The Licit Life of Capitalism

Appel, Hannah

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INTRODUCTION

1. This sentence, like the rest of the book, rests on the work of many people. To start, I will simply point out three. First, I refer you to Karen Ho’s (2014) discussion of Andrew Orta’s 2014 article on business students abroad, in which she asserts that capitalism is not a context. Second, in Anna Tsing’s work on projects, she defines them as “organized packages of ideas and practices that assume an at least tentative stability through their social enactment, whether as custom, convention, trend, clubbish or professional training, institutional mandate, or government policy. A project is an institutionalized discourse with social and material effects” (Tsing 2001, 4; see also Tsing 2000a, 2000b). Finally, Édouard Glissant (1989) refers to the West as a project, not a place. Insofar as capitalism has been central to the project of the West, the material in this book demonstrates the same.

2. This argument is in direct dialogue with Robinson (1983), who shows how race, in particular, is a form of difference that long predated capitalism in European society and, thus, was widely available to it as a commonsense way to differentiate and (de)value—to the point of enslavement—labor, especially. As he writes: “The tendency of European civilization through capitalism was thus not to homogenize but to differentiate—to exaggerate regional, subcultural, and dialectical differences into ‘racial’ ones. As the Slavs became the natural slaves, the racially inferior stock for domination and exploitation during the early middle ages, as the Tartars came to oc-
cupy a similar position in the Italian cities of the late middle ages, so at the systemic interlocking of capitalism in the sixteenth century, the peoples of the Third World began to fill this expanding category of a civilization reproduced by capitalism” (26). Robinson uses the term “racial capitalism” (2) to capture this ongoing history and agency of racial differentiation as a material force. This book aims to contribute to the intellectual and political project of racial capitalism by showing how many of the general forms and processes on which capitalism relies—the offshore, contracts, infrastructures, something called “the” economy—are made by various forms of (de)valued difference including, but not limited to, race and gender.

3. Butler (1993) writes that performativity should focus on “the process of materialization that stabilizes over time to produce the effect of boundary, fixity, and surface we call matter” (9). See also Callon 2007 on “performation.”

4. The people I refer to in this paragraph as “itinerant oil company management” are high-level managers for the overseas subsidiaries of the US-based companies on which this book focuses. As I will go on to detail, during my fieldwork in Equatorial Guinea, these were exclusively white men from the US or Western Europe. In earlier drafts of this manuscript I referred to them as expatriate managers, which is a term they use, and a term that I, in turn, had used uncritically. Now, however, I have chosen to use the terms “itinerant” and “migrant” to describe them, only using “expat” or “expatriate” where it was someone’s actual usage (including my own) in Equatorial Guinea. I have made this shift because “expatriate” is a racialized term that essentially refers to the relative ease of white global mobility, based on the ongoing colonial advantage secured by European nations. Migrant, by contrast, is also a racialized term but refers to the relative difficulty of nonwhite mobility. Thus I refer to these managers as migrants as opposed to expatriates in order to denaturalize both terms and draw attention to their racialized constitution. In this choice, I draw on the work of Mongia (1999); Neumayer (2006); Andrucki (2010); and Mau et al. (2015). I have also relied heavily on Achiume (2019), who writes: “First World citizens have far greater capacity for lawful international mobility relative to their Third World counterparts, even setting aside questions of personal financial means. One’s nationality determines the range of one’s freedom of movement in a way that completely belies frequent claims that assert or imply that all persons are equally without the right of freedom of international movement in our global order. This is because of the robust web of multilateral and bilateral visa agreements that privilege First World passport holders and pre-authorize their movement across the globe. . . . Freedom of movement is, in effect, politically determined and racially differentiated. . . . And because of the persisting racial demographics that distinguish the First World from the Third—demographics that are a significant product of passports, national borders, and other successful institutions partially originated as technologies of racialized exclusion—most whites enjoy dramatically greater rights to freedom of international movement, by which I mean travel across borders, than most nonwhites.”

5. I use “Guinean” and “Equatoguinean” interchangeably to refer to people from Equatorial Guinea. “Guinean” is closer to local usage, where Guineano/a refers to an Equatoguinean national; however, because there is a separate country called Guinea
(often referred to as Guinea-Conakry), this usage can be confusing outside national borders. Thus, I interchanged it with Equatoguinean.

6. More recent histories characterize Río Muni as having a greater part in global trade and colonial connections, with active timber and rubber trade by German and British firms from the 1890s forward, and a vast labor-recruiting network with Liberian, Portuguese, and coastal Ndowe agents (Nerín 2010; Martino 2016a, 2018b).

