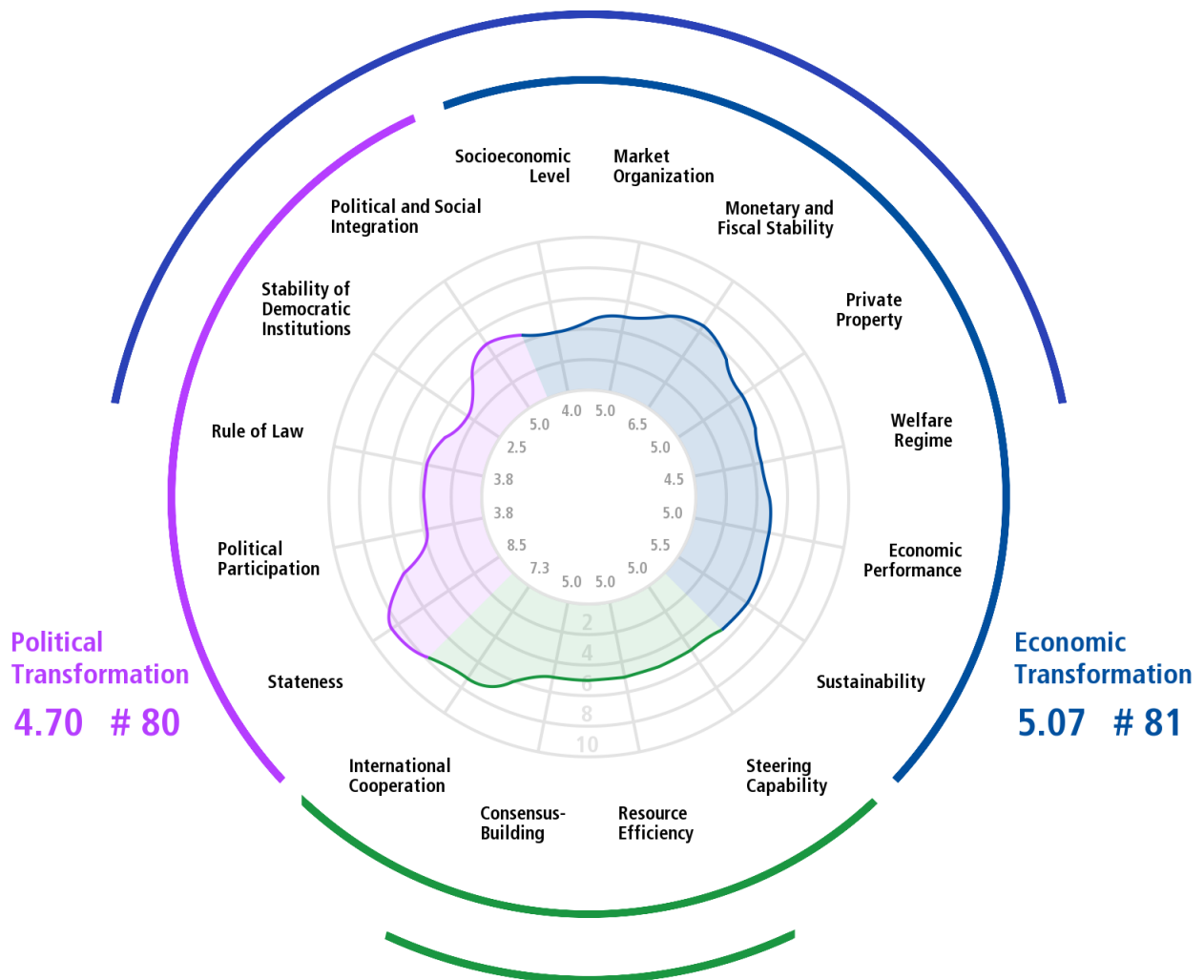


# Gabon

## Status Index

**4.89 # 88**

on 1-10 scale out of 137



**Political Transformation**  
**4.70 # 80**

**Economic Transformation**  
**5.07 # 81**

## Governance Index

**4.86 # 72**

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2020**. It covers the period from February 1, 2017 to January 31, 2019. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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**Key Indicators**

Population	M	<b>2.1</b>	HDI	<b>0.702</b>	GDP p.c., PPP \$	<b>17912</b>
Pop. growth <sup>1</sup>	% p.a.	<b>2.6</b>	HDI rank of 189	<b>115</b>	Gini Index	<b>38.0</b>
Life expectancy	years	<b>65.8</b>	UN Education Index	<b>0.636</b>	Poverty <sup>3</sup>	% <b>11.2</b>
Urban population	%	<b>89.4</b>	Gender inequality <sup>2</sup>	<b>0.534</b>	Aid per capita \$	<b>51.5</b>

Sources (as of December 2019): The World Bank, World Development Indicators 2019 | UNDP, Human Development Report 2019. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

## Executive Summary

Presidential elections in 2016 and legislative elections in 2018 were the central political events of the period under review. President Ali Bongo, in power since his father Omar Bongo's death in 2009, was guaranteed to win, given his party's complete control of the electoral machinery. His victory, secured by a few thousand votes from his family fief in the Haut-Ogooué region, was contested, provoking deadly riots and straining relations with France and the United States. After losing, his opponent in the presidential elections, Jean Ping, launched a peaceful campaign against Bongo to resolve a political crisis that had only worsened an economic crisis that was triggered by the global drop in demand for raw materials.

Low world oil prices continued to trouble the economy – highly dependent on petroleum, accounting for more than 80% of exports, two-thirds of state revenue and 43% of GDP. Gabon officially rejoined the Organization of Petroleum Exporting Countries (OPEC) after having left it more than two decades ago. Both Shell and Total sold off their Gabonese oil assets in 2017, seeking more lucrative prices elsewhere. Crude output dipped to around 220,000 barrels per day (BPD) in 2016, and 200,000 in 2017 and 2018. This output is a far cry from the heady mid-1990s when production topped 350,000 BPD.

President Bongo started 2017 by distancing himself from his powerful former cabinet director Maixent Accrombessi, whose corrupt client system had become something of an embarrassment. Victim of a cerebral vascular attack a few days after the presidential elections, Accrombessi had been evacuated to Morocco for emergency medical treatment, then spent 2016 convalescing in London. In January 2017, Bongo launched Operation Mamba, an anti-corruption campaign, arresting 90 persons, mostly from Accrombessi's inner circle. This included former super-minister Magloire Ngambia, who had been in charge of investments, public works and territorial development, and oil minister Etienne Ngoubou. In 2017, the government revised the constitution, granting the president an indefinitely renewable seven-year mandate, in effect opening the door for Ali to become "president-for-life" (like his father Omar Bongo). In addition, it gave the

president the power to “take charge of government policy” in case of a “change in the majority” of the National Assembly. It also required officials to swear an oath of “loyalty to the Head of State” and “respect the confidentiality” of all dossiers and information acquired both during their service and after leaving office. Finally, it proposed to protect the president from any criminal charges of high treason through a proposed Haute Cour de la Justice, which would effectively shield Bongo from any charges of embezzling public revenues were he ever to step down from office. The inherent weakness of this highly presidentialized system became apparent when Bongo was hospitalized in Saudi Arabia on October 24, 2018, after suffering from a stroke at a conference there. Following an extended period of silence, the Gabonese presidency eventually admitted he was “seriously ill” and had undergone surgery, while insisting he was on the mend.

## History and Characteristics of Transformation

In March 1968, President Omar Bongo (father of the current president) dissolved all existing parties and replaced them with a single new party, the Parti Démocratique Gabonais (PDG). Between 1968 and 1990, this single-party authoritarian political regime, supported by former colonizer France as well as foreign oil and mining corporations, mismanaged and looted a country that, with its small population and ample natural resources, could have been the Kuwait of Africa. After the Cold War ended, under pressure from French President François Mitterrand, President Bongo summoned a national conference in 1990 which amended the constitution to permit the restoration of multiparty politics. Since then, the PDG has been forced to electioneer in order to maintain its power, which it has successfully accomplished through bribery, fraud and intimidation in every presidential, legislative and local election. In this way the Bongo clan consolidated control over the formal institutions of government through the façade of democratic elections, while regime opponents, either suppressed or purchased with oil rents, became increasingly divided. Having captured all state institutions, Bongo maintained power in a system of neo-patrimonial rule. Bongo personally preside over the country like a patriarch and maintained family members in key government posts. His son Ali Bongo became defense minister. Another son, Landry Bongo, was a deputy, and another, Jeff Bongo, a high-level civil servant in the finance ministry. His daughter Pascaline Bongo was cabinet secretary in the presidential palace, while her husband, Paul Toundji, was finance minister, and her former companion, Jean Ping, was foreign minister. Numerous grandchildren of his many legal and customary wives were integrated into the various ministries. High politics in Gabon became dynastic palace politics, so all eyes were fixed upon the death of the president-for-life, and upon his succession. After 42 years of uninterrupted rule, Omar Bongo died unexpectedly of a heart attack on June 7, 2009. By the end of that summer, the subsequent succession crisis had divided powerful barons of the old regime between those who supported the president’s son Ali Bongo and those who opposed him, notably André Mba Obame. In hastily held presidential elections later that year, people went to the polls under dubious voter lists containing 120,000 “ghost” voters (out of a total 800,000 registered voters). Polling booths were manned by PDG loyalists. Soldiers were stationed in the streets. The Constitutional Court, presided by Marie Madeleine Mborantsuo (a former mistress of his father), quickly announced Ali

Bongo's victory in the first round with 41.8% of the vote, followed by longtime regime opponent Pierre Mamboundou with 25.6% and former PDG minister André Mba Obame with 25.3%. Both men claimed voter fraud, but over the next seven years, both would die (of natural causes), thereby making their claims moot. Ali Bongo launched his emblematic "Gabon Emergent" development plan, which promised to raise Gabon to the rank of an "emerging country" by 2025. Despite a total boycott by all opposition parties, one-third of the electorate went to the polls in the 2011 legislative elections in which the PDG won 114 out of 120 (or 95%) of the seats. Jean Ping, one of the best-known politicians and former chairman of the African Union (AU), submitted his resignation from the ruling PDG and joined the opposition. With his international connections as well as domestic celebrity gained from his long service to the elder Bongo, Ping quickly became the most serious potential challenger to Ali Bongo. In the 2016 presidential elections, the now unified opposition candidate Ping officially lost to Bongo, though observers claim he won.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

## Transformation Status

### I. Political Transformation

#### 1 | Stateness

When combined with French forces at Camp Charles de Gaulle, who make use of state-of-the-art technology (critically, air power and satellite-based remote sensing of the rainforest), the small Gabonese armed forces currently control the entire territory and population of Gabon. There are no guerrilla movements nor secessionist forces operating in the country.

