

Africa in the Wider World

Editor

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Contents

Preface	IV	
1. Africa Diverging: The Struggle to Keep Pace with a Fast-Evolving Continent	1	
<i>Richard Downie</i>		
2. African Security: Time for a Change in Doctrine?	4	
<i>William M. Bellamy</i>		
3. The Unfinished Health Agenda in Africa	7	
<i>J. Stephen Morrison and Talia Dubovi</i>		
4. Linking Trade and Development in Africa	10	
<i>Daniel F. Runde and Conor M. Savoy</i>		
5. China and Africa: Is the Honeymoon Over?	12	
<i>Jennifer Cooke</i>		
6. India's Africa Story	15	
<i>Richard M. Rossow</i>		
7. The Three Faces of African Energy	18	
<i>Sarah O. Ladislaw</i>		
8. Europe and Africa: Where Demographics and Insecurity Collide	21	
<i>Heather A. Conley and Jean-Francois Pactet</i>		
9. State Building Challenges in Africa	24	
<i>Robert D. Lamb</i>		
10. Africa and the Americas: Historic Ties, Future Opportunities	26	
<i>Carl Meacham</i>		
11. The Maghreb Looks South	29	
<i>Haim Malka</i>		
12. Banking on Africa's Youth	31	
<i>Nicole Goldin</i>		
13. Africa Opening or Closing?	34	
<i>Sarah Mendelson</i>		
About the Editor and Authors	37	

10 | Africa and the Americas

Historic Ties, Future Opportunities

Carl Meacham

For several decades, the Americas have actively sought to engage other regions of the world. A significant component of this outward push is the proliferation of global partnerships, including the Transatlantic Trade and Investment Partnership being negotiated between the United States and the European Union; the Trans-Pacific Partnership, which links countries from Asia, Oceania, and the Americas; the proposed Mercosur (Common Market of the South)-European Union trade agreement; and the Pacific Alliance, a Latin American bloc that currently includes a number of Asian, African, Oceanic, and European countries as observers and is opening joint diplomatic offices in Ghana, Algeria, and Vietnam. These agreements are important tools because they serve not only to intensify commercial relations, but also to promote stronger political engagement between the regions involved. When it comes to Africa, however, similar initiatives are surprisingly scarce, considering the regions' historical ties. Economic relations between both regions have also been modest: in 2009, trade between Africa and Latin America amounted to approximately US\$23 billion, which accounted for less than 2 percent of Africa's total imports and exports. This trend, however, seems to be shifting, as the value of trade between Africa and South America alone amounted to more than US\$39 billion in 2011.

The Africa-South America Summit, initiated in 2006 by a joint Brazil-Nigeria initiative, is still one of the few forums established to promote greater cooperation between Africa and the Americas. Since its inception, the ASA has hosted three summits, the latest of which was held in Malabo, Equatorial Guinea, in early 2013. With an agenda focused on trade, energy, and infrastructure, the summit hopes to sponsor different projects and programs and to promote investment in both regions. But despite its ambitions, the summit lacks a proper funding mechanism and a formal institutional structure and has yet to yield any tangible results for its member states. The inclusion of South Africa in the BRICS (Brazil, Russia, India, China, and South Africa), in 2010, and the establishment of the India-Brazil-South Africa Dialogue before that are further indications of how Brazil, in particular, acknowledges Africa's strategic importance.

As Latin America's largest economy, Brazil has largely led the region's efforts to engage the continent over the past decade, and may provide an initial model for enhancing regional ties. Brazil has long-standing ties with Africa, particularly with Angola, to which it is historically and tragically linked through the slave trade and Portuguese colonial rule. With half of its population considered black or of African descent and the influence of African culture palpable in several aspects of Brazilian culture—ranging from religious traditions to traditional cuisine—Brazil is perhaps the country in the Americas with the closest natural ties to Africa.

Over the past decade, these ties have had a clear impact in Brazilian foreign policy, as seen by the country's 37 embassies in the African continent—half of which have been inaugurated since 2003. Today, Brazil accounts for over two-thirds of South America's trade with Africa.

