

Guelleh battles in court

It started as a legal dispute with a business partner but now the President's credibility is on trial and his wealth is on open display

It points to the fragility of President Ismail Omar Guelleh's position that a mismanaged legal battle with one of his political rivals in London's High Court could undermine his plans to change the constitution again and run for the presidency next April (AC Vol 56 No 19). Among other embarrassing details, the London Court has heard that, although Guelleh's monthly salary is under US\$5,000 a month, he was able to buy an apartment for 2.74 million euros (\$2.98 mn.) in the 16th arrondissement of Paris in 2001 and invest in an \$8 mn. complex of luxury villas at Haramous, Djibouti.

Although Guelleh's opponents in Djibouti seize on such stories of

presidential largesse, we hear the strongest pressure is coming from France and the United States, his main Western backers. Apart from the deepening economic morass at home, it is Guelleh's courting of China's military and clumsy dealmaking with regional Islamist factions that most alarm Paris and Washington. Although he has told both US Secretary of State John Kerry and French Defence Minister Jean-Yves Le Drian that he doesn't want to run next year, nobody believes that.

Guelleh has been trying to burnish his security credentials with the arrest of 20 people accused of links with the veteran opposition party, the *Front pour la restauration de l'unité et de la démocratie*

(FRUD), at the beginning of October. That and other harassment of oppositionists has merely prompted more rebukes from a human rights organisation, the *Ligue djiboutienne des droits humains*, and other civic groups.

It seems that Guelleh's case in London against Abdourahman Boreh, an exiled businessman and former presidential advisor who now says he wants to run for the presidency, is upsetting his political plans. In a case that is costing the Djibouti government millions of dollars in legal fees, Guelleh is suing Boreh for damages and accusing him of corruption when he was chairman of the Djibouti Ports Authority. However, the case against Boreh has been critically weakened: first, by Judge Julian Flaux's ruling that Guelleh's lawyers had deliberately misled the Court through incorrectly dated evidence; and secondly, by Guelleh's refusal to accede to Justice Flaux's request that he testify in court personally.

Guelleh sent his regrets but offered to testify by Skype, which Sir Julian Flaux rejected. Then, as the case was getting under way in London, Guelleh

flew to Riyadh for an official visit to King Salman bin Abdul Aziz al Saud on 18-19 October. Saudi Arabia is the latest country on a lengthening list – which already includes Ethiopia, China, France, Germany, Italy, Japan, Russia, and USA – to secure military basing rights in Djibouti's Gulf of Tadjoura (AC Vol 56 No 20). Saudi Arabia wants to use Djibouti as a staging-post in its war against the pro-Houthi militias in Yemen. Three months ago, the USA closed its military mission in Yemen and moved its officers to Djibouti, where the US Africa Command has a substantial presence.

SAUDI DISQUIET

Like many other would-be allies, Saudi is unenthusiastic about Guelleh. Its Ambassador, Ibrahim ben Abdul Aziz al Noufal, did not even attend the official delivery of five Saudi-made patrol boats to Guelleh's government on 4 October. With most foreign allies highly sceptical about Guelleh's reliability, the outcome of his case against Boreh becomes much more important. If Guelleh wins and gets some face-saving damages, the gamble will have paid off and Boreh, a wealthy and well-connected political foe, may be terminally damaged. Yet if Guelleh loses – and the signs are not good two weeks into the eleven-week trial – his reputation will have been publicly ripped apart in a foreign court with Djibouti footing the bill. Even if Guelleh chooses to negotiate a deal to halt proceedings, he may save some money but he will still look weak.

Meanwhile the trial, at which Boreh is testifying this week, is providing fascinating details of how Guelleh has been running Djibouti and its main economic assets. Boreh's counsel, Richard Waller, says that Guelleh has declined to explain where he got the €2.24 mn. to buy the Paris apartment. Boreh contributed €457,000 towards the full sale price of €2.74 mn. agreed with one Dominique Bunford, according to a letter Waller read out in court. Boreh also paid for the renovation of the flat.

FLAT FEES

Waller showed the court invoices from the flat's architects, Espaces Parisiens-Planning, invoicing Boreh for €200,000 in two instalments. While Guelleh's brother was a senior official in the Djibouti-headquartered Intergovernmental Authority on Development (IGAD), he made a modest payment for work on the flat, according to Flaux, quoting from a statement by French bank Crédit Lyonnais. Then, while running the central bank, the Banque Centrale de Djibouti, the brother of the First Lady, Kadra Mahmoud Haid, chipped in €50,000 for more renovation. Then the President's Office paid €86,000 towards Ismail Omar's Paris accommodation, according to a July 2004 document quoted by Waller.

Waller then told the Court about an invoice from Le Touessrok, a five-star golfing hotel in Mauritius, addressed to Boreh International for the sum of €44,955 in July 2005, stating: 'As per

instructions of Mr. Boreh, please find attached a pro forma invoice for 16 days stay of HH Ismail Omar Guelleh and his kids. Kindly do the needful.' According to Waller, Boreh made such payments because he felt he 'had to comply', given the fate of those who had challenged the President in the past. He also referred to the murder 20 years ago of French Investigating Magistrate Bernard Borrel, who had been enquiring into the operations of the secret police when Guelleh was head of security (AC Vol 56 No 10).

Since 2008, Guelleh has viewed Boreh as a rival, which led him to try to 'systematically destroy Mr. Boreh,' according to Waller. Representing Guelleh in Court, Lord Charles Falconer, who was Lord Chancellor under Prime Minister Tony Blair, argued that Boreh's allegations were 'factually irrelevant' to the dispute in hand over the Doraleh Container Terminal concessions.

Justice Flaux added that if Boreh's case was that he was siphoning money out of projects and capital shares in order to give them to the President, 'it is absolutely no defence to Mr. Boreh of a charge of corruption...' although it is a '...discreditable allegation against the President of huge seriousness.' Beyond the laundry list of presidential benefits publicly disclosed in court, the Judge said there 'may be any number of reasons why the President has eight residences and 80 cars, assuming he does.' The case continues. ●