Governing African oil and gas

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Governing African Oil and Gas: Boom-Era Political and Institutional Innovation

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Between 2004 and 2014, the combined effects of high prices and increased production fuelled an extraordinary oil boom across Sub-Saharan Africa. The boom happened for the first time on a genuinely pan-continental scale, with the older oil producers joined by a large number of new oil and gas producers, especially in East Africa, with learning and emulation occurring across a wider canvas than ever before. Major shifts during this period included a diversified geopolitical landscape where Asian markets overtook the West as the endpoint of African hydrocarbons, and western corporations faced new competition and cooperation from state-owned Asian corporations and independent small cap oil firms; improvements in macro-economic management that emphasised low inflation, revenue optimisation via global capital markets, and (for a time) debt sustainability, with a prominent role for technocratic enclaves in public administration; an ubiquitous discourse on good governance of the extractive industries spawning efforts such as Extractive Industries Transparency Initiative (EITI); and a greater degree of political pluralism and openness, even in authoritarian settings.

The eleven papers in this special issue investigate political and institutional innovation during the 2004-2014 boom period. This is explored across state and non-state actors and in the local, national and transnational realms to chart creative engagements with the opportunities and constraints afforded by the resource boom. The special issue covers changes in regulatory frameworks, civil society mobilization, institutional goals and corporate policy. It does not focus on either putatively developmental dynamics or the extractive and coercive aspects of the so-called resource curse. It instead argues that during the boom decade and beyond, governance in African oil and gas-rich countries produced an intricate pattern of continuity and reordering that represent instances of 'bricolage' in which newly reformist and enduringly extractive realities coexisted and were mutually constitutive. As will be obvious from the articles in this issue, there was considerable variation across the continent on account of different legacies, contemporary politics, institutional landscapes, the timing of oil development, and decision-making by empowered actors. At the same time, we argue, this vast continent-wide process benefits from integrated analysis. This captures the broad changes that extend across different African contexts, from the emergence of Asian buyers and investors to the proliferation of African and international actors engaged in licit and illicit capital flows. Just as the boom period witnessed a near Africa-wide growth in new oil and gas producers, so did it lead to the diversification of international engagement from state and non-state actors, whether it was Chinese policy banks arranging oil-for-infrastructure deals, new commodity traders, bankers, and financial centres in the west and Asia facilitating money laundering for African elites, or the widespread acknowledgement of global transparency norms promoted by eclectic groupings of civil society, industry, and government.

The era of the boom started more or less abruptly and closed in an equally drastic manner in mid-2014 with the sharp drop in oil prices.[1] This so-called "golden decade" for oil and gas, which coincided with the optimistic discourse about "Africa Rising" and a great deal of its growth momentum, can now be studied with a degree of detachment. This explains this special issue's primarily retroactive and fact-based, rather than future-gazing and aspirational, analysis. In the intervening period, it has become clear that continent-wide pre-boom patterns of resource dependence proved resilient, even if the boom was not simply a replay of previous price upswings. In short, the boom years did not amount to a transformative shift in state-society relations, the structure of African oil-rich economies or their engagement with the international system. Nonetheless, they left an indelible mark which this issue explores in detail.

Africa's boom and bust, 2004-2014

The oil boom across Africa between 2004 and 2014 was the result of both high international oil prices, driven in large part by increased demand from Asia, and large increases in production on the continent. In the ten years prior, international oil prices registered an annual average of close to \$21/barrel, but beginning with sharp price increases in 2004, rose to an annual average of \$96/barrel during the boom decade. The highest levels experienced between 2010 and 2014 saw oil prices average \$114/barrel per annum (BP, 2020).[2] Africa's top ten producers generated over \$2.3 trillion in revenues from oil and gas production between 2004 and 2014 (IEA, 2019). They benefited so greatly from the increase in prices because this came on top of increases in African production levels in the prior two decades. In the 1990s, Africa produced on average 7.1 million barrels per day (bpd), and in the 2000s, average levels rose further to 9.1 million bpd.

The boom was not only experienced in Africa's main oil producers. Whereas new oil in Africa in the 1990s came almost entirely from Nigeria and Angola (as well as Libya and Algeria), the field diversified the following decade. In the 2000s, Angola still made up 30% of the growth in African oil production, and Algeria 22%, but new producers, including Sudan, Equatorial Guinea, and to a lesser extent, Chad, together generated over a third of the additional 2 million barrels which were produced daily that decade. Indeed, as discussed below, even states that saw investor interest but no actual oil production and revenue flows during the 2004-2014 period (beyond the occasional signature bonus) were significantly impacted by the dynamics of the boom. As George Frynas and Lars Buur explain in their article on the so-called "pre-curse", the boom decade demonstrated that it is not a prerequisite that a country generates rents for its political economy to be shaped by developments in the oil and gas industries.