More important has been Brazil's expanding investment in Africa. The Brazilian Development Bank (BNDES) to date has invested over US\$5 billion in Africa, including Angola, Mozambique, Ghana, South Africa, Equatorial Guinea, and Zimbabwe. The bank has financed various infrastructure projects in the continent, for example, the construction of the Nacala Airport in Mozambique and a biofuel processing plant in Ghana, among many others. Currently, 5 percent of the bank's annual US\$10 billion budget for foreign trade and investment is directed at African countries. Brazil, however, is hoping to increase those numbers in the future and has recently opened a BNDES office for Africa in Johannesburg. With help from BNDES, the private sector has also served as an important tool for strengthening Brazilian ties with the continent. The Brazilian metals and mining company Vale—which operates the Moatize Coal Mine in Mozambique—is the biggest Brazilian investor in Africa; and Brazilian conglomerate Odebrecht is currently Angola's largest private employer. Likewise, state-owned Petrobras currently operates in Angola, Benin, Gabon, Libya, Namibia, Nigeria, and Tanzania, exploring oil and gas reserves.

The Brazilian Cooperation Agency (ABC) has also been an important partner in the continent—between 2012 and 2014, ABC will disburse more than half of its US\$134 million global aid budget in African countries. The agency acts alongside Brazilian ministries and governmental agencies that offer their expertise on particular areas in the implementation of projects. The establishment in Mozambique of an antiretroviral production site is an example of successful ABC collaboration. The facility, which began operations in July 2012, was the result of a partnership with the Oswaldo Cruz Foundation, a research institution associated with the Brazilian Health Ministry. Brazil has also been particularly active in Guinea-Bissau, offering assistance on a wide range of issues. Most notably, in 2011 Brazil inaugurated the Joao Landim Security Forces Training Center in the country. Operations were suspended following a 2012 coup d'état, but are expected to resume, under UN auspices. The Brazilian Superior Electoral Court, TSE, has also sent numerous electoral cooperation missions to Guinea-Bissau, and even assisted the country in organizing its most recent national elections.

More broadly, Brazil's ongoing transition from a developing country to a wealthier, more assertive, global player provides a powerful example for African countries to follow. Brazil has shared many of the challenges that now confront African states, including widespread poverty, high rates of HIV/AIDS, stagnant agricultural sectors, unchecked urban growth, and wealth inequality. In some of these areas—particularly in HIV treatment and revitalizing its agriculture sector—Brazil has made significant progress and as a result has useful expertise to share with its African partners.

Brazil's efforts to strengthen ties with Africa have not been limited to aid and investment. The establishment of TV Brazil International is evidence of that. Launched in 2010 as an effort to further promote Brazil in the continent, the Brasilia-based channel is rebroadcast—via Maputo, in Mozambique—to 49 African nations. Brazil shares a language (and colonial history) with Africa's five lusophone states—Angola, Mozambique, Guinea Bissau, Cape Verde, and Sao Tome and Principe. This shared

language has helped foster cultural ties and has been a significant advantage in facilitating business and trade. The Community of Portuguese Language Countries, whose membership also includes Portugal and Timor Leste as well as Brazil and the African lusophones, has also been serving as an important cooperation channel. The community's agenda focuses on diverse areas, including health, education, poverty, and governance.

Brazil's expanding engagement with Africa is, of course, motivated by its own national interests. As it pursues a more prominent international role and expanded economic benefits, Brazil sees Africa as a source of opportunity. Africa's sustained growth rates, and its growing demand for goods and services, have made it an attractive target of engagement for Brazil and for emerging market states around the world. China has been the major player but Brazil, along with India, Malaysia, Russia, Turkey, and others, are also seizing the opportunity.

China remains the continent's largest bilateral trading partner, but as the Chinese investment model slows, African countries may look to diversify their partners. And as growth in the Americas slows down, it may be time for the region to explore new markets. Africa just might be the best place to start looking.