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# Africa Intelligence

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## *South Africa Goes Nuclear To Beat Electricity Shortage*

Confronted with nationwide power cuts since January, when the power grid nearly collapsed, the South African cabinet has approved the government policy of increasing the role of nuclear energy in providing electricity for the country. According to a June 12 Reuters report, chief government spokesman Themba Maseko told reporters after a cabinet meeting that “The objective of this policy is to increase the role of nuclear energy as part of the process of diversifying our primary energy sources to ensure energy security.” South Africa’s government is the majority owner in the Pebble Bed Modular Reactor (PBMR) project, the company set up to develop and market the accident-proof reactors nationally and internationally.

South Africa, the key country which could upend Anglo-Dutch financier plans to take control of all of Africa to shore themselves up as the world economy collapses, has been experiencing critical electrical power shortages. The short-term solution adopted by the government electricity utility, Eskom, has been to ration power by reducing consumption with rolling blackouts throughout the country, in an attempt to have enough electrical power to keep the mining sector functioning. Investors are already turning their attention away from mineral-rich South Africa, and are focusing on Brazil instead, according to reports, because of the electrical shortage.

South African gold and platinum mines are operating with 90-95% of their normal power supply. The January power cuts had forced them to shut down operations for five days. Eskom warned citizens May 14 to expect more power outages. Eskom produces 95% of South Africa’s electricity, mostly from coal plants. On May 29, Eskom CEO Jacob Maroga said that the power shortage that has slowed South Africa’s growth, and frightened investors, will go on for years.

The ratings agency Moody’s Investors Service increased the pressure on Eskom in

May when it placed Eskom’s A1 local currency and A2 foreign currency ratings on review for possible downgrade. To deal with the electricity crisis, Eskom proposed to double electricity fees over a two-year period. However, the government has allowed the utility to raise tariffs gradually over a five-year period, instead, which could still lead to unrest because of the effect on the poor.

The only long-term solution to the crisis is the development and implementation of the PBMR. The June 12 South African daily *Mail and Guardian* reported that the government plans to build 24 to 30 PBMR high-temperature nuclear reactors, with the first one scheduled to be in service by 2014. There are also proposals for additional conventional reactors. South Africa plans to spend \$43.56 billion on increasing generating capacity over the next five years.

In what would be a further boost to the project, Japan’s Mitsubishi Heavy Industries is reportedly considering a 10% stake in the PBMR. Mitsubishi is Japan’s biggest machinery company, and is designing and building the core barrel assembly and a helium turbine generator for the reactor.

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## *Abyei Peace Deal in Sudan May Avert New Civil War*

On June 8, a deal was struck between northern Sudan leader, President Omar al-Bashir, and southern leader, First Vice-President Salva Kiir, a former rebel leader, over the disputed region of Abyei, located in the border area between the two regions of the country. Conflict between troops from the North and South had erupted there in May, forcing as many as 90,000 residents to flee, according to UN officials.

The agreement could bring the country back from the brink of civil war, which together with other internal conflicts being manipulated by the British financial cartel, could lead to the dissolution of Sudan. The conflict in Abyei had threatened to wreck the Comprehensive Peace Agreement signed in 2005, which ended years of civil war between the North and South. During

the fighting in Abyei, Kiir’s immediate deputy in his Sudan People’s Liberation Movement, Pagan Amum, had said “the two parties are on the verge of a civil war.”

Abyei is economically significant because it is an oil-producing area. In addition to allowing for the return of local residents, the agreement includes setting up an interim administration, and seeking international arbitration to resolve the dispute.

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## *Truce Between Factions In Somalia a Non-Starter*

Somalia’s weak transitional government on June 9 signed an agreement with the moderate leaders of one splinter faction of the Islamic opposition, called the Alliance for the Reliberation of Somalia (ARS), headed by chairman Sheikh Sharif Sheikh Ahmad, which called for a cessation of violence within 30 days, in return for the withdrawal of Ethiopian troops within three months. The talks in neighboring Djibouti were organized by the UN. The UN Security Council promised to provide 8,000 peacekeepers in three months, if the Islamic movement adhered to the agreement. However, the negotiations were boycotted by al-Shabab, the military wing of Somalia’s Islamic movement, which controlled much of Somalia in 2006, and was then ousted by the Ethiopian invasion at the end of that year. The Ethiopian invasion was part of a global British imperial policy implemented by the Bush Administration, which has led to permanent conflict in Somalia.

The day after the agreement was made, Sheikh Hassan Dahir Aweys, also in the leadership of the ARS, denounced the agreement, indicating that fighting would continue. On June 10, Shabelle Media Network from Mogadishu, Somalia, reported that “the ARS will hold a meeting next week to make a decision to dismiss ARS chairman Sheikh Sharif Sheikh Ahmad from his post and appoint a replacement to him,” referring to him as a collaborator. Thus, this agreement seems to have very little chance of succeeding.