The Licit Life of Capitalism
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The Licit Life of Capitalism: US Oil in Equatorial Guinea.

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By the time I came to know Eduardo in 2008, he had been a Voxa employee for three years. Voxa is an Equatoguinean-owned subcontracting firm whose business it is to provide local laborers to international oil and oil services companies, a labor-brokering niche widely referred to in the global oil industry and beyond as a “body shop.” Foreign firms with operations in Equatorial Guinea pay Voxa per worker hired; Voxa takes a cut of each payment, and then pays their employees what remains. Among other contractual stipulations, the body shop guarantees the cleanliness, sobriety, and punctuality of the workers they provide.

Eduardo’s first job with Voxa was on an offshore rig in drilling and lab analysis. After one “hitch,” or marea, the contract between the company that owned the rig, SeaTrekker, and the operating company renting the rig, the Major Corporation, expired, and the rig moved out of Equatoguinean waters. After a mere two weeks on the job, Eduardo was out of work. His fellow subcontracted workers on the rig—Filipino, Scottish, and Venezuelan men, among others—stayed with the rig as it moved on to Angola or Nigeria or Ghana, because their subcontracts were with Laurel, an international oil services body shop whose contracts remain extant irrespective of national borders. Guineans, including Eduardo, were left behind, as their subcontracts
were a fleeting product of “local content” requirements written into production sharing contracts (pscs). Local content requirements are contractual clauses that require international firms to employ a certain number of local workers, clauses that lose their power once the relevant contract (in this case, a rig rental) moves beyond national borders.

After Eduardo’s first job sailed, Voxa sent him to work for the Breffield Corporation in the construction of TurboGas, a gas-to-electricity power plant on the Endurance compound. Eduardo worked there for four months, up to the completion of the TurboGas construction project and the end of Breffield’s contract with Endurance. From there, Voxa sent Eduardo to Hume Tools, another oil services firm, this time to work as a security guard for four months, after which that contract with Voxa expired as well. After the Hume job, Voxa sent Eduardo and other employees home, because there was not any available work. When I met him, Eduardo had again been contracted by Voxa and had been working for two months as a security guard outside a gated ShaeferCorp residence, another global oil services company with small private compounds in Equatorial Guinea. On the job a mere two months when we met, not only had Eduardo already been switched from one SchaeferCorp house to another, but he had also been told that he now no longer even worked for Voxa, whose contracts had been taken over by another local body shop. “This month,” Eduardo explained with a wry grin, “we are with Silvano.”

It is difficult to overstate the extent to which subcontracts and subcontracted workers saturate every level of the hydrocarbon commodification process (Maples and Rosenblum 2009). Once a psc is signed, the proliferation of subcontractors in the given concession stretches from tool companies to catering companies; rig companies to road builders; transoceanic tankers to sea water sprayers; audit, tax consulting, and financial advisory services, to shipping and supply chain management companies. Subcontracts literally people the oil industry in its production sites in a way that pscs do not. The actual commodity chain of a barrel of oil or 6,000 cubic feet of natural gas, which the general public understands to be a Shell or British Petroleum (bp) product, is, in fact, produced by hundreds of companies and thousands of employees, only a tiny fraction of whom are directly contracted by the operating companies or their subsidiaries. Consider again the FIPCO 330 from chapter 1—employing 115 men from twenty different nations, only four of whom worked directly for the Smith Corporation, and only twenty-five of whom worked directly for SeaTrekker, the rig company. The remaining eighty-six men were hired from fifteen different
subcontracting companies, bringing the total number of companies at work on one rig to seventeen.

Ethnographic attention to subcontracting highlights the processes that bring workers to rigs and determine how long they stay there, how much they are paid, and even the comfort of their living quarters while at sea. Insofar as these conditions vary along predictable lines of racialized global inequality, subcontracting arrangements, like the pscs that provide their conditions of possibility, still have us dwelling with imperial debris and hierarchies of rank, but now as lived in individual lives. As I explore in this chapter, for Equatoguinean rig workers like Eduardo, hierarchies of rank manifest in low-level industry jobs hoped for, gained, and lost; in children’s school fees paid or not; in profound disgust and disappointment at the complicity of absolute rule and corporate freedom in Equatorial Guinea. For Filipino rig workers, hierarchies of rank manifest in their perceived “obedience” and “docility” as workers (Parreñas 2015; McKay 2007, 2014; Appel 2018b); their ostensible fungibility with US workers (one-tenth the value, Standard & Poor’s tells us); their long rotation hitches; and their historical relationship with African American navy soldiers and US imperialism. For North American and Western European managers, hierarchies of rank are made manifest in uplift salaries; new vacation homes that await them upon their return from Equatorial Guinea; and radical upward class mobility. Given these distinctions, this chapter focuses on subcontracts as another ethnographic threshold through which to understand racialized inequalities as constitutive of capitalist markets, rather than merely exacerbated by them, or the “context” in which they operate.

Transnational labor markets of the kind I explore in this chapter—in which the relative value of workers is calculated by ratings agencies like Moody’s or Standard & Poor’s—are an exceptional example of Tsing’s (2009) assertion that “no firm has to personally invent patriarchy, colonialism, war, racism, or imprisonment, yet each of these is privileged in supply chain labor mobilization” (151). Following Karen Ho (2016) and the work of the Generating Capitalism Group (Bear et al. 2015), and in dialogue with the Black Radical Tradition, my argument here and throughout the book is that global capitalism is made of, in, and through inequality (including racial fraternities and exclusions) and imperial debris.2 This means, for instance, that the relationship between corporate freedom and absolute rule in Equatorial Guinea is not incidental to, but constitutive of, the daily life of hydrocarbon capitalism. The contract form, and the subcontract in particular, comes to play a meaningful part here. Just as the Equatoguinean government mobi-
lized production sharing contracts as proof of licit financial transactions in response to the Riggs Bank debacle, so too with subcontracts, through which companies mobilize the contract’s “neutral” and “impersonal” qualities to legitimate exploitative and racist labor practices.

My research revealed two particularly egregious forms of inequality and discrimination in and around US oil firms in Equatorial Guinea, and I attempt to chronicle both in this chapter. The first was the racialized “skills hierarchy” that structured life (and pay) for mobile, transnational workers in the industry, which we saw a glimpse of in chapters 1 and 2. This first form of discrimination was characterized by the mobility of strikingly un-concealed Jim Crow segregation among workers—in living facilities both offshore and on, in pay, and in rotation schedules. I specify Jim Crow here, following Vitalis (2007; see also Butler 2015), because these arrangements moved with and were reproduced by US companies. The second form of egregious inequality was the particular ways in which Equatoguinean workers were (and were not) included in the industry. In all but exceptional cases, when Equatoguinean workers were hired at all, it was for the most transitory and ill-paid positions, as Eduardo’s story chronicles. Worse still, these positions were structured by sub-subcontracting arrangements, in which locally owned subcontracting companies like Voxa often forced would-be employees to pay for the mere chance of a job. Local workers in these arrangements widely critiqued the Equatoguinean state for keeping their wages from foreign companies down and their labor grievances unmet. This second form of discrimination, then, involved the apparent complicity of foreign firms and the Equatoguinean government in keeping Equatoguineans’ relationship to the industry precarious and unequal. While these two forms of discrimination are linked through the figure of the subcontract, and hence I always imagined writing about them together in this chapter, there are other ways in which I kept them analytically distinct. Initially I understood the first form to be about histories of race peculiar to the US, made mobile in the transnational oil and gas industry, whereas I understood the second to be about histories of colonialism and its aftermath in forms of global inequality, where multinational companies and rapacious postcolonial statecraft meet.