7. See Mamdani 1996 on the colonial and postcolonial history of forced labor on the continent. See Martino 2016a for more details on the Equatoguinean/Nigerian situation.

8. Dictadura is dictatorship in Spanish. Dura means hard, where blanda means soft. Thus, dictadura to dictablanda refers to the softening of the dictatorship.

9. Kirsch (2014) offers a powerful account of this moment in the transnational mining industry, arguing that, from this moment, “the dialectical relationship between corporations and their critics has become a permanent structural feature of neoliberal capitalism” (3).

10. See Kirsch (2014), who writes about “Not another OK Tedi,” and Bond’s (2013) work about change in the oil industry as an ongoing response to disasters of their own making.

11. For more recent and detailed accounts of the political situation in Equatorial Guinea, including the six-month detention of political cartoonist Ramón Esono Ebalé, or the internet blockage and oppositions arrests leading up to the November 2017 elections, see resources on the EG Justice website: https://www.egjustice.org/.

12. In their “Feminist Manifesto for the Study of Capitalism,” Bear et al. (2015) call these assemblages formalizations or conversions through which “diverse social and economic projects come to appear coherent despite the heterogeneous, disaggregated practices from which they are constituted.”


14. Quantitatively, flaring is measured in million cubic feet per day; for the largest producer in Equatorial Guinea, it averaged around 75 million cubic feet/day between January and April 2007 off of one platform (internal document).

15. On modularity as an ethnographic object, see Appel 2012c.

16. Ansley (1989) defines white supremacy as “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 non-white subordination are daily reenacted across a broad array of institutions and social settings” (1024). This is the definition I use throughout the book.

1. The Offshore

1. All company and personal names are pseudonyms, here and throughout the book.

2. In general, access to offshore infrastructure for any amount of time was quite difficult for me to arrange and required months of relationship building and anticipa-
tory research with the company in question. Once I gained hard-won access for my
twelve-hour visit to the FPICO, I sought to organize return trips. Significant to the
larger argument I develop in this book, by the time I did so, that rig had already been
contracted by a different company and had changed locations at sea.

3. See Nixon 2011 on slow violence, and Hughes 2017 on the argument that the oil
industry is most dangerous when it is working normally.

4. Of course, government officials in Equatorial Guinea and elsewhere are often
complicit in this vast transfer of funds. Ghana—the next major African offshore oil
exporter—has chosen a different approach to this issue and has been working with
Barclays Bank since 2005 to establish itself as a tax haven (Mathiason 2009).

5. Thanks to the dissertation writers’ seminar led by Sylvia Yanagisako in 2009
for pushing me in this direction.

6. Transfer pricing refers to the practices by which legally related entities (a parent
corporation and its subsidiaries, for example) negotiate cost and payment for goods
and services among subsidiaries. Transfer pricing becomes a consequential practice
because taxable income is determined based on net profit, giving companies an incen-
tive to inflate costs and pay exorbitant rates to their subsidiaries in order to minimize
their tax burdens.

7. The incessant finger-pointing among BP, Halliburton, and TransOcean in the
wake of the Deepwater Horizon conflagration demonstrates this insight in practice.

8. MEND is the Movement for the Emancipation of the Niger Delta (see Adunbi
2015; Kashi and Watts 2008). As a northern neighbor of Equatorial Guinea, and ef-
effectively sharing productive offshore waters, every time there was a serious uptick of
violence in Nigeria, Equatorial Guinea would go on high alert. The “intel” grapevine
would start buzzing with rumors that an attack was also planned on EG, the strategy
being that the Nigerian government had stopped paying attention to militant action
within their borders, so fighters were going to carry out attacks outside of Nigeria to
regrab the attention of their own nation.

9. Thanks to Ramah McKay (personal communication) for encouraging me to
explore this line of thinking. I only wish that my data bore out the generosity her com-
ments suggested was part of these managers’ statements.

10. During eighteen months of fieldwork, I only encountered one female rig
worker. The offshore oil industry is an exceptionally patriarchal space.

11. Although my rig visit in Equatorial Guinea predated the 2010 Deepwater Ho-
rrizon conflagration, that disaster forcefully brought these potentialities into the con-
sciousness of a wider American, and arguably international, public. See Bond 2011,
2013.

