

EU-Africa Development Initiatives

Olufemi Babarinde European/EU Development Policy in a Global Context: approaches, issues, and results FIU Conference Miami, FL February 22-23, 2016

Introduction

- ≻Inquiry is work in progress
- ➢Inquiry is about the evolution of EU-Africa's development relationship and initiatives
- ≻Will cover the following
 - ≻Overview
 - >Attributes of the relationship
 - ≻Drivers of change
 - ≻Theoretical critiques
 - ≻Conclusion



Overview of EU-Africa Development Relations

➢EU-Africa relations can be traced back to the 1958 Treaty of Rome

➤The most recent and the most visible in the litany of initiatives in the EU's time-tested relationship with Africa is the Joint Africa-EU Strategy (JAES)— a continental approach that aims to jointly pursue common interests and strategic objectives, beyond traditional development focus
➤To be clear, between Rome (1958) and Lisbon (2007), the EU's development relations with Africa have evolved.



The EU's development relations with Africa derives from the following broad policy strands

➢Colonies/ex-colonies/OCTs (1958 Rome Treaty, Part IV)

≻Ex-colonies

≻Yaounde Conventions (1963 & 1968)

≻ACP group

≻Lome Conventions (1975-2000)

≻Cotonou Agreements (2000-2020)

≻Economic Partnership Agreements (2002-2007???)



- ≻Republic of South Africa (RoSA)
 - ≻Legacy of apartheid & mid-1980s sanctions
 - ≻Interim Cooperation Agreement (1994); access to EIB loans
 - ≻EU rebuffs quest for ACP membership
 - ➢Trade, Development and Cooperation Agreement (1999)
- ≻Maghreb group
 - ≻EU-Maghrebi pacts (mid-1970s)
 - Euro-Mediterranean Partnership (1995–Barcelona Process)
 - ≻European Neighborhood Policy (2004)
 - ≻Union for the Mediterranean (2008)



➤ One Africa' initiative- Joint Africa-EU Strategy

- Cairo (2000); Lisbon (2007); Tripoli (2010); Brussels (2014)
- ≻Involves > 80 African & EU countries
- ≻JAES adopted at the 2007 Lisbon summit
- ➢ Principles
 - ≻Unity of Africa, interdependence between Africa and Europe, ownership and joint responsibility, ...
 - Strengthened political dialogue, co-management and coresponsibility in bilateral cooperation and on global issues, ...



➢Objectives

≻Peace & security

Democracy, good governance, & human rights

- ≻Human development
- Sustainable & inclusive growth, continental integration
- ≻Global & emerging issues

➢<u>Approaches</u>

- ➢Forge a real partnership that is characterized by equality and the pursuit of common objectives
- >Build on positive experiences/lessons learned from the past
- ≻Continent-to-continent



Aspects of EU-Africa Development Relations

≻Early initiatives

≻Aid for development regime (EDF, STABEX, SYSMIN, etc.)

Trade for development regime (duty & quota-free concessions)

>More contemporary initiatives

- Conflict prevention
- Post-conflict reconciliation, rehabilitation, re-integration
- ➤Terrorism and insurgencies,

➤A host of MDG/SDG targets, including, but not limited to, poverty and hunger eradication, capacity building, inclusive growth, security, environmental protection, and climate change



Aspects of EU-Africa Development Relations

► ACP Group

➢ Joint Africa-EU Strategic Partnership

>Joint Caribbean-EU Partnership Strategy

Strategy for a Strengthened Partnership with the Pacific Islands



Aspects of EU-Africa Development Relations

➢Relations between Africa and the EU have evolved since Rome (1958), particularly since the 1990s, due in large part to shifting political, economic, and other interests on both sides

- Africa has been lowered from its exalted 'Pyramid of Privileges' position
- ≻Seismic 'shift happens'!



Factors that have shaped relations

≻Endogenous

- ➢Poor development results (e.g., 34/36 of least-developed countries in 1996 were SSA/ACP; low intra-Africa trade; etc.)
- ➢Inception of the SEM on January 1, 1993 (e.g., banana regime no longer tenable/compatible)
- Enlargements of the EU (new MS that had extensive colonial ties elsewhere, more global development outlook, or no links)
- >1992 Maastricht Treaty required coordination, coherence, and consistency in the EU's myriad development initiatives, in accord with the CFSP; 1997 Amsterdam Treaty reiterated the urgency of promoting sustainable economic & social development of LDCs and integrate them into the global economy



Figure 1: Share of Total Exports from Africa by Destination (%)





Figure 2: ODA to Africa by DAC Donor (\$ million)





Figure 3: Total Exports from Africa by Destination (\$ billion)





Figure 4: Share of Global Foreign Direct Investment Flows (%)





Factors that have shaped relations

≻Exogenous

Swish of the Iron Curtain and the 'return to Europe' policy vis-à-vis ex-Communist Europe

➢Growing importance of China and Asia (largest continent with ~ half of global population and steady economic growth

 Advent of the WTO in 1995 and the need for compatibility (e.g., banana regime; MFN principle)
 Stalled Doha Round of Development



➢Economic Liberalism

➢Both the JAES and EPAs are designed to promote, inter-alia, trade, FDI– to stimulate employment, economic growth, and development via trade liberalization & EOI policies

➤They are also designed to enable greater economic integration of Africa with the EU snd with the global economy

➢ However, both may also work to the detriment of pan-African regional economic integration, due to the EU's preference of demarcating Africa into sub-regions that are different from the EU's preference/structure



➢Economic Mercantilism

- ≻Critics have argued that the predominance of EU's interests is unmistakable in the JAES and EPAs
- The interests of Africa (other LDCs) are secondary to those of the EU
- ≻Migration crisis and response
- ≻Climate change and response



Economic Structuralism

- Some observers have criticized the notion that the JAES is a "partnership of equals" as illusory and misleading
- ≻Critics point to the CAP, SPS, and NTBs as impeding Africa's access to EU markets
- ➤Critics have also argued that the JAES perpetuates a North-South exploitative relationship instead of substantially promoting a South-South orientation
- ➤That EPAs and the JAES are a backdoor approach by the EU to impose the "Singapore issues" (investment, public-sector procurement, competition) that had been rejected in Doha



➢Economic Feminism

➢ Recognition that women (along with the youth) are central to the advancement of substantial and sustained development in Africa

➤As Federica Mogherini recently noted, "Africa's women are [its] strength," and must involve putting women's rights at the core of the continent's development

➤That implies, inter-alia, providing opportunities of employment, entrepreneurship, education access, health access, and political participation

>Has JAES empowered and elevated women's status in Africa?



Economic Constructivism

≻This is a recognition of the intent of the JAES, for example, to jointly write new rules of the game between the two partners, jointly influence decisions and policies at the global level, etc. in a manner that mutually benefit both partners and their long-term development objectives

➤The question, however, is to what extent is are both partners listening to each other on sundry issues (e.g., AU's opposition to Europe's removal of Gaddafi)



Conclusion

➤That EU-Africa development relations need to bode well for both parties, and veritably advance the development of both Africa and its people

That access to the EU's lucrative market may be more crucial than any other development initiative of the EU, partly because the opportunity cost of a shut market to Africa is huge for its development

African leaders/governments need to create enabling environments for local and foreign enterprises/investors



Thanks!

Q & A