Drawing on Jemima Pierre’s (2013) work, this chapter moves away from that analytic distinction. My impulse to keep these forms of discrimination apart was based on what Pierre describes as a problematic disciplinary split, wherein “African diaspora studies generally concerns itself with articulations of race and Blackness but not directly with Africa, [and] African studies generally concerns itself with Africa but not directly with race and
Blackness” (xii). But if, as Pierre demands, we start from the longue durée of European empire making, we see that “conquest, the commerce in Africans, slavery . . . and the colonization of the Western hemisphere, the African continent, and Asia are . . . an interlocking set of practices that have cemented the commonality of our modern experience.” “What is significant here” she writes, “is the racial dimension of this international system of power and the attendant global White supremacy through which it is enacted and experienced” (3). In sum, we can and should understand the mobility of Jim Crow and the particular kinds of exploitation visited on black Equatoguinean workers as historically related in “the nervous system of the liberal diaspora” (Povinelli 2006, 225). This is a global system in which white supremacy—again, “a political, economic, and cultural system in which whites overwhelmingly control power and material resources, conscious and unconscious ideas of white superiority are widespread, and relations of white dominance and nonwhite subordination are daily reenacted across a broad array of institutions and social settings” (Ansley 1989, 1024)—remains the norm. Tellingly, in Pierre’s invocation of “global white supremacy” she cites Charles Mills, whose own work has chronicled the relationship between contract and racial domination (1997, 2003; with Pateman 2007). Having discussed the work of Pateman and Mills (2007) in chapter 3, it is their specific attention to contracts about property in the person that is directly relevant here—a contractual form that “constitute[s] relations of subordination, even when entry into the contract is voluntary” (3). Subcontracting becomes another entry point into their argument that “the global racial contract underpins the stark disparities of the contemporary world” (3). Contracts and subcontracts offer a stunning empirical site for understanding how race and other forms of postcolonial inequality are constitutive of both capitalism and the liberal political and legal theory from which capitalism draws much of its moral and historical justification.

In the sections that follow, after defining subcontracting, I work through the familiar teleologies of late capitalism by which both my migrant industry interlocutors and critical theory (albeit, in slightly different ways) often make sense of subcontracting. I note the ways in which these teleologies miss empirical questions of inequality and instead rely on ideas of capitalism in its own image—efficiency, shareholder value, progress. After showing how subcontracting arrangements long antecedent (and seed) late capitalism, both in the oil industry and in Equatorial Guinea, I turn ethnographic attention first to Laurel Incorporated, a transnational body shop, and then
to local body shops and the relationship between corporate freedom and absolute rule.

ON SUBCONTRACTING

A subcontract is a legal agreement between a party to an original contract (in this case, the subsidiary-many-times-over that signs PSCs as “the company”) and a third party, which is contracted to provide all or a specific part of the obligations (work, materials) specified in the original contract. Standard interpretations of the business incentives for subcontracting include cost reduction (sweatshop labor being a classic example here, such as H&M subcontracting manufacturing to Cambodian children) or risk mitigation. Risk mitigation brings us back to the discussion in chapter 1 of the thinning of liability across an extensive web of contracts. Think of the finger pointing among BP, Halliburton, and TransOcean in the wake of the Deepwater Horizon conflagration, in which each company was able to claim that their specialized fragment of the production process was not causal to the explosion and then point the finger at someone else’s fragment. This dispersed liability (“risk mitigation”) is an intended effect of subcontracting arrangements.

The wider anthropological and critical theory literatures, and indeed my management informants, often contextualize subcontracting within the now-familiar epochal story of “late capitalism,” “post-Fordism,” “flexible accumulation,” or supply chain capitalism (Harvey 1990; Jameson 1992; Comaroff and Comaroff 2001; Thrift 2005; Ong 1999; see Tsing 2000a, 2009 and Bear et al. 2015 for critiques). From both celebratory and critical perspectives, subcontracting here is narrated as part of a suite of (late) capitalist practices—just-in-time production, global supply chains, outsourcing—that emerged at a specific time. The Oxford English Dictionary, for example, dates the term “outsourcing” to 1981. When narrated teleologically, we are asked to understand these practices both as relatively new and as inevitable. But discussions with migrant oil company management in Equatorial Guinea and the country’s own labor history reveal different temporalities and possibilities. What drops out of these epochal histories of late capitalism as management and even critical theory tell them? And even as ethnography allows us to see those elisions, what effects have they had, qua elisions, in the world? What does it mean, for instance, that Wall Street narratives of shareholder value aren’t narrated alongside histories of colonial cacao plantations in central Africa (Hudson 2017a; McKittrick 2013; Robinson 1983, Williams 1944)?
Interview material from migrant managers and historical records from Equatorial Guinea allow us to work through these questions. While some of these narratives repeat predictable and already-known histories of late capitalism, they also contain moments of rupture. I want to start here, with predictability and rupture together interrupting subcontracting’s epochal history, so that ethnographic surprises later in the chapter—for instance, why Filipino men make up one in every three workers at sea—can be seen not as anecdotal flourishes on an already-known teleological story, but as central to the ongoing project of global capitalism.

Predictably, my management informants narrated the subcontracted labor regime in which workers (although not them) are employed on a rotating, as-needed basis as an ever-intensifying arrangement guided by efficiency, industry-wide standardization, and the maximization of shareholder value. “Subcontracting is the way the business has evolved,” one manager put it:

It has to do with Wall Street and profitability. [It is] not cost-effective for one company to do everything. We don’t need everything all the time. We don’t need all these drillers when we are finished drilling. They’re paid a good wage while they’re here, and then when they finish they go home. Same thing for the Indians [doing] the construction. They follow [Breffield] around and do plants. They don’t stay in the countries. They have engineers and civil teams who go in and do what they do over a two- to four-year period and then they go on to the next project somewhere else.

Or another:

If you look at the oil industry almost thirty years ago when I started, employees of the companies performed most of the work. . . . Endurance produces the same volume of products as we did when I was first hired, but our workforce is probably 20 percent. If I’m in West Texas out in the sagebrush, you’ve got a field, and you’ve got wells every half mile or so. You build roads, power lines; you drill the wells; [there are] people out collecting oil. In the olden days, twenty-five or thirty years ago, company employees performed all that work. They dug dirt and got trucks for roads; you dug holes and strung your power lines. Over time, a lot of that has been outsourced to service companies, to subcontractors. It’s more efficient. You don’t have to maintain a huge inventory. You have a separate subcontractor that has an inventory for roads, another for tools, etc. [This setup] reduces the workforce so you don’t always have to have road builders. The workforce decreased and service companies
and subcontractors increased. But we’ve gotten to the point of outsourcing accounting, it, and it’s maybe not the best situation. I personally think that we’ve taken it too far.

Wall Street, cost-effectiveness, the segmented character of the production process, discrete forms of technology and expertise required at different moments, and minimal inventories and workforces all come together in these managers’ descriptions. Workers on rigs or in road-building companies move around the world, following industry-wide demand. “We don’t need all those drillers when we are finished drilling,” but the assumption is that someone else, somewhere, does. Whether the need is plant builders in Ecuador, rigs off the coast of Angola, or shipping in the North Sea, operating companies enter into subcontracting arrangements with oil services firms who deploy mobile personnel, expertise, technology, and infrastructure (Barry 2006). As discussed in chapter 1, these arrangements intensified in the industry with the advent of offshore production. Even in famously nationalist oil industries like those of Norway and Mexico, you find in offshore settings “a radical contracting-out of the production process” (Woolfson et al. 1996, 322).

If only a handful of companies float rigs around the world or provide deepwater drilling support, then those companies have technology and personnel in or near all major extraction sites around the world, organized by repeating contractual terms with many of the same major operating companies. Technologies, people, and contractual terms circulate, and the intended outcome is to “maximize standardization and repeatability in design, procurement, and construction, to introduce fit-for-purpose functionality into codes, specification, contracting and procurement documentation” (Woolfson et al. 1996, 311–312). Although this arrangement is flexible, varied, and reliant on unique entanglements at each site, its attraction for operating companies is in the repetition, the reliability, and the boilerplate functionality of the same people and technology moving around the world, most of whom they never contract with nor contact directly. When things go wrong, as they often do, part of the reliability here is both the licitness of the subcontracting form and the thinning of liability that comes with it; with so many companies involved, responsibility (or risk, depending on your perspective) is radically decentralized. Notice too that the empirics of this circulation or repetition do not create replication, or even deep standardization, on the ground in supply sites. On the contrary, they enable companies to import experts, technologies, and processes while having minimal engagement with local
systems. The ability of companies and technologies to “operate worldwide” through extensive subcontracting systems takes geographic or political differences among extraction sites as a given, to be anticipated and managed through global subcontractors, whose processes are legalized, standardized, and often already in place. In this way, companies can appear ever-distant from local political, environmental, or labor concerns. So far, so familiar.

