



AU/EU Weekly Monitor

December 12, 2007

The Fear of EPAs Beginning of Wisdom

By Anna Cant in UK for CAAGLOP (12/12/2007)

"The Lisbon summit will undoubtedly leave its mark on Europe-Africa relations. There will be a before and an after this summit."

Those were the words of Portuguese President José Socrates in his closing speech at the EU-Africa summit in Lisbon. Was this empty rhetoric to disguise an absence of tangible outcomes? Or will the summit mark a significant shift in the political and trade relations between EU and African states?

In some respects it seemed that nothing had changed. The assertion by EU trade commissioner Peter Mandelson that, "Africa's dependence on a few basic commodities has seen it fall far behind the poverty reduction and economic growth of Asia and Latin America;" displayed a willful ignorance of the history that has structured many African economies. The focus on specific exports that were required by the metropole was a major policy of the colonial era, as was the refusal to undertake structural investment that would have facilitated autonomous growth - a risky prospect for any colonial power. The implicit statement that African nations are culpable for their own underdevelopment follows in the tradition of European paternalism that Africa has been trying to shake off.

Among some African leaders there was easy recourse to accusations of imperialism and colonial manipulation, with Zimbabwe's Robert Mugabe accusing Denmark, Sweden, The Netherlands and Germany of acting as puppets for the absent British Prime Minister, Gordon Brown, and Libya's Muammar Gaddafi arguing that immigration from Africa to Europe was a direct legacy of colonialism. He is quoted as saying "Either you give us back our resources or you invite us in your coun-

tries. That's a fairly straight choice." Regardless of the possible truth of such a statement, the reality is, that line of argument only perpetuates the master-slave relationship, with African states dependent on external solutions to their economic difficulties.

The summit was an attempt to draw a line in the sand, to begin a relationship based on parity and mutual engagement. The themes under discussion were somewhat nebulous, covering over the three days: peace and security; governance and human rights; development questions and fighting climate change. At such a short event, this was never going to be about conclusive negotiations, but about opening up a dialogue. It was described by Portuguese Prime Minister José Socrates as a meeting of "equally sovereign states in the community of nations." That statement in itself marked an historic transition from the days of 'association' status for former European colonies, when African countries were treated as tag-alongs to the European club. It was the first meeting between the EU and the African Union, formerly the Organisation for African Unity. The AU now presents itself as a politically confident and well-structured body, reflecting the EU in ways that will vitally enhance the position of African states in future negotiations.

Beyond the symbolic significance of the summit, however, there were uncomfortable exchanges and accusations made, most notably on the issue of Zimbabwe, and a general unease at the way in which European attempts to secure a new trading regime were conducted. There were accusations of divisive practices and undue pressure being placed on smaller African nations.

The major sticking point was the negotiation of Economic Partnership Agreements (EPAs) with the African, Caribbean and Pacific (ACP) countries. The issue has acquired urgency, as the deadline on a World Trade Organisation legal waiver that allows preferential trading terms for some former African colonies runs out at the end of December, 2007. EU trade commissioner Peter Mandelson has said that if the EU does not comply with the WTO deadline, the non-ACP developing countries "can and will challenge us." The argument follows that the EU would then have to fall back on its default preference

scheme for all developing countries, with a less favourable outcome for the ACP countries than if they were to sign up to an EPA.

The tendency for the EU to structure trade negotiations with Africa around WTO agreements and the demands of the international trading regime is viewed by many as a disingenuous tactic. Similar language was employed during the negotiation of the European Union-South Africa Trade, Development and Cooperation Agreement, 1999. It was ostensibly designed to reintegrate the South African economy into the global economy following the collapse of apartheid, but the main request made by the President Thabo Mbeki, for South Africa to gain membership of Lomé, was flatly refused on the grounds that such an arrangement would be incompatible with WTO regulations, undermine the economies of existing Lomé member states and ultimately disadvantage South Africa's future economic growth by providing a disincentive for liberalising trade. As the Europeans argued it, the agreement that emerged in 1999 was designed to bring South Africa in line as an equal trading partner with Europe, rather than perpetuating the donor-recipient relationship.

The Agreement set out a phased removal of European tariffs on 97% of South African produce over three years, while allowing South Africa to move towards a similar removal of its tariffs on European goods over the broader time span of 12 years. On the face of it, this was an example of a developmental economic agreement, designed to ease South Africa into the global economy. However, British academic Richard Gibb argues that the practical reality was that the adjustment costs for South Africa would be far greater than those for the EU, given the massive differential in the existing tariff system.

South Africa, which prior to the agreement levied tariffs on EU exports that were three or four times those of the average EU tariff, had far more to lose than the EU, which was already importing the majority of South African exports duty free. Furthermore, Gibb sees the 1999 Agreement as just one example of a pattern whereby many African states are being integrated into the global economy on unequal and disadvantageous terms, under the guise of compliance with WTO conditions and the international regulatory framework. He con-

cludes that, "The EU is not a powerless spectator and the prioritisation of the neo-liberal agenda is not a 'natural' state of affairs."

That view was voiced by a number of charities and non-governmental organisations during the course of the recent summit. They believe that it would be perfectly feasible for the EU to negotiate an extension of the waiver if it so desired; they argue that the WTO deadline is being used to coerce African countries into trading arrangements that predominantly serve the interests of Europe.

Luis Morago, Head of Oxfam's EU office commented that "The EC's determination to conclude the deals, even if this means signing a jumble of bilateral arrangements with individual countries or sub-regions, raises serious doubts about its commitment to regional integration progresses." If the EU were to conclude individual agreements with specific countries built on varying terms and conditions, the upshot may well be that African countries battle against each other for European trade, rather than concentrating on regional interdependence. African resistance was made clear at the summit by Senegalese President, Abdoulaye Wade, who told the media: "It was said several times during the plenary session and it was said again this morning: African states reject the EPAs."

That sentiment was echoed at last week's opening of the Economic Community of West African States (ECOWAS) conference of foreign ministers, when Burkina Faso's foreign minister Djibril Bassole urged West African countries not to sign up to individual trade agreements with the EU. Such a statement might be taken as an indication of the polarity between European and African perspectives on trade, but it can also be read as a cause for hope, since African states are becoming more able to challenge European demands at an institutional level, through bodies such as ECOWAS and the AU.

As we have seen, there is good reason to question economic solutions for Africa that are based entirely on the expansion of markets and the liberalisation of trade. By contrast, regional cooperation within Africa is currently in a state of relative strength. The creation of the African Union was not merely a name change, a re-branding of the Organisation for

African Unity, but a shift away from what was essentially a centre for anti-colonial activism towards a broader and more coherent body that can set the global agenda and not merely respond to the priorities of external powers.

There may be a long way to go in substantiating the equality that was proclaimed at the EU-Africa summit, but if African countries continue to form alliances with each other and speak collectively through institutions such as the AU and ECOWAS, they will occupy an increasingly strong position at the negotiating table. While the failure to conclude EPAs in time for the December deadline might be taken as a sign of the polarity between the two continents, it also offers the hope that negotiations between the EU and Africa will no longer be a case of steam-rolling vulnerable nations into disadvantageous trading conditions. Growing Chinese investment and the increasing confidence of Africa's regional political bodies will act as a much-needed counterbalance, in a relationship that has for too long been marred by exploitation and inequality.

Anna Cant graduated from Cambridge University with a BA in History.

Related CAAGLOP's Publications

[Africa Policy Watch](#)

[AU Weekly Monitor](#)

[Africa Regional Weekly Monitor](#)

[Africa/Asia Weekly Monitor](#)

www.caaglop.org