As one of the older French colonies in Africa whose populations were assimilated into a common French language, the project of nation-building has been much easier than in many other African countries. Even ethnic fragmentation has not harmed national identity. No majority ethnic group exists; the largest ethnic group are the Fang, with 42%. Most small ethnic groups see their interests in the Gabonese national identity. The ruling Bongo clan comes from the small Batéké ethnic group, who identify with the minority ethnopolitical interests of numerous other non-Fang ethnic groups. The Bongos have not pursued an ethnonationalist ideology but rather sought to satisfy the demands of various groups through an informal system of ethnic balancing, often referred to as “géopolitique.” Although this has largely been a tool of the ruling elite to reshuffle governments and reconstitute loyalties, it has helped to prevent perceptions of ethnic exclusion. The influx of foreigners, whites from Europe coming to work in the extractive industries and poor blacks from neighboring countries (especially Equatorial Guinea and Cameroon), has led to xenophobia, a chauvinistic patriotism of national preference, which may be used as a proxy measure of “Gabonese” national identity.

Question  
Score

Monopoly on the  
use of force

9



1

State identity

9



1

According to international religious freedom reports, Gabon's constitution provides for freedom of religion and worship and equality for all, irrespective of religious beliefs. It grants religious groups autonomy and the right to provide religious instruction.

While President Bongo proclaims Islam as his religion, Muslims represent less than 1% of Gabon's population. Church records indicate that the Catholic population of Gabon is 822,930, equal to 51% of the total national population. Other denominations of Christianity are allowed to exist. Three churches represent Protestantism: the Evangelical Church of Gabon, Christian Alliance Church and Pentecostal Evangelical Church. President Bongo has continued the French colonial practice of excluding foreign missionary bodies or denying legal recognition to independent sects that might disturb the peace or threaten public order. Thus, he denied entrance to the Jehovah's Witnesses and Salvation Army. A government decision on the registration of Jehovah's Witnesses has been pending for several years without resolution. In practice, the government allows Jehovah's Witnesses to assemble and practice their religion. In addition, the government has permitted Jehovah's Witnesses to proselytize.

Very little government expenditure is needed to keep the peace and maintain law and order. Even so, high corruption and mismanagement of state revenues means that most of the territory is poorly provided with basic goods and services. "Gabon Emergent," the regime's development program, claims to have increased the number of households with access to water by 40,000 since 2011. Notwithstanding, water quality is quite different in urban and rural areas. According to the WHO, some 92% of urban areas but only 59% of rural areas have access to improved water resources. This partly reflects the high centralization of public administration.

The law of decentralization distinguishes two types of administrative circumscriptions: local collectivities (departments and communes) which were each granted an elected assembly, and de-concentrated organs, effectively those territorial subdivisions of the state run by governors, prefects, sub-prefects, canton chiefs and village chiefs. The law seeks to reinforce the administrative and financial attributes of the elected local collectivities, with an aim toward better structuring the populations territorially, while at the same time responding to their essential needs. In practice, these local collectivities remain dependent on the central authorities, as they do not have sufficient resources to free themselves from the tutelage of the state.

Administrative careers have not been managed efficiently enough to foster accountability. The system of advancement and promotion is not consistently based on merit and performance. Rules and regulations are not rigorously applied. The administration does not discharge its duties efficiently. Control authorities such as the Inspectorate General, which are responsible for seeing to the legality of procedures and practices, are ineffective.

No interference of religious dogmas

10



1

Basic administration

6



6

1

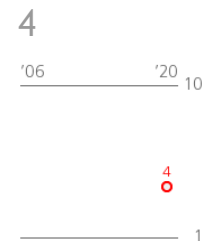
## 2 | Political Participation

The Bongo dynasty has controlled Gabonese elections through the ruling PDG party for over half a century, manufacturing electoral victories (president, ministers, deputies and mayors) for family members and members of the larger clan; when necessary, falsifying ballots, as happened in the last presidential elections. After Ali Bongo won the August 27, 2016 presidential elections, his opponent Jean Ping asserted electoral fraud and demanded a recount. On August 31, 2016, the electoral commission announced that Bongo had defeated Ping by 49.8% to 48.2% of the votes, with an unbelievably high turnout of over 99% reported in the Bongo family fief of Haut-Ogooué, where 95.5% of all electors were reported as having voted for Bongo. Thanks to this “incredibly” high turnout (the national turnout was only 59.8%), Bongo managed to garner just enough extra ballots to claim victory, winning by the slimmest margin of 5,594 votes, out of a total registered electorate of 627,805. The Constitutional Court denied Ping’s request for a recount and announced on September 24, 2016 that Bongo had won with 50.66% of the vote, leaving Ping with only 47.24%. Legislative elections were held in Gabon in 2018 along with municipal elections. The ruling party maintained its two-thirds majority in the National Assembly, winning 98 of the 143 seats.

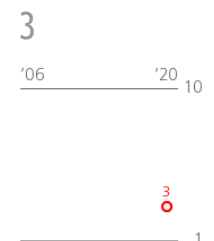
Decision-makers are not entirely democratically elected. The most important decision-maker, whose personal approval is required for any significant deal in any industry, is the president. Power is highly concentrated in the ruling party, the Bongo clan and especially in the hands of Ali Bongo. On September 28, 2017, the PDG government adopted a bill in the council of ministers for a revision of the constitution, touching notably on the role of the president and parliament. Decried by the opposition as a “monarchical project,” and a “constitutional coup d’état,” the bill was scheduled for debate in the two legislative chambers by year’s end. Zacharie Myboto, head of the opposition National Union coalition, complained that the proposals would “concentrate all power in the hands of the head of state, reducing the prime minister’s role to that of a foreman.” The text gave the president an indefinitely renewable seven-year mandate, in effect opening the door for Ali to become “president-for-life” as his father Omar Bongo, who had ruled Gabon for 42 years. It proposed giving the president the power to “take charge of government policy” in case of a “change in the majority” of the National Assembly.

The military is a potential veto player, exemplified by the coup attempted by five junior military officers in January 2019. The coup failed and had apparently little support in the higher ranks and among the public.

Free and fair elections



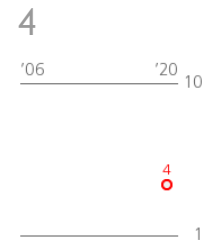
Effective power to govern





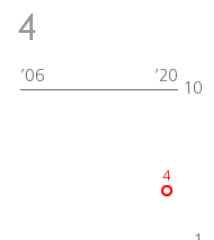
In August 2017, parliament enacted Law 001/2017 that placed restrictions on freedom of assembly. Authorities employed these restrictions to prevent opposition leaders from meeting in a privately owned facility. There were reports that the government failed to approve permits for public meetings. Some civil society activists stated that they did not submit requests to hold public meetings because they believed the government would deny them. In 2016, there were reports that government forces had committed unlawful killings, particularly in the weeks following the August presidential election. Following the August 2016 presidential election, heavily armed security forces, including republican guards and police, attacked the headquarters of opposition candidate Jean Ping. According to opposition leaders, two persons died and others disappeared. The opposition claimed authorities had killed at least 50 demonstrators and non-governmental organizations reported as many as 100 deaths as a result of the government's excessive use of force to disperse demonstrators. There were reports that morgues were filled beyond capacity and that four unmarked graves were discovered in Libreville. In December 2016, Jean Ping and 15 civil society organizations provided information to the International Criminal Court that the government committed crimes against humanity, citing numerous cases of deaths and disappearances.

Association /  
assembly rights



The opposition press is censored, intimidated and, during election times, shut down entirely. The offices of opposition newspapers La Loupe and L'Aube were raided in 2015, with documents and computers seized by unknown perpetrators. The High Authority for Communication (HAC) issued a decision in December 2017 to suspend L'Aube in response to an article in the newspaper headlined "Gabon on (very dangerous) autopilot." The story asked why President Bongo's hospitalization in Saudi Arabia had not triggered article 13 of the constitution, which addresses a vacancy in the presidency. The HAC also banned L'Aube editor Orca Boudiandza Mouelé from working for six months. While the HAC's powers include the ability to suspend a newspaper, nowhere is it written that it can suspend a journalist. Also, known opposition sympathizers face more subtle forms of repression, including being denied jobs or services.

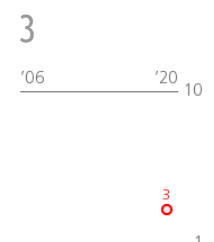
Freedom of  
expression



### 3 | Rule of Law

The most important decision-maker, the one whose personal approval is required for any significant policy, is the president. Though President Bongo is the final decision-maker, he is influenced by his closest advisers, and relies on information provided to him by his ministers and high-ranking civil servants. In Gabon's French-style "dual executive" system, with both a president and prime minister, the president is predominant; members of his presidential staff can easily out-manuever ministers, who frequently are dismissed or moved to other ministries in cabinet reshuffles. A neo-patrimonial regime, Gabon has the institutions of a modern republic but is actually run as a traditional patrimonial system. As his father Omar Bongo, Ali Bongo

Separation of  
powers

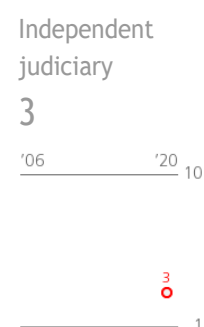


cultivates a dynastic system. Family relations play a huge role among the small state elite. The presence of members of the extended Bongo family in all branches of government clearly presents an obstacle to an effective separation of powers.

Although the National Assembly is supposed to be a separate branch of government with substantial powers, it is in fact a collection of regime loyalists – political appointees, entirely controlled by the Bongo’s ruling PDG party – with few levers of influence to control Gabon’s all-powerful presidency. In May 2018, the Constitutional Court actually dissolved the National Assembly while demanding the resignation of the prime minister and his government. According to the court, the Issoze-Ngondet government failed to organize the legislative elections by April 30, 2018, postponing the elections twice since December 2016. Almost nothing tangibly changed without the assembly. The Senate is another rubber-stamp institution largely filled with PDG barons, some related to Bongo clan members and its entourage. Created by the 1991 constitution to “assure the balance and regulation of powers” it is indirectly elected by departmental and municipal councilors, themselves mostly members of the ruling party.