The migrant managers’ accounts of this shift toward subcontracting in the industry foreground efficiency, just-in-time production, and an emergent relationship between Wall Street and American corporate profitability in the 1980s—often referred to as the shareholder value revolution—in which downsizing and mass layoffs first became commonplace (Fligstein and Shin 2007; Ho 2009; Khurana 2007). Both managers quoted above seem to buttress this periodization, implying a distinct epochality in the industry’s use of subcontracting. The first manager comments that the business has “evolved” this way, relating that evolution to Wall Street. The second tells an evocative story of West Texas in which each company did everything for itself until a march toward specialization and outsourcing, which “may have gone too far.” However, leaving the analysis here would lead us to miss other temporalities, other rhythms. First, the history of subcontracting in the transnational oil industry long predates the shareholder value revolution. Second, the teleology of “late capitalism” allowed industry personnel to explain as “inevitable” exploitative labor practices that, in fact, long predated any specific shift, and then to tautologically justify those practices in the name of inevitability. For instance, the workers that the first manager refers to as “these drillers,” or later “the Indians,” gestures to the fact that the segmented character of the production process takes preexisting forms of postcolonial inequality as means of production for “efficiency” or “shareholder value.” “The Indians” contracted around the world for plant construction are “engineers and civil teams”—often formally educated and highly skilled, yet miserably paid and housed en masse because they are “Third Country Nationals” or TCNs. Third and finally, the epochality of late capitalism effaces labor histories in Equatorial Guinea and on the African continent more broadly, where various forms of subcontracting and labor mobility have been common at least since the colonial era, and have long linked colonial extraction with capitalist accumulation. I explore these interfering temporalities and rhythms below.
On Epochality and Subcontracting’s Multiple Histories

The international contracting-out of the oil production process started in the industry in the 1920s and 1930s, anticipating by half a century the global commodity chain organization that came to typify other transnational industries in the 1980s or 1990s. Bechtel, for example, “had been building pipelines for Chevron since the 1920s, and by the 1930s had spun off one of the world’s first full services firms for the industry” (Vitalis 2007, 67). Bowker (1994) writes of Schlumberger’s work in the USSR, Venezuela, and Burma in the 1920s and 1930s. Vitalis (2007) also notes that “most of the first geologists, drilling crews, and camp bosses who worked in Saudi Arabia . . . learned their trade as wildcatters and contract employees elsewhere, notably, in the South American fields of Colombia, . . . and Venezuela” (54–55). If production in Saudi Arabia started in earnest in the 1950s, then these contract employees got their starts in Colombia and Venezuela in the 1930s and 1940s. From at least the 1930s onward, then, major oil services firms, as well as geologists, drilling crews, and camp bosses, sold their labor and expertise through subcontract to operating companies around the world.

In this history of subcontracting that long predates 1980s Wall Street, we can see the relationship between subcontracting and increasingly specialized forms of expertise—Bechtel’s in the construction of oil infrastructures and Schlumberger’s in geologic exploration and survey. But we cannot allow explanations of the technology or expertise-intensive character of hydrocarbon extraction to naturalize the forms of labor discrimination that have come to typify the industry. The industry uses the “natural” properties of the commodity—its geologic depth and pressure, its inaccessibility—and the specialized skillsets those qualities require to justify not only discriminatory labor hierarchies, but also the attendant practices of providing certain benefits (housing, insurance) to certain workers (often the white, directly contracted ones) and not to others (often the nonwhite, subcontracted ones). Subcontracting, in other words, has always been a contested terrain where inequality, expertise, and power meet. Consider a comment dating from the 1950s from Abdallah Tariki—the first Saudi to obtain an advanced degree in oil geology in the US, who then served as Director General of the Saudi Oil Ministry—on Aramco’s use of subcontracted labor:

Aramco found that applying the Law of Work and Workers to all the workers they needed in their operations would cost them a lot, so they introduced
the concept of contractors and vehicle owners. . . . And the mission of those new contractors was to collect willing workers, and the company would bring materials and engineers to train the contractor and his workers to do the work required of them. In this way the company was not responsible for arranging accommodation or health insurance or the care of the workers and their families. (Quoted in Vitalis 2007, 135)

In other words, the discriminatory subcontracting practices that I will explore at length in this chapter were already solidly in place in the industry by the 1950s. Yet, there was undoubtedly an intensification of subcontracting practices from the early 1990s, a timeframe to which both of my management interlocutors above refer. With oil prices at record lows, and with production costs escalating as easily accessible onshore supplies both began to shrink and were met with increasing resistance, companies were desperate to stay profitable and to find the surplus value to invest in new offshore extraction technologies. And yet, even considering this intensification of subcontracting, technological expertise, and global procurement chains over the last twenty years, labor and supply chain processes today still vary radically among supply sites, belaying ideas of inevitability and industry-wide standardization. Consider Donald’s description of his work in Russia in the early 2000s:

When I was in Russia, there was quite a bit of pressure to bring in global processes, global procurement, and after very long discussions we ended up doing everything 100 percent locally. [Everything was] available, half the cost, quality was adequate, and you avoided import logistical issues. That’s just not the case [in Equatorial Guinea]. It’s a small industry, relatively new, doesn’t have manufacturing capability. In Russia [they] manufacture their own rigs, drill bits, everything. Ireland and Equatorial Guinea are similar because they have small industries and most of the service contractors are foreign companies that come in and set up local branches. [But it’s] more cost-effective to bring things in locally.

In just a few brief sentences, Donald confirms that massive subcontracting is not inevitable; it is not neatly epochal; and it is not necessarily cost-effective or efficient. On the contrary, if the country can produce what the industry needs, it can be cheaper for the industry to source everything locally. Specific industrial and political histories in each place—in Russia, communist industrialization and competitive Cold War technological
development—come to play a formative role in the ways the US-based oil and gas industry can, or cannot, operate in a given extraction site.

The oil industry is not alone in having a much longer history of subcontracting than epochal claims about late capitalism might suggest. Subcontracting has long genealogies in the extractive industries of southern Africa, in particular, where investors preferred migrant mine labor brokered through recruiting bureaus to avoid local entanglements (Van Onselen 1986; Moodie and Ndatshe 1994). Equatorial Guinea’s colonial cacao economy also was sustained by a labor system that looks much like the rotating, as-needed labor of today’s itinerant oil industry workers (Martino 2012; 2017; 2018b). Starting in 1906, the Spanish administration passed a series of labor regulations intended to control hiring processes, primarily through the creation of a mediator organization known as the Colonial Conservatorship. Like the body shops that administrate Eduardo’s labor and the labor of those on the FIPCO (discussed at length below), the Conservatorship was to act as an administrative intermediary between employers and local and foreign workers (Campos Serrano and Micó Abogo 2006). The Conservatorship signed agreements for massive labor imports from Liberia in 1914 that were canceled five years later. After the 1930s, labor recruitment turned to Nigeria and Nigerians, whose contracts were to last two years “with the aim of not generating a new group of deep-rooted population” (Campos Serrano and Micó Abogo 2006, 31; Ejituwu 1995). As we will see below, this rationale is eerily similar to that of the oil industry, in which rotators are expected to engage exclusively with their work, regardless of where it is taking place. The implications of temporary, imported workers for labor organizing and workers’ rights are clear: those without roots or rights where they work are less likely to organize.

With the “efficiency” that subcontracting promises now situated within historical time, and in relation to colonial and imperial relationships in particular, I turn to Laurel Incorporated and the daily life of the foreign subcontractor market in Equatorial Guinea today.

LAUREL INCORPORATED

Laurel Incorporated is a Scottish company with main offices in Houston, which, for tax and litigation purposes, is registered and operates out of Cyprus. From their office in Equatorial Guinea, Laurel Incorporated matched transnational laboring bodies with labor needs of the local oil and gas industr-
try. Paolo, a finance manager for Laurel, originally from Ecuador, explained, “Here we provide manpower, which is called in the worst kind of way ‘body shops.’ I don’t feel proud of that.” He continued:

We recruit, look for people. We bring the person here via air transport. We secure visas, Letters of Invitation, Equatorial Guinea [work] papers. We pay employee expenses, give them cash advances which are deducted from their salary. . . . People work for the client, and we simply keep track of the work days, travel days, pay them, [and] process payroll. They’re covered with insurance against all sorts of fatality or work-related accident. . . . But the employees are not covered when they get home. They only have health insurance as long as they are working in EG. When they get home, it’s their responsibility.