More generally, while revenues did become central to the budgets of new producers, at the continental scale the composition of Africa's main oil centers did not fundamentally change. Regional structures remained well-grounded in the big four African oil producers. They have over the past four decades almost consistently made up 75% of output on the continent. Angola largely maintained its status as the main growth engine for African oil, rising from 5% of the region's total production in the 1980s to about 20% in the 2010s, while levels in Nigeria and Algeria often stagnated over this period, along with dramatic swings in Libya's output due to conflict and instability.

[1] Auge (2018) provides a useful analysis of post-2014 oil sector trends in Africa.
[2] Unless otherwise noted, statistics presented in this section are the authors' calculations from BP (2020).

Despite the enduring role of the largest producers within Africa, the continent has risen in importance to the global oil industry on the back of new production. On average in the 1980s, Africa accounted for 9% of global production per annum, but after production increases in the 1990s and 2000s, its global share rose to an average of 12% during much of the boom decade. Because African consumption levels remain low to date, Africa's oil exports represented roughly 14% of total global crude exports by 2010. Africa's share of total global reserves also increased from 5.7% in the 1990s to 7.6% by 2010. Between 2012 and 2016, Africa accounted for the largest contribution to the top-20 oil and gas discoveries globally, mainly from offshore gas finds in Mozambique and Angola (PWC, 2016).

During the oil boom, thanks to new exploration technologies, a number of mid and small-cap international oil companies, such as Kosmos Energy and Tullow Oil, were instrumental in making new onshore and offshore discoveries across Africa. Beginning in Sudan in the 1990s, national oil companies from China, India, and Malaysia also became important investors in large-scale oil and gas projects in Africa (Patey, 2014). Oil independents and national oil companies injected new competition and cooperation into the African oil and gas scene. Yet despite this diversification of investors, the main American and European oil majors, Exxon Mobil, BP, Shell, and Total, still dominate oil and gas production. While new onshore and offshore oil and gas finds have been led largely by oil independents, the burden of high investments and mega-projects to develop the industry has been carried by oil majors. As demonstrated by Total's purchase of Tullow's interests in Uganda and Anadorko's stakes in Mozambique, these high-profile takeovers have contributed to the expansion and deepening of the presence of traditional oil majors.

Africa's boom came to a crashing end with the fall of international oil prices in 2014. Just as the boom was a consequence of high oil prices and strong growth in production, the opposite took place during the bust. Albeit still at historically high levels, oil prices fell from their $100/barrel-plus heights to an average of under $60/barrel per annum between 2015 and 2019. They received a further shock from the economic downturn of the Covid-19 pandemic in 2020, which saw the price of some crude blends unprecedently fall into the negative before the Brent global price benchmark recovered to average below $40/barrel the first half of the year. Prior to the pandemic, production levels were already receding in the final years of the boom, including in Angola where production rate declined by 8.5% between 2008 and 2018 (representing 8.5% decline) (BP, 2019, p.16). After plateauing between 2005 and 2010, and peaking in 2008 at nearly 10.3 million bpd, Africa's output dropped by over 600,000 bpd during the 2010s, coming down to 8.4 million bpd by 2019. Its global share of production fell to under 9% that year and export levels are projected to fall to below 1 million bpd African consumption grows in the coming two decades (IEA, 2019). Africa will need to attract new investments if it is to ward off a steep decline in future production levels. In Angola, some maturing oilfields experienced a 15% decline at the end of the 2010s (McCullagh and Chauhan, 2019). The downturn also significantly slowed the development of new large-scale oil and gas projects and exploration activities in up and coming African producers, such as Uganda and Kenya, which have fallen behind schedule on bringing production onstream. If breakeven prices cannot be lowered by slashing costs, there will be long delays for discoveries made during the boom, and some smaller projects may be cancelled altogether (Africa Confidential, 2020). These medium-term challenges hold massive implications for the revenue flow that oil-rich countries can expect from the sector and further underline the unique, perhaps unrepeatable, conjuncture that obtained during the 2004-2014 period.