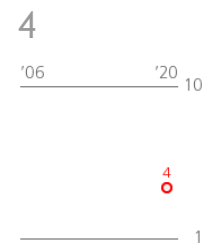
The 1991 constitution also provides for a Constitutional Council, which decides the constitutionality of laws, interprets the constitution in cases of doubt as to its meaning, and has the responsibility for organizing and administering elections. President of the Constitutional Council Marie Mborantsuo was a beauty queen who became the mistress of then President Omar Bongo, mothering two of his children, including one future minister, Fabrice Bongo Ondimba. She has contributed to the Constitutional Court’s loss of legitimacy as an impartial institution, having rejected the opposition’s appeal for annulment of the fraud-ridden presidential elections of December 1993, allowing her former lover Omar Bongo to retain his office without having to face a second round run-off ballot, and validating both the 2009 and 2016 electoral victories of her step-son Ali Bongo.

The judicial branch, like the other two branches, is technically independent and equal to the other branches. In practice, since its judges are appointed by the president, it is beholden to the president. In July 2016, the Gabon National Judges Union (SYNAMAG) organized street protests against political appointments and for judicial independence. “The promotion of the former public prosecutor Sidonie Flore Ouwé, a first-grade judge, to the position of First President of the Court of Appeals, threatens our independence,” the protesting judges stated. They insisted the position be reserved for judges who have reached grade five. During the judges’ protest, they equally denounced repeated violations of Gabon’s constitution, especially with regards to the law on the Supreme Council of Judges, as well as the law on the status of judges. The judiciary is institutionally differentiated (roughly fashioned after the French model), but is only partially functional, due to corruption.



President Bongo has curbed corruption among some of his subordinates. While a few successes have been recorded, many corruption investigations have been politically motivated spectacles to display that his government is doing something about corruption, which remains rampant in most sectors of the economy, particularly in public procurement in the extractive industries. In 2017, Bongo tried distancing himself from his powerful cabinet director Maixent Accrombessi, whose corrupt system of clients had become something of an embarrassment. Bongo launched Operation Mamba, an anti-corruption campaign, in January 2017, arresting some 90 persons from Accrombessi's inner circle. This included former super-minister Magloire Ngambia, who had been in charge of investments, public works and territorial development, and former oil minister Etienne Ngoubou; both were placed in the central prison in Libreville. In March, several other "Accrombessi boys" were locked up, including the general director of the agency for national infrastructure works (Agence nationale des grands travaux d'infrastructures), Landry Patrick Oyaya, and two of Magloire Ngambia's key advisers, Christian Nkero-Capito and Grégoire Bayima. In April, the general director of the merchant marines, Léon Ndong Nteme, was also sent to prison. Bongo also cynically used his anti-corruption campaign to threaten investigations into the accounts of several political opponents who had previously been ministers under his father Omar Bongo, including Jean Ping, Didjob Divungui di Ndinge, Guy Nzouba Ndama and Zacharie Myboto. One of Gabon's biggest trials for corruption was held in March 2018, featuring senior civil servants and former ministers in a recently-created judicial unit called the Special Criminal Court. The first defendant to appear was Blaise Wada, a senior civil servant in charge of managing international funds for a watershed cleanup project, accused of siphoning off \$3.3 million. Other defendants included former ministers Magloire Ngambia and Etienne Dieudonne Ngoubou.

#### Prosecution of office abuse



The U.S. State Department reports prison conditions as Gabon's primary violation of human rights. Overcrowding, substandard sanitation and ventilation, poor food and health care are all problems. Some in confinement were not allowed contact with lawyers or family for several days, even those not yet charged. The 2016 election also led to several violations of human rights. Many unwarranted arrests were made in connection with the controversial election. Shortly before election day, labor union leaders, politicians and opinion leaders were arrested and disappearances took place. Abusive behavior by prison guards toward detainees was commonly reported after the election and somewhere between 20 and 50 civilians and protesters were killed by government operatives.

#### Civil rights



Religion and ethnicity are not a source of discrimination. Rather women and – even more – the LGBT community suffer from societal discrimination.

Freedom of speech and assembly have suffered. Some publications in Gabon were threatened or closed by the Ministry of Communications for criticizing the government. On April 14, 2017, Alain Djally, an assistant to opposition leader Jean

Ping, was arrested without a warrant in the capital, Libreville. He was blindfolded and ill-treated by men in plain clothes. He was detained at the Direction Générale de la Recherche, a facility run by the Gabonese intelligence services, before being transferred to the central prison, where he was kept in solitary confinement. On June 15, 2017, Marcel Libama, an adviser for CONASYSED and the union confederation Dynamique Unitaire, was arrested in Tchibanga city after discussing the case of a detained colleague, Cyprien Mougouli, during a Radio Massanga show. He was held for three days at a police station and then transferred to the local prison. He was charged with insulting a magistrate, obstruction of justice and defamation. On June 17, 2017, Juldas Biviga, a journalist from Radio Massanga, was also arrested for refusing to delete recordings of archived interviews. On July 13, 2017, both Marcel Libama and Juldas Biviga were severely beaten by their prison guards. Suffering injuries to his ankles, ribs and ears, Juldas Biviga was transferred to hospital. They both received sentences of 184 days in prison and a €450 fine.

#### 4 | Stability of Democratic Institutions

Despite corruption and a lack of accountability, the institutions of the executive and legislative branches have been relatively stable, buoyed largely by an influx of revenues from the extractive industries. Although these institutions are formally legitimated by popular elections, their functioning is often distorted by informal clientelist practices. Formal procedures and informal arrangements exist side by side and penetrate each other. This does not make the institutions per se instable; elections, parties, legislatures, etc. have become the accepted rules of the game. Internally, however, the power of the ruling party often twists the logic of institutions in favor of the status quo. Elections exist but are not truly competitive. As global oil prices have remained low, however, the government is confronting a serious financial crisis and has dramatically increased violent repressions since the 2016 election to secure itself. Public administration and the judiciary suffer from pervasive corruption and poor performance. State institutions are widely regarded as illegitimate and the Gabonese people have little recourse through the ballot box. There is, however, a high demand for democracy among the population.

Given its essentially autocratic character, institutions are not democratic, though they could easily be converted into democratic institutions. At the moment, however, principally democratic institutions are not fully accepted by the government.

Relatively low voter turnout in the 2018 legislative elections was an indicator of the lack of legitimacy of representative institutions. The first round officially saw a 58.63% turnout, but only 28.5% in the Estuaire province, where nearly half of the population lives. According to a survey conducted by the Afrobarometer, public confidence in President Bongo and his performance was high in his family fief of Haut-Ogooué but low across the rest of the country. More generally, Gabonese

Performance of democratic institutions

3

'06 '20 10

3

1

Commitment to democratic institutions

2

'06 '20 10

2

1

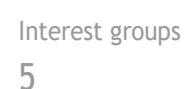
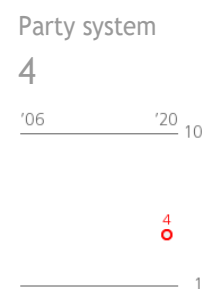
citizens, including those in the Haut-Ogooué region, have expressed a great lack of confidence in the electoral commission, doubts about the fairness of the vote, a lack of confidence in the courts and security forces, and dissatisfaction with the functioning of democracy.

## 5 | Political and Social Integration

The Parti Démocratique Gabonais (PDG) is the ruling party of Gabon, founded in 1968 as the country's sole political party. It ruled without competition until 1990. Since then it has competed, if unfairly, against a series of opposition parties. Sometimes against ethnoregional parties representing southern ethnic groups (e.g., the Punu and Eshira) or northern ethnic groups (e.g., the Fang). Other times against personality driven parties built on a charismatic opponent of one of the two Bongo presidents. In the 2016 presidential elections, the PDG managed to rally 177,772 votes for its candidate Ali Bongo and in the 2018 general elections it won 98 out of 143 seats in the National Assembly. Organizationally speaking, the PDG is run by its 300,000 militants who belong to local party committees. These are in turn grouped into 71 communal and departmental sections, which are further formed into nine provincial federations. Each party local and section committee is headed by an elected secretary, thus ensuring that promising talent can be co-opted into the ruling party structure. The various units of the party elect delegates to the party congresses. Ordinary congresses meet periodically, usually prior to national legislative and/or presidential elections. In this way, local interests are articulated and representatives can perform constituency work, often taking the form of patron-client relations. Almost all positions in government and administration belong to PDG members, including the vast majority of municipal and regional level governments as well as national agencies.

The opposition is extremely unstable. New parties are often created by former PDG members who have fallen out of grace. Most of them have no agenda that goes beyond vague promises of “change.” Many of these parties are reintegrated into the PDG after a time. There are two explanations: the high social and familial interdependence of the small political class, and the superior financial means of the ruling party which allows them to “buy off” political opponents. The lines between opposition and ruling party are generally blurred, and the opposition remains splintered and ineffective. Ideological competition is nearly absent from the party system and politics is highly personalized.

There is a narrow range of interest groups representing specific social interests. However, civil society groups are active, especially in Libreville, and speak out against the state and ruling party. Even so, they lack effectiveness at counterbalancing the state. For example, civil society groups working on human rights are active in Gabon and demand the unconditional release of all political prisoners and kidnapped



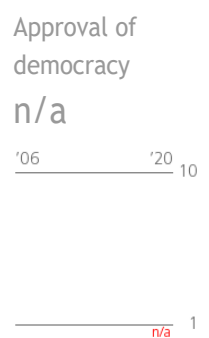
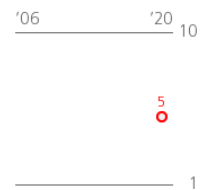
persons. An Amnesty International report published in February 2018 condemned the lack of freedom of expression and association but also lauded Gabonese civil society groups for succeeding in getting their message out about human rights violations, even if government sometimes does not concretely act on their recommendations.

Unions of workers and students exist but the regime has attempted to limit and control strikes by organized labor. Order No. 006/MISPDL prohibits activities of the National Confederation of Unions in the education sector. Student associations and labor unions are unable to carry out their activities without intimidation or reprisals. Gabon's largest trade union, Gabonese Trade Union Confederation (COSYGA), called on its members to lay down their tools in a double-edged protest against recent actions by the government. The union asked members to strike in protest against austerity measures initiated by Libreville in June 2018, but the turnout was disappointing, probably for fear of reprisals.

Perhaps the most visible group in Gabonese civil society is Brainforest, a non-governmental organization whose mission is to advance environmental preservation, and the sustainable and fair management of natural resources. In addition to its ecological objectives, its charismatic wheelchair-bound founder, Marc Ona Essangui, also works to advance political and economic governance, respect for human rights, including the rights of indigenous people directly affected by the activities of extractive industries.