Reminiscent of the Colonial Conservatorship that brought Liberians and Sierra Leoneans into Equatorial Guinea’s cacao economy, Laurel recruits and administers labor from around the world for operating companies and oil services companies via subcontract. Once workers are hired, Laurel coordinates their logistics, from plane tickets to paperwork, and provides intermittent health insurance. Companies pay Laurel for workers’ costs plus an additional 18 percent; after taking their cut, Laurel then pays the employees. Those who find work through Laurel can be fired without notice, and they are likewise “free” to quit at any time. Reflecting on how often people quit and how often they were fired, Paolo commented that “you play with people like chess pieces. The lie is that you work for stability, benefits, social security, but here nothing. They just pay you what you earn that day. The business doesn’t take anything from your check, you don’t take anything [from them], and they pay you a little higher rate, but not enough to make up the difference.” The temporalities of this payment setup are worth reiterating: the men are paid and insured only when they are working. Because they work on rotating schedules, this means that they are paid and insured for two months while on the rig, for example, and then go home for two months without pay or insurance.

Taken together, people as chess pieces, intermittent pay and insurance with no guarantee of work stability, and vaguely connected webs of operators and subcontractors mean an attenuation or distancing between the worker and the employer. Indeed, this effect of distancing seems to be the key intention of what Paolo referred to as “the contract instrument.” As he explained:
It’s way easier to have control and expect results with the contract instrument in the middle. It’s a client relation. [It’s] much better to have contractors. You can demand results and track performance. In a contract, there’s a structure; everything turns out to be converted into money. If you have a bad performance, I will pay you less. [This structure] incentivizes the company to give better service and the operators to get better service. To get things done [it is] better to give instructions, send out regulations, give orders. It is better to give to the subcontractor the figure of contractual clauses in the middle. Either this works out or it’s over, and it will involve law and lawyers that no one wants. (Emphasis added)

Paolo suggests that having “the contract instrument in the middle,” by which he means a subcontract, specifically, transforms the employer/employee relationship into a client relationship. He says that this contract instrument makes it easier for the company to have control and expect results by changing their relationship with labor from employer: employee to client: service provider. With the subcontract instrument in the middle, the operating company moves from employer (with all the attached rights and duties) to client, with all the attached privileges and entitlements. The employee becomes a service provider, upon whom it is incumbent to provide good service or risk diminished pay or termination. Note, however, that Paolo’s understanding of the contract instrument is almost anthropological, insofar as he suggests not that these qualities of distancing and attenuation inheres in the contract form, but rather that contractual clauses become figures—symbols that invoke the threat of law and lawyers, expendability, the monetization of everything—and it is that symbolism, then, that guides the actions of the subcontractors.

Among the approximately one thousand workers Laurel Incorporated managed during my time in Equatorial Guinea, company documents show that roughly 40 percent were Filipino, 20 percent were British, 15 percent were Indian and Pakistani, 10 percent were from the US, and another 10 percent were South American (Paolo explained: “The majority of them are Venezuelan, because they have oil skills, they’re good labor, and they’re cheap; and also because Chavez fired 18,000 employees three years ago who tried to unionize.”) The remaining 5 percent were a mix of Lebanese, Italian, and French. Nationality is central to this form of labor organization. As each worker is brokered through a body shop, his pay and rotation schedule are calculated according to his nation of origin. In Laurel’s case (and as described in chapter 1), American and British laborers work a “28/28”—twenty-eight days on in Equatorial Guinea, and twenty-eight days off at home—considered
the best schedule. Filipino workers have the least desirable schedule: eleven weeks on and three weeks off (an “11/3”), recently switched from a 14/3. South Americans work 8/3s.

When I asked Paolo why schedules varied by nationality, he replied: “They say that it’s the market. . . . Companies take advantage of inequality in the economies of the world. Some people say that it is discrimination and it is, up to a certain point. But it is also working with the rules of the economy. . . . You bring in ten Filipinos for one American guy. Same human being working the same ten hours, with equal or better knowledge, and your business is running.”

In paying and scheduling employees differently according to nationality, the industry is responding to a specific kind of difference—global inequality between nations—rendered profitable. In assembling a mobile transnational workforce, companies take difference into consideration, work with it, and profit from it, while ensuring they are absolved from responsibility for promoting or reproducing it. “You are paid according to passport,” explained Paolo. Even he, as a finance manager, was paid as an Ecuadorian national. “I am an administrative manager very high up in the company, but I’m paid as a ‘third country national,’ even though I don’t have a house in Ecuador, and I want to live in Australia.” Despite his management position, his tertiary degree in finance, and the fact that he had no home in Ecuador and was in the process of migrating to Australia as his permanent residence, Paolo was paid according to his passport, guaranteeing a lower wage. Conversely, many US passport holders who worked as subcontractors in the industry actually lived in the Philippines or Central America. As US oilmen, they had met their wives while on previous assignments in Venezuela or Indonesia, and now rotated to those sites between hitches. But their passport guaranteed that they were still paid the US wage, details that belie any industry attempt to explain wage and scheduling inequalities through skills hierarchies.

The preponderance of Filipino labor in Equatorial Guinea’s oil and gas industry is particularly illustrative of how histories of colonialism and racialized imaginaries constitute global markets. One out of three workers at sea today is Filipino (McKay 2014). In explaining this phenomenon to me, a migrant country manager offered his own naturalization:

Worldwide in shipping there’s a lot of Filipinos. Why? They’re English-speaking. [They have] a willingness to work, good attitudes. [They are] good workers, friendly. If you go to Saudi, Kuwait, UAE, they have millions. That whole society is built on the back of imported labor, from Pakistan, Bangla-
desh, India. That’s what these countries export. For our LNG facilities they went to the source of inexpensive but English-speaking, highly educated workforce. Over the years it’s become a tradition [with Filipino labor], and it’s almost generational. Their grandparents, aunts, and uncles were all involved in this sort of industry. In the early years it was exploitation: low wages, poor living conditions, but you found people willing to do it. What we find now is that the wages for these third-world people are creeping up worldwide.

In this man’s explanation, Filipinos are English-speaking, highly educated, willing to work, and friendly. Moreover, it is “traditional” in their extended families to work at sea. How did this “tradition” of maritime work and this widespread characterization of Filipinos as docile workers come to be? These naturalized and racialized explanations of the preponderance of Filipinos in a US-dominated industry in Equatorial Guinea have a specific history. The US Navy was resegregated after World War I, and Filipinos took the place of African American seamen, receiving English-language nautical training in American colonial institutions in the Philippines. At the time, three years in the Navy qualified Filipino men for American citizenship, and over 100,000 per year applied for menial steward jobs. With their demographically dominant but hierarchically subordinate position in global shipping well established by the time the Philippines gained independence from the US in 1946, the newly independent state began to market its population as good subordinates, from men in shipping to women in nursing and domestic work (Parreñas 2008). The state marketed its citizens as possessing “inherent” traits of docility and loyalty, as the Philippine Seafarer Promotion Council claimed in its motto, “in loyal service to God, Country, and Company” (McKay 2007, 2014). The global labor market, in other words, is made through the colonial relationship of the Philippines to the shipping and military industries (McKay 2007), or Chavez’s firing of unionized workers. Supply and demand are made by Jim Crow segregation of the US Navy, which created a labor demand that was ultimately met through the coercive promise of citizenship-for-exploitation to Filipino colonial subjects.