Geopolitics and international relations of the boom

Four major geopolitical dynamics stand out during this period. The first is the expansion of the industry to the virtual entirety of the continent, with formerly remote or peripheral states suddenly the subject of keen investor interest in every sub-region. This pan-continental spread saw a total of 12 sub-Saharan African countries make their first major discoveries between 2001 and 2014 (Mahalyi and Scurfield, 2020). Ghana made large offshore oil discoveries in 2007 and brought these onstream just three years later. Niger and Mauritania also became new producers during the boom. This trend also continued in East Africa, as countries stretching from South Sudan to Mozambique posted a series of world-class commercial finds. Uganda's 2006 discoveries, for instance, ranks among some of the largest onshore finds in Africa in decades. These discoveries, along with Kenya's 2012 finds in the Turkana region, have transformed East Africa into a diversified oil region with the potential to fill the production gap left by declining levels in Sudan and South Sudan. Unlike the rapid development of Ghana's offshore oil, new oil in East Africa, located deep inland, has been slow to come into production owing to regulatory challenges and the necessity for a regional pipeline to monetize the discoveries (Patey, 2017). Yet, just as new African oil in the late 1990s and early 2000s did not change the main centers of production, new and future oil from the boom decade will not threaten the dominance of Africa's main producers. Over the next decade, production levels in Ghana and Uganda, are likely to attain production levels that are comparable to outputs from West African mid-level producers, such as Equatorial Guinea and Gabon. However, new offshore gas finds in Mozambique and Tanzania in the early 2010s offer enormous potential that could turn the countries into major suppliers of Liquid Natural Gas to the international market.

The second major trend is the rise of Asian oil and gas companies, which stands out amidst broader diversification and contrasts markedly with an almost exclusively western oil investor landscape in the decades prior to 2000. China, India, and other Asian countries emerged as new and significant investors and buyers in African oil and gas.[3] Among the new, geopolitical players in African oil and gas, China stands out among its Asian peers,although Malaysia's Petronas, and India's ONGC Videsh remain very active,. Africa was central in the transformation of Chinese national oil companies, CNPC, CNOOC, and Sinopec, into global players in the international oil and gas industry over the past two decades. The combined global production of Chinese NOCs went from 140,000 bpd in 2000 from a handful of countries to 2.1 million in 42 countries worldwide by 2013. From 2011 to 2013 they invested $73 billion in international upstream assets, which made up nearly 14% of global oil and gas mergers and acquisitions at the time (Jiang and Ding, 2014; Coyne, 2014). By 2018, the combined stock of oil, gas and mining sectors expanded to account for one-fifth of total Chinese investments in Africa. During this period, oil-rich Angola, Nigeria and Sudanbecome some of the prominent Chinese investment destinations, along with mineral-rich countries like South Africa, Zambia and Democratic Republic of Congo (CARI, 2020). Following its large investments in Sudan, CNPC expanded west by developing oilfields, pipelines, and refineries in Chad and Niger. Sinopec and CNOOC established themselves as large investors in Angola and Nigeria. Sinopec also bought the Swiss oil company Addax Petroleum for $7 billion in 2009 to takeover stakes in Nigeria, Gabon and Cameroon.[4]

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[3] It is noteworthy that this rise of Asian investors has for the most part not resulted in geopolitical rivalry with Western firms: patterns of collaboration are just as frequent, with, for instance, major Chinese firms partnering with the likes of Total and BP in West and Central Africa, and the Qatar Investment Authority long one of the leading shareholder of the commodity trader Glencore.

[4] Despite a lull in Chinese investment in the years after the oil bust, activity may pick up in the years ahead. Two-thirds of their planned spending of $15 billion between 2019 to 2023 in Africa will be in Angola, Nigeria, Uganda,

The third and related trend during the boom was the way in which Asian markets eclipsed the United States and Europe as the primary destination for African crude oil during the boom decade. A combination of rising Chinese and Asian demand and falling import levels in the United States, particularly from Angola and Nigeria, led to a strong shift in African oil and gas exports heading east to Asia. In 2003, 20% of African oil exports went to China, India, and the Asia-Pacific region. By 2019, this share increased sharply to 50% with the Chinese market essentially replacing the United States while Europe largely maintained a strong position as buyer for some 40% of African crude oil exports. Surpassing the United States to become the world's largest oil importer in 2017, China emerged as Africa's largest buyer of crude oil. Chinese policy banks have played a significant role in facilitating commodity-backed loans with African producers. Along with Ethiopia, oil and mineral-rich countries are the main destinations for Chinese loans in Africa. By 2018 Angola alone received nearly 30% of Chinese finance to the continent in large oil-for-infrastructure loans (CARI, 2020). At the end of the boom, Angola rose to become the second-highest oil supplier to China behind Saudi Arabia, helping to diversify China's suppliers beyond the Middle East. While this position changed in 2018, when Russia and Iraq also emerged as main exporters to China, along with a stiff competition from Brazil and Oman, Angola remained the fourth largest supplier. At the continental level, China's recent growing oil demand has kept Africa supplying some 20% of the country's import needs (Rapp and O'Keefe, 2020). Nigeria has played as a similar role as a persistent top five supplier for India, supplying 8% of its oil import needs in 2018-19 (Abdi, 2019).