2. THE ENCLAVE

1. “The wives” is an emic label that these women used to refer collectively to them-
selves. The great majority of the women who played cards were in Equatorial Guinea
because they were married to migrant male managers in the oil and gas industry.
Others who played were married to male diplomats or men in oil services companies.
Thus, “wives” made sense to them as a collective category. Among the regular group of women—a rotating cast of approximately fifty at any given time—there was only one whose presence in the country wasn’t primarily defined (by her or others around her) as an accompaniment to her husband. This was “Joyce,” a Chinese migrant who had come to Equatorial Guinea in the mid-1990s to open a Chinese food restaurant. While her husband was indeed with her, as he was the cook, she was the social and commercial face of the business. When referring to this group of women in this chapter, when appropriate, I use their term, “the wives,” although it is one of the purposes of this chapter to think through their modes of being—gendered, secondary, and otherwise—in Equatorial Guinea.

2. The three large enclaves I discuss here are by no means the only oil or oil-related compounds in the country. As the industry exploded in Equatorial Guinea and more companies came in every day, small walled complexes began springing up everywhere. But these companies are smaller, often related to Smith, Major, or Endurance through subcontracting relationships discussed at length in chapter 4. With fewer in-country employees, their compounds were also noticeably different. They were generally located in affluent residential neighborhoods of Malabo, often recognizable by high walls, razor wire, and uniformed security. These complexes housed between three and fifteen migrant employees at any given time, and were often more incorporated into the communities around them, both architecturally and in terms of the circulation of their personnel. The men and occasional woman in these companies went into town more often and certainly fraternized outside their walls more, even if simply to go to another compound, usually the big ones that I deal with here, which became migrant management social centers. While these smaller developments are interesting and were an increasing presence in Malabo during my time there, I don’t discuss them explicitly in this chapter except to note here that they exist, and that the lifestyles of the people who work in them can be somewhat different than what I describe. In terms of business practices, because they are subcontractors or consortia investors for Endurance, Major, or Smith, their ring-fencing is largely taken care of by being under the wing of a larger operating company.

3. See Pierre 2013 for whiteness as a form of increased mobility through securitized spaces in postcolonial Ghana.

4. Given the centrality of state-sponsored violence to trade in this era, Beckert (2015) encourages us to replace “mercantilism” with War Capitalism, which “better expresses [the period’s] rawness and violence as well as its intimate connection to European imperial expansion.” His rereading of Marx’s original accumulation and rethinking of mercantilism relies on the scholarship of the black radical tradition, including Williams 1944. See Hudson 2017b for a critique.

5. On the centrality of Africa and the African diaspora to capitalism (and critical rereadings of Marx on primitive accumulation), see James 1963; Robinson 1983; and Johnson and Kelley 2017.


7. After Obiang’s overthrow of Macías in 1979, the bienes abandonados decree
stipulated that during a specified time period, Spaniards who had abandoned “their” land under Macías could return to recuperate it, although they were no longer recognized as owners and were asked to buy the land back from the new regime. Some Spaniards returned, purchased land, and resumed work, mostly in agriculture. But in many (if not most) cases, the Spanish were not able to repossess their land, even if they were willing to pay for it, especially those with property in or near the city, or with particularly valuable holdings like Punta Europa. In general, those who returned slowly realized that there was no juridical guarantee of stability for their land tenure, even having successfully reclaimed ownership. Many began returning to Spain. The decree was widely understood as having multiple motives, including not only revenue for a new regime whose treasury had been raided by departing settlers, but also the official transfer of many of the most valuable holdings into the hands of Obiang and his new cohort of leaders. Punta Europa has belonged to Obiang as private property since this time.

8. Working for the Clinton White House, J. Paul Bremer served as the leader of the Coalition Provisional Authority (CPA) in Iraq from May 2003 until June 2004, following the 2003 invasion of Iraq by the United States.

9. See Introduction note 4 for the meaningful distinction between migrant and expatriate and how I use these terms in the book.

10. On white ambivalence in charity and development work, see Elisha 2008 and Kowal 2015. On the thinness of white ambivalence as a form of narcissism that only buttresses white privilege and supremacy, see Heron 2007 and Goudge 2003. On race, whiteness, and blackness in the development industry and Africa more broadly, see Pierre 2013.

11. Prohibitions on public transport were company policy for all migrant workers, though perhaps only enforced by and among managerial levels. These policies were not specific to women. Prohibitions on or permissions for driving private/company cars for men varied with their position in the company.


3. THE CONTRACT

1. Zalik (2009) writes of subcontracted Mexican oil workers that they too “are often denied severance pay supposedly guaranteed under contract” (573).