In the oil industry broadly speaking, there are unmistakable continuities between subcontracted labor organized, scheduled, and paid by passport, and earlier versions of the racial wage, both of which are intended to keep costs and worker organizing down, and profit up. And yet, I want to think beyond functionalist explanations of deterring unionization or even maximizing profit, toward this convergence that Paolo articulates of discrimination and what he calls the “rules of the economy”—of fungible Filipi-
nos and global oil prices. To do so, I start with an expanded version of Paolo’s explanation of the practice of hiring by nationality:

Part of the business here is that manpower is provided by nationality. [Companies including ours] take advantage of inequality in the economies of the world. Some people say that it is discrimination, and it is, up to a certain point. But it is also working with the rules of economy. You have first, second, and third world. Of course, if you’re a US citizen going to South America, you have more spending power. Your money is more solid than local money. A barrel of oil is sold in dollars, also quoted in pounds. If you have the possibility to bring people from other parts of the world and hire them by paying them what would be considered an acceptable wage for their position back in their home country, you really at the end don’t have a problem: you’re satisfying their needs—having a good wage—and the company is making millions of dollars. Endurance pays our company so much money in commission fees, but they are making all of the money because they are not paying people benefit plans, as they would pay an Endurance employee. Whatever money they spend, they get five times more money because of having different nationalities. You bring in ten Filipinos for one American guy. Same human being working the same ten hours, with equal or better knowledge, and your business is running. All the machinery is running. You’re pumping oil and gas, and you’re selling it abroad. Oil price is standardized all around the world, so there is the gap. People are expendable.

Paolo notes that “some people say it is discrimination, and it is, up to a certain point.” For Paolo, the certain point past which these hiring processes are not discriminatory is to be found in “the rules of the economy.” Vitalis (2007) also notes that, when pressed on labor discrimination, the firms he studied insisted that “markets, not hierarchy, dictated that some workers received their pay in dollars, others in riyals” (23). The fungibility of ten Filipinos for one American off the shores of Equatorial Guinea, we are told, is a matter of markets, not hierarchy. But markets are made of hierarchies.

In Paolo’s description, “the rules of the economy” are about the simultaneity of inequality and fungibility—ten Filipinos for one American; the spending power of US dollars in a South American economy; barrels of oil sold in dollars and quoted in pounds, hard currency denominations that index the geographies of power in which the oil industry operates. “Oil price is standardized around the world, so there is the gap. People are expendable.” Where labor value varies radically across the furiously maintained borders
of nations, genders, and races, the price of oil—while unstable over time—is largely stable across space. The LIBOR rate or Platts Marketwire, discussed in chapter 3, determines the contractually sanctioned interest rates or price per barrel for oil, and yet there is no analogous procedure for labor. Or perhaps more accurately, there is an analogously licit and “market-based” procedure for determining labor value, with a radically different outcome.

Laurel uses a ratings system devised by Moody’s and Standard & Poor’s (S&P) to determine wages by nationality, from Americans and Brits at the top to “TCNs,” or Third Country Nationals, at the bottom. On the one hand, then, an idea of the market absolves charges of discrimination or racism, while on the other hand, the very methods, tools, and metrics that make “the market” rely on and reproduce already existing categories of inequality, as in S&P’s use of first, second, and third worlds. Following Cho (2008), Ho (2016), and others, this pushes us past both the social embeddedness theory of markets (in which “the social” can offer an explanation for what was previously assumed to be “economic”) and the social studies of finance theories of markets (in which devices, expertise, and economics in particular make markets). The point is neither that the global labor market is responsive to postcolonial inequality, nor that devices and theories imagined to describe markets in fact create them, but rather that the market is made by inequalities. Accreted histories of racialized inequality—including African Americans being kicked out of the US Navy and replaced by Filipino colonial subjects, or Paolo being underpaid for his skillset as a financial manager because of his passport—“proxy,” in Karen Ho’s terms, for rational, neutral market behavior, or “the rules of the economy.” The market is not taking advantage of these circumstances; it is constituted by them. The contract form, here as subcontract, is a legalizing frame that offers stability and licitness to that constitutive process.

ON LOCAL BODY SHOPS

As rigs off the coast of Equatorial Guinea today leave for the Congo or Ghana tomorrow, the Filipinos, Brits, Indians, and others contracted by Laurel stay with the rig, rotating home as if, in many ways, nothing has changed. But the Equatoguineans, Nigerians, Gabonese, or Angoleños do not often find themselves moving around with the rig once it has left their waters, as their employment positions are most often the result of “local content” contract requirements, an additional subcontract removed from any type of job secu-
rity. As the first significant production company in Equatorial Guinea, the Major Corporation brought subcontracting norms and practices with it in the 1990s. Shortly thereafter, Equatorial Guinea’s Ministry of Mines set up an Agency for the Promotion of Employment (APEGESA) based on the body shop model. Filtering Equatoguineans who wanted to work in the industry according to family relationships and political affinities, APEGESA and other early employment agencies routinely took 40–70 percent of workers’ pay, often charging Equatoguineans interested in working in the industry a fee for the privilege of accessing their services, before they even had a job. A local lawyer explained that “companies of this type proliferated, all of them [related to] the president. The first belonged to the Minister of Mines. The ministers were the ones who started them all. Catering companies, service companies, all were in the hands of children and nephews of the president and his ministers.”

Tight control of local industry employment and the profits to be gained therefrom remained typical throughout the 1990s and early 2000s. However, as the industry boomed and foreign companies came in greater numbers, the hiring processes and even the local body shops themselves slipped beyond such centralized control. One Equatoguinean interlocutor who left the industry to go back to cacao farming described this change through his own experience: “I worked for Major in 1998, but I had problems because I wasn’t in the party. I am apolitical; I am professional. Joining the party to get a job isn’t convenient for me. At the beginning jobs were more controlled in this way, but now there are more jobs, more companies, more demand than supply for qualified local workers. And the government is richer now, so there is less need to have their people in the industry.”

Certainly, part of what motivated this change was the government’s increasingly substantive and lucrative ties to the industry, rendering whatever profit or intelligence could be had from control of local workers insignificant by comparison. In addition, some operating companies began to organize direct recruiting, bypassing local body shops and offering “aptitude tests” and competitions, often recruiting Equatorial Guinea’s “best and brightest” for jobs that turned out to be little more than menial labor. Finally, the Law on Employment Promotion established that all Equatoguineans who wanted work in the industry should register at the Ministry of Labor, where they would be given access to free employment-promotion services. Despite the creation of this law, however, the lawyer quoted above noted that “the private [subcontracting] firms still dominate, making money from the money of workers. They rob the workers. I have the records of groups of people try-
ing to reclaim the money that was robbed; not only salaries, but also other unknown taxes.”

Indeed, local body shops are hyperexploitative to varying degrees, and securing a job still almost always requires either money to the body shop up front or a personal connection of some kind. Consider the stories of Sara and Gloria, two domestic workers who were employed through a local subcontracting firm to clean houses on the small compound of an oil services company. They were in the compounds every day, where they cleaned windows, swept the sidewalks, mopped, and, as Gloria put it, “looked for dirt.” The constantly running air conditioners brought dust into the houses in an uninterrupted stream, which they persistently fought, in between washing and ironing the residents’ clothes, occasionally going to the market, and even cooking for the compound’s inhabitants if they were asked. Sara got the position through her sister, who had the cleaning job before her; her sister left toward the end of her pregnancy, passing the job on to Sara. In explaining this story to me, Sara insisted that had her sister not been able to pass her the job, had she been “on the outside,” as she worded it, she would’ve had to pay the equivalent of US$200 to $400 to access the job. “Supervisors negotiate on the side,” Sara explained. “There is one supervisor for the whole agency and paying her obliges her to give you work. Every month you give her money until you get your job.” When I asked if these payments were explicit body shop policy or mutually understood if unofficial norms, she replied: “This whole industry is about unofficial norms. Our bosses [at the oil services company] know. Each one is filling his pocket. There are official norms but nobody fulfills them. It is a norm to have the right to rest, to take medical leave, but they cut your pay, and your salary is left at nothing. So you are here, sick, working.”

