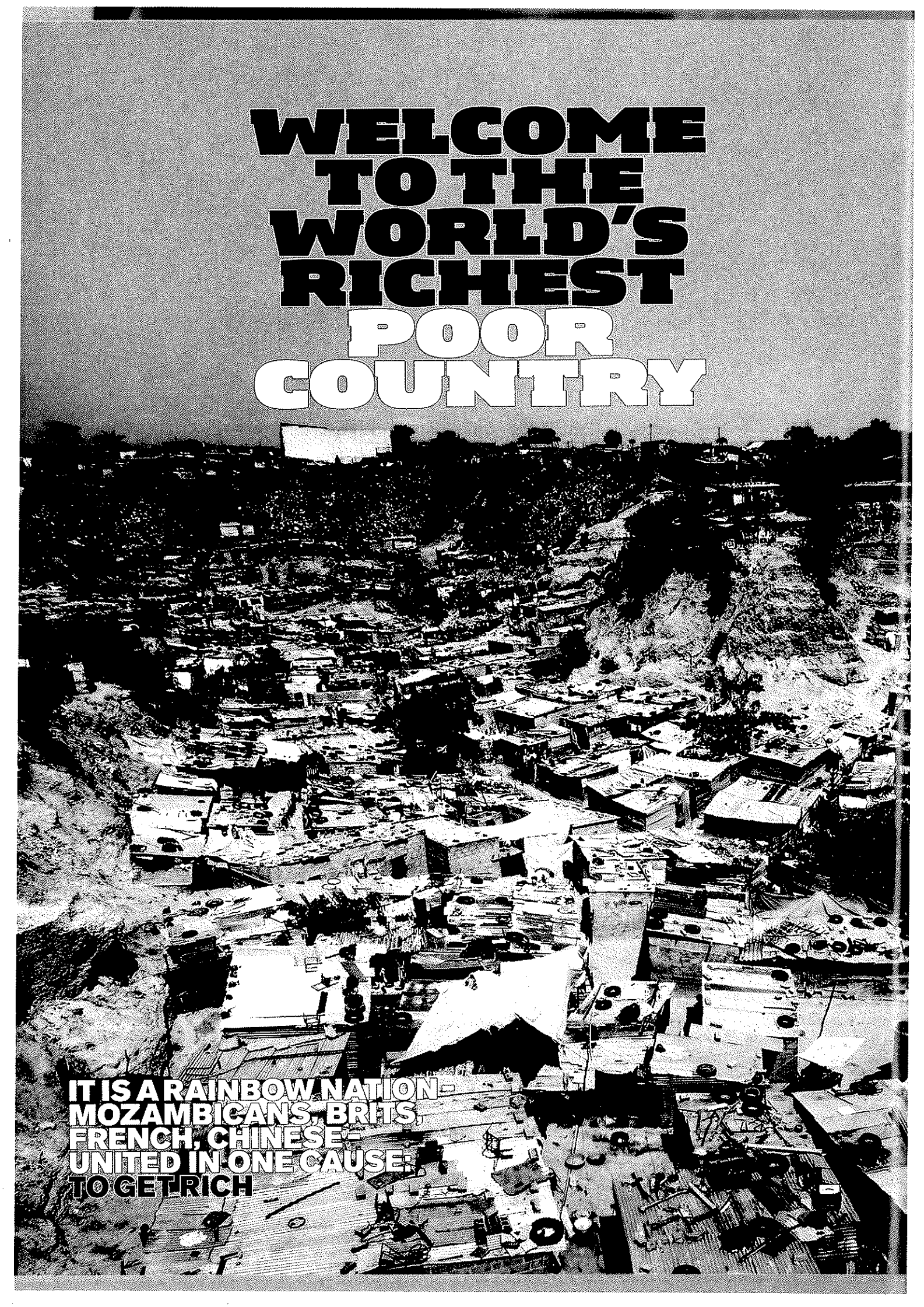


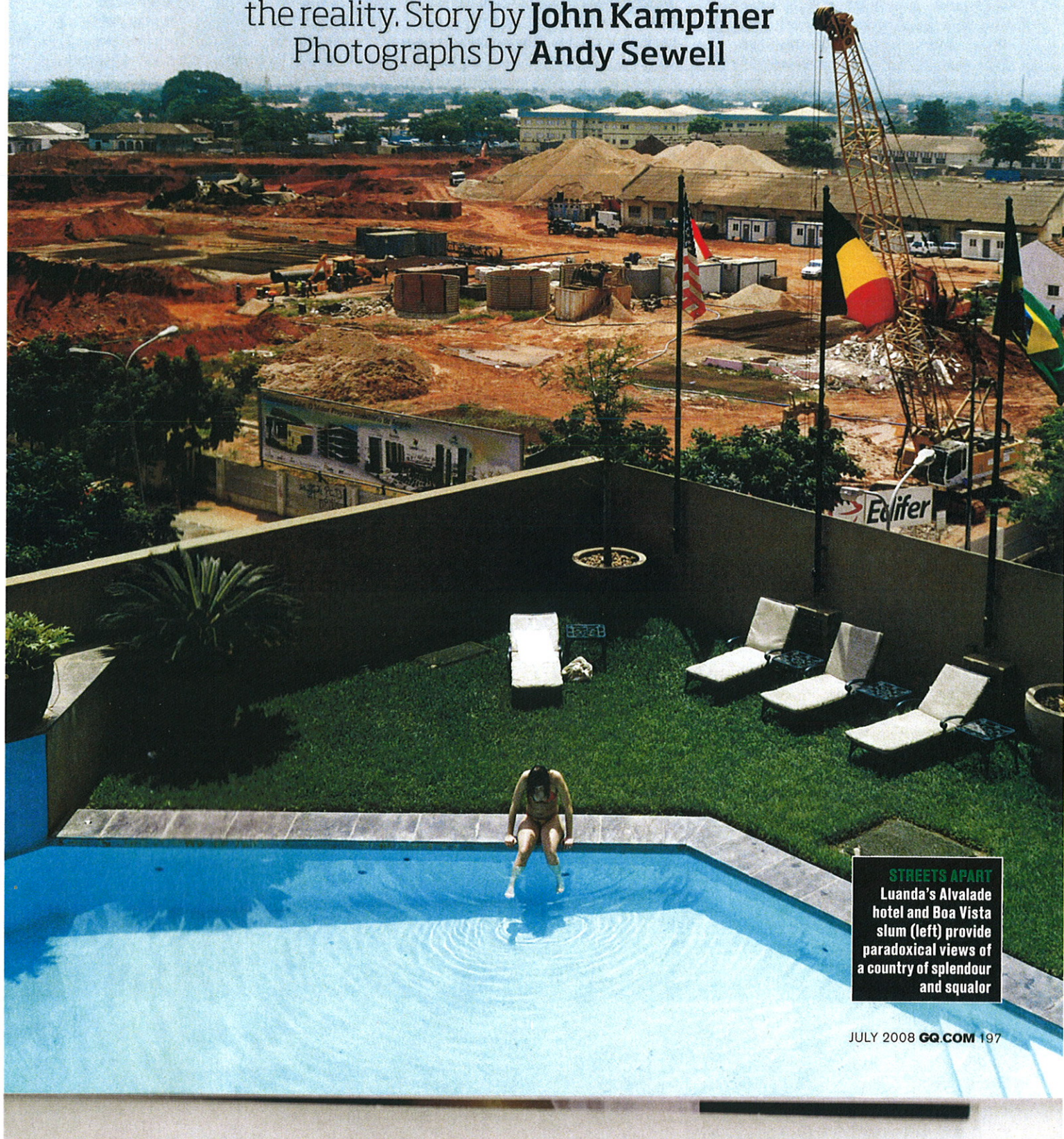
# WELCOME TO THE WORLD'S RICHEST POOR COUNTRY

An aerial, black and white photograph of a densely packed informal settlement, likely a shanty town, built on a steep hillside. The structures are small, rectangular, and closely packed together, with many roofs made of corrugated metal or similar materials. The terrain is rugged and appears to be a natural slope. The overall scene conveys a sense of extreme poverty and overcrowding.