2. On concessionary companies, see Bouteillier 1903; Coquery-Vidrovitch 1972; Cantournet 1991; and Hardin 2011.

3. The opening four “Recitals” of the sample production sharing contract (República de Guinea Ecuatorial 2006b) specify this ownership regime, starting with the first: “whereas all Hydrocarbons existing within the territory of the Republic of Equatorial Guinea, as set forth in the Hydrocarbons Law, are national resources owned exclusively by the state” (i). The following three recitals go on to say that the state wants to develop hydrocarbon deposits within a specific contract area; the contractor has the financial, technical, and professional ability to do so; thus, the state
and the contractor enter into this agreement. This ownership regime is also con-
secrated in Equatorial Guinea’s Hydrocarbon Law (República de Guinea Ecuatorial
2006a), which begins: “The fundamental Law of the Republic of Equatorial Guinea
consecrates and designates as the property of the people of Equatorial Guinea all re-
sources found in our national territory, including the subsoil, continental shelf, is-
lands, and the Exclusive Economic Zone of our seas. It is by the mandate and delega-
tion of the people, to whom these resources legitimately belong, that the Government
undertakes to manage them.”

4. For this reason, as Latour (2005) argues, we cannot offer a “social” explanation,
but must instead offer an account of “reassembling the social” itself.

5. See Hale 1923 and Mnookin and Kornhauser 1979 for classic accounts of this
argument. See Banaji 2003 for a historical materialist account.

6. The company-as-party listing in the sample psc reads: “[INSERT NAME], a
company organized and existing under the laws of [INSERT JURISDICTION], under
a company registration number [INSERT NUMBER], and having its registered office
at [INSERT ADDRESS], (hereinafter referred to as [the Company]), represented for the
purposes of this Contract by [INSERT NAME], in his capacity as [INSERT POSITION]”
(República de Guinea Ecuatorial 2006b, 1).

7. See Sawyer 2006 on this dual potential of corporate personhood.

8. Until its merger with PNC Financial Services in 2005, Riggs Bank was a venera-
ble Washington, DC, financial firm. Its two major lines of business were Private Bank-
ing, “financial services provided exclusively to wealthy individuals,” and a specialized
area known as Embassy Banking. Riggs opened and administered accounts to “more
than 95% of the foreign missions and embassies located throughout the Washington
metropolitan area” (Coleman and Levin 2004, 13).

9. In another egregious regional example of the contract as a vehicle for liability
denial, in 2009, a group of Nigerian citizens took Chevron to court in an attempt to
hold the company responsible for the murder of their relatives on an offshore plat-
form. “The Company” was easily able to claim that it was a nonsovereign entity op-
erating under legal and contractual conditions, which absolved them from security
outcomes even on their own platforms (Michael Watts, personal communication).

10. See Harris 1993 for the ways in which transformative liberal legal precedent—
Brown v. Board of Education—enshrined the white supremacist status quo as the neu-
tral baseline under the sign of newfound equality.

11. “To include a country on the index, Transparency International analyzes at
least three reliable data sources from credible organizations. This year, the anticor-
ruption organization was unable to find a third source of information for Equatorial
Guinea. The absence of one single source such as the African Development Bank
made it impossible to get the necessary three sources to be ranked compared to last
year’s available sources. Compare this to neighboring Cameroon (ranked toward the
bottom of the index at 136th), where Transparency International was able to identify
eight reliable data sources” (http://www.egjustice.org/post/eg-too-opaque-rank-0).

12. “The antibribery provisions of the FCPA make it unlawful for a U.S. person,
and certain foreign issuers of securities, to make a corrupt payment to a foreign offi-
cial for the purpose of obtaining or retaining business for or with, or directing business to, any person. Since 1998, they also apply to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. The FCPA also requires companies whose securities are listed in the United States to meet its accounting provisions. See 15 U.S.C. § 78m. These accounting provisions, which were designed to operate in tandem with the antibribery provisions of the FCPA, require corporations covered by the provisions to make and keep books and records that accurately and fairly reflect the transactions of the corporation and to devise and maintain an adequate system of internal accounting controls” (http://www.justice.gov/criminal/fraud/fcpa/docs/lay-persons-guide.pdf).

13. The brief legal history in this paragraph is based on conversations with this judge, a series of lawyers, and the scant legal history available, including Liniger-Goumaz 2000, and Campos Serrano and Micó Abogo 2006. On archives in Equatorial Guinea, see Martino 2014 and Enrique Martino’s incredible Open Archives Project: opensourceguinea.org.

4. THE SUBCONTRACT

1. On contemporary body shopping practices, see Aneesh 2006; McKay 2007; 2014; Biao 2006; and Parreñas 2008, 2015.

2. On racial capitalism in particular, and a summary of the Black Radical Tradition, see Robinson 1983. For more recent work that explores the relationship between racialization and transnational capitalist processes, see Hoang 2015; Hudson 2017a and b; and Beckert 2015.

3. Again, back to chapter 1, note here that the dispersed corporate geographies and liability-dissemination practices are definitive not only of the large operating companies, but of the oil services companies as well. Laurel’s finance manager described this setup as “the ‘legal’ way to do whatever they want with their money. They can declare some. They cannot declare some. It’s not double accounting, but handling things the way they want, creating their own fiscal paradises.”

4. Here “the party” refers to PDGE—the Democratic Party of Equatorial Guinea, or Partido Democrático de Guinea Ecuatorial. This is the president’s political party, and membership therein was widely considered a requisite for any kind of gainful employment.

5. THE ECONOMY

1. As of 2018, credit and ATM cards were far more useful and (with still-declining oil prices and production) petty theft more common.

2. See Mitchell 2002 on this phenomenon with Egyptian cotton.

3. In Equatorial Guinea, the issue of where the administration is—Malabo or Bata—is for many people tied up with the Fang/non-Fang (biloblob) question. While the colonial capitol is Malabo, many suggest that Obiang privileges administrative presence and infrastructural development in Bata, and on the continent more gener-
ally, out of fealty to Fang people. While the Fang remain the demographic majority in Malabo as well, the island’s rural inhabitants are mostly Bubi.

4. On whiteness, racial meaning-making, and development, see Pierre 2013; Crewe and Fernando 2006; Leonard 2010; Kothari 2006; and Kowal 2015.

5. The first paragraph of the 2007 conference’s printed material starts with a summary of these looming futures. After noting that Equatorial Guinea has experienced unprecedented growth over the last ten years, a caution: “This growth is fragile, and based entirely on petroleum, whose productive peak will be reached in less than five years, while agriculture, which flourished in the past, is in decline and new sectors are not emerging” (República de Guinea Ecuatorial 2007a, 9). Even in the first National Economic Conference in 1997, when oil was the unanticipated solution to Equatorial Guinea’s two decades of independent economic disaster, the resource curse cast its shadow: “Today a brilliant star has risen over Equatorial Guinea, that lights the way for all of our aspirations toward the progress and development of the nation. . . . The current economic moment invites us to examine the negative experiences of other countries whose goals have been frustrated in the use of their natural resources, and those who have been successful” (República de Guinea Ecuatorial 1997, 2).

6. The Spanish and French Cultural Centers sold a handful of books, and each had a small library accessible free to students. There were no private bookstores or public libraries. See also Williams 2011.

7. Throwing money, like “making it rain” in parts of US hip-hop culture or “shower money” at Nigerian weddings, is a recognized way to publicly display relations of patronage and hierarchy in Equatorial Guinea and beyond. Despite this recognizable ritual character, however, the Equatoguinean friends with whom I was watching the news that day were enraged by Teodorín’s gesture and turned off the television in disgust.

8. Indeed, it had the MBAS without Borders fantasizing about something so separate from state control as to sound like the “informal economy”: “Here, it’s hard for a business to be legitimate, even if they want to be. It just means they get taxed and abused more. It’s almost better to be under the radar, almost better not to have those connections. Our idea now is just to build small companies which will specialize in something, and, from that, find a model that the other companies will follow. We’re trying to help build a market, generate some competition, good old capitalism.”

9. Koz2Rim song translated from French: “In our days, honor is dead / and only the CFA is left standing. / To sell a homeland to the highest bidder / banks defrauded as ministers and the state fill their pockets and leave us nothing. / They cruise around, all of them, in Porsches.”

6. THE POLITICAL

1. “Even as the World Bank and others turned away from hardline neoliberalism in the wake of structural adjustment, information problems remained the key to guiding the developing world out of poverty” (Hetherington 2011, 5).

2. The widespread dissatisfaction, even among economists, with GDP as a mea-
sure of national economy is a compelling analogue here, and perhaps more than ana-
logue insofar as the abstractions in each case are substantively the same.

3. See James 1963; Sartori 2014; and Robinson 1983, chapter 9, for contrasting con-
clusions and discussions about the radical potentials of liberalism within capitalism.

4. “Inicio del seminario sobre Democracia y Buena Gobernabilidad de la eiti,”