Gloria had a similar story to Sara’s. She got the job through her brother-in-law, who worked for the local body shop. Her husband told his brother that Gloria was looking for work, and they hired her when a spot opened. She too insisted that it was only because of her family relationship that she didn’t have to pay, and indeed that her brother-in-law accepted money from others as a matter of routine, most of which he gave to the same supervisor Sara spoke of (both claiming that this particular supervisor had a considerable amount of power). Even when subcontracting arrangements ended, which they frequently and unpredictably did as we saw in Eduardo’s case, as Gloria explained, “you have to give her something, bribe her so that she will call you [if there’s more work]. If you make an agreement with her that you are going to give her money and at the end of the month you don’t pay, she won’t call you.”
Sara and Gloria each had a job that many Equatoguinean women would covet, due to its more or less steady paycheck and the occasional perk of surreptitiously doing your family’s laundry in the washing machines at work, as opposed to by hand in the river or using the spigot behind your house. While they each recognized the benefits of their jobs, the women also felt disgusted and exploited by the subcontracting setup. Gloria explained that she was paid 200,000 CFA every month (roughly US$400), but that was after the subcontracting company took the first 50 percent of her original salary, paid to the body shop by the oil services firm for which she worked. Once that half had been taken, the government took half of what remained to pay for “the highways, the sidewalks, social security, and taxes.” The money that she has left, she says, “gets you as far as your family situation permits.” As the mother of two children, her monthly bills included 40,000 CFA for rent, 11,000 for electricity, 3,000 for a landline, and 2,000 for her mobile phone. Considering these bills plus the cost of food, Sara exclaimed, “To reach the end of the month, witchcraft has to be done! The children need transport to and from school, school fees, shoes, and you yourself have to buy clothes and braid your hair. With this salary you can work your whole life and have nothing.” “Imagine!” she demanded, musing about where the body shop’s 50 percent of her salary went before she even saw it. “I don’t know how many of us work for Voxa. They don’t only have SchaeferCorp, they have [contracts with] Hume Tools, Regal Energy, Expor, eGlnG. [They have] people who work in offices, as drivers, as logistics. We would like to know how much Voxa earns off our work. We want to know!”

The intricacies related to salaries between contractors and subcontractors—who made how much off of whose back—was a widely contentious issue for nearly all my Guinean interlocutors who worked in the industry, from those like Sara and Gloria who worked as house cleaners, to Eduardo and others who worked as security guards or semi-skilled labor on rigs, to Roberto and Rogelio who had earned advanced degrees abroad and come home to work in petroleum engineering and accounting, respectively. While Roberto and Rogelio had access to direct contractual relationships with operating companies, Rogelio explained that he had many highly educated Guinean friends who refused to come back, despite aggressive recruiting by oil companies. “They will always be strapped to a certain income,” he explained. “They will always be Guineano.” Equatoguineans with the initial capital needed to start their own businesses preferred that option to working for “Guinean” salaries in an American industry. “If you can offer more qualifications or more skills, it’s demoralizing to work for them.”
Subcontracted workers most often explained frustrations similar to Gloria’s, that the body shop was making an undisclosed amount of money off of their labor, seemingly without having to lift a finger, and the government was removing “taxes” from their checks, but not providing services in exchange. Ramón, however, had a more specific story to tell. A temporary position as an administrative assistant in payroll for the Major Corporation gave him access to certain empirics of the subcontracting setup:

The objective is that the parent company doesn’t want to be responsible for all the labor costs; for example, transport, food, the problem of accidents. Anything of this sort, the company gives a bill to the [subcontracting] agency. According to law, contracting agencies cannot take more than 30 percent of their employees’ salaries. So if Major pays one million CFA, the agency cannot take more than 300,000. But what happens is the exact opposite. What happens is that the agency pays me 300,000, and they can’t justify it. There’s no demand for them to justify it. Both the parent company and the agency have the idea that we know nothing, that we don’t have the education to investigate this. But I know because I have worked in the parent company’s administration. I have handled bills, and I know lots of things. There have been moments where I’ve seen an expatriate who does the same work as a Guinean, and he makes 10 million CFA each month. The same Guinean makes 500,000. The law talks about salary parity. If the expatriate does the same work, the Guinean cannot receive less than 50 percent of what the expat receives. If the expat makes 1 million, the Guinean should not make less than 500,000. But in practice it is incomparable.

In addition to noting how the subcontracting relationship allows “parent companies” or operating companies to disseminate liability for worker reproduction, Ramón points to the ways in which local body shops easily evade extant-but-unknown and unenforced law (see chapter 3). Despite the labor law which decrees that body shops cannot take more than 30 percent from each salary, leaving 70 percent (pre-tax) for the employee, Ramón insists that in practice some local body shops reverse the percentages, taking 70 percent of workers’ salaries. Moreover, Ramón points to another law in which “salary parity” entitles Guineans to no less than 50 percent of a migrant’s salary for comparable work. Already inequitable on its own terms, Ramón insists that this law is rarely followed either, and that salaries for equal work are “incomparable.” I asked if he could give me a specific example of this situation, and he described a Guinean friend who had been trained in Auto-CAD, technical software for computer-assisted, three-dimensional design
and modeling used in the industry. Ramón explained that Major previously contracted an American engineering firm to do this specialized work, but once his friend had mastered the program, he took over the design and planning for the tubes. “The American company charged a fortune,” Ramón explained, “about £20,000 per month. [The Guinean man’s] salary doesn’t even reach two million cfa [the equivalent of £2,600 pounds or roughly 1/10th] per month.”

Despite these radical salary inequalities for comparable work, £2,600 per month is an exceptionally high salary in Equatorial Guinea. Even the salaries of the semi-skilled, subcontracted rig laborers with whom I spoke, which averaged 700,000 cfa (US$1,400) per month, were exceedingly high relative to the paucity of other options outside civil service, where official pay was notoriously low. Security guard salaries were often a small fraction of that, on par with Sara and Gloria’s wages at roughly 200,000 cfa, or US$400, per month. However, because of the relative size and reliability of these salaries compared with other options, Guinean’s complaints to their migrant bosses of unequal pay for equal work, or unexpected and unremunerated contract termination, were most often met with familiar refrains: “Locals who work for us make a lot more than they would have otherwise.” Or “Why do you complain? You have it so good compared to most people here. There are so many others who would jump at the chance to take your job.” “If you complain,” said Antonio, “they call you ‘troublemaker’ or ‘problematic.’ If you want the job take it. If you don’t want the job, you’re free to quit. That’s the philosophy. [I do this job] just to maintain my family. The company knows that you don’t have another option.”

Paolo’s reasoning above, that paying a Filipino worker one-tenth of an American worker’s salary abides by “the laws of the economy,” aligns with migrant managers’ refrains of “Why do you complain? You have it so much better than most.” Inequality is tautologically justified by the inequality that preceded it; “ethical variability” (Petryna 2005) is naturalized as both market variability and human variability, which sees different standards of living for different people as natural, or always-already there (Benson 2008). We might also return here to the double meaning of freedom discussed in chapter 3. The “freedom” to quit, like the “freedom” to contract, is an illusory freedom. Without access to capital or the basic necessities of life, the choice is between being exploited and being hungry. In Pateman and Mills’s (2007) words again, “Contract is the major mechanism through which these unfree institutions [the modern state and structures of power] are . . . presented as free institutions” (20).
The realities of a $1,400 per month salary (let alone $400) in Equatorial Guinea are somewhat grim, especially when one imagines that this is Equatorial Guinea’s aspiring urban “middle class.” With their regular paychecks (if ephemeral subcontracts), Sara, Gloria, Ramón, and Eduardo all aspire to own a home, put their children through school, support wide extended families both in the city and in rural areas, access regular medical care, and more. The rig worker’s words from chapter 1 come back to haunt this question of salary: “We are working like Americans but being paid like Africans.”

Consider Antonio, who was sent to Canada by an operating company for training. While there, Antonio and a cohort of others were given a salary of $1,800 per month to pay for room and board, clothing, and other personal needs. He said:

If you translate 900,000 cfa to dollars [$1,800/month], an American will say, “Why do you complain?” But I have five children, and I have to maintain them. It’s like saying, “Which do you prefer? Abandon your family to study? Or abandon your studies for your family?” I ate bread with sugar in Canada to send $200 or $300 for my children. I was saying to my wife, “Bear it, it will get better.” When my child was sick, I said, “Don’t tell me; let me keep studying. I can’t handle it and I don’t have the money.” When you talk to the company about your situation, they say that you signed something that said you agreed to this amount.

Antonio’s last sentence captures the bitterness of subcontracting: “When you talk to the company [to ask for help], they say that you signed something that said you agreed to this amount.” The contract comes to be the figure in the middle, as Paolo invoked it, through which legal codes facilitate “the isolation and partitioning of responsibility” (Benson 2008, 209). In Benson’s formulation, the legitimizing force of the law, here in the figure of the subcontract, “is experienced as a double negative” (209). Salaries for intensive work on which people cannot support their families are not not regulated; rather, they are sanctioned by the subcontract. They are licit. That the bosses’ unsympathetic responses are, in fact, protected by the contract form “compounds the sense that depravity is sanctioned, even deserved” (209). Personal appeals for help from subordinate to superordinate—the conventional way of accessing resources for many people in Equatorial Guinea and elsewhere (Ferguson 2013)—and their potential for moments of mutual responsibility and understanding are short-circuited by the contract form.