IT IS A RAINBOW NATION -  
MOZAMBICANS, BRITS,  
FRENCH, CHINESE -  
UNITED IN ONE CAUSE:  
TO GET RICH



In six years **Angola** has been transformed from war-torn black spot to one of the fastest-growing economies on earth. Money pours in as fast as its fuel pours out, but the riches are soaked up by a gilded few in its capital, Luanda. For the masses, poverty, not prosperity, is the reality. Story by **John Kampfner**  
Photographs by **Andy Sewell**



**STREETS APART**  
Luanda's Alvalade hotel and Boa Vista slum (left) provide paradoxical views of a country of splendour and squalor



The two-year-olds are jumping up and down on the patio, extending their plastic plates for another slice of Pokémon birthday cake. The adults are drinking gin and tonics, eating from a buffet and watching their offspring at play. This scene of affluent contentment could be replicated anywhere around the world. But this is Angola, one of the most bizarre nations on earth, where the money is flowing in faster than anyone can spend it, and yet where the vast majority of people are struggling to survive.

Aihameselle Mingas beckons me inside his house. He wants to show me his new architect-designed kitchen, with its floor-to-ceiling fridge, and his architect-designed sitting room with its Italian furnishings. Each room has a plasma home-entertainment screen. "Come see the marble. It's from Brazil," he says.

I have seen conspicuous consumption in London, Moscow, New York and Paris, but never a contrast such as this. Outside the high walls of Aihameselle's house stand two dilapidated tower blocks. The holes in the road resemble lunar craters. Dozens of bored youths stand around, their eyes blank. And the stench. The shit is, literally, floating down the street. My host feigns nonchalance. "Things are getting better, but it's slow. Anyway, you can never get people together

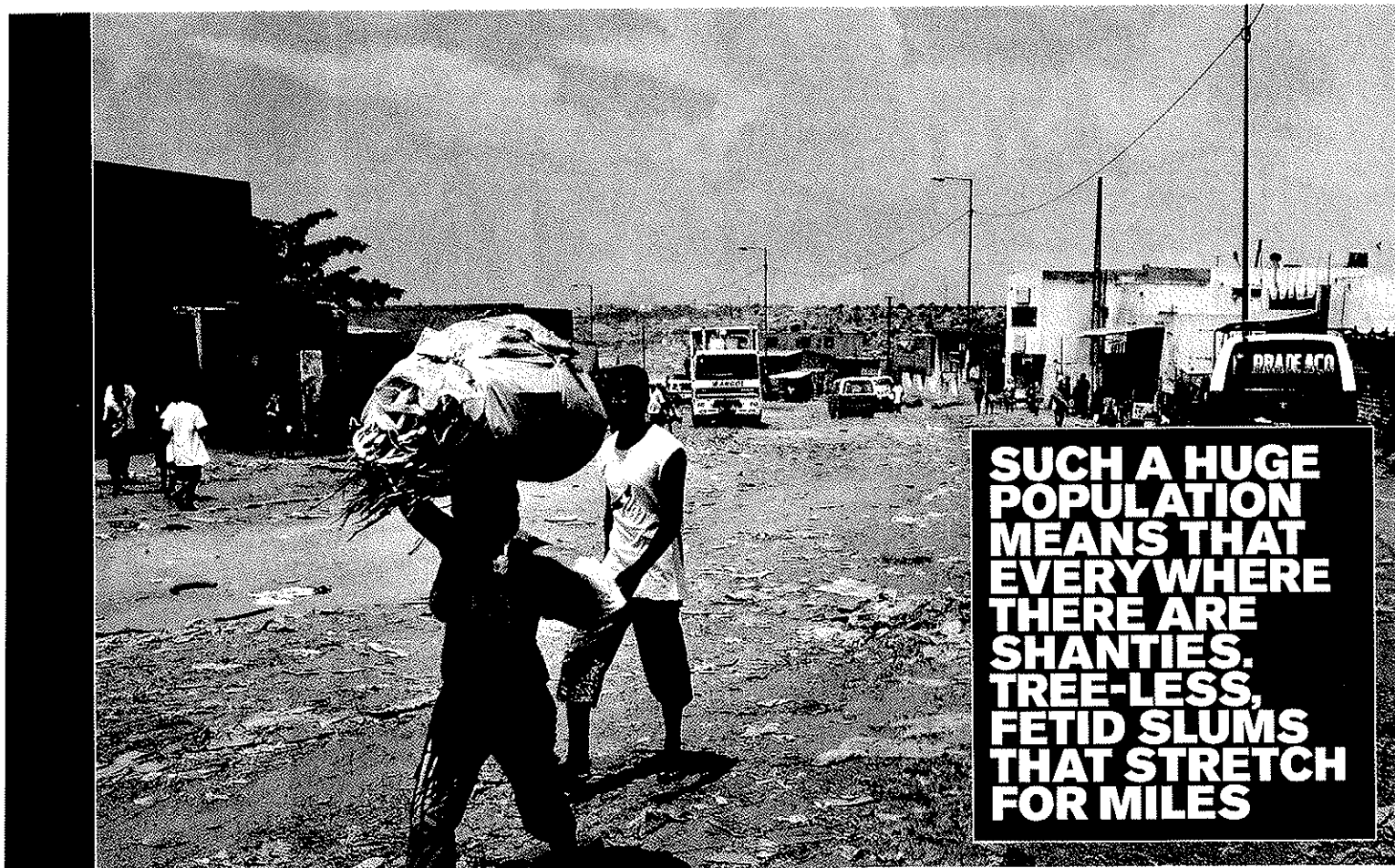
to agree, so we're waiting for the government to clear it up," he says. He is an advisor to the president, José Eduardo dos Santos, and also has his fingers in a number of business contracts. His father, André, is deputy culture minister, but he too seems impervious. In Luanda, you get used to everything, because there is money to be made, more money than is possible to comprehend.