The fourth and final geopolitical dynamic is emphasised in Alexandra Gillies's article on corruption trends and Nicholas Shaxson's article on the political economy of Angola's golden decade: the increased involvement of African resource-rich states in the global offshore economy, as the massive revenues from the boom flowed to other jurisdictions in the form of both legal capital flows and illegal capital flight, an admittedly elusive distinction. Africa's involvement with the so-called "offshore world" (Palan 2005) predated the 2000s. Oil and gas corporations and commodity traders had long engaged in secretive strategies, resource-backed loans and transfer pricing subterfuges. The growth of amenable financial centres, primarily in Western Europe and in British Overseas Territories, also provided an expanded outlet for money laundering mechanisms and elite capture of national resources. During the boom, however, the scale of such practices increased exponentially.[5] A larger, ever more sophisticated world of enablers verging from bankers and accountants to lawyers, real estate agents and wealth managers stood ready to help turn African oil revenues into deposits and investments elsewhere in the world economy affording African oligarchs and their families unprecedented lives of privilege within and outside their respective countries. The western financial centres engaged in these activities were soon joined by highly competitive Asian financial centres providing the same services.[6] In many ways, African economic progress, and especially the expansion of African financial sectors and their worldwide linkages and corresponding bank relationships, helped deepen this entanglement with the global offshore economy and therefore diminished the benefits for African economies of the boom (see, e.g. Ennes Ferreira and Soares de Oliveira 2019).

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and Mozambique. Together the joint production of Chinese NOCs in Africa is set to rise to over 430,000 bpd after 2020, which represents 20% of their overseas output (ESI Africa, 2019). This will make Africa China's largest oil and gas investment destination overseas (Bloomberg, 2019).

[5] See among others, Shaxson (2011), Burgis (2015) and especially the work of the Tax Justice Network.

[6] See Soares de Oliveira (2020) and his forthcoming monograph on the subject.

Governance of the oil boom

Perhaps the greatest contrast with the two decades prior to the boom was the reassertion of state power and state-driven development by newly self-confident, cash-rich governments. In several donor-dependent states, like Mozambique and Ghana, oil and gas booms spelled a gleeful moment of emancipation, and led to a newfound assertion among domestic policy elites even before oil revenues flowed (Macuane, Buur and Monjane, 2017; Oppong, 2016). In Chad, the ExxonMobil-led pipeline project was only made possible by an agreement with the World Bank that seemed to foreground a new era of international intrusion. However, the country quickly dropped its shackles from the agreement as soon as oil started to flow (Pegg, 2009). In older producers such as Angola and Nigeria now experiencing unprecedented revenue flows, earlier visions of import-substitution industrial development and massive infrastructure expansion came back to life. Angola's boom, in particular, coincided with a massive effort at post-war reconstruction enabled by oil revenues. The resultant approach was a hybrid that entailed both thriving foreign contractor activity and expanded links to the world economy and a prime role for the state as the generator of economic opportunities for insiders – sometimes through local content and other forms of "private sector" expansion as well as the channelling of credit to political insiders – and, in a more diffuse way, as the key player in the ushering in of "development", however defined.

The exercise of state power during the boom period was not episodic and manifested itself through resource nationalism across the continent. Especially in East Africa, the salience of resource nationalism in many ways was unprecedented when compared to the mostly accommodating firm-state relations that characterized the oil sector in West-Central Africa since the 1960s, often despite Cold War politics (Soares de Oliveira, 2007). While resource nationalism may help concentrate human resources in capable institutions and negotiate comparatively good contractual deals from international oil companies, as argued in the paper on Uganda by Hickey and Izama, it may also create friction with investors and result in long delays. Tanzania offers a cautionary story of resource nationalism overtaking the prominent role technocratic enclaves in public administration gained in managing the oil and gas industry in East Africa. The paper by Rasmus Pedersen, Thabit Jacob, and Peter Bofin shows how the oil boom led to a shift from moderate to radical resource nationalism that partly undermined the autonomy and capacity of Tanzania's 'pockets of effectiveness' to regulate and develop its gas sector. At the same time, changes in domestic politics and the increased demands of resource nationalists became out of step with downward shifts in global prices. Seeking to understand the significant variation in resource nationalism across the continent, Abdul-Gafaru Abulai, Sam Hickey, Angelo Izama and Giles Mohan, compare the trajectories of Ghana and Uganda to argue that it is each country's political settlement – its legacies and what they term "the underlying distribution of power" – that accounts for different outcomes.

