



## **Africa/Asia Weekly Monitor**

November 30, 2007

### **India in Africa—Goodwill or Business?**

By Dorien Braam in Netherlands for CAAGLOP (30/11/2007)

Since the 19<sup>th</sup> century, when the British started to ship people as workforce from their Indian to their African colonies, the presence of Indian culture and its influence to Africa has been substantial. One of the most illustrious people in the history of India and Africa, Gandhi, changed the story of an entire African country. Before returning to India, Gandhi helped the South Africans to struggle for civil rights and this collaboration in goodwill continues to show in today's presence of India in Africa.

There is a fierce battle going on between the two biggest Asian countries, that by themselves almost make up for an entire continent. Both of them see the future need of more resources and a new trading partner and look for it in Africa. Although the influence of China in Africa is much larger and more widespread than that of India, the latter is doing its best to keep up in the political and economical race. Where China gets critical comments on its mostly resource based investments, India is investing in what the African countries seem to need most: capacity-building strategies. Indian companies seem more integrated into the African society, not only because of the long years of presence and experience, but also because they hire and invest in local employees and give training and support to local initiatives.

Instead of the neo-imperialist accusations big neighbor China gets, India is busy in developing a more sustainable relation with the African countries it supports and by doing so, wins the goodwill of both African and Western countries. To keep up with one of the biggest investor in African economies at the moment, China, in the struggle for influence in the

growing markets, the attitude of India towards Africa is slightly changing. China is already present in most of the African countries, mainly because its big bank reserves which it uses to strengthen the connections with governments and influence over businesses. India so far only has diplomatic bonds with few African countries. Obviously one of the main reasons is the difference in the national growth and development of the two Asian countries itself. Where India is still struggling to combine democracy and development, China has a less bureaucratic system and is able to make quick and substantial changes in just a short amount of time. Another reason is, as mentioned before, that India so far has been able to bring a more visionary kind of support, directed at long term goals.

This is what the African countries need most; a long-lasting, sustainable partnership with the nations that support it, which can develop in more equal economical ties. The base of sustainable support for the African countries is sharing knowledge and gained experience. India recently initiated an e-network initiative, tools with which people in both urban and rural Africa can learn through the internet, it will connect schools and other institutions to universities and businesses in India. Computers and internet are businesses in which India has an excellent reputation, and ensures therefore a strong sustainable support. Not only will this create a learning tool open to everyone with a computer and internet connection, it also allows the Indian businesses to gain more inside information and a bigger influence over large parts of Africa, not easily reached by standard distribution methods. It is a method in which both parties can learn from each other, and that can be extended to other countries and institutions all over the world. Instead of taking the educated class out of Africa into Western universities, with the danger of keeping the knowledge too far from the place where it is needed the most, it ensures it gets immediately implemented in the right place.

As the struggle with China is getting fiercer, African economies grow, and as some problems don't seem to get resolved with the same speed as the economies growth, India is finding new and faster ways to profit from stronger and slightly different ties with the African countries. Profiting from the existing infrastructure and the lack of business development knowledge in Uganda and Kenya, the Indian government is about to send Indian agriculturists to large

pieces of land to farm and make profitable. They do not go there as workers however, they go there as landowners and business people. Although it ensures new opportunities for land that is not being used, and creates new jobs for people that can work the land, it seems very similar to the land distribution between white farmers in Zimbabwe. Here the landowners, mostly white farmers, eventually got forcibly removed from their lands, after which the country ended up in a less unequal, but more desperate situation.

Another recent development in the ties between India and Africa is the first India-Africa hydrocarbon conference, as much needed energy becomes scarce and expensive in the growing Asian country. As the oil prices become too high, a huge problem is arising for a country that is dependent on energy for further development. The world is turning its gaze to the African continent for energy reserves and India is trying to make sure it gets its share before China steps in the way. Huge sums of money are used to ensure a place in the growing energy distribution from the African to the Asian continent.

It all goes to show, that India has to be careful about how to invest and where to put their support, in order to prevent itself from making the same mistakes as China or the Western countries before that. The attitude from the African countries towards India can easily change. India should continue making slow, but important progress which changes the African continent for the best in the long term. For now, India has a great advantage over the traditional donors, as the governments and people of Africa look upon them favorably, and see the support offered by India as one that has no visible strings attached.

References:

[http://www.atimes.com/atimes/South\\_Asia/IG13Df03.html](http://www.atimes.com/atimes/South_Asia/IG13Df03.html)

(27.11.2007)

[http://www.africa-business.com/features/india\\_africa.html](http://www.africa-business.com/features/india_africa.html)

(27.11.2007)

Dorien Braam based in Netherlands, is CAAGLOP's correspondent covering Africa/Asia relations.

The views and opinions expressed herein are those of the writer only, not the Center for African Affairs and Global Peace (CAAGLOP).

## Related CAAGLOP Publications

[Africa Policy Watch](#)

[AU Weekly Monitor](#)

[Africa Regional Weekly Monitor](#)

[AU/EU Weekly Monitor](#)

[www.caaglop.org](http://www.caaglop.org)