guinea Archive, “Reports of Obiang’s Illness Persist,” article, 4 August 1999, at http://www.equatorialguinea.advocate.net/News/Articles/990804_reports_of_illness.html.

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⁷⁴ Hand, 22 March 2001.

⁷⁵ U.S. Central Intelligence Agency, World Factbook 2000, Equatorial Guinea.

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⁷⁷ See CHC Helicopter Corporation website, at <http://www.chc.ca/>. 29 March 2002.

⁷⁸ U.S. Department of State, Bureau of African Affairs.

⁷⁹ The U.S. gave Equatorial Guinea a 68-foot patrol boat in 1988 named the *Isla de Bioko*, though it is no longer operational (Ibid).

⁸⁰ Ibid.

⁸¹ Congressman William Jefferson (D-LA) visited Equatorial Guinea in November 2000.

⁸² U.S. Department of State, Bureau of African Affairs.