Some economic accomplishments of the period are noteworthy. Nigeria and Angola were able to pay off their longstanding Paris Club debts, accumulate hard currency reserves, especially in the Angolan case, and improve macroeconomic management under the stewardship of technocrats with international credentials. The presence of the latter was certainly no guarantee of probity: numerous reformists of the boom years now stand accuse of corrupt behaviour in Nigeria, Angola, Mozambique, among others. Even when personally honest, technocrats were often put to the service of the agendas of weathered politicians and proved unable to make lasting reforms. The ambivalence was even recorded among model reformers, like Ghana, where an innovative agenda of reform was deployed without significant buy-in from the ruling elites (Oppong, 2016) Nonetheless, this period saw finance ministries and central banks pursue anti-inflationary policies mostly aligned with international orthodoxy, and in contrast with the policies of previous decades. There was also a concerted effort at expanding and internationalising financial sectors, with oil-rich countries undergoing exponential growth in the size of their banking sectors, which became significant and still insufficiently researched actors in these political economies.[7] Nigeria saw a diversification of its sources of GDP (Usman, 2020; Burns and Owen, 2019), though arguably not on account of government policy; at the same time, government dependence on oil for the bulk of its revenues continued, which remained the case with virtually all the established producers. Indeed, while seasoned producers such as Gabon, Nigeria and Angola put forward plans for economic diversification beyond oil (in the case of Angola, this even included an ambitious industrialization agenda backed by large-scale Chinese financed and built-infrastructure ventures) few non-oil productive sectors emerged vibrant from the boom decade.

Capacity across the state apparatus, especially in regard to social service delivery, did not generally expand in tandem with the ambitious claims of the boom years. However, in many states, sector-specific institution building was an important dynamic of the period. As the papers on Tanzania and Uganda explain, significant sectoral capacity was developed and "pockets of effectiveness" arose that provided a robust, and sometimes impressive, degree of oil and gas sector governance. These often proved to be assets for incumbents when negotiating with foreign companies, especially in the East African states that are new to the hydrocarbons industry. However, the experience with non-oil taxation discussed by Odd-Helge Fjelstad, Aslak Orre and Francisco Paulo is an arguably more common example of embryonic intentions leading to disappointing results. In response to the oil price drop in 2008 and 2009, there was a brief, McKinsey-supported effort at improving non-oil taxation. When oil revenues returned to higher levels, the political urgency of this agenda receded, and the difficulties of taxing the elite became apparent. Angola's Sonangol, sub-Saharan Africa's most important NOC and in earlier decades an example of a relatively autonomous and capable entity, saw its management under CEO Manuel Vicente engage in rent extraction during the boom years. Meanwhile, Nigeria's NNPC continued to be a turning plate for various corrupt practices spanning the entire value chain. Both cases show that instances of technocratic strengthening existed within diverse institutional landscapes, and cannot be presented as the predominant experience of the boom decade.

The instances of successful, if precarious, establishment of pockets of effectiveness, of stillborn or derailed capacity building, and of robust extractivism, all share one important element of the boom decade: the primacy of political control. Under specific circumstances, especially those concerned with regime survival, incumbents may judge that some amount of institutional strengthening is in order, which may presuppose autonomy for some sector bodies.[8] Alternatively, some institutions may be allowed to thrive at a time when they are peripheral or do not (yet) generate revenue. However, in somewhat or wholly authoritarian settings characterised by strong executive power, this autonomy is unlikely to persist when large revenues or the interests of the powerful are at stake.

The focus on renewed resource nationalism during the boom decade, and drive to build state capacity to manage oil and gas industries, however, has taken attention away from the enduring influence of international oil companies and the emergence of regional politics in shaping African oil and gas industries. As Luke Patey shows in his article, the corporate policy of oil

[7] The literature is still scarce but see especially the Africa chapters in Jones (2020), Dafe (2018) on Nigeria and Ennes Ferreira and Soares de Oliveira (2019) on Angola.
[8] This is the case of SONANGOL, as discussed in Soares de Oliveira (2007).

majors can shape national policy in African oil-rich countries and even at times regional affairs. Stronger technocratic capacity and negotiation skill from emerging African oil producers, such as Uganda, demonstrated an empowered capability to manage the sector during the boom. Nonetheless, the establishment of these pockets of effectiveness in African states fell short of the capacity to replace foreign corporations. In a manner akin to the more successful NOCs of the postcolonial world in the 1970s, large international oil companies still hold a near-monopoly over the much-needed experience, finance, and technology that are required to develop new oil and gas resources, thereby maintaining a lasting influence on the sector within and across borders. The competitive edge over the knowledge, capital and technological profile of the industry is particularly necessary in East Africa, which requires cross-border oil pipelines to monetize the region's oil resources. This stark reality is likely going to be firmed up if Africa's oil and gas resources continue to push deeper into the interior and landlocked regions, as predicated.