**A**ngola is an extraordinarily rich country, populated mainly by poor people. Once the civil war ended in 2002 and the oil and diamond industries were revived, so were the opportunities to make a fast buck. It now boasts one of the fastest-growing economies. Some 300,000 foreigners arrived in 2007. The trouble was there was virtually nowhere for them to stay and nothing for them to do. A captive market emerged overnight, desperate to be serviced in luxury goods.

Inyene Udoyen arrived before the fighting had ended. "As long as you get to know the right people, the possibilities are endless," he tells me as he shows me the city. Wherever we go, he is greeted by friends and business associates. Inyene is Nigerian, of princely stock, and was educated in Tunbridge Wells

and Washington DC. His last job was in Mozambique, working for the World Food Programme. This is now the ultimate rainbow nation. During my stay I meet South Africans, Mozambicans, Brits, French, Americans, Portuguese, Spanish, and the elusive Chinese. They are united in one cause - to get rich.

I am sitting at the Tamariz Beach Club drinking a beer when I am introduced to Eric, the Swedish trade consul. He asks why on earth I've come, given that I have no interest in business. I am trying to work out how Luanda has become the ultimate boom town, I say. He does his best to explain. "It's a question of supply and demand. You can import bikinis from Brazil, or you can rent out a Jeep Cherokee for \$300 a day. The prices here are not real. Whatever you sell will make you money." The car market is a case in point. Almost everyone has a 4x4, because if you don't your car will fall into a hole. The government designates them luxury vehicles and subjects them to a 100 per cent tax. So you either pay up or, more likely, you find "solutions". That involves "coming to an arrangement" with someone in customs, or importing a car via Dubai, which apparently saves money. (I couldn't quite work out how, but there you are.)



**SUCH A HUGE POPULATION MEANS THAT EVERYWHERE THERE ARE SHANTIES. TREE-LESS, FETID SLUMS THAT STRETCH FOR MILES**



Or take housing. Luanda was built for less than half a million folk. The war drove the population up to four million people, fleeing as the two sides – the communist government backed by the Soviet Union and Cuba, and the rebel UNITA forces supported by America and apartheid South Africa – fought out one of the most vicious conflicts of the Cold War. That is why you have such fast urbanisation. That is why everywhere you look, you see shanties, shacks in fetid and treeless slums than stretch for miles to the horizon. That is why the city suffers power cuts, why traffic doesn't move and why sanitation has collapsed. When it rains, the polluted Bengo river overflows; the water merges with the garbage-strewn banks, producing yet another bout of cholera.

At the top end of the scale there simply aren't enough homes to service the foreigners working for the oil companies. This is one of the highest rental markets in the world. Small downtown colonial-era apartments without a garden can go for £10,000 per month – plus a year's deposit upfront. Classier accommodation fetches more. "You can be a successful entrepreneur here without actually doing much work," Eric notes.