The legalization of disregard for Equatoguinean industry employees’ cost of living is brought into sharper relief when put next to migrant mana-
ager salaries and costs of living in Equatorial Guinea. Gloria listed the petro-inflated prices of rent, electricity, phone, and food, not to mention payments to the body shop manager, all of which came out of her monthly salary, leaving her in need of “witchcraft” at the end of the month to make ends meet. Migrant managers, on the other hand, pay none of these expenses for their luxurious facilities in Equatorial Guinea. Their gated compounds, electricity, satellite-based phone service, suvs, and food costs are all paid by their respective companies. None of those costs come out of their salaries. As Gloria put it:

The money the company spends weekly for food in this compound is equal to three and a half months of our salary. And they spend nothing of their own salary! They don’t even bank it here! The company pays for their house and their electricity and their car and their gas, even the water they drink! Credit on their cell phones! We make so little, and we have to pay for everything. The expatriates are making a killing here. And us? I have been working for six years, and I have nothing. They work here for six years and become a multimillionaire in their country.

Indeed, for agreeing to work in a “hardship post,” migrant manager salaries were often raised by as much as 75 percent, with cost of living nearly 100 percent subsidized. Banking all of these exorbitant salaries abroad, nearly all of my migrant management interlocutors found in Equatorial Guinea a ticket to radical class mobility. As I wrote in chapter 2, migrant management couples shared with me their plans for investing in a retirement ranch in Texas, a romantic farmhouse in France, and a surf retreat in Costa Rica. Recall one US woman who described shopping for a retirement home with her husband with “$5 million cash in hand.”

This juxtaposition of “uplift” salaries (a deeply ironic term, given its history in African American struggle) for white American and Western European management with the sub-subcontracting salaries and conditions for black Equatoguinean workers brings us back to Pierre’s (2013) assertion with which I opened the chapter. Where we have the option to see the practices of Laurel Incorporated as the mobility of Jim Crow white supremacy, and those of local body shops as rapacious, postcolonial corporate- and state-craft, we can and should understand them together in “the racial dimension of this international system of power and the attendant global White supremacy through which it is enacted and experienced” (3). These stories of Eduardo and Paolo, Voxa and Laurel Incorporated, Sara and Gloria, Filipinos and the US Navy, and uplift salaries for white people are linked in what Pierre (2013)
refers to as the longue durée of European empire making. In the last section of this chapter, I turn to the imbrication of the Equatoguinean state and the multinational oil companies in the licit organizing not only of exploitation, but also of abdication of responsibility.

ON RESPONSIBILITY AND THE OBSTACLE OF ABSOLUTE RULE

Frustrated that the “social security tax” removed from his paycheck every month didn’t seem to be showing up in any INCESO (social security) account, José sought to trace the question of responsibility through his contractual relationships. In the maze of operating companies, contracts, subcontractors, and body shops, the possibilities and avenues for redress—already tenuous in Equatorial Guinea—get further muddled. José traced the circuitous problem from the subcontracting agency, to the social security administration, to the contractor and around again:

The agency [body shop] is taking advantage of the workers. For example, INCESO takes money from your check, but you go to INCESO and none of the money they’ve taken is there. But they say the problem is with Voxa. So right now I want to see the director. Every day they tell me, “come tomorrow.” They begin to give you the runaround. At the end, you get tired and you leave it [lo dejas]. Concretely, we don’t know how much SeaTrekker pays us. We’ve gone to them to ask, but they say they can’t reveal it, that it’s a secret of the contract. Now this I don’t understand. Each of us would like to be contracted directly. I don’t know the agency system, but it clearly doesn’t work, the pay, everything. We should complain to Voxa, but we don’t go because it’s an agency of SeaTrekker, so we go directly to them.

The figure of the contract emerges again here, as José tries to determine how much SeaTrekker pays Voxa. “It’s a secret of the contract,” he is told. Also secret in this web is who, ultimately, is responsible if José’s social security taxes do not appear in his account, tied also to his ability to access subsidized medical care and medication. José’s frustrated routes trace contractual relationships designed to abdicate responsibility for him: from INCESO that sends him to Voxa, from Voxa that sends him to SeaTrekker, from SeaTrekker that tells him what he wants to know is secret.

While workers held production companies and subcontractors primarily responsible for their secretive and convoluted salary situations, they also (with fear in their voices and looking anxiously around my apartment to see
if someone, somewhere had installed a bugging device) frequently cited the government’s role in allowing the companies to get away with it. As Ramón put it, “You go along with it because you don’t have anywhere to talk about it.” He continued:

We have a saying here: No one can come to cut plantains behind your house if they weren’t permitted by someone in the family. This means that everything needs the permission of the owner. The company knows the living conditions here, but if they encounter the father of the family—those with power here—they will tell them, “You don’t have to pay our people.”

Ramón’s parable is a thinly veiled allusion to the president and those in power. If they allow companies to pay incomparable salaries, or body shops to take up to 70 percent of workers’ salaries, where can I seek redress? Or, as Gloria explained:

The government and the expatriates share responsibility. Both of them lack humanity. Even though the expatriates are making so much money, you ask for a raise and they tell us we already make a lot. We have appealed to them so many times to see if they can help us resolve our issues, but nothing comes of it. They know our situation, and they do nothing. You realize that they are in cahoots with those in the regime to cheat the poor people.

Of labor organizing in the face of industry exploitation in Saudi Arabia in the 1950s, Vitalis (2007) writes: “Conditions for the nascent Saudi labor movement and the relative handful of officials who sought to move Saudi Arabia in a more inclusive and redistributive direction were, to understatement the obstacle of absolute rule, inauspicious, and the firm there had a freer hand to deflect, ignore, and counter demands for fairness and human capital development” (24). In Equatorial Guinea, as in Saudi Arabia, there is an intimate relationship between absolute rule, labor organizing, and corporate freedom to contract labor on the companies’ own terms. The president and his regime use their absolute rule to sign production sharing contracts that enable near-absolute freedom for the oil companies, producing the treaty-like capacities of PSCs and the subcontracts they proliferate. It is fair to say that all branches of the government under Obiang’s absolute rule have failed industry workers in collusion with US oil and gas companies: from government-related body shops that pay exploitative wages; to the failure to enforce already inequitable salary parity laws or laws dictating what percentage of wages can be garnished by body shops; to taxes on already low subcontracted salaries that are said to go to social security or “training funds,”
when no medicine is available at the public hospital and training funds seem to go directly to the ruling party; to the absolute failure of the judicial system to address workers’ complaints against subcontractors.

Many workers even claimed that the government had mandated a legal maximum salary for Guineans working in the industry of 900,000 CFA per month, prohibiting companies or subcontractors from paying more than this, regardless of training or skill levels. After hearing this from a handful of interlocutors, I finally asked Ramón why the government would create a legal maximum. He responded:

Here there’s so much money, but citizens don’t have it. Salaries in the public sector are low, too low. So the only way you can have money is to engage directly or indirectly in corrupt practices. If the salaries are too high in the [oil] companies, this will create discord because most people in the administration don’t have the opportunity to take money either. Why does the government step on/put pressure on [pisar] oil companies so that they don’t pay us? Simply so as not to create discord, inequality between the administration and the companies. But it’s something that’s not written.

I was unable to verify from either the operating companies or government personnel if there was, indeed, a de jure or de facto salary cap. But the mere plausibility of this explanation, and the fact that workers I came to know widely understood it to be true, attests to citizens’ relationships to and understandings of their government—its willingness to depress oil industry salaries in an effort not only to retain the attraction and power of government work, but also to slow the growth of a middle-class independent from the ruling party. Given the handsome profits to be had by oil companies from subcontracted (uninsured, precarious) labor, we see again here that the relationship between corporate freedom and absolute rule in Equatorial Guinea is not incidental to, but constitutive of, the daily life of hydrocarbon capitalism. Where companies would like to frame “government corruption” or the “inability to enforce regulations” as conditions external to their operations (as “local” or as state versus company), on the contrary, they are at the very core of these companies’ daily affordances in Equatorial Guinea.