Gabon has officially approved a step-by-step guide designed to help ensure communities share in the profits of timber harvested in their area. The guide has been developed through years of work by civil society groups, with the support of ClientEarth. The fact that the Ministry of Forests officially endorses the Technical Guide is very encouraging. It was developed by civil society through a multi-stakeholder dialog, with the input of a legal working group supported by ClientEarth. The ministry's endorsement shows that some civil society organizations can provide strong and meaningful contributions to forest governance processes.

While parliamentary elections should have been held in 2016, the government twice postponed them. The Constitutional Court decided to end the term of the National Assembly and forced the government to resign. Thus, on October 6, 2018, general elections were finally held. This was the first time that the elections of National Assembly deputies, and municipal and departmental councils were combined. According to the most recent Afrobarometer survey of October 16, 2018, 59% of respondents believe that their members of parliament or local elected representatives are no longer listening to them. These politicians are also perceived as not performing their representative functions well: judging negatively the performance of their deputies (79%), municipal councilors (76%), mayors and departmental councilors (71%). In addition, the majority of citizens (71%) believe that some or all of these

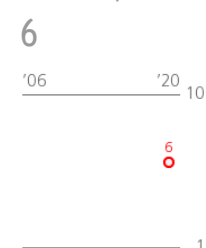


proxies are involved in corruption cases. Only one in five (20%) reported that they trust parliament and half stated they have “no confidence at all.”

Despite their extreme levels of discontent with their parliament and elections, Gabonese still have faith in the ideals of democracy and elections. According to an October 2015 Afrobarometer survey, two-thirds (68%) of Gabonese citizens said democracy is preferable to any other political system. Large majorities reject forms of autocracy (one-party, one-man and military rule). 76% stated that regular, open and honest elections are the best way to choose leaders.

Gabon has seven labor federations and 84 trade unions for an estimated working population of 300,000 persons as well as about 300 NGOs and associations. Civil society organizations proliferate in Gabon, giving rise to the question of how representative and legitimate they are. Gabonese civil society is not yet sufficiently well organized to effectively participate in formulating national policies, strategies or programs. Out of 149 countries measured on the Legatum Prosperity Index, social capital in Gabon ranks very low: 130th. Although it is only an indirect measure of trust, fear of their neighbors has increased. According to a recent Afrobarometer poll, a majority (56%) of Gabonese affirm having at least once during the preceding year felt unsafe in their neighborhood. One-third (35%) feared being the victim of a crime in their home. 32% declared having been a victim of theft in their home and 17% said they had been physically aggressed, during the past year. On a Eurobarometer polls taken in the wake of the fraudulent 2016 presidential elections, 71% of respondents stated that other voters (i.e., their fellow citizens) are “often” or “always” bribed, well above the 36-country average of 43%.

Social capital



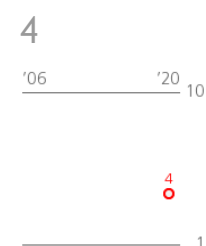
## II. Economic Transformation

### 6 | Level of Socioeconomic Development

Basic indicators of general development grade Gabon as a medium development country in sub-Saharan Africa (HDI 2017: 0.702). Although rich in oil, wood, uranium, iron and manganese, the country is a rentier economy that suffers from the “paradox of plenty.” Gabon has developed a trade-dependent economy, with exports and imports representing around two-thirds of national income. Overall, the country has had a positive trade balance, exporting more than it imports. Even so, this regular trade surplus has failed to generate lasting wealth or development. Much of the export revenues are corruptly stolen by Gabon’s tiny elite and deposited in offshore bank accounts rather than re-invested in the country or spent on public services. Despite showing one of the highest per capita incomes in sub-Saharan Africa, the Borgen Project estimates that 40% of people are unemployed, between 60% and 70% live

Question  
Score

Socioeconomic  
barriers



below the poverty line, and roughly 72,000 people survive on less than a dollar and a half per day. The latest Gini index, however, shows a rather low value of 0.38 (2017).

Poverty might not be as rampant as in other African countries, but social inequalities are huge. There is also an extreme divide between rural and urban development and a tight interlink between the political and economic spheres.

While the Gender Inequality Index places Gabon at the top of sub-Saharan countries (2017: 0.534) there are considerable inequalities. Due to cultural traditions that make women financially dependent on the men in their households, widows may be affected most strongly by poverty, victimized by the families of their deceased husbands, cast out of their homes and robbed of their possessions.

Mediapart has published confidential documents revealing how a handful of Gabon's ruling Bongo clan, and Gabonese President Ali Bongo in particular, prey on almost every sector of the country's economy via a holding company called Delta Synergie. The company has stakes in the insurance, banking and real estate sectors, the agroalimentary and construction industries, raw materials, gas and oil production, wood processing, business aviation, the transport and medical sectors, and the security business. The Bongos own scores of luxury villas and mansions in Paris, London, New York and beyond as well as planes, boats and art.

Economic indicators		2015	2016	2017	2018
GDP	\$ M	14377.3	14014.4	14892.6	<b>17017.4</b>
GDP growth	%	3.9	2.1	0.5	<b>1.2</b>
Inflation (CPI)	%	-0.3	2.1	2.7	<b>4.7</b>
Unemployment	%	20.0	19.6	19.4	<b>19.5</b>
Foreign direct investment	% of GDP	0.3	8.9	10.1	<b>5.0</b>
Export growth	%	8.7	-2.9	3.4	-
Import growth	%	-10.7	-6.6	-7.3	-
Current account balance	\$ M	141.0	-	-	-
Public debt	% of GDP	44.7	64.2	62.6	<b>60.7</b>
External debt	\$ M	5059.2	5285.6	6458.6	<b>6766.5</b>
Total debt service	\$ M	423.0	358.8	646.3	<b>663.6</b>



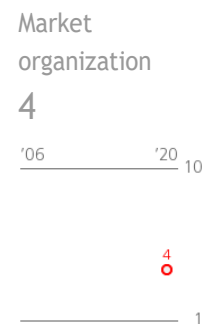
Economic indicators		2015	2016	2017	2018
Net lending/borrowing	% of GDP	-2.3	-4.8	-	-
Tax revenue	% of GDP	12.8	11.5	-	-
Government consumption	% of GDP	14.8	14.6	13.2	-
Public education spending	% of GDP	-	-	-	-
Public health spending	% of GDP	1.6	2	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.2	1.4	1.8	1.5

Sources (as of December 2019): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

## 7 | Organization of the Market and Competition

According to the World Bank, Gabon currently ranks 169th out of 190 countries on its Ease of Doing Business Index. Launching a business requires seven bureaucratic procedures that take a total of 31 days and cost 6.1% of GNI per capita, with a minimum capital requirement of more than \$2,400 imposed on the start-up by the government. The overall score for starting a business is 82.59 out of 100 (rank 124 out of 190). Obtaining a construction permit requires the completion of 16 procedures, taking an average 210 days at a cost of \$3,161, or around 43% of national income per capita. Gabon is also a difficult place to do business when it comes to contract enforcement, taking 38 legal procedures to take a contract from dispute to resolution, completed over the course of nearly three years in court.

Mediapart published findings from confidential documents revealing how a handful of people from the Bongo clan, and President Ali Bongo in particular, prey on almost every sector of the country's economy via a holding company called Delta Synergie. The company, established under Omar Bongo, has stakes in the insurance, banking and real estate sectors, the agroalimentary and construction industries, raw materials, gas and oil production, wood processing, business aviation, the transport and medical sectors, and the security business. In addition, advisers peddle influence out of the presidential palace. Beninois Thomas Assogba has received a monthly salary from the Chinese company Addax in order to promote contacts with Bongo and to obtain appointments at the highest level for its executives. The oil group chose to offer the services of this lobbyist because of its proximity to Ali Bongo's former chief of staff, Maixent Accrombessi.



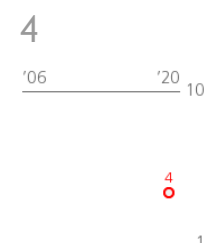
The informal sector is quite high. 47% to 57% of the working population are employed in the informal sector (World Bank), particularly in services, agriculture and civil engineering.

The Central African Economic and Monetary Community (CEMAC) has enacted merger control regulations. Thus far, however, there has been little related case law and no actions have been taken against companies who failed to report merger transactions. The objectives of the Gabonese competition law are the promotion of competition and the explicit protection of consumers' economic interests, including standards for the safety and quality of consumer goods and services, and distribution facilities for essential consumer goods and services. Gabonese Law No. 014/1998 on competition applies only to mergers involving Gabonese entities. The Competition Commission's opinion is only required when parties to a merger have combined made 25% of their sales, purchases or other transactions on a national market of goods or services. There are no provisions in the law that prohibit exclusivity arrangements. Those involved in abuse of dominant position or cartel behavior are ostensibly liable to imprisonment and payment of a fine. However, over the past two years, not a single case has been brought before the regulatory authority for communications (ARCEP) nor by the ministry's consumer protection service (SCCRF) in Gabon. In the oil and gas industry, the state is entitled to hold a participating interest in a petroleum contract of up to 20%, held by a chosen contracting company. In addition to this, the Gabon Oil Company is also entitled to acquire at market price a participating interest in petroleum contracts up to 15%.

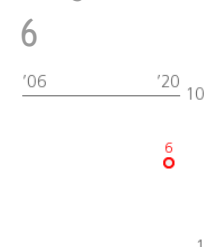
A member of the WTO since 1995, Gabon also follows the import tariff structure of the Central Africa Economic Community, including the general system of preference (i.e., no import tariffs for goods produced within CEMAC) and the common external tariff (i.e., 5% for basic products, 10% for raw materials, 20% for intermediate products such as most food and 30% for all other products). CEMAC's Value Added Tax (VAT) is generally 18%. A reduced VAT of 10% is applicable to mineral water, cement, sugar and chicken produced in Gabon. Milk products, butter, margarine, cereals, medicine and medical supplies, and fertilizer are exempt from VAT. Most of Gabon's trade is not with CEMAC members. According to the WTO tariff profile, exports of non-agricultural products to Gabon's main trading partners the EU, China and the United States are largely tax free. The simple average of the most-favored nation (MFN) applied total tariffs was 17.7% in 2016.

