The Evolution of European-African* Relations

Isebill V. Gruhn

Professor of Politics

University of California, Santa Cruz

Presented at the

European Community Studies Association

Third International Conference

Washington, D.C.

May 27-29, 1993

* For the purpose of this paper, Africa refers to Sub-Saharan Africa.

Introduction

The relationship between Western Europe and Sub-Saharan Africa is made up of tightly structured bilateral policies and institutions and networks of multilateralism. Over the past 30 years attitudes, policies and prevalent theories on the subject of "development" and the descriptive and normative aspects of the relationship between "developed" and "developing" societies has been reflected in the discussions, the policies and the institutions which link Europe with Africa. It is interesting that the European-African relationship has tended to mirror the policies, strategies and theories developed in other contexts, while the African-European context itself has produced no major new thinking either about development strategy or the relationship between development and international policy. Perhaps the key exception is the literature, which argues that the asymmetric relationship between the developed and the developing states is neocolonial. A considerable range of policy analysis, multilateral institutional analysis and descriptive analysis has used Africa as the continent and individual African states as objects for description and analysis of neocolonialism.

The European-African relationship, especially in its institutionalized aspect, has generated vast amounts of empirical policy research as well as the policies and the institutions to carry them out. In the realm of institution building and policy innovation, the European-African experience has provided an innovative testing ground for these theories and policies, but the theories and policies themselves were largely derived from the non-African and non-Eurafrican context. If, for example, one examines economic development as the history of an idea, as H. W. Arndt has done so eloquently,[1] one notices the critical development theories that were generated for Latin America, especially in the Marxist and neo-Marxist realms. As early as the late 1940s and early 1950s, the Economic Commission for Latin America (ECLA), guided by the fertile mind of Raul Prebish, rejected the classical theory of international trade as an engine of growth. It was argued instead that international trade, as then structured, had been responsible for

[1] H. W. Arndt, *Economic Development: The History of an Idea* (Chicago: University of Chicago Press, 1987).

hindering development. Well into the 1970s, the New International Economic Order (NIEO) was calling for a global restructuring of trade. While NIEO was certainly inclusive in its attempts to address the problems of all parts of the developing world, the theoretical origins of its solutions were rooted in Latin America. The conditions of Latin America informed NIEO theories and often Latin Americans or students of Latin America were the theorists.

In a similar vein, attempts to identify the conditions for rapid and successful development focused on the empirical evidence where successes had occurred. Hence, the Asian success stories of Korea, Taiwan and Singapore also fostered new theories and policies for both national and international strategies. In this case, the focus was the conditions which led to development and which, in turn, might spill over into other continents, triggering new thinking about policy making and institution building. It is, therefore, only a mild simplification to say that from 1950 to the mid-1980s, national and international development theories mirrored Latin American problems and the attempts to understand the success stories in Asia. What we learn from policies for Asia is often the basis today for making policy for other developing parts of the world.

Little revisionist theorizing over the past four decades has been based either on Africa's circumstances or Africa's relationship with Europe, a fact made all the more interesting because the links between Europe and Africa have persisted, and become heavily institutionalized and at times have even verged close to innovation. That the African-European relationship has been neocolonial may be valid but that does not suffice to explain the relative absence of Africa-specific theories. Neo-colonial policies and institutions are unlikely to become less neocolonial by themselves in the absence of sensible, informed strategies to alter the neocolonial relationships. In short, while the challenge of neocolonialism might have generated innovative theorizing about Africa's dilemmas, it failed to do so. With the onset of the twenty-first century and Africa's decline, her crises continue to accelerate. It is becoming increasingly clear that Africa's development problems are deeper and more profound than those in other parts of the developing world. The depth and nature of Africa's economic, political and social crises requires new analysis. We also need to comb the past European-African relationship for clues to its failures if we are ever to find new theories and policies that will relieve the seemingly insurmountable issues faced by this "continent in crisis."

The Road to 1992

There is no need to rehearse here the history of European imperialism and the resultant colonization of the African continent. Let us recall that colonialism, to varying degrees, structured the lines of trade within the empire (see table below).