Beyond making money, there is not that much to do, so people take a long time doing

it. At the weekends, lunch stretches out all afternoon. Most of the activity takes place on the Ilha, a peninsula in the heart of the city that sports one beach resort after another. By day, people drink *caipirinhas* and eat *espetada* (beef kebab) or *caril de peixe* (fish curry). The destination of the moment is Café del Mar. There you can while away the day on a sun lounger, chatting (about business) and swimming in the sea. The view from the water is not enhanced by the oil tankers in one direction and the cranes in the other. The silence is broken by the constant whirring of helicopters taking oilmen from offshore platforms to the airport, but the clientele does not complain.

By night people party – hard, until dawn. Then, before they return home (drivers have been sleeping in the car park), they gather for one last time to eat fish soup. A popular night-time venue for drink and watching bands play Kuduro music, is Miami. This is a younger, more local and hipper crowd, a far cry from the sad middle-aged men I see at another place down the road, accompanied by their *catorzinagas*, 14-year-old escorts. One of the allures of Miami is that it's run by Isabel. She's known only by her first name, as she's the daughter of the president. If you know Isabel, doors open for you. She and her part-Danish

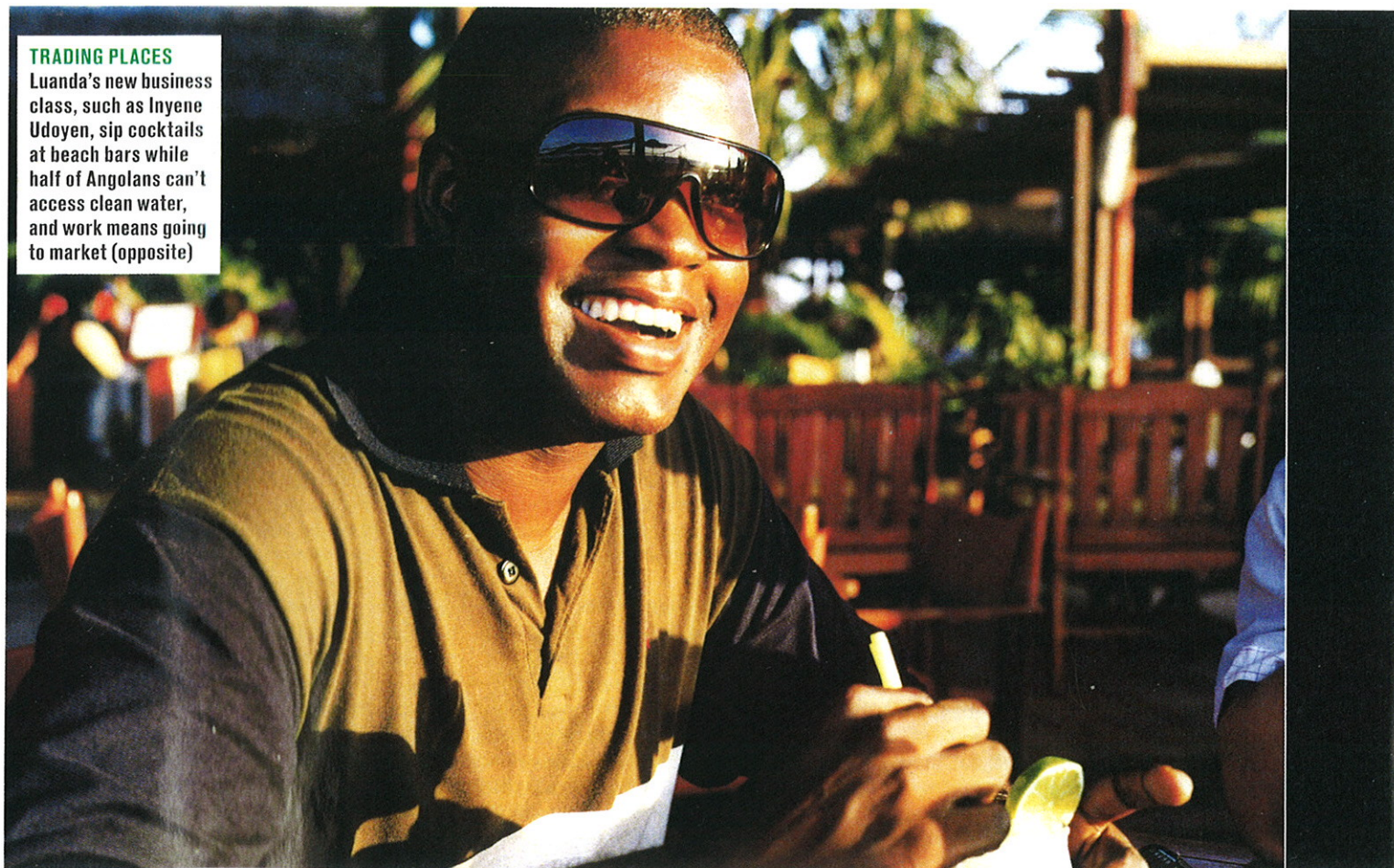
husband have taken it upon themselves to establish an avant-garde arts scene. Budding local entrepreneurs and foreign business types vie to buy the paintings off them, at inflated prices, because they don't want to offend the parents. Inyene explains: "If you behave well, you simply wait for the phone call."