This primacy of politics partly explains why oil-rich regimes were often strengthened by boom-era dynamics, even while their promises of development and institutional strengthening were found wanting. This regime strengthening was observed even in contexts previously seen as exceedingly fragile. At the start of the oil boom, after the exit of several Canadian and European independent oil companies, Sudan elected not to allow CNPC, China's leading national oil company, to dominate the industry by buying the abandoned stakes. Instead, the country balanced engagement between emerging Asian oil investors by attracting the overseas arm of India's national oil company, ONGC Videsh, to fill the gap left by the departing western companies (Large and Patey, 2011). Elsewhere, on account of its oil revenues, Chad was able to discard its previous arrangement with the World Bank, and drew new financing alternatives from China's policy banks, but later could also afford to strongarm CNPC, and even expel its country manager, over a 2013 oil spill dispute (Hicks, 2015).[9]

For consolidated regimes facing manageable internal challenges, oil revenues enabled an expansion of patronage structures, much more diversified links with external actors and the resources to build coercive/intelligence capacity. For elites, high rents provided the rationale for ultimately staying within the ruling coalition despite recurrent factionalism, with dissent risking marginalization from future benefits. Padil Salimo, Lars Buur and José Macuane explain in their paper how the Frelimo elite in Mozambique was able to use the Sasol natural gas projects in Pande and Temane to "transfer rents from the public to the private domain". The Sasol projects predate the major finds in the north of Mozambique but the paper foregrounds dynamics at play in the broader political economy of gas that is dawning and will likely reshape the country.

Foreign corporations and African ruling elites and their families and allies were the most significant beneficiaries of the boom. Oil corporations in Africa often benefited from contractual terms far above the worldwide industry average and from the possibility of accessing equity oil, which explains why African oil matters more for oil companies than its overall market share. Beyond the upstream, African oil also featured disproportionately in the profits of opaque traders such as Glencore and Trafigura, with African oil producers continuing to make extensive use of such intermediaries to a much greater extent than any other major oil province (Sayne, Gillies and Katsouris 2015). In contrast with previous decades, the boom saw the emergence of African, mostly Nigerian, trading, but much of this was run out of Geneva, premised on political access and in partnership with the established trading companies.

[9] Adam Nossiter, "China finds resistance to oil deals in Africa", *New York Times* 17 September 2013.

Political access remained key, underlining the elite stranglehold over boom benefits. Angola's MPLA ruling party went as far as providing a rationale for building a "national bourgeoisie" on the strength of oil money. Revelations by African journalists and investigators, international groups such as the International Consortium for Investigative Journalists and Global Witness, and criminal investigations into oil-related corruption in Nigeria, Angola, Mozambique and Congo-Brazzaville, among others, convincingly show the scale of capital flight away from Africa during this period, as explained by Alexandra Gillies in her article.

Despite this concentration of benefits at the top, and while no boom-era state had a broad-based distributionist agenda, let alone the intention of establishing welfare state structures, benefits accrued to a larger segment of the population that sometimes assumed. Members of the security sector, civil servants, ruling party members, and many in the urban middle class — groups that were often the bedrock of political tolerance for, if not support of, the status quo — certainly had better lives during this period than in the previous decade. This was much less so in cases such as Equatorial Guinea or Chad, where regimes are narrowly based around family, clan or ethnicity: the range of beneficiaries in both countries remained narrow. Still, even this extent of distribution allowed regimes to secure some support which they could carry beyond the boom years. From the vantage point of 2020, and contrary to assumptions that the drastic implosion of revenue would present regimes with an existential threat, some of these boom-era benefits have continued to sustain regimes. Most boom-era regimes have proved remarkably resilient, despite the economic damage incurred since 2014, showing that oil busts do not uniformly weaken incumbents.

Perhaps the greatest contrast between the 2004-2014 boom and earlier booms is the expansion of popular mobilization during this period. Oil booms occurred in electoral democracies with significant turnover such as Ghana, and as shown by Nathan Andrews and Nelson Oppong's article, debate about sector management and revenues was vibrant there even before production started in 2010. Even clearly authoritarian states, such as Angola and Congo-Brazzaville, arguably had more space for mobilization than had been the case two decades ago, although others such as Sudan, Equatorial Guinea and Chad experienced highly restrictive politics during much of this period. Camilla Houeland's paper on popular mobilization in Nigeria in the context of the 2012 attempted petrol subsidy removal presents us with an exemplary instance in this regard, in terms of both its potentialities and the fragmentation in civil society which did not enable the continuation of a unified movement. Closely linked to the fragmentation of the civic space, the boom era also witnessed an increase in the number and level of engagement of Non-Governmental Organisations. Through representation on multi-stakeholder platforms like the EITI and the production of high-profile reports, Africa-based organisations, along with national/regional offices of high-profile global NGOs, occupied prominent places in the legitimation of various governance instruments of the boom era. While the expanding profile of NGOs attracted plaudits in broadening the arenas of public accountability, a more worrisome trend of the 'NGOisation' – the increasing institutionalisation of advocacy – opened the gulf between advocacy coalitions and civil society representatives on various governance platforms (Oppong, 2018). Nonetheless, more generally, the period saw a greater degree of openness and larger information flows through freer media outlets and widespread use of social media, which increased popular awareness of the opportunities enabled by the boom. However, this was associated with a general sense that elites remained unaccountable and that resources were not disbursed in a developmental manner.