Banking activity is heavily concentrated, with almost 75% of assets in the hands of three domestic banks and the remaining market share taken by the local subsidiaries of foreign banking groups. BGFI Bank Gabon is the largest. The bank is a Gabonese unit of privately owned regional banking group BGFI Holding, among the largest financial groups in CEMAC. The next largest bank by lending share is Banque Internationale pour le Commerce et l'Industrie du Gabon (BICIG). Its largest shareholder is France's BNP Paribas. In third place is Union Gabonaise de Banque

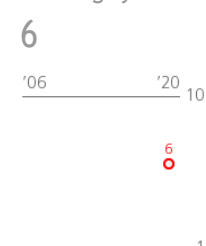
#### Competition policy



#### Liberalization of foreign trade



#### Banking system



(UGB) a unit of Morocco's largest bank Attijariwafa Bank, which has a controlling stake of nearly 59%. In recent years, Gabon has witnessed rapid growth in banking assets, lending and deposits, as well as on penetration and financial inclusion indicators. Nevertheless, the World Economic Forum considers access to finance the most problematic aspect for businesses in Gabon. Banks dominate the financial sector, with only a few non-bank financial institutions operating in the country. Though highly liquid, banks in Gabon are extremely prudent in providing credit, so the majority of the population lacks access to any type of financial services; even traditional informal mechanisms, prevalent in other African economies, are scarce. Among the problems that Gabonese banks face in lending is the lack of data on which to base lending decisions, including the lack of a credit bureau and a shortage of information regarding companies, as well as a shortage of guarantees and collateral. Small and medium-sized enterprises in particular present a high level of lending risk to banks, so in the absence of detailed credit histories many banks are reluctant to grant loans. In 2017, the capital-to-asset ratio stood at 12.4% and non-performing loans had a share of 8%.

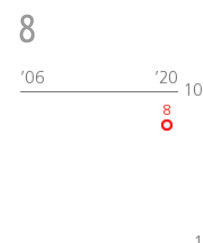
## 8 | Monetary and fiscal stability

The franc of the Communauté Financière Africaine (CFA), or the "cefa," established by France in the aftermath of the Second World War, tied to the French franc. The broad principles governing the functioning of the monetary system were contained in the five states' cooperation accords with one another and with France. Stability of the CFA franc has been insured by the Bank of France, which guarantees the convertibility of the CFA franc (originally into French francs) and was represented on the board of directors of the Bank of Central African States (BEAC). Prior to January 1999, the CFA franc was pegged to the French franc and France alone determined the exchange rate. After the French franc was replaced by the euro, the Bank of France continued to guarantee the CFA but there was no French franc on which it could be pegged. Therefore, since January 1, 1999, it has been pegged to the euro, at a rate of 656 CFA.

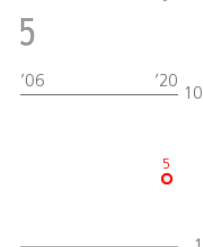
There are no recent exact figures on inflation, but the consumer price index (CPI) is traditionally low (2016: 2.1).

Though his father left him with a less than 30% debt-to-GDP ratio, Ali Bongo came to power during a commodity price boom and acquired the bad habit of spending unearned mineral rents. This worked so long as commodity prices remained high; once they collapsed, he borrowed what he needed to purchase consent. For the past two years, to maintain power in the presidential and then legislative elections, Bongo has been deficit spending and borrowing heavily from international financial markets. Public deficits of 2.7% in 2017 and an estimated 3.5% in 2018 have become a new normal for Ali Bongo ever since commodity prices collapsed in the wake of the global

Monetary stability



Fiscal stability



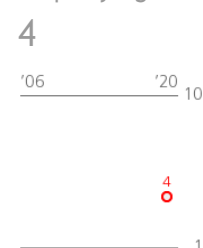
financial crisis. Public debt swelled to 46.5% of GDP in 2017 and is estimated to rise further to 59.1% in 2018, according to the World Bank. An IMF mission to Libreville in June 2017 reported that financial sector vulnerabilities had increased. Bank deposits and credit to the private sector decreased, while loans in arrears increased. Conditions worsened in the first quarter of 2018, reflecting the impact of the government's domestic arrears to its suppliers.

## 9 | Private Property

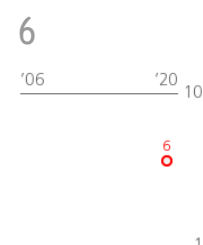
Secured interest in property is recognized and the recording system is fairly reliable. Under the investment code, no investment can be expropriated without prior just compensation as determined by an independent third party. There are no limits on foreign ownership or control except for discrete activities customarily reserved for the state, including military and paramilitary activities. Notwithstanding, traditional rights to land and ownership of natural resources by native Gabonese are not upheld. Urban and suburban populations are especially vulnerable to state evictions without fair compensation. Rural populations are routinely displaced to make way for foreign concession activities. Land law is especially outdated, undemocratic and ambiguous on critical issues (e.g., state powers). These conditions leave the state as the major landowner in Gabon, with up to 90% not just under its control but largely defined as "private government land." Most of the population is technically landless.

Private companies are viewed institutionally as somewhat important, as Gabon's government is anxious to attract foreign direct investment and is dependent on the export of its hydrocarbons. Even so, Gabon is a rentier state rather than a model of a sound market economy. Notwithstanding, private enterprise is allowed and enjoys some protection and support. One of the priority policies of Ali Bongo has been his "Gabon Emergent" development plan, which calls for increased public and private investment, modernized infrastructure and improved human capital. His government understands that foreign direct investment will be required to achieve these goals. Gabon's investment code conforms to CEMAC investment regulations, providing the same rights to foreign companies operating in Gabon as to domestic firms. Businesses are protected from expropriation or nationalization without appropriate compensation. Gabon is affiliated with the Organization for Business Law Harmonization in Africa (OHADA) and its laws allow foreign investors to choose freely from a wide selection of legal business structures (e.g., private limited liability companies and public limited liability companies).

### Property rights



### Private enterprise

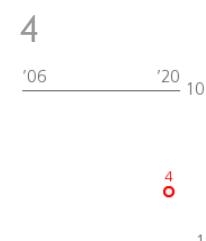


## 10 | Welfare Regime

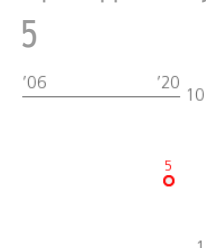
Gabon is an upper-middle-income country with life expectancy of 63 years, far below the average of 74 years of other medium development countries. Among the reasons are poverty and limited social protection. Gabon provides little social expenditure to most of its population. According to a 2013 McKinsey report, 30% of the population lived with monthly incomes below the guaranteed minimum wage and the social situation had deteriorated in terms of access to basic social services (i.e., health care, drinking water and electricity). A fund dedicated exclusively to the poor, the Gabon Indigents Scheme (GIS), was created with innovative financing through the Compulsory Health Insurance Tax (a 10% tax on the turnover of mobile telephone companies and a 1.5% tax on money transfers out of the CEMAC zone). This scheme only covered those who qualified as the poorest. The decline in oil prices led to contractions in public investment and the labor market. The government took steps in 2013 to institute a social safety net system, which is not yet operational, through its “human investment strategy.” This system should offer protection to the most vulnerable 95,000 households, provide social services, and implement cash transfers and income-generating activities. Widespread corruption, however, has prevented this money from reaching its intended recipients. For example, a National Social Housing Company (SNLS) was created in 2013 to provide housing, but by 2017 this state-run company was \$78 million in debt and had not yet delivered any dwellings; instead, corrupt government officials (now under investigation) made disbursements to the benefit of six construction contractors who claimed the funds were insufficient, then abandoned the projects, which were subsequently looted. By May 2018, the new SNLS director claimed to have completed 923 of the 2,049 houses, with costs running 100% over budget.

The UNDP Gender Inequality Index reflecting inequality between women and men in terms of health, education and employment ranks Gabon 127th, below average. When measured by gross enrollment, Gabon has one of the higher rates of primary education, an average rate of secondary education and a low rate of higher education. In other words, most children enter the educational system, but not all complete it. Females are less likely to gain literacy than males. Though half the population, women only represent 39% of the labor force and the current female unemployment rate is higher than the male rate. The constitution promises equality and protection against discrimination based on gender. A National Gender Equality and Equity Strategy was enacted in 2010 to promote equality of opportunity and treatment between men and women with respect to education, vocational training, employment and occupation. However, the limited budget allocated to the national machinery for the advancement of women prevents the government from accomplishing these objectives. Gabon provides limited legal rights for women and what laws do exist are poorly enforced. Marital rape remains legal. According to UN Women, the rate of lifetime physical and/or sexual intimate partner violence is 49%. Polygamy is also

Social safety nets



Equal opportunity



practiced, current laws limiting the number of wives a man can have to four. Despite full legal rights on paper, many women still suffer discrimination based on customary laws relating to marriage, divorce and inheritance. 22% of women aged 20 to 24 years were child brides, first married before age 18.

## 11 | Economic Performance

Basic indicators of economic performance paint a mixed picture. GDP per capita (PPP) is very high by regional standards (> \$18,000) and inflation is traditionally low (2.1% in 2016, the latest available data), growth rates were negative in 2016 and 2017 (-0.5% and -1.2% respectively).

With large natural resource rents and a small population, Gabon has long enjoyed inflated per capita GDP figures, often being ranked as one of the “richest” countries in Africa. However, GDP per capita figures do not account for the unequal income distribution. Generally, Gabon ranks high among African economies. The main feature of the Gabonese economy is an extreme reliance on extractive rent, especially oil rent. When oil prices are high, the economy usually grows. When they are low, the economy contracts. During 2017, oil prices averaged \$52; during 2018, they rose to an average of \$72, which yielded some positive growth in GDP. Non-oil extractive industries including manganese and timber (in the past uranium and in the future iron) also have followed the boom-and-bust cycles of commodity-export dependency, leading to periods of unchecked wasteful expenditures, including massive indebtedment enabled by oil-backed loans or bonds, followed by periods of austerity and drastic cuts in public spending. Failure to diversify into other more sustainable activities is the legacy of two generations of the Bongo dynasty, despite Ali Bongo’s ambitious “Gabon Emergent” plan, which has accomplished little to break the pathology of the resource curse. The depletion of oil reserves threatens to shatter the illusion of strong economic performance in Gabon. The only realistic plans of the regime are to exploit other nonrenewable mineral resources in the interior, especially manganese and iron. These, however, will never generate profits close to those of petroleum.

Output strength

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## 12 | Sustainability

Environmental concerns are taken into account but occasionally subordinated. Overall, environmental policy outcomes have been mixed. Forests cover 88% of Gabon’s territory, making it one of the most forested countries in the world. The vegetation is dense and much of it remains primary forest, as it has never been cut. Gabon’s forests are entirely state-owned, with about half of the country’s forests allocated for production, according to the Food and Agriculture Organization. Timber is the country’s second most important export after oil, with 90% of its log production being exported, mainly to China and the EU. The Bongo regime has committed to

Environmental policy

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protecting its forests with a vast network of national parks and protected areas as well as a new forest code imposing sustainable management. In June 2017, the regime signed a letter of intent with the Central African Forest Initiative for \$18 million to protect the country's forests and accelerate the fight against climate change. A few weeks after the Trump administration abandoned U.S. cooperation in the global fight against climate change, Gabon gave a strong signal that it would honor its commitments under the 2016 Paris Agreement, maintaining its goal of reducing by 50% its greenhouse gases emissions by 2025. Gabon is committing to measures that, if implemented, would preserve about 98% of Gabon's rainforests.

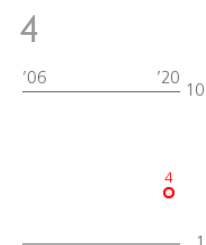
While these developments paint a positive picture internationally, Gabon has a low Environmental Performance Index score, per capita CO<sub>2</sub> emissions of 2.8 metric tons per capita (quite high for a low-income country) and saw a 182% increase in greenhouse gas (GHG) emissions since 1990. As oil prices dropped in recent years, Gabon has however been looking to develop its agricultural sector. An estimated 60% of its food is imported, which costs the country around \$1 billion a year. As a consequence, the global push to halt deforestation may pose a threat to domestic food security. One of the main crops targeted by zero-deforestation measures is palm oil, a main driver of widespread pollution and habitat loss; Gabon is developing a palm oil sector with Singapore's Olam.

While Gabon places among the highest in sub-Saharan Africa on the UN's Education index (2017: 0.628), several serious problems afflict its education system: including the poor quality of governance, insufficiency of teaching staff, inefficiency of public investment and repeated teacher strikes. The education system remains characterized by a high rate of repetition, a low primary completion rate (37.2%) and a skills mismatch with the labor market. In addition, regime spending reserved for education is 8% to 10% of the annual budget, much lower than the 15% to 20% recommended for UNESCO members. Only 17.21% of the 22,911 general education candidates who took the baccalaureate exams in 2018 passed their exams. Worse, technical and vocational education recorded a low 11.10% success rate. In short, despite one of the highest scholarization rates at the primary education level, 8 out of 10 students fail to complete their secondary education.

According to a decree issued at the end of July by the Ministry of Higher Education, undergraduate students (from the 1st to the 3rd year) would now pay an enrollment fee of \$87 instead of \$16; an increase of 444%. Master's students would now pay \$129 instead of the usual \$35. To enter the doctoral program, the enrollment fee was fixed at \$172. After students at Omar Bongo University went on strike to protest these tuition increases, the decree was suspended sine die.

With 600 rooms, Omar Bongo University has insufficient student housing. When you place two students per room, there are only 1,200 places for 23,000 students. Another major reform that could take place is the relocation of the university campus.

Education policy /  
R&D



Besides eponymous Omar Bongo University there are 47 institutions of higher education in Gabon, mostly private academies offering business and management degrees, alongside a few technical training colleges in mining, computer and engineering sciences. The highest ranked are the University of Science and Technology of Masuku, BBS School of Management, Libreville, Université Franco-Gabonaise Saint-Exupéry, Institut des Techniques Avancées, Libreville, and School of Mines and Metallurgy of Moanda. The elite send their children to university in France and the United States.

UNESCO has implemented the first phase of a “Train My Generation – Gabon 5000” program, financed by Airtel Gabon. Three years on, this program responds to the lack of training of young people by introducing computers and skills training in the ICT professions.



## Governance

### I. Level of Difficulty

Despite being rich in natural resources, located on the Atlantic coast, with abundant supplies of water, a small population and billions of dollars of rent available for investment in economic development, Gabon has failed to move beyond simple extractive industries and the export of primary commodities.

Oil wealth is a double-edged sword as it provides vast revenues, as in the Gabonese case, but also comes with a number of ills such as dependence on world market prices, crowding out of other sectors, a rent-seeking mentality and corruption. Oil wealth also attracts foreign interest not always in the favor of the country (which used to be the strong interest of France in Gabon).

Overall, structural constraints on governance are few. The cause of failure has been political, not structural. With the arrival of independence, the Gabonese government gained control over the country's natural resources. By investing some of these revenues in transportation facilities and parastatals, it was able to promote the further development of natural resources, processing industries and manufacturing. At the same time, it remained dependent upon foreign capital and expertise for this economic expansion. Due to the country's small population, it also needed the assistance of foreign labor, both unskilled and skilled, to develop the economy further. Ever since the end of the 1990s, the economy of Gabon has entered a long decline caused in part by the low prices being paid on world markets for its once abundant petroleum reserves and in part by the failure to diversify into other profitable activities. Gabon could have been the Kuwait of Africa.

Traditions of civil society are relatively pronounced, at least in the broader sense (i.e., beyond just NGOs). Gabon's labor code recognizes the right of workers to form and join independent unions and bargain collectively. The Gabonese Trade Union Confederation (COSYGA) is affiliated with the International Trade Union Confederation. The Syndicat de l'Education Nationale (SENA) has been denouncing structural problems in education. The independent oil workers syndicate, Organisation nationale des employés du pétrole (ONEP), is the most effective trade union in the country, working in the economic sector that provides the bulk of the country's exports and government revenues.

Structural  
constraints

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Civil society  
traditions

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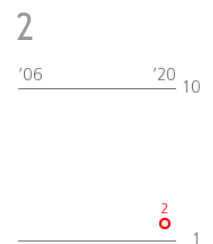
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A feature of Gabon's traditional religions was secret initiation societies, both male and female. The elders of these organizations instructed the initiates in the moral, physical, and intellectual knowledge and values of their peoples at different stages in their development from adolescence to maturity. As a result, these organizations have a diffuse influence which is difficult to assess. Among the best known of the male initiation societies was the Bwiti of the Mitsogo, whose rituals included ingestion of the hallucinogen iboga as a means of attaining a deeper level of reality. Bwiti spread among at least a dozen other peoples, including the neighboring Apindji, before being transformed by some of the Fang into a religious organization for coping with the changes wrought by European penetration and control. The Mitsogo's and Apindji's secret female society, Ndjembe, came to enjoy great popularity among a majority of Gabon's peoples. In this connection, it should be noted that a considerable portion of Gabon's population, even some who are nominally Christian and Muslim, continue to hold beliefs and rituals of the traditional religions as part of their identity.

Freemasonry is another important informal business and political network. In Gabon, there are perhaps around a thousand influential Freemasons in the political class.

There have been no violent incidents based on social, ethnic or religious differences. Gabon is famously a country in a state of peace. The only violent incidents that occur are post-election protests in the major cities of Libreville and Port-Gentil, which last a short while and then are put down by security forces. There was a coup attempt in January 2019, which failed quickly and did not result in massive bloodshed. The countryside knows no guerilla forces and the cities no urban terror. Religious differences do not turn into violent conflict. Ethnic differences do not become clarion calls for wars of succession or genocide.

Conflict intensity



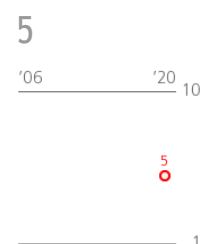
## II. Governance Performance

### 14 | Steering Capability

“Gabon Emergent” is a strategic development plan proposed by Ali Bongo as a campaign slogan in the August 2009 presidential elections, promising to transform Gabon into an “emerging” nation in less than a generation. This program also featured prominently in the period under investigation. In order to turn this campaign slogan into a program, Bongo presented a comprehensive development strategy which outlined the orientations and programs that would lead to this emergence. Its broad themes were economic growth through diversification of the economy away from the export of raw materials to value added production, government policies for poverty reduction and sustainable development of natural resources. His first five-year mandate (Strategic Plan for Gabon Emergent, PSGE) provided 28 government

Question  
Score

Prioritization



policies aimed at developing four key factors of competitiveness: sustainable development, good governance, human capital and infrastructure. Each of these was pursued through massive public spending programs, including “Green Gabon” (Gabon Vert) policies protecting rainforests, animal species and the national parks system (i.e., sustainable development), banning the export of unprocessed logs and promoting the export of processed tropical woods, increasing funding for schools and vocational training (i.e., human capital), building a free-trade zone in Nkok, refurbishing the port of Owendo, building roads linking the north and south of the country, and reinvesting in the oil, gas and mining sectors (i.e., infrastructure). These projects were funded by windfall oil, mining and timber revenues. The “Gabon Industrial” program saw the increase of manganese exports, beginning of production at the metallurgy complex at Moanda, and development of agro-industrial units and factories at the palm oil plantations of Awala and Mouila. Boosting electricity capacity to cover 85% of rural areas by 2025 and roll out universal access by 2035 was also part of the PSGE. The collapse of oil prices in 2014 and declining oil production has reduced available funding for the second phase of the PSGE (2016 – 2020) and caused public debt to more than doubled by 2016. After his reelection in 2016, Ali Bongo pledged to continue with the PSGE, earmarking more public spending, borrowing more money and making “Gabon Emergent” his emblematic public spending program.

Bongo’s emblematic national industrial strategy “Gabon Emergent” is the proper test for evaluating the efficiency and effectiveness of implementation by his regime. In a personalistic regime such as in Gabon, implementation is always dependent on individuals, but external influences also put planning at risk. A dramatic decline of world commodity prices, including Gabon’s key exports oil, manganese and timber, demonstrated the soundness of following a strategy of diversifying economic development away from extractive industries and raw materials. Real GDP growth averaged 6% in the four years up to 2015 thanks largely to increased capital spending under his PSGE. The timber industry grew by 10.5% in real GDP terms in 2014 thanks to increased wood processing. The “Gabon Industrial” branch of the program saw the increase of manganese exports, beginning of production at the metallurgy complex at Moanda, development of agro-industrial units and factories at the palm oil plantations of Awala and Mouila. Boosting electricity capacity to cover 85% of rural areas by 2025 and rolling out universal access by 2035 was also part of the PSGE. As of 2014, only 15% of rural areas had electricity. Access to electricity has reached over 91%, according to World Bank data. In the program’s first phase (2010 – 2014), high oil revenues helped propel overall growth, led by the construction and services sectors. Yet structural diversification was a gradual process; petroleum still accounted for 40% of GDP, 45% of government revenues and 85% of exports. In September 2014, the government also launched the Gabon National Agency for the Promotion of Investment to both facilitate and promote investment in the country. The ANPI-Gabon acts as a one-stop administrative shop for investors as well as

Implementation

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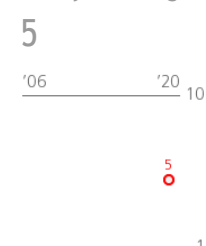
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overseeing the implementation of the PSGE. It aims to reduce the amount of time to start a new company to less than 48 hours. This organization has been functional since January 2018 and provides all services needed for the creation, modification and closing of an enterprise. After six months (June 2018), the ANPI-Gabon had registered 297 new enterprises, 91 modifications and three closures, suggesting a positive outcome, though more time is needed to assess the efficiency of the organization. Furthermore, the 48 hours objective for enterprise creation has not yet been reached, though the current initiatives are encouraging.

Regularly monitoring and evaluating industrial policies should make them more effective and is supposed to allow improvements through a trial and error process that results in policy learning. An evaluation of Bongo's national industrialization strategy, the report of the current stage of the reform, Plan Stratégique Gabon Emergent: Panorama des Réalisations 2009 to 2016 (published in August 2016 by the government), show that falling international export commodity prices have reduced the ability of the government to pursue its investment program. This is part of the resource curse trap. High dependency on export commodities leads to poor performance when their prices are low, whatever the government intends. Rather than abandon expensive parts of the PSGE, since his reelection in 2016 Bongo has pledged to continue with the PSGE, earmarking more public spending, borrowing more money and making "Gabon Emergent" his emblematic public spending program. When Bongo came to power, payments on the debt occupied less than half of his government budget. High commodities prices allowed him to borrow money to pay for his ambitious programs. The collapse of oil prices has caused public debt to more than double to 53% of GDP by 2018. Moody's downgraded Gabon's sovereign debt rating for the second time in 2018 to Caa1 as a result of this increased debt burden.

Policy learning

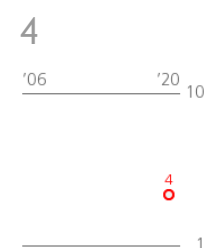


## 15 | Resource Efficiency

Pronouncements of better management, improving efficiency through the use of digital technology and increasing effectiveness by fighting corruption are found in the "Gabon Emergent" development plan, with procedures to modernize public administration.

Despite adjustment efforts, the government has accumulated sizable budget deficits, to pay a large wage bill (close to 40% of the budget) and support the aforementioned investment program for the country's vision of emergence. In combination with the accumulation of arrears, the decrease in public investment has hindered economic growth, job creation and non-oil economic sectors. The balance of payments is in deficit and government reserves with the central bank have decreased sharply. Despite what many ordinary Gabonese believe, the official salaries and expenses of ministers are not that high. For example, the official cost of the president and his staff in 2018 was only around \$2.3 million, including maintenance of the presidential palace and official voyages. The prime minister and all his staff salaries and other

Efficient use of assets

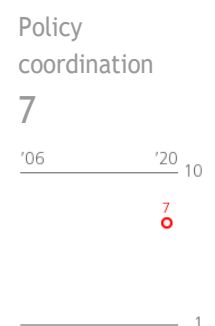


expenses amounted to only \$834,000 per year. An average ministerial salary was around \$64,000, and deputies and senators, around \$88,000. Poor fiscal management and grand corruption are the most plausible explanations for the chasm between the figures.

With 85,697 civil servants being employed by the state, out of 199,374 jobs in the formal sector, the share of public sector employees was 43%, double the average public sector employment rate of OECD countries. Tax gathering capacity has been hindered by the rentier economy, which depends on external rent rather than domestic taxes for government expenditures. Gabon is an allocation state, which spends rents from the country's extractive industries as a way of purchasing consent.

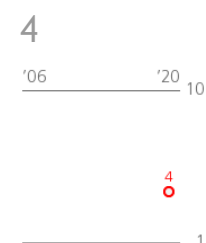
The Bongo government is able to reconcile some conflicting interests. Here, Ali stands in the tradition of his father, but is viewed as less successful and less fair in his consensus-building and distributional politics. Problem solving rather takes the form of clientelistic distribution and is fragile. In other words, politics and policy-making are personalistic, under the direction of President Bongo and members of his clan.

Government appointments are political in nature rather than merit-based, premised on payback for political loyalty, or patronage to clients and family. Cabinet reshuffles are constant, a veritable means of preventing ministers from becoming too competent. For example, the day after Bongo was sworn in for another term as president in 2016, he appointed Emmanuel Issoze-Ngondet as his new prime minister, replacing three-time premier Daniel Ona Ondo, while Etienne Ngoubou was kept on as oil minister. In January 2017, Bongo launched the Operation Mamba anti-corruption campaign, arresting, among others, the now ex-oil minister Etienne Ngoubou. In March, Bongo announced that he would reshuffle his cabinet, dismiss corrupt ministers Yves-Fernand Manfoumbi (agriculture) and Paul Biyoghé Mba (social and family development) and offer cabinet posts to moderate opponents who had participated in his post-election "national dialog," including Casimir Oyé Mba, a member of the Union Nationale (UN) who had supported Bongo's opponent Jean Ping in the previous year's elections, and René Ndemezo'o Obiang, another UN opposition coalition member. On August 21, 2017, a new government was presented, a cabinet reshuffle ostensibly aimed at better reflecting the ethnic balance of the country. Bongo named, for instance, a Punu "southerner" and former opposition leader Pierre Claver Maganga Moussavou as his vice president, in reward for the latter's participation in the "national dialog." Emmanuel Issoze-Ngondet, who was kept on in his post, presented a resignation letter in May 2018 after the Constitutional Court dissolved the National Assembly after a deadline to hold legislative elections had lapsed. He was reappointed a few days later. Then in December 2018, when the official results of the legislative elections were finally announced by the court, Ngondet was once more forced to resign and await reappointment by President Bongo, who was by then recovering in Morocco from a stroke.



In an effort to reduce the depletion of dwindling government revenues, President Bongo launched the Operation Mamba anti-corruption campaign in January 2017, arresting some 90 persons, including former super-minister Magloire Ngambia, who had been in charge of investments, public works and territorial development, and former oil minister Etienne Ngoubou, who was placed in the central prison in Libreville that same month. In March, several other “Accrombessi’s boys” were locked up, including the general director of the infrastructural public works agency, Agence nationale des grands travaux d’infrastructures, Landry Patrick Oyaya, and two of Magloire Ngambia’s key advisers, Christian Nkero-Capito and Grégoire Bayima. On April 24, general director of the merchant marines, Léon Ndong Nteme, was also sent to prison. Bongo cynically also used his anti-corruption campaign to threaten investigations into the accounts of several opponents who had previously been ministers of his father Omar Bongo, including adversaries Jean Ping, Didjob Divungui di Ndinge, Guy Nzouba Ndama and Zacharie Myboto. They all spent the year contesting the legitimacy of his 2016 reelection. The first trial of Operation Mamba, in March 2018, could have marked a political turning point as much as a legal one. Behind the scenes, it is thought that Bongo chooses his prey in a way that is too selective. The operation does not seem to be concerned with all acts of illicit enrichment. Rather than a big cleanup, in reality, few people are worried, despite a spectacle of investigations and testimonies.

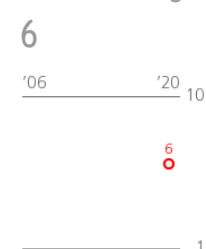
Anti-corruption  
policy



## 16 | Consensus-Building

The government is an obvious obstacle to democracy as it uses anti-democratic means to maintain power. The true convictions of the opposition are difficult to assess. Behind Gabon’s election disputes, citizens strongly support multiparty democracy and reject autocratic alternatives. According to a 2016 Afrobarometer survey conducted the year before the last presidential elections, among 36 African countries surveyed, Gabon ranked almost at the top of countries supporting multiparty competition and presidential term limits as well as in the disapproval of single-party and “strong man” regimes. Strong majorities also expressed their support for democracy in general and elections as the best way to choose leaders, although on these issues, Gabonese show a relative lack of enthusiasm, which aligns with their negative view of the fairness of elections and the overwhelming mistrust of the electoral commission.

Consensus on goals



Gabon’s government is anxious to attract foreign direct investment. The Bongo regime collaborates actively with foreign investors, promising to bring employment for Gabonese. To the extent that such matters are discussed in abstract, there appears to be widespread support for the market economy. Changes in job security for workers of previously public enterprises, including mutations such as layoffs, job losses, outsourcing and subcontracting, that occurred after privatization have had a negative effect on attitudes of neoliberalist ideology. The weakness of social policies

and worker protections introduced by the government to fight against precarity and unemployment during the era of privatizations explains the feeling among many workers that the net effect of globalization on their situation has been negative. It does not however translate into a rejection of the market, per se. Also, elites are almost without exception pro-market.

The Bongo dynasty has controlled Gabonese elections with the ruling PDG party for over half a century. By manipulating the electoral process, it poses the greatest obstacle to democracy. The “democratic” rhetoric of the government should not be mistaken for true democratic practices.

Lately, the government was challenged, though the democratic credentials of those involved can hardly be accurately assessed. A coup attempt was staged by five military officers in January 2019. It failed and did not appear to have much active support in the population nor in the military itself.

Otherwise, there are arguably no anti-democratic actors in Gabon beyond those who challenge government elites.

Although Gabon is an ethnically diverse country, it does not have the kinds of ethnic cleavages that one finds in other African countries. This may be explained in part by the absence of an ethnic majority able to impose its own ethnonationalist agenda upon minority groups as well as the effective francophone cultural assimilation during the French colonial era. French has been the official language rather than any of the indigenous dialects. The ruling party is multiethnic, providing safety to the country’s many smaller ethnic groups while simultaneously offering key posts to local big men from each ethnic group. The largest ethnic group, the Fang, receive substantial numbers of posts and prestigious government positions reflecting their proportion of the population. Nor does Gabon have serious religious cleavages, as one finds to its north, with most of Gabon’s population identifying itself nominally with Christianity, while practicing various animist rites behind the scenes. Even the vast differences in economic outcomes have not produced class cleavages in the sense that the 99% are not organized into a “proletariat” nor possess any class consciousness based on their socioeconomic status. Both Omar and Ali Bongo have successfully distributed portfolios and patronage to all of the country’s ethnic and religious communities, preventing conflict based on such cleavages. However, this can also be described as a patronage policy based on oil income which can hardly be considered a sound and sustainable way to deal with actual and potential cleavages in the long run.

In 2017, the government denied permits for meetings and repeatedly used tear gas and arrests to disperse unauthorized demonstrations. Parliament enacted a law in August that further limited the freedom to assemble. Relatively few NGOs are able to operate in Gabon although freedom of association is formally guaranteed by the constitution. The process for registering NGOs is burdensome and not implemented in a consistent way. Many groups critical of the regime or its policies thus are accused

Anti-democratic  
actors

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Cleavage /  
conflict  
management

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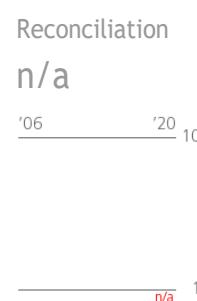
Civil society  
participation

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of not being in compliance with the law. Workers have a right to join unions, engage in collective bargaining and strike, but the regime cracked down on their strikes in 2017. In March, the government obtained a court order to end a strike by the teachers' union CONASYSED and barred the union from conducting any activities on the grounds that it had disturbed public order. In 2017, the police also used violence to disperse striking oil workers as well as students demonstrating in support of the striking teachers. Religious leaders are largely silent on policy and political matters. Environmental NGOs such as Brainforest are routinely harassed by authorities and have little impact on government policy; for example, in preventing the destructive palm oil plantations of Singapore-based-firm Olam. Gabon is a neo-patrimonial regime, with a personalist style of presidential policy-making, uncondusive to civil society playing much of a role.



There are no noteworthy historical injustices that require special management. The only real historical event of political violence was the popular post-election protests after President Bongo's dubious victory in 2016. The regime refuses to admit the number of victims killed during the days of civil unrest. The International Criminal Court announced in September 2018 that it will not open a formal investigation into opposition claims of post-election violence following the disputed election. From March 28 to May 27, 2017, President Bongo spent €18.2 million on a "national dialog" with those members of the disgruntled opposition who were willing to participate. In a public display of his willingness to work with opponents and hear their calls for change, Bongo announced that he would reshuffle his cabinet, dismiss corrupt ministers, and offer cabinet posts to moderate opponents who had participated in his dialog. Moderates who participated in the dialog also accepted the rescheduling of legislative elections, already moved from December 2016 to July 2017 and subsequently pushed to the fall of 2018.



### 17 | International Cooperation

Given its relatively high level of economic development, Gabon receives relatively little development assistance. According to the OECD, official developmental assistance this century has remained on average below one percent of gross national income, ranging from a low of 0.20% of GNI in 2001 to a high of 0.76% of GNI in 2015. France has been the traditional aid donor to Gabon. The French development agency, AFD (Agence française de développement) supported the implementation of the "Gabon Emergent" development plan by committing some €800 million between 2010 and 2017. China is beginning to displace France as the major source of foreign development aid, with Beijing emphasizing a different form of aid. The French have focused on project grants, usually "tied" to the purchase of French materials, and technical assistance, involving the employment of hundreds of French personnel. In contrast, China focuses on foreign direct investment (for Chinese projects) and loans. For example, China agreed in 2016 to provide preferential loans to Gabon to support





infrastructure projects. These loans from China are a form of “tied aid.” For example, the 11-kilometer highway project to be built around the perimeter of Libreville will be completed by the China Road and Bridge Corporation. Also, the World Bank, upon the recommendation of the IMF, provided a \$200 million loan to Gabon in 2017 to help offset its budgetary imbalances as well as offered \$50 million over five years to strengthen Gabon’s statistical capacity to improve data collection and reporting to the international financial institutions.

Other activities to increase development focus on attracting foreign investment. Gabon used to conduct its international business through the diplomatic apparatus of France, but Franco-Gabonese relations have worsened in the period under review as the French government under socialist President François Hollande appeared to favor opposition candidate Jean Ping rather than incumbent Ali Bongo for president in 2016 and new President Emmanuel Macron has distanced himself from Bongo. It was only in October 2018, on the margins of the Francophonie summit that Emmanuel Macron met for the first time, for 30 minutes, with Ali Bongo. Combined with the French judiciary proceedings on the “ill-gotten goods” affairs (in October 2017 it handed a suspended prison sentence to Equatorial Guinea’s Teodorin Obiang), Bongo has been trying to diversify his dependency beyond the traditional French sphere of influence. Bongo loves America and travels to New York often. This is where Richard Attias and his wife Cécile (ex-wife of former French president Nicolas Sarkozy) helped him create an annual event for investors called the “New York Forum,” held in Libreville each summer with Gabon’s financial backing. The forum attracts hundreds of foreign investors to Gabon’s capital for a lavish spectacle. Over the years, participants have included Secretary of State Hillary Clinton, New York Mayor Michael Bloomberg and IMF director Christine Lagarde. It has built its own economic thinktank, The New York Forum Institute. The August 2015 edition saw Gabon simultaneously host the 14th African Growth and Opportunity Act (AGOA) forum to expand trade and investment relations between Africa and the United States. Relations with China have also improved significantly. In December 2017, Chinese President Xi Jinping invited Ali Bongo and his wife Sylvie to Beijing for a meeting where the two heads of state announced their agreement to pursue a comprehensive cooperative partnership. Xi proclaimed support for accelerating Gabon’s industrialization process and was ready to push forward relevant cooperative projects, adding that Chinese investment in Gabon’s infrastructure construction was encouraged by his government.

For the most part, the government acts as a reliable partner internationally. The IMF completed the second review of Gabon’s economic program in August 2018 supported by an extended arrangement disbursement of \$100 million for Bongo’s reform program, viewed as capable of achieving a sustainable debt and contributing to restore external stability for the Central African Economic and Monetary Union (CEMAC). Gabon cleared arrears to bilateral and multilateral creditors as well as

Credibility

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arrears that it owed to commercial creditors. Thus, it remains creditworthy in the eyes of this major international financial institution.

Cooperation in tackling climate change and promoting environmental protection are seen as fundamental to the country's economic future, the priority focus of foreign policy. President Bongo received a two-year mandate as coordinator of the African Heads of State Committee on Climate and the Environment (CAHOSCC). He maintained his support for the Paris Agreement, has committed a large portion of the country's territory to national parks and has dedicated 18,000 square miles of ocean (23% of Gabon's ocean area) as protected from uncontrolled commercial activity and illegal fishing.

Gabon rejoined OPEC in 2016. In November 2018, Gabon unveiled a new licensing round to lure back explorers who largely had shunned its offshore in the era of low oil prices. A new hydrocarbons code that would establish attractive contract terms was delayed by a presidential power vacuum. Little happens in the Gabonese oil industry without President Bongo's input, so his absence since falling ill on 24 October 2018 while in Saudi Arabia raises questions about Gabon's ability to revise a hydrocarbons code. The code was originally drafted by Bongo in 2014 in a wave of resource nationalism that made terms so unattractive that no new exploration deals have been signed since. Both Shell and Total sold off their Gabonese assets in 2017, as they sought more lucrative prices elsewhere.

The member countries of the Economic and Monetary Community of Central Africa States (CEMAC) share a single currency, the CFA franc, which is pegged to the euro, and have a common central bank that holds holdings of foreign exchange reserves in the region. Faced with deep economic difficulties, member states have outlined a recovery strategy with the financial backing of the IMF. Gabon now chairs the community, headquartered in Libreville, and has consistently committed resources for regional peace and security actions. These include convening and organizing peace conferences and behind-the-scene meetings, staging mediation processes, initiating regional peace missions with military components, and bilateral and regional peace initiatives brought together with UN peace operations. The long conflict in the Central African Republic offers the most prominent instance of Gabon's effort to stabilize another country: managing negotiations between protagonists and negotiating the conditions of an electoral transition. A 40-year border dispute with Equatorial Guinea over Mbanié Island, Cocotiers and Congas Island was officially referred to the International Court of Justice in 2016. No resolution has been reached and the border was closed for over two weeks in January 2018 following an alleged coup attempt against Equatoguinean President Teodoro Obiang Nguema.

Regional  
cooperation

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## Strategic Outlook

Despite an abundance of natural wealth, the Gabonese economy is hobbled by poor economic management. Gabon's principal policy challenge is both an economic problem (i.e., rent-dependent development) and a political problem (i.e., dynastic rule). Any improvement in the economic outlook of the country will require a change in regime: from the corrupt Bongo clan, who have ruled the state for half a century, to something more democratic. There remain bounteous untapped natural resources, including huge iron ore reserves at Belinga, offshore oil and minerals. So long as a few thousand individuals corruptly embezzle the public coffers into offshore bank accounts, however, it will not be possible to spend extractive industry revenues on social and economic development. Such poverty alleviation and environmental protection must be the foremost goals for a country with the third highest per capita income in sub-Saharan Africa. Since suffering a stroke while attending a conference in Saudi Arabia in November 2018, President Ali Bongo has been convalescing in Morocco, unwilling to appear in public and clearly unfit to govern. In his absence, his half-brother Frédéric Bongo, head of security, has maintained a thin veneer of order while behind the scenes the ruling party and most influential members of the Bongo clan try to determine who might replace him in the event of his sudden departure. A similar scenario played out in 2009 when Omar Bongo unexpectedly died without having designated an heir. While that crisis was resolved with the selection of Ali Bongo as the PDG candidate, many of the most experienced barons of his father left the government and joined the opposition. The Achilles heel of any dynastic regime is succession, which must either be prepared in advance with an heir apparent or fought out post-mortem by those who consider themselves worthy of the crown. The failed coup by some junior officers in January 2019 underscores the fragility of the regime.

Economically, the country remains an oil-rentier state, dependent on extractive industries and foreign multinationals, unable to escape the "resource curse." Despite Ali Bongo's efforts to pursue industrial policy with his emblematic "Gabon Emergent" development plan, often well-intentioned and sometimes even able to generate positive change, the economy remains overly reliant on the export of a few primary goods (oil, manganese and timber). As commodity prices plummeted in the wake of the global financial crisis, the government chose to heavily borrow to continue funding investments in "Gabon Emergent" instead of reducing public expenditures. This has skyrocketed the debt burden, which was around 20% of GDP when Omar Bongo died, to 66% of GDP. The debt trap limits the government's ability to pursue poverty alleviation as IMF reform and austerity plans lurk on the horizon. Their "bitter pills" of drastic budget cuts will yield widespread misery for the poor. It is time for the government to halt spending on Ali Bongo's pet projects and start paying down the public debt.