Because conversations about government complicity (or critique of any kind) were effectively illegal in Equatorial Guinea, in practice not to be had outside of one’s most intimate circles, I came to know Guinean industry workers only through other workers. One would come for an interview only because someone he knew had vouched for me, and then he would come back and bring a friend. The next day the friend would bring another friend,
and soon I had an extended network of industry workers I came to know over fourteen months. Routinely, however, they came in groups of three or four to my apartment, often two people I knew already initiating another friend into the odd ritual of talking to an anthropologist. At one point, a conversation in which Ramón, José, and Antonio were narrating endless labor exploitation nightmares and bemoaning government complicity seemed to trail off into discomfort, all of us looking at our hands, not knowing what to say to ourselves or to one another about the ugliness of what we were talking about, so rarely heard out loud. In our earliest meetings, I had been clear with workers that I could offer no guaranteed help beyond listening to them, recording their stories, and thinking with them about our unevenly shared situation. In that quiet, I was revisiting my pitiful caveats, sickened that the only thing I could think to do was to offer more juice when Antonio said, “Hannah, I know you can’t help. But can you tell me, is this normal? Does this happen in other places?” I said that I wasn’t sure, that I thought it probably did, and that labor exploitation in various forms was common everywhere, including where I come from. But then I continued that in other places, people often feel they have recourse: they go to the media; they file a lawsuit; maybe they belong to unions or other solidarity organizations; maybe the church can help. They are not so afraid of telling their stories. Elsewhere, I thought but did not say out loud, the convergence of corporate and governmental absolute rule did not seem so hermetic. The workers continued to look at their hands, obviously unhelped and perhaps sick of hearing, of knowing, that “elsewhere” things were different.

The relevant “elsewheres” for Equatorial Guinea, particularly in relation to the industry, were often Nigeria and Angola, regularly invoked in comparative frames by locals and migrants alike. Angola was widely recognized for its strong national oil company (Sonangol) and enforcement of training and nationalization plans for workers. Even Nigeria, considered a “model failure” in certain respects, was considered better than here for the substantial role that the Nigerian government and workers played in the industry. Rogelio, who had worked in accounting for multiple firms, explained that “in Nigeria and Angola, the driving force comes from the state [who says], ‘We own this industry.’ Whereas here the idea is, ‘We own this resource.’ Owning the industry requires the orientation of putting things and people in place to make it work.” One operating company sent Rogelio to Texas for six months of training, and while he was there he met Angolans who had been sent by the same company for five years of training. The discrepancy, he explained, was not related to the company, but was between the governments. The Angolan
government has a nationalization plan in place through which migrants can work in Angola; however, they can’t stay for more than two or three years, after which a local has to replace them. A migrant logistics manager for the Smith Corporation had just come from years in Angola, where he worked closely on their nationalization plan. In Equatorial Guinea, he said, “there’s no requirement to assure that service companies have something in place for locals. In Angola, there was the requirement to show a plan to advance the local population. Here, those opportunities have passed us by.”

**FUTURES**

I like the work. Everything that we’re doing is what I wanted. I love working in the field and not in the office. I love to learn, and I always want to learn more. [But] they’re impeding me from learning what I want to learn. I feel frustrated. They tell us that we’re learning really fast, as if that’s a bad thing. I would like to be a mechanical engineer, but now they’re saying that they won’t offer that training. Now you are stuck at the level you’re at. This is completely frustrating, the most painful. You start a job with your objectives perfectly clear, but then they tell you it’s impossible, and you’ve lost eight years of your life believing something. This is the most painful. They promised us. . . . They just don’t want educated local people. There is no explanation. . . . Major came and they told us if you want to be an engineer, you can do it, according to your abilities. But then, poof, it’s all gone.

— Antonio

Frustrated by exploitative and racist subcontracting arrangements, low salaries, and a high cost of living; expatriates “making a killing” in a fully subsidized lifestyle; and no viable options for redress, many subcontracted Equatoguinean workers expressed a final, lost hope in the broken promises of training, education, or marketable skills that their time in the industry might give them. If the industry couldn’t remunerate them fairly, perhaps at least when oil dried up, they would be fluent in English or have skills in AutoCAD, Excel, or engineering. But in the absence of government enforcement, early company promises—“if you want to be an engineer, you can do it, according to your abilities”—have disappeared. “Once we were in a meeting and the [American boss] said to us, ‘I’ve contracted you to be capable of two
things: if they call you on the radio, you need to understand [what they’re saying], open and close the valves, and that’s it.’ The boss said that to us plainly. From there, well, to now . . . When I started in 1999, the idea [was to educate us], to give us the competence levels that expats had.” One company agreed to finance the construction and organization of a technical training center, but then pulled out or asked to renegotiate when it became clear that the government expected them not only to finance it, but to build it, staff it, and run it themselves.

Perhaps that technical training center will be built one day. Perhaps, as many governments have before it, Equatorial Guinea’s government will come to see “the most flexible fiscal environment in the world” moniker not as an asset, but as a euphemism for exploitative contractual terms, rampant environmental degradation, labor abuses, and corporate sovereignty at the expense of national interests. Perhaps, as many governments have before it, Equatorial Guinea’s will change hands. Or perhaps the training center will end up where others have, in Equatorial Guinea’s relevant elsewheres. “As if to mock the sad fact that [Nigeria’s first oil town] is now a sort of fossil, rotting detritus cast off by the oil industry, a gaudy plaque dating from a presidential visit in 2001 sits next to Well No. 1. It is a foundation stone for Oloibiri Oil and Gas Research Institute. . . . But the ground has not been broken, and never will” (Kashi and Watts 2008, 37).

Futures always seem at once urgent and fated in the oil industry. The workers I spoke with knew that their opportunities to make money or receive education from the industry were finite and dwindling rapidly with each passing year. While many had effectively given up their own dreams of achievement in the industry, what remained in the more wistful moments was always the future without oil (Limbert 2010)—for their children, their homes, maybe even a life in agriculture. As one worker expressed:

When [petroleum production] ends it will be worse. Because of this I am building [a house]. Even if you have worked, if you are without a house you have nothing. That’s why I’m always building. You have to build so that your children have something. There is also information that other countries have suffered. I would like to work in agriculture, but right now agriculture can’t feed my family. . . . But if agriculture is ever industrialized in Guinea, that’s where I’m going, even with little money, that’s where I’m going.

The persistence of the management refrain that those with ephemeral and underpaid subcontracts shouldn’t complain brutally overlooks this future. It is a future in which the only sure thing is that oil will be gone. To
accept these working conditions despite the fact that they can’t prepare you for that future, despite the fact that they don’t contribute to the vision of the country you have for your children, is to foment bitterness of our contemporary world’s most violent kind:

My fight is that my child has a good life. It doesn’t matter to me if I have work or not. That’s what I said to an American who asked me, “Why do you care what’s going on? You have work!” I said back to him, “You didn’t make America what it was. Your ancestors did. I want that for my country.” This type of hate makes terrorists.

CONCLUSION

From the fungibility of Filipinos to future Equatoguinean terrorists, the subcontract is a frighteningly productive form. One could certainly argue simply that both the companies and the government want to make money, and workers—as always—are left by the wayside. Certainly that story would be true. But I have tried to attend in this chapter, and in the previous one, to the ways in which contracts offer licitness, legality, and legitimacy to those outcomes. Both production sharing contracts and subcontracts offer ethnographic entry points into imperial debris and hierarchies of rank. Again, in the words of Pateman and Mills (2007), we see that “the global racial contract underpins the stark disparities of the contemporary world” (3). More specifically, I have argued that both pscs and subcontracts, and the long life of imperial debris in which they are forged, are productive ethnographic thresholds through which to think about racialized inequality as constitutive of capitalist markets, rather than merely exacerbated by them or the “context” in which they operate. If we consider subcontracts only within the teleological stories of late capitalism through which they are so often narrated, we miss not only the multiple rhythms and temporalities of global petro-capitalism—that what happens in Russia is radically different than what happens in Equatorial Guinea—but also the way that global inequality proxies for ideas of capitalism in its own image: efficiency, shareholder value, and “the rules of the economy.”

And it is to these “rules of the economy” that I now turn.