This rise in increasingly articulate claims was dealt with piecemeal by states. In instances such as the multiple conflicts and general lawlessness that had characterised the Niger Delta since the 1990s, and especially since the advent of the MEND (Movement for the Emancipation of the Niger Delta) insurgency in 2006, oil money led to attempts at massive co-optation of armed men and local elites. This diminished the incidence of violence but many forms of illegal behaviour such as oil bunkering continued. Most important, no durable solution emerged to resolve the Delta's longstanding problems, and the diminishing resources available to the Nigerian state since 2014 are again imperilling this fragile peace. In regions such as the enclave of Cabinda, heavy-handed repression and tactical co-optation have similarly failed to bring about a resolution to the protracted conflict. In short, the oil boom led to the emergence or, in some cases, the exacerbating, of social pressures, but in few if any cases were resources deployed to tackle them in a durable manner. Resources were instead concentrated at the top.

Neither did the prospect of reaping high rents completely dissuade political elites in African oil-rich countries from engaging in armed conflict. In the midst of a multi-year period when international oil prices averaged well-over $100 per barrel from 2011 to 2014, Sudan and the newly independent South Sudan engaged in a short border conflict. Later, as a consequence of shutting down its oil production in its dispute with Sudan, a lack of oil money in South Sudan led to the factionalization of ruling elites and a drawn-out civil war beginning in late 2013 (de Waal, 2014). Unlike other African oil producers, such as Angola, with large offshore oil resources tightly controlled by the central government, the political geography of onshore oilfields, along with its territorial disputes and poor institutions, served to mire Sudan and South Sudan's boom decade in conflict (Le Billon, 2010).

Norms

The boom era also witnessed a more visible intrusion of global transparency norms into the governance landscape of petroleum across the continent. This was a notable departure from previous decades, during which the political economy of oil was framed in terms of national sovereign and economic interests. It gave the politics of oil, if not the actual governance of the sector, a multi-stakeholder character with novel transnational dimensions. Often upheld by a coalition of civil society activists, extractive firms, and representatives of various governments and donor agencies, the transparency drive in the oil sector was premised on the viewpoint that the forces that cumulate into the resource curse thrive under the cover of secrecy (Benner et al., 2010). Consequently, in contrast to previous governance blueprints that emphasized conventional industrial processes and minimal provisions on overriding fiscal regimes, 'Governance, Transparency, and Accountability' became a common sub-theme of different laws and policies of the boom era. For instance, openness and access to information was one of the guiding principles of Uganda's 2008 National Oil and Gas Policy (International Alert, 2011).[10] In Tanzania and Sierra Leone, public disclosure and oversight were framed as intrinsic components of the exercise of 'fundamental rights' and the pursuit of peaceful coexistence respectively (Government of Sierra Leone, 2010; TPDC, 2014).[11] A new wave of pan-regional normative instruments, such as the African Mining Vision and Model Law of the International Conference on the Great Lakes Region, also added to the momentum for transparency norms in the industry. These discursive shifts reinforced participation in various global and regional initiatives such as the Natural Resource Charter, the Extractive Industries Transparency Initiative (EITI) and the Publish What You Pay campaign. Notably, the number of EITI

[10] https://www.international-alert.org/sites/default/files/publications/18-Oil-web.pdf
[11] https://psru.gov.sl/sites/default/files/Petroleum%20Policy%20FINAL%20July%202010.pdf and https://tpdc.co.tz/wp-content/uploads/2015/04/National-Petroleum-Policy.pdf

participating countries across the continent increased from two in 2004, to twenty-six in August 2020. Other national-level institutions of multi-stakeholder oversight such as Ghana's Public Interest and Accountability Committee and the *Collège de Contrôle et de Surveillance des Ressources Pétrolières* of Chad also came to typify the transparency turn in Africa's oil (Massey & May, 2005; Oppong, 2016).

The transparency turn unlocked new outlets for the transfer of support and training that enhanced civil society policy access and the capacity of the bureaucratic machineries for oil governance in several states. This included civil society in new and emerging producers, such as Kenya and Uganda, looking to learn from the experiences of long-time producers in Nigeria and Angola on transparency issues and local community engagement. In the case of some authoritarian countries, it has also provided settings where otherwise harassed civil society actors could make their voice heard, although the consequences of that are arguably modest. Moreover, public disclosures have led to an expanded database that have shed more scrutiny on the dynamics of the boom era, including accrued revenues, proprietorship, contracts, and the performance of various investment vehicles, national oil companies and other state agencies (Ölcer, 2009; Reite et al., 2011). Available data about the workings of the sector was therefore on a different order of magnitude to that of the the period between 1960 to 2000. However, with the largely unfilled promise of developmentalism from the early years of the boom period, questions have been raised about the capacity of various transparency instruments to alter the binding constraints that often undermine the governing of oil (see Bracking, 2009; Kolstad & Wiig, 2009). In 2007, for instance, Chad joined the EITI amid a growing backlash from the World Bank and domestic civil society organizations against the country's failure to abide by the terms of the agreement with the World Bank, along with a consortium of oil firms to direct petroleum revenues towards poverty reduction, under the Oil Revenue Management Law (001/PR/99). EITI membership and favourable ratings from different validation reports did not only enable to the government, led by President Idriss Déby, to salvage its image from the debacle of Law 001, it also diminished scrutiny of notorious bribery scandals involving transnational companies, like Griffiths Energy and senior government officials received (Gillies, 2019). While the article by Oppong and Andrews locates these failings in the deployment of transparency as a tool for instrumental elite gains, Houeland's account of protests by unionized labour in Nigeria underscores structural limitations that impinge on citizens' responses to disclosed data.

Unpacking the oil boom

A common thread running across all papers in this issue is that the 2004-2014 oil and gas boom was substantially different from its predecessors and that those innovative domestic and international dynamics deserve close scrutiny. It is worth noting that this perspective is different from the essentially normative claim that the oil decade was characterised by significant political or economic progress. The contributions in this issue do not take at face value, and mostly askew, the endorsement of state developmental claims of the period. Such an optimistic vision of the oil and gas boom is at any rate untenable in 2020, when the lack of boom-era structural transformation is a statement of fact supported by evidence of profound postcolonial continuities in the political economy of oil-rich states. Hence, while a fleet of FPSOs, oil refineries, and gas liquefaction plants, along with a reorientation of the bureaucratic machinery to facilitate optimum extraction and hyper-developmentalism, came to epitomise what industry players considered as ‘symbols of possibilities,’[12] questions remain about their spin-off effects for inclusive growth and sustainable development. Politics did not take a progressive turn, economies did not diversify, and poverty alleviation was incipient. For some analysts this mixed outcome approximates a more elaborate scheme of ‘gesturing,’ where a complex catalogue of market potentialities, geoscientific data, inroads in exploration and production, and marked Special Economic Zones, are deployed to create new imaginaries of oil-led development and access to the trappings of global capitalism (Weszkalnys, 2015). Other analysts have peered through different episodes of contestations, such as the 2013 riots in Mtwara, the historically underdeveloped southern region of Tanzania, and the new hotspots that have opened in the Turkana region of Kenya, to underscore the enduring practices of elite capture and new dispossessions from extraction in the boom era (Degani et al., 2020).

Narrowly conceived, however, an emphasis on structural continuity would lead one to miss out on important reconfigurations in international relations, state-society relations, popular mobilization and institutional politics during the boom. The proliferation of international state and non-state actors, particularly from China and Asia, diversified the partners African oil and gas rich countries can engage. The resulting connections, such as Chinese oil-for-infrastructure loans and new Asian financial centres, offered new venues for African political elites to monetize their oil and gas resources. The expertise, policies, and institutions developed by old and new producers alike to improve state capacity are also enduring despite the primacy of politics at times upsetting their technocratic performance. Global transparency norms have also become well-established within African contexts during the boom, incorporating domestic and international civil society, industry, and government actors. These once new, now established international partners, modes of governance, and norms will shape the oil and gas development in Africa for decades to come. They also lay a political and institutional groundwork for Africa’s role in the global energy transition and will be influential in directing how African countries can exploit renewable energy opportunities in the future. Indeed, the complex and varied politics of the boom era amply illustrate the significance of legacies as well as the agency of actors to the detriment of “resource curse” determinism.

[12] See interview with Century’s Head of Business Strategy by World Finance ‘A symbol of possibilities in Africa’ – Century celebrates FPSO acquisition’ https://www.worldfinance.com/markets/energy/a-symbol-of-possibilities-in-africa-century-celebrates-fpso-acquisition (accessed 13 October, 2020).

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