Table I

Share of Intra-Imperial Trade in 1929 and 1938

(Percent)

Trade of	Share of	Imports		Exports	
		1929	1938	1929	1938
United Kingdon	British Commonwealth, colonies, protectorates	30.2	41.9	44.4	49.9
France	French colonies, protectorates, mandated territories	12.0	27.1	18.8	27.5
Belgium	Belgian Congo	3.9	8.3	2.6	1.9
Netherlands	overseas territories	5.5	8.8	2.6	1.9
Portugal	overseas territories	7.9	10.2	12.7	12.2
Italy	colonies and Ethiopia	0.5	1.8	2.1	3.3

Source: League of Nations, *Review of World Trade, 1938* (Geneva, 1939), pp. 34-35.

The Treaty of Rome was signed in 1957 at the very time when Africa's first colony, Ghana, achieved independence. The rest of Europe's African empire was still intact, though clearly the independence process was accelerating and by the early 1960s a substantial transformation to independence had taken place. The Treaty of Rome established the European Economic Community (EEC) and provided aid to the colonies of its members through an implementing convention. By 1958, the first European Development Fund (EDF) was established. Given the modesty of the EDF resources, most resource transfers between the EEC membership (Belgium, France, the Federal Republic of Germany, Italy, Luxembourg and the Netherlands) continued to be bilateral. Conceptually EDF is important as a formal multilateral link between the EEC and

Africa in the decolonization and post-colonial phase of European-African relations. France was the major colonial state among the group of six EEC countries and hence EDF funds were mostly allocated to the French-speaking African states. The other five states helped finance the French colonies.

In the decade which followed, most French colonies in Africa became independent. In fact, by 1963 the relationship between the EEC and its former colonies was being reorganized. Eighteen countries, all francophone and all African except Madagascar, formed the Association of African States and Madagascar (AASM) and in July 1963 a convention was signed between the EEC and the AASM. This convention was intended to be renewable and to last five years. The provisions of the convention included preferential trade agreements and financial and technical assistance but they also provided European access to African raw materials. Not surprisingly, this arrangement came under early criticism inside and outside of Africa as an essentially "neocolonial" arrangement.

In June 1963, a second EDF was established, after nearly two years of negotiations. The agreement was signed in Yaoundé, Cameroon and was subsequently known as the Yaoundé Convention. The Yaoundé Convention granted tariff preferences to African states but no system of export subsidies or stabilization funds. Aid was also increased and the Yaoundé Convention provided for joint institutions at the ministerial level. The Yaoundé Convention is commonly recognized as the precursor of the Lomé Conventions.

When the Yaoundé Convention was signed, Britain was still not a member of the EEC and the former British colonies therefore stood outside these arrangements. Nigeria independently signed the Yaoundé Convention in 1966 but, in the end, it did not ratify a separate agreement with the EEC. In 1969, three East African states—Kenya, Uganda and Tanzania—signed the Arusha Agreement, which took effect in 1971 and concerned itself with preferential trade agreements with the EEC.

After unsuccessful attempts to join the EEC in 1963 and 1967, Denmark, Ireland and Great Britain in January of 1973 finally joined the EEC, which was formally renamed the European

Community (EC) in 1967. The British Act of Accession to the EC included a special protocol (Protocol 22) which opened up the way for negotiating a special relationship of some twenty commonwealth countries with the EC. The same benefits were intended for independent African states who were neither Commonwealth countries nor Yaoundé Convention members.

Bringing former English and French colonies into a new multilateral network of relationships with the EC did not mask the huge differences in attitudes of the diverse former European colonies in Africa. Yaoundé had been generally regarded as a mechanism perpetuating dependence in a neocolonial arrangement, especially outside francophone circles. Nigeria, for example, was thought to be sufficiently powerful and independent to want to make its own arrangements with the EC and not succumb to joining the Yaoundé arrangement. Former Commonwealth African states, in general, were inclined to dismiss francophone Africa's links with the EC as unsuitable, because of their enhanced sense of independence from former colonial ties. In fact, 1973 became something of a watershed year. In addition to the accession of Britain to the EC, the Second Yaoundé Convention, signed on July 29 and to be in effect in January of 1970, was due to expire in January 1976 and would have to be renegotiated under new circumstances.

The Yaoundé Convention countries had good reason to be nervous about how all the changes would affect their privileged relationship over other African states. The Pacific and Caribbean Commonwealth countries, some of which were brought into the fray with Britain's accession to the EC, were, in some cases, economic competitors with African states.

Much has been written on all sides of the political spectrum with respect to the evolution of the Lomé Convention and the actual content of the first Lomé Convention.[2] Contrary to the many expectations of actors and observers in 1973, not only did African states manage to

[2] See Frank Long, ed., *The Political Economy of EEC Relations with African, Caribbean and Pacific States.* (Oxford: Pergamon Press, 1980); Marjorie Lister, *The European Community and the Developing World.* (Aldershot, England: Avebury, 1988). See also Ellen Fray-Wouters, *The European Community and the Third World* (New York: Praeger, 1980).

organize themselves across linguistic and ideological barriers but the Caribbean and Pacific states were also included. The group became known as the ACP states. The leadership of the Organization of African Unity, the Nigerian government and a generally hopeful and euphoric outlook combined to produce the first Lomé Convention and created an atmosphere in which it appeared, to some people, that the African neocolonial relationship was replaced, if not buried, by a new and promising set of arrangements.

Lomé I was signed with 44 ACP countries participating on February 28, 1975, and all parties sought to emphasize its newness, its break with the past and its promise of a new beginning. Optimistic analysis tended to emphasize the new institutional and structural aspects of the EC-ACP relationship as contained in the Lomé Convention.[3]

Lomé I was perceived optimistically as a move toward greater partnership. The Lomé Convention protocol on such products as sugar, bananas, beef and rum promised a "no-lose" trade relationship even though it was based on old colonial preferences. The STABEX (Stabilization of Export Earning) scheme was considered a real innovation both by Lomé Convention critics and supporters because it provided a mechanism for maintaining the revenues of primary commodity exports through a complex compensation plan designed to cushion exporter countries against sharp falls in the price of their exports. In addition, various institutional arrangements for dialogue, such as the Council of Ministers Committee of Ambassadors and a Consultative Assembly, promised to establish fora through which and from which post-colonial relationships might emerge to foster economic development in Africa and establish Eurafrican links, which continued to be privileged and regularized throughout the Eurafrican post-colonial institution building period.

By the time Lomé II was negotiated in the late 1970s, the oil shocks had hit the global economy and the EC's outlook was less generous than it had been early in the 1970s.

---

[3] See Gruhn, Isebill V. "The Lomé Convention: Inching Towards Interdependence." *International Organization 30* (Spring 1976): 241-262 and Zartmann, William. "Europe and Africa: Decolonization or Dependency." *Foreign Affairs 54* (January 1976).

Furthermore, during the period 1973-1980, the growth of African GDP per capita fell. The African population kept increasing, food production declined and the gap between urban and rural quality of life widened. By the 1980s there was general alarm throughout Africa. The 1980s revealed an ever-widening escalation of crises: famine in the mid-1980s (1984-1985), a further general decline in per capita income, a drop in world commodity prices, increasing political instability and an ever-accelerating population growth.

The renegotiations of the Lomé Conventions II and III produced modest changes over earlier Lomé conventions including some increased aid, some improved trade structures and the addition of SYSMIN, a mineral products support scheme which extended the ideas and intent behind STABEX to minerals. But, both during and after the Lomé II and III negotiations, whatever their virtues, it did become clear to all concerned that the Lomé relationship had not evolved, nor was it evolving into a partnership of equals. In fact, those who had been the most pessimistic about Lomé appear to have been proven right—namely: the Lomé arrangements perpetuated neocolonial attitudes; mechanisms and institutions for change did not evolve properly;[4] and above all, the Lomé Conventions appeared to have left little, if any, impact on forestalling or overcoming the widening asymmetry and the ever-increasing economic and political crisis on the African continent.

Lomé III has now been replaced by Lomé IV, signed on December 15, 1989 and put in force March 1, 1990. Because of the lengthy, complex and time-consuming (some would say time wasting) nature of these renegotiations, Lomé IV extends for ten years but its financial provisions are set for only five years allowing for a "mid-term" review. The ACP could use the mid-term review to ask for other changes and enhanced resource transfers. From the EC perspective, Lomé IV continued to enhance resource transfers. From the African perspective, Lomé IV does not begin to address the magnitude of Africa's ever-deepening crisis. It seems clear that Europeans and Africans both perceive Lomé IV as something of a holding operation,

[4] Reginald H. Green, "The Child of Lomé: Messiah, Monster or Mouse?" in *The Political Economy of EEC Relations with the African, Caribbean and Pacific States*, ed. Frank Long (Oxford: Pergamon Press, 1980): 3-33.

that is to say, they are unwilling to disassemble an essentially stalled arrangement and are, as yