

Fria in Guinea: A Dismissed Bauxite Town

Johannes Knierzinger

Abstract

The article recounts the recent history of the bauxite town Fria, about 100 km north of the capital Conakry. From the late 1950s until 2012, Fria had been the only African producer of aluminum oxide, an intermediate product in the production of aluminum out of bauxite. During a strike in April 2012, the workers of Fria were locked out by the owner, Rusal, a Russian aluminum company, and since then the factory has not resumed production. The article discusses possible reasons for this lock-out and reports on the severe consequences for the population of Fria. It concludes that Rusal's mode of operation is different from that of Western companies, but the long-term outcomes are not. This concerns the ongoing export of unprocessed bauxite (despite numerous promises to build refineries and smelters), the degradation of working and living conditions and the increased misuse of measures of corporate social responsibility.

Introduction

In this article, I will assess the reasons for the shutdown of an alumina factory in Fria, about 100 km north of the Guinean capital Conakry, which pushed the whole sub-prefecture of 70-80,000 inhabitants (République de Guinée 2014: 7) into hardship and hunger. Fria is a showcase for recent developments in the bauxite/aluminum sector and for resource exploitation in the Global South in general. After a global resource boom in the 2000s that had been compared to the Scramble of Africa of the 19th century by several analysts (e.g. Southall/Melber 2009), most resource prices plunged again with the financial crisis and the subsequent cooling of the world economy. The majority of the announced mining projects of the 2000s were put on hold and many old ones were closed down. In Guinea, this typical cycle of bust and boom currently leads to situations comparable to

Ferguson's (1999) famous description of the Zambian copper industry. However, Fria is at the same time quite a special case of an abandoned African mining town, firstly because the dependency of the population on the private company is especially high and, secondly, because this company forms part of a new group of investors from non-Western countries whose methods have been severely criticized by Western observers (for a comparable study on a Chinese mining company in Zambia see Lee 2009). While the methods of Rusal in Guinea as in other countries seem to be rather harsh compared to Western companies, it will be shown in this article that Rusal mainly continued to administer the social decline of a city that already started in the 1970s under European leadership. Another particularity of Fria is the weak Guinean government. While Guinea is certainly no "failed state" (in general it remains questionable *when* and *whom* a state fails), its controversy with Rusal shows that in this case it makes sense to speak about deterritorialized sovereignty regimes (Agnew 2005)¹ or about imperialism (Southall/Melber 2009: XXI) instead of a clearly demarcated national sovereignty. One of the most important "threads" that link Guineans with these wider networks of control is aluminum ore or, in other words, bauxite.

Until today, primary aluminum production is almost exclusively based on bauxite. The Guinean mining town Fria produced the intermediate product between bauxite and aluminum, aluminum oxide (Al_2O_3) or alumina. After a highly energy intensive smelting process, the resulting aluminum is mostly used in transport (cars, airplanes, trains, etc.), construction and packaging. A good part of the Russian production is most likely used for Russian car production. Two-thirds of Rusal is owned by the Russian oligarch Oleg Deripaska who also possesses the Russian car manufacturer Gaz Group and has stakes in many companies from other sectors, for

¹ Agnew (2005: 445) discerns four different ideal types of sovereignty regimes – classic (e.g. China when he published his article), globalist (e.g. the US during the Cold War), integrative (the EU when he published his article) and imperialist – that can be distinguished regarding their grade of territorialization.

instance the Austrian Strabag. Gaz Group cooperates with companies like General Motors and Mercedes (cf. Brüggmann 2007; Khrennikov 2012).

As I have not managed to establish contact with the company, my view on the crisis in Fria is certainly biased. Besides the fieldwork conducted in 2012 and 2014 (consisting mainly of about 150 open interviews in Guinean mining towns and in Conakry), I was able to draw on the following resources: the unpublished documentation and the pamphlets of the Guinean intellectual Ibrahima Diallo, official documents of governments and companies and articles in the press.

Russian companies in Africa have not received much academic attention up to now. I therefore decided to use this special issue on Guinea to provide a fairly detailed account on the current situation in Fria. After presenting my theoretical background and a short history of Fria, I will attempt to reconstruct the reasons and triggers for the crisis and the reactions of the Guinean government.

Theoretical aspects: The global commodity chain of aluminum

The article is the outcome of a larger research project on bauxite mining and processing in Africa mainly based on global commodity chain (GCC) theory (see Bair 2009) which enables a combined analysis of global politico-economic structures and the concrete local struggle in Fria and Guinea. Deripaska's network of companies, ranging from bauxite mining to car production, is an extreme case of a producer-driven commodity chain where one company owns a comparatively large transnational network of production facilities. This leads to a different power structure than a so-called buyer-driven commodity chain where the dominant companies rely mostly on research and marketing to control outsourced production capacities (Gereffi/Korzeniewicz 1994).

This results not only in an especially powerful position of the involved companies and investors but also in a quite unique position of the workers in the bauxite mines. Currently, each of the globally about 25 bauxite mines

in operation provides ore on an average to about 3 refineries and about 8 smelters. (cf. United States Geological Survey 2013; Committee on foreign affairs 2007: 41). The workforce in the processing industry is at least ten times larger than the one needed to produce primary aluminum (cf. Kerkow et al. 2012: 26). This means that contrary to buyer-driven sectors like the garment industry whose supply chain is structured in the form of pyramids – making it easy to replace suppliers from the lower tiers – capital intensive mining like bauxite mining has a trumpet shape. If one bauxite mine stops producing, hundreds of aluminum processors are concerned. Additionally, the construction of a mine is very capital intensive and time-consuming. It takes 10 to 15 years before a mine becomes profitable.

Guinean bauxite mining was responsible for most of the governmental revenue until the 1980s and remained the almost exclusive source of foreign currency until the late 2000s (Campbell 1991; Moore Stephens 2013: 10). This means that both from the perspective of corporate governance and from the point of view of the Guinean government, the bauxite mines with their currently about 2500 direct employees are "bottlenecks" of global commodity chains (cf. Knierzinger 2014). If properly organized, these miners will wield considerable power, not only with regard to resource dependent governments like Guinea, but also in relation to transnational mining giants like Rusal whose annual revenues can easily dwarf the whole Guinean GDP. However, the analysis of recent events in Fria will show that the power of this bottleneck position largely depends on global cycles of boom and bust or, in other words, on historically changing global power relations.

The technical aspects of aluminum production as well as the geopolitical implications of geographically concentrated minerals like bauxite lead to a highly interwoven structure of the industry: Both the relation of governments and companies and the relation between companies remain unclear. While Northern states always built up and supported their own aluminum champions, either as parastatals or as highly subsidized private companies, these companies themselves became more and more

interdependent during the 1960s and 1970s, when many mining facilities in the Global South were nationalized. Western aluminum companies reacted to this "resource nationalism" by forming joint ventures with Southern governments and other companies (mainly from Europe and the US) in order to minimize the risk of losing control over raw materials. This means that there are no clear conflict lines or camps. There is neither a clear separation of the old geopolitical camps between East and West – although this rupture zone has become more discernible since the last mining boom – nor a clear conflict of interests between Northern companies and Southern governments (Knierzinger 2015: 42-45).

A brief history of Fria: The slow decline of "Little Paris"

The history of the company town of Fria can be divided into three periods: The establishment of the city and a following "golden age" of the so-called "Little Paris" from the 1950s until the 1970s which corresponds with a strong growth of global aluminum production; a period of secular decline from the 1970s until the 1990s, again parallel to a less dynamic aluminum market that also led to the retreat of the French founding company Pechiney; and the developments since the turn of the millennium under the leadership of the private Russian aluminum firm Rusal.

Fria was established in the 1950s as part of extensive industrial plans of the late French colonial empire that even included the production of airplanes in the Guinean highlands of the Fouta Djallon. Due to risk reduction strategies of the French aluminum company Pechiney and due to the early Guinean independence followed by an abrupt disassociation from France, these extensive projects resulted in a rather small alumina refinery, which nonetheless remained the only of its kind on African soil until today. Built from scratch in the 1950s, Guinea's "Little Paris" offered comparatively high standards of living, mostly because the involved companies from Europe and the US had to attract over 500 expatriate workers when production started (ibid: 50, 151).

Pechiney operated on the basis of a longstanding corporatist tradition of catholic coinage with roots in the 19th century that was reinforced by the shift of the late French colonial policies. In the mid-1950s, the company Fria was formed and the *Mission d'aménagement de Guinée* (MARG), mostly financed by the French government, began with the construction of the needed infrastructure (Pauthier 2002: 74-75). MARG built a whole city, with electricity and water supply that was directly linked with the factory; sports infrastructure like football, handball and tennis playgrounds, an Olympic swimming pool, a judo hall, athletics facilities; two schools, one for the expatriates and one that it "borrowed" to the public administration; religious buildings like mosques and churches; as well as a range of other services needed for a functioning city like waste disposal, waste water treatment and not to forget a comparably sound health infrastructure with the best hospital in Guinea. Electricity was practically given for free to the whole population of Fria. From its inception until 2013, the city's electricity has been generated by small thermal power plants installed on the refinery site. Ibrahima Diallo, an influential activist in Fria, also emphasizes the symbolic importance of the factory sirens that ordered city life by marking the beginning and the end of work and signaling accidents and dangers (Diallo 2014a). When the sirens were tested in January 2013 – eight months after the halt of the factory – market (wo)men began to dance on the streets shouting "The whites are back!". However, for good or bad, they had not come back at the time of writing (Knierzinger 2015: 150).

Due to good relations between the Guinean independence movement and the French communist party since the 1940s (Touré 1967: 51–53) and due to the presence of French trade unions since Fria's construction in the 1950s, the workers of Fria soon became aware of their unique position – up to the point when even the allegedly revolutionary government of Sékou Touré felt increasingly threatened by them. Shortly after the government became a shareholder of the newly formed joint venture Friguia in 1973, it cracked down heavily on its Guinean management and its trade union leaders, denouncing them as "counter-revolutionaries" and deporting many of them

to the infamous Camp Boiro (Knierzinger 2015: 193).² The trigger for this repression were demands for higher salaries and better living standards. However, as the enterprise had not declared profits by that time and as the government did not pay for any input, higher gains for workers in Fria would not have affected the national finances in any way (cf. Campbell/Clapp 1995: 429). The danger was therefore purely discursive: The "labor aristocracy" of Fria seemed to live quite well of its capitalist masters and therefore constituted a danger for the Guinean "revolution" (Knierzinger 2015: 193).

Due to more tangible reasons, these attempts to bring down the living standards in Fria were repeated in the 1980s and 1990s under the leadership of the IWF, the World Bank and the European Community, for instance via Sysmin aid (Ralph Spencer Associates 2000). The decline of "Little Paris" therefore began already in the 1970s and was deepened in throughout the 1990s and the early 2000s, when Pechiney (France) and Reynolds (US) cut expenditures during their own – unsuccessful – crisis management: Both companies were bought up by competitors shortly thereafter, Reynolds in 2000 and Pechiney in 2003 (ibid.; cf. Larrue 1997: 183, 201).

In 1997, shortly after the departure of its joint venture partners, Pechiney handed over the company to the government, which started a process of reprivatization under the auspices of the World Bank. Following a short intermezzo with the US company Reynolds, the Russian company Rusal took over its management in 2003 and finally bought it in 2006. Like almost all bauxite companies operating in Guinea until today, Rusal won the bid (against a Chinese company) by promising an extension project that would have led to the duplication of alumina production in Fria. None of this has been established to date, with Rusal claiming that the Guinean mining department has failed to approve Rusal's plans as provided by Guinean law (Storozhenko 30/04/2009). Many workers of Fria do not agree with this interpretation: for them, the company always had the intention to reduce

² According to the consultant Herschelle Challenor over 5000 people died from starvation and torture in this concentration camp in Conakry (US Congress 2007: 31).

Fria to a bauxite mine, owing to both the poor condition of the factory and because it preferred to refine the bauxite in Ukraine (see below). The resulting strikes and violent clashes went along with a deterioration of the relations between the Guinean government and Rusal, which was itself more and more openly backed by the Russian government. In the following paragraph, these changing relations between the companies of Fria and the respective governments will be recounted.

Changing relations between companies and Guinean governments

After Sékou Touré's death in 1984, the government was taken over by Lansana Conté, a military leader who immediately resumed negotiations on structural adjustment with the IMF and the World Bank, which had already been started in 1982. In 2008, Conté was replaced by the previously barely known army captain Moussa Dadis Camara. Under Camara, official relations with Rusal worsened considerably. The self-proclaimed president accused the company of fraudulently acquiring assets in Fria and of not honoring its contract. He also forced Rusal's representative in Guinea, Anatoly Patchenko, to appear on his television broadcast "Dadis' Show". After several minutes of meaningless shouting followed by periods of silence in front of armed soldiers and a paralyzed talk show audience, Dadis demanded Patchenko to promise that Rusal would not close down the factory. Patchenko promised, only to leave the country shortly after the show (cf. Saada 2009).³ Two successive court rulings on 10th August and on 10th September 2009 nullified the privatization of 2006 and ordered an audit to estimate the losses of the Guinean state since 2006.

Rusal reacted on 30th April by publishing an "Aide-mémoire sur la privatisation de Friguia", where it tried to rectify information on the privatization and its course of action, arguing again that the production price in Fria was far above the price of sale. Further, the company listed all "social projects" that had been realized until 2009. This comprised the

³ This episode of *Dadis' Show* can still be watched on YouTube.

maintenance of water and electricity infrastructure, the renovation of two stadiums, several religious places and the *Monument aux martyrs de la République*, the construction of a center for industrial training, the installation of several well drillings and the granting of 100 stipends for schooling in Russia (Storozhenko 30/04/2009). Several interview partners criticized this list by pointing out that many of these "social projects" were part of Rusal's obligations, many projects did not work out, or were never finished or were part of corrupt deals (Knierzinger 2015: 172).

The audit which was published in January 2010, shortly after Dadis Camara's fall (he luckily survived an assassination attempt and left the country for medical treatment), suggested that Rusal must pay up to one billion USD as compensation for the losses to the Guinean state which were caused by the privatization of Fria in 2006. The audit estimated that 830 million USD worth of minerals were mined out since 2006 and environmental damage worth 170 million USD was inflicted. Several sources claim that the audit was funded by a Chinese competitor of Rusal (Burgis et al. 2010; Diallo 2010: 30, 38; Diallo 2012c). Rusal however, did not accept the ruling, pointing to clauses in its mining contract that indicated the *Chambre de Commerce Internationale* (CIC) of Paris as the valid arbitrator in case of disagreements (cf. Diallo 2010: 36). In addition, it stopped tax payments and threatened that it could replace any loss of Guinean alumina production "with its own production from other facilities or through market purchases" (Burgis et al. 2010).

In November 2010, Alpha Condé, a professor for public law at the Sorbonne, was declared the winner of a more or less democratic election process that had taken almost half a year. Condé had already been a leftist resistance leader during the dictatorship of Sékou Touré and initially held on to the claims of the regime of Camara (Diallo 2014b). After his rise to power, he capitalized on the last months of the global mining boom to increase Guinea's royalties by revising all mining contracts and by enacting a fairly progressive mining code. Shortly after its publication, the government had to revise the mining code due to pressure from the IMF

and the World Bank. While the Western companies declared themselves pleased with this turnaround, Rusal complained that the revision went not far enough (Lassourd 2013; Madsen 2013).

From the takeover of Rusal to the lockout

From a paternalist neocolonialist mining enterprise that managed to cope both with powerful trade unions and with an increasingly despotic (yet cooperative) government, the management of Fria thereby transformed into a more and more alienated actor that had to face the "labor aristocracy" and the government at the same time.

With the takeover of Rusal, the fall of living standards accelerated, real wages dropped further and the technical condition of the factory worsened. This went along with a change in personal relations between the expatriates and the locals. Ibrahima Diallo underlined the openness of European and American employees versus Guinean culture in comparison with Rusal, which erected a "Berlin Wall" (Diallo 2014c) after its arrival:

"They had heard that the French whites lived in the same habitat with the Guineans and shared their meals and that the Americans did almost the same. But they did not want to do that. Thus, they erected a *cit * right in city center that had privileged access to all the existing infrastructure and an extension of the initial *cit *. The principal characteristics of these two entities were the fact that they were closed (three meter walls with barbwire) and that they could only be entered by Russian personnel" (ibid.).

Such descriptions by the interview partners went along with the idealization of the situation under French tutelage. This corresponds with the existing literature up to a certain point. Pauthier holds that in comparison with the company town of Ed a, which had been built at the same time and by the same company, Fria was a "social and humanitarian success story" (Pauthier: 27). The former mining minister Ibrahima Soumah showed that the Guinean bauxite town of Sangaredi was still highly segregated in the late 1970s and underlined the attractiveness of Fria for

Guinean hipsters and revelers (Soumah 2008: 143). Racial discrimination nevertheless existed in various forms throughout the Pechiney era, for instance in the form of accommodation, remuneration and by means of other social conventions. However as a consequence of these rather successful social policies, Rusal faced a profound local patriotism and a well-educated and well-organized work force when it took over the management in 2003:

"Corporate life where they come from is totally different to here. Here syndicalism has enabled the workers to make demands. When there is a problem, syndicalism enables to address the problem. But my acquaintances have made me believe that this is a new element where they come from. The worker does not have the right to make demands. This friction, I think that this was very difficult for them." (Mayor of Fria in Knierzinger 2015: 163)

Based on its short capitalist history, Rusal's own expatriate workforce – as well as its leaders in Moscow – were not prepared for such an encounter in the middle of the West African savanna. Rusal's most effective method to lower wages and to cut fringe benefits was the creation of Russian-led subcontracting firms. Most employees of subcontracting firms were not given free accommodation and had to pay more for medical treatment and for staple food. By dividing the workforce, the company also reduced the power of the trade unions and created a parallel hierarchy within the factory replacing Guinean superiors more and more with Russian nationals (Knierzinger 2015: 182). These issues were combined with disciplinary measures concerning punctuality and productivity. In December 2009, the company dismissed a group of 132 "retirees" who did not receive pensions due to quarrels between the government and the company over a decision of the national assembly in 2006 to raise the age of retirement. All these measures resulted in a group of "radicalized" workers consisting mainly of the involuntary "retirees" and a group of trade union activists who were threatened with dismissal by Rusal. In April 2010, labor strikes led to senior officers of the company being taken as hostage (ibid: 175-181).

The degradation of working and living standards went hand in hand with a decline of the technical condition of the factory. In a report called "La politique de *après moi le déluge* pratiquée par Rusal à Friguia" (The politics of "after me, the deluge" practiced by Rusal in Friguia) trade unionists claimed in August 2009 that damaged vehicles had not been replaced and replacement parts for machines had to be obtained by dismantling other machines or were replaced by worn out material bought in Eastern Europe (Knierzinger 2015: 174). This also led to a fall of security standards, the frequent shut down of parts of the factory and to environmental damage such as the leakage of big quantities of sodium hydroxide into the nearby rivers. To contain this leaked sodium hydroxide, Rusal erected a dam that broke again a few months later, leading to another instance of a series of local ecological accidents since the erection of the factory (Diallo 2012b). In May 2009, Rusal admitted to a shortfall in replacement parts and explained this with the allegedly empty pockets of the company since the financial crisis (Kadyrov 2010: 3).

According to most Guinean interview partners, this was part of a well-calculated strategy of Rusal aiming at the replacement of alumina production in Fria with a Ukrainian refinery. Contrary to Rusal's initial announcements to double Fria's alumina production, the company stripped Guinea of its only existing processing facility. While all its predecessors had promised huge industrial projects that only resulted in the export of bauxite – this concerned for instance Pechiney (France) in the 1950s, Alcan (Canada) in the 1960s and 70s, Reynolds (US) in the 1990s and several junior mining companies like the US company GAC since the 2000s⁴ – Rusal tackled the actual destruction of the only existing processing facility (Knierzinger 2015: 174). The overall aim was nonetheless the same: A scattered production network that minimizes the infrastructural power (Mann 1984; cf. Agnew 2005) of the respective governments and leaves the reins in the hands of the global aluminum oligopoly.⁵ In spite of suitable conditions for integrated

⁴ Larrue 1997: 91,114; Campbell 1991: 34; Diallo 2014b; Holloway 1988: 33–36; Soumah 2008: 124–125.

⁵ Currently, four companies – Rusal, Alcoa, Rio Tinto and Chinalco – control about half of

production in Cameroon, Ghana, Guinea and Mozambique, the first country only has a smelter that received alumina from Guinea until 2012 (Pechiney Ugine Kuhlmann 1972: 2), Ghana and Mozambique possess small bauxite mines and smelters but no refinery (Lanning/Mueller 1979: 429–435; Wiederstein 1994: 37) and Guinea is left with two bauxite mines since 2012, in spite of possessing by far the biggest bauxite reserves in the world and favorable conditions for hydropower that could provide the necessary energy for several aluminum smelters (cf. Husband et al. 2009; Campbell 1991).

The lock out in Fria in April 2012

In December 2011, negotiations between the trade unions and Rusal got stalled. The worker's demands consisted of wages (300 USD base salary), better living conditions, better medical treatment and the technical situation of the factory. During the negotiations, a Russian executive showed two pictures of his home town, before and after the close-down of a factory, and succinctly commented that this was going to happen if the trade unions went on with their demands (Knierzinger 2015: 179). The negotiations failed and the trade unions threatened to strike. After one more meeting between the conflict parties and the prime minister at the end of December, the unionist took back their strike warning and confirmed that they would not strike until June 2012, while Rusal promised not to take any measures that would further reduce the workers' income during this time. However, the workers finally went on strike on 4th April 2012, against a ruling of the national labor tribunal, accusing Rusal of failing its promise of December 2011 (ibid: 179ff).

Rusal used this strike to recall its Russian personnel and to lock the factory. Since then, the employees of Rusal in Fria have neither been licensed nor put on leave, nor have they received regular salaries. Only in January 2014,

worldwide production. If we add up the production capacity of all Chinese state owned aluminum companies, the global market is more concentrated than ever (cf. United States Geological Survey 2013).

the company began to pay a small monthly assistance of about USD 150 to the employees of Friguia and a part of the subcontractors. It refuses to pay this assistance to around 50 unionists and activists on the grounds that they are "trouble-makers" (Knierzinger 2015: 197). In view of the financial crisis almost causing Rusal's insolvency, this unorthodox withdrawal was most likely beneficial to the company. Still in 2007, Rusal took over the Russian aluminum company Sual and the mining multinational Glencore to become the world's largest aluminum producer. Sual was owned by another oligarch, Victor Vekselberg, who also ranks among the richest Russians. Vekselberg left Rusal in March 2012 – one month before Friguia closed its doors – because he did not succeed in convincing Deripaska to refinance the heavily indebted company by selling another subsidiary that had been acquired before the sub-prime crisis: Norilsk Nickel, a nickel and palladium producer in Russia. Deripaska is reported to have kept this company due to political reasons, in spite of Rusal's debts of 11 billion USD in 2012 (Neue Zürcher Zeitung 2010; Khrennikov 2012). He was supposed to be the richest Russian before the sub-prime crisis and is reported to have lost more than 20 billion Euro during the financial crisis (Le Figaro 2008). If an illegal strike in Fria would not have provided a reason for the halt of production, Rusal would have been obliged to put the same amount of workers on leave or sell assets. Further, the resulting pressure on the Guinean government led to the acquisition of another mining concession in Dian-Dian in the Boké Prefecture which increased the market value of the company.

The closing down of the mine and the factory dragged the majority of Fria's inhabitants into misery. Due to the withheld wages of the workers and little employment possibilities outside the mine and the factory, Fria has been dependent on food aid since then. A small quantitative study by the author in Fria showed that the daily consumption of rice by the families of petty traders fell by about one third after the retreat of Rusal. Many interviewees stated that they eat once instead of twice a day due to the economic decline since the halt of the factory (Knierzinger 2015: 173).

As Fria was the only alumina refinery on the African continent and since the global mining business is in sharp decline, the employees hardly find other jobs based on their expertise. Furthermore, since the foreign companies had replaced governmental structures in virtually every aspect, the population no longer received free electricity and lost social services such as health insurances, decent water supply, waste disposal etc. The factory only maintained power supply for a few street lamps of the market place, for a mosque and for three nine-storied apartment buildings, whose sanitary system would have broken down without the possibility to pump water. When I visited the city for the first time in April 2014, these apartment buildings for the workers were in a sanitarily critical condition. The inhabitants complained about rising crime rates, deteriorating health care and a severe restriction of work time and methods due to the cut in power supply (Knierzinger 2015: 143-200).

The population of Fria reacted to this severe degradation in various ways, in the form of written demands to politicians and company officials, numerous demonstrations, roadblocks, sit-ins in front of the prefectural administration (which was renamed "Tahrir place" after its first occupation), judicial procedures and initiatives and projects for a future without mining. In the three years since the lockout, demonstrations of workers themselves were more and more accompanied by activism of their spouses and children. These more recent initiatives, focusing on education, agriculture and tourism, are mostly led by young educated *Friakas* who have managed to attract a good part of their funding from the Guinean diaspora from around the world (Knierzinger 2015: 199f).

Reactions of the government

The attitude of the Guinean government versus Rusal was inconsistent. While the mining minister visited Fria on the eve of the strike in order to virtually beseech the workers not to strike, the President initially supported the strike. Alpha Condé used to be a class mate of the former French foreign minister Bernard Kouchner (2007-2010; Kappès-Grangé/Soudan 2012) and is

said to be close to the financial investor and philanthropist George Soros. Via the NGOs Publish What You Pay and the Revenue Watch Institute, Soros provides highly qualified advisors to the current mining ministry of Guinea. Condé not only openly admitted the existence of these influential foreign experts, but even made them a core element of his overall policy (Kappès-Grangé/Soudan 2012). Soros recently called for more or less open military support of the EU to Ukraine (Soros 2015). In view of such illustrious allies, it is not surprising that the personal relation between Deripaska, who is backed by the Russian government and had important stakes in Ukraine until 2015, and Condé was complicated. The Guinean press reported on two meetings between Condé and Deripaska, where the President became "hopping mad" due to the behavior of the oligarch (Knierzinger 2015: 178, 183).

The first of these meetings between Rusal's CEO and Guinea's head of state was in April 2011, after Condé had questioned the validity of Rusal's concession in Dian-Dian and put the company on a list of 41 publicly quoted enterprises that owed taxes to the government (Le Figaro 2011). Rusal claimed the vast bauxite reserves in Dian-Dian on the basis that the Soviet Union had received them already in the 1970s, apparently as debt repayment (Diallo/Kaba 2014; Diallo 2012a). This transfer of claims from the former Soviet Union to the private company Rusal remains questionable and underlines the special relationship between the Russian state and Rusal. Since neither Rusal nor the Russian state had made use of these reserves since the 1970s, Condé set a deadline for the development of Dian-Dian and threatened to sell it to Chinese investors, if Rusal would not start investing. This provoked reactions by the Russian foreign minister and prompted Deripaska to visit Guinea together with the Russian mining minister. According to newspaper reports, the President angrily sent Deripaska out of his office, because the CEO of Rusal apparently showed a lack of respect. While some journalists argue that this personal affair was the fundamental trigger for Rusal's retreat from Fria, the company mainly pointed to the "radicalization" of parts of the workforce (Knierzinger 2015: 178f).

In the light of the potential political consequences of hunger and social unrest in one of the formerly richest towns of Guinea, it remains unclear why the President hesitates until the time of writing to enforce a decision on Rusal – either to come back to Fria or to leave for good. Rather than risking another national crisis shortly after having stabilized the situation in the country, Condé could have resold the stakes to other desperate investors. While the personal and geopolitical constellations are much more complicated than can be portrayed in this article, several instances point to a highly unequal *rapport de force* between the Guinea government and the Russian company that worsened with the consequences of the global financial crisis. Already in late June 2012, a few months after its withdrawal, Ibrahima Diallo, an influential activist and former employee of Rusal, who was himself hit hard by the crisis, reported on announcements of Rusal to finally shut down the locked factory. The mining ministry is said to have reacted by threatening to strip Rusal of all its assets in Guinea if this would happen (Diallo 2013a). Rusal answered by involving the Russian government, which threatened to insist on suspending negotiations on the HIPC (Heavily indebted poor countries) program of IMF and World Bank (Knierzinger 2015: 189).⁶ Deripaska became the owner of Rusal after a decade of violent fights over Russia's smelters, called the aluminum wars, which claimed the lives of dozens of competitors. He is married to the daughter of Boris Yeltsin's former chief of staff and appears to be close to Vladimir Putin (cf. Fortescue 2006: 80). Besides these political entanglements, an overall retreat of Rusal would also mean the closing down of yet another active Guinean bauxite mine which is in possession of Rusal (Débélé) and therefore again the dismissal of hundreds of workers and the decline of another mining settlement, again pushing into poverty not only the large families of the workers, but also taxi drivers, traders, artisans etc. – albeit on a considerably smaller scale than Fria. Considering

⁶ On 26 September 2012, the International Monetary Fund announced the decision to "support US\$ 2.1 billion in debt relief for Guinea, representing a 66 percent reduction of its future external debt service over a period of 40 years" (International Monetary Fund 2012).

further loss of governmental revenues and even more of workers' unrest, the government probably opted for the attenuation of the effects of the crisis in Fria by providing food aid. In September 2013, Prime Minister Mohamed Said Fofana succinctly declared that "we can do nothing against Rusal, the owner of the factory. It is more powerful than the state" (Diallo 2013b; translation by JK).

Conclusions

This brief account of the crisis in Fria (for more detailed descriptions see Knierzinger 2015) provides an example of how the rationalities of capital-intensive mining influence the daily life of millions of people. While the strongly producer-driven structure of the industry and the "bottleneck" position of Guinean bauxite miners would suggest that at least a limited number of Guineans wield considerable power in the commodity chain, both local and national "agency" seem to be rather limited, in particular since the fall of global raw material prices shortly after the subprime crisis of 2007/08. In most extractivist countries of the Global South, economic overexploitation is at least partly coordinated "at home" by rent-oriented political elites cooperating with external actors against the interests of most of their compatriots (cf. Shafer 1986: 918–919). However, the case of Fria shows that this cooperation can in fact be quite restricted: Rusal neither needed a cooperative government nor a pleased labor aristocracy to have its way. Its main means of control were the domination of a large part of the aluminum market and its infrastructural power. Its retreat led to the de facto dismissal of a whole city with about 70-80,000 inhabitants and to rapid social decline.

This rather grim picture of continuing the path of Western overexploitation in connection with less corporatist and less culturally interested management strategies has also been confirmed for Chinese mining enterprises. In a study by Lee (2009) of a Chinese mining company in Zambia, the firm was portrayed quite similar to Rusal as culturally disinterested, secretive and anti-union. Beside the fact that both companies

had little experience with capitalist ventures in comparison with Western companies, this can partly be explained by the situation in the countries of origin. Both in China and in Russia trade unions are weak, wages are far lower than in the West and both countries have seen vast sociopolitical transformations since the end of bipolarity. The self-assured attitude both of Chinese managers in the study of Lee (ibid: 654) and of Russians in Fria concerning cutting wages and social services can be related to their own experiences in their home countries. In both cases managers described these experiences in a virtuously martial manner as painful yet necessary measures to overcome allegedly outdated socialist arrangements.

Interestingly, the rough methods of Rusal concerning labor relations and cultural exchange went hand in hand with a rise of CSR measures. Only recently, at the same time when the first social and environmental impact studies of Western mining companies in Guinea were about to start, Rusal edited its first colored brochures listing its social investments in Guinea. The same change of attitude can be confirmed for Chinese bauxite companies operating in Guinea (Knierzinger 2015: 173, 257). "Old" and "new" investors therefore seem to have entered a race for corporate social responsibility at the same time, while entering the new scramble for resources in the 2000s. The impact of this social marketing wave is double-edged. Several studies on the extractive sector and beyond have lately shown that CSR is not to be confounded with social policies or development oriented investment. Regardless of the investors' origin CSR risks deepening the dependency on foreign controlled infrastructure and tends to circumvent local administrations and political representatives in the host countries (see Frynas 2005; Davis et al. 2016). However, this discrepancy between the need to compete with the marketing departments of other companies over CSR measures and persistently restrictive labor politics nonetheless carries the potential for an amelioration of the latter.

In the end, it remains to be underlined that there is no "Eastern" or BRICS model of mining in Africa. For instance, while Chinese state-owned mining companies did fairly well during the recent crisis (cf. Fraser 2010: 23),

Rusal's fast expansion before the crisis led to huge overcapacities. If Rusal had sold Norilsk, the factory of Fria would probably still be running. In view of the simple ownership structure of Rusal, it would therefore be easy, and to a certain extent even just, to make its main owner, Oleg Deripaska, responsible for this social debacle. However, as Guinean history shows, the company only took over the management of social decline of a mining town that already began in the 1970s and was reinforced by the ideological turnaround of the 1980s and by cost-cutting measures of European and American companies in the 1990s.

Due to its troubled relations with the *Friakas*, a return of Rusal to Fria is unlikely. However, based on the improbable developments in recent years as described in this article (most of all the fact that Rusal still operates in Guinea), it is nonetheless possible. In any case, the next "owner" of Fria, no matter if he or she is Chinese, European or American, will be able to start all over: As soon as aluminum prices rise again, the old factory will be razed and a new company will start to export bauxite – most likely based on a mining permit granted for the promise of processing bauxite in Guinea.

Maybe this time the investors will not find any excuses and stick to their promise and a new "Little Paris" (or rather a "Little Beijing" or a "Little Abu Dhabi") will re-emerge, creating relative wealth for a certain amount of time within a certain radius around the factory. However, there is also a small chance that the young activists of Fria carry their point for a "future without mines". In any case, given that the situation of most of the rest of the Guineans has not improved much over the last 60 years of intensive bauxite mining and won't arguably improve much even if Fria's bauxite is transformed into aluminum before it is exported, the Guinean political leaders and their advisors would do good to lend them their ears.

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