**F**or the rest, life consists of eking out a miserable existence, working on construction sites, if you are lucky, or hawking anything you can find. Life expectancy is 42. Angola has one of the highest infant mortality rates in the world. Three quarters of the population earn less than a dollar a day – the UN definition of absolute poverty. Some 50 per cent of people have no access to clean water; 24 per cent of children under 14 are forced to work.

In the heart of the city stands Roque Santeiro, renowned as the largest market on the African continent. The potholes seem to get bigger, the stench stronger, as you approach. The *candongueiros*, blue and white Toyota minibuses always packed to overflowing with passengers, vie with container trucks on their way down the ►

#### TRADING PLACES

Luanda's new business class, such as Inyene Udoyen, sip cocktails at beach bars while half of Angolans can't access clean water, and work means going to market (opposite)





► hill, each throwing up red dust as they scrape past each other. The market is built on a rubbish tip overlooking the container harbour, and it is said you can find anything here. During the civil war, so the folklore goes, you could find a rocket grenade launcher or a human head if you looked hard enough. In peacetime, the more ghoulish wares may be no more, but I am reliably informed that there is no shortage of guns or drugs to be found, alongside the more prosaic car tyres, electronic goods and all manner of fake labels displayed on the street.

When you contrast the glam and the bling with the squalor of the shanties, your first instinct is to conclude that Angola provides a typically depressing example of sub-Saharan Africa. So many countries have been blighted by the curse of oil, by multinational companies ripping off – and paying off – local governments, repatriating all the wealth, and leaving the people worse off than before, that you assume Angola is no different.

**B**ut in many ways this is a different story. At least that's what the guy from the World Bank wants me to think. I've met enough of these global money men over the years to allow myself a dose of caution. Alberto Chueca Mora, the bank's country manager for Angola, introduces me to his economics advisor and the two provide a bundle of remarkable data. Growth was 23 per cent in 2007, way ahead of China, India and the other emerging powers, and Angola is likely to hold on to the top spot for 2008, with the economy increasing by 20 to 25 per cent. By 2010, GDP is likely to be more than £50bn, putting Angola on a par with middle-ranking Latin American and Asian states. The size and speed of the boom is hard to take in. It's also hard to plan for. "Nobody can digest this kind of growth," says Alberto. "If the government was run by the Swiss, it would still struggle."

"Two extremes are working against each other. No matter how huge the oil revenues, the task of rebuilding the shattered country will take a very long time," he says. It's not just the infrastructure. Economic production was geared to fighting. The social damage is enormous. "You have to put everything that happens here in that context," Alberto tells me. "Just surviving the civil war is surely enough." I take his point, but wonder about the corruption. The monitoring group, Transparency International, puts Angola in seventh place in the world for the dodgiest state. Yes, bad, he says, very bad, but it tends to be on an individual level of small bribes. The government, he says, has been much smarter than other countries in negotiating the oil contracts. The president plays

companies and countries off against each other. He never allows a single country to gain too much of a foothold. Angola, in other words, has not been taken for a ride, as other countries have been.

The IMF and World Bank used to drive the fear of God into governments across Africa and the developing world. Today they struggle to be listened to. The IMF spent years negotiating a "transparency agreement" with Angola – money in return for a commitment to political reform – only to be told hours before the deal was due to be signed, in March 2004, that the authorities were not interested in the money. They had secured instead a £1bn soft loan from China, with no strings attached. Since then the Chinese have dominated investment over the past couple of years, cornering the market in building roads, bridges and railways. They bring in entire work troupes, and get things done far more quickly than anyone else.

On the beach I have a rare sighting of a group of Chinese. Even though there are

**I**t is Sunday morning, and we embark on an epic voyage to the south. Actually, we are travelling only about ten miles, but in Luanda that takes many hours.

Everyone learns patience. Everyone learns how to use their time. Business types ensure that their laptops and phones are fully charged before they get in a car. The traffic jam is central to the Angola experience. We are heading first for the district of Talatona, which has been built exclusively for the wealthy. As we arrive the roads are suddenly flat, the air is clean and for the first time we do not smell faeces. On each side of the wide boulevards stand condominiums, bright white villas that wouldn't look out of place in the Algarve. Some are already occupied, most are in the process of being built. The smart thing to do is to buy as many apartments as you can afford from the plan. You then charge what you like for rent. To get credit, you need to know your bank manager – and pay him off. Such

**'THEY SAW OFF SOUTH AFRICA, AMERICA AND PORTUGAL. THE ANGOLANS REALLY ARE RUNNING THE SHOW'**  
ALBERTO CHUECA MORA, COUNTRY MANAGER, WORLD BANK, ANGOLA



thousands of them here, they are largely invisible. I start talking to a woman who calls herself Christina. She says she came from Guangdong Province for a year's assignment working for an oil company in Luanda. Her job is to translate from Mandarin into her (ropey) English. "We have little connection with the rest of the city," she admits. They live in their own compound, with their own food, own DVDs. They occasionally venture out to one of the half dozen or so Chinese restaurants in town.

So I ask Alberto which nation wields the most influence in Angola. "It's hard to say," he replies. "Possibly China. Possibly Brazil, due to the language and growing trade links. But I'm not sure that anyone does, after all, they saw off the Americans and the South Africans during the civil war, and they saw off the Portuguese after 500 years of colonialism. It might not look like it, but the Angolans really are running the show."

transactions have an amusing array of euphemisms, such as "facility fee". The most commonly used business request is: "I would appreciate your assistance in helping me to resolve a certain issue." Money is never mentioned explicitly. The most effective way of gauging how much cash is needed is to use an intermediary who can pop the question without embarrassment. Inevitably, that person also requires their cut.

We pass the capital's new business convention centre on our way to the Belas Shopping centre, from the outside an unremarkable building that is a temple at which the wealthy worship. This is the only place in Luanda where you can shop safely, and where you can find much of what you are looking for. The *pièce de résistance* is a hypermarket, ShopRite, which does a roaring trade in everything from Belgian truffles to barbecue sets. I sit down for a few minutes outside a takeaway



sushi bar, and talk to an American friend of Inyene's. She works for an organisation that helps business start-ups, but she's finding it tough. She complains that her office stinks, because nobody in the building is willing to club together and get someone to sort out the pipes. Only the day before we met, she was mugged on the Marginal, the main promenade in the centre of Luanda. Her armed robbers wanted her purse, but gave back her phone after she pointed out it only had a local server, not the international one they all seek. She, like many of the expats I meet, has a love-hate relationship with Angola. She adores the vibrancy and the sense of a country on the move. She knows, however, it will take many more years before it becomes *pleasant* to live in. "It may be a shit hole," she says, "but it's my shit hole."

The majority of foreigners show little inclination to integrate. They work flat out for a month, and then go back to their home countries for some R and R (the "Houston Express" direct flight to Texas is always booked out well in advance). The big

lived in Luanda you would recognise her from the photographs. Miriam Loureiro is an Angolan A lister. Her wedding was featured on the front page of *Caras* magazine, Angola's equivalent of *Hello!* She and her husband Manuel run Bar Ssulo, a beach bar-come-restaurant-come-place to be seen.

Miriam greets me with two ostentatious air kisses, as she does all who arrive at her hide-out. She summons us to a table where we eat seafood, and swim gently in the water as we wait for each course to arrive. As the sun begins to set we walk the few hundred yards to the other side of the peninsula, over pristine sand dunes and past fishermen's shacks. Within less than a minute we have left the glitz behind us, and for the first time in my stay I feel a brief sense of tranquility. But it won't last. Miriam is building Angola's first tourist destination, with 18 small holiday homes, a swimming pool and a restaurant. She is also providing accommodation for the local church and for members of the government. "They are all my friends," she proclaims, with a twinkle.

returned home. People now tend not to talk about the war, unless prompted, but everyone has memories. No one asks which side they were on. By the end of the war nobody knew why they were fighting.

I phone Dinho on his mobile, and he suggests I pop in. I ask the sleepy doorman at the entrance where I can find him; he points me to a lift and a long corridor. If only all government departments were like this. In his spacious office overlooking the port, Dinho greets me, sets me down on the other side of his large oak desk and talks of reconciliation. "People have become tired of war. They are now thinking they should use what's left of their lives to create some kind of social stability for their kids. Which African country has been through what we've been through?" He explains his grand plans. "Visitors will be able to look for elephant and buffalo on safari in the south of the country; we have game fishing and scuba diving near Benguela, waterfalls, trophy hunting. We will develop a golf course, a casino and a pleasure resort." Except not yet, certainly not until all the mines have been cleared from the countryside. He admits: "Tourism is not viable yet. We need to sort out infrastructure. We have to get our water quality, sanitation, roads, railways, airports to an acceptable level. Otherwise we'd be selling a false image."

At 43, Dinho is the youngest member of the cabinet. He is also one of a small number from the opposition, and he is willing to admit that he clears every major decision with the boss. "Once a year the president does a stocktake with his ministers, and chastises those who have under-performed." This autumn Angola will hold parliamentary elections (which the ruling NPLA is expected to win by a landslide), while in 2009 dos Santos will submit himself to the will of the people for the first time in nearly two decades. Nobody doubts the outcome, but the fact that a vote is taking place at all – and under the eyes of international observers – does seem to denote progress.

The real target for Luanda's new elite is 2010, and the next African Cup of Nations football tournament, which Angola is hosting. "By then, everything will come together," he predicts. He beckons me to the window, to the Marginal, with its faded colonial grandeur. By then, he says, land will have been reclaimed, a three-lane highway will have been built, with coffee shops and restaurants on either side. Given that it takes three years for the simplest building to be put up and that the work has barely begun, I scratch my head. Dinho is unbowed. "It will resemble Copacabana in Rio, but ours will be better." **GG**



#### AFTER THE GOLD RUSH

Angola's tourism minister, Eduardo Chingunji (left), believes the former warzone's capital will 'resemble Copacabana, in Rio' thanks to the development of new beach bars (opposite) along its Ilha peninsula

American oil firms have constructed their own gated communities. We pass one, which is nicknamed the Esso hotel, an eyesore standing on a cliff. Nearby is a more attractive condominium called Inbondeiro. This contains 20 detached houses, a swimming pool, tennis court, gym, restaurant and extremely high barbed wire. The people here never leave unless they have a good reason and when they do, they do so escorted. Much of the fear is based in paranoia. Cities such as Lagos and Johannesburg, not to speak of Rio de Janeiro, are much more dangerous than this.

We move on from condo-land and head down the hill towards the jetty. We pay some young men to take us across to Mussulo, a peninsula virtually inaccessible by car. This has become Luanda's playground for the rich and famous, with second homes springing up on the sand, interspersed by coconut palms and security fences. Inyene had taken us here to meet one particular person. If you

Miriam's guests will be Angolans or foreigners working in Luanda. There is no five-star hotel, no adventure or eco-travel in Angola. To be more precise, 19 "tourists" were registered as arriving in the past three months – a couple of Jeep-loads of intrepid South Africans, and the odd misfit. An American in his early twenties was spotted sleeping in a tent in a petrol station in downtown Luanda. He was apparently taken in by some foreigners and paraded at a party.

**E**ver the optimistic nation, Angola now boasts a tourism minister. He is Eduardo Chingunji, known to his friends as "Dinho". His family was on the wrong side during the civil war, working for the UNITA opposition, and so he sought asylum in the UK. He ended up as a mini-cab driver in London, but when hostilities ceased he, like others, waited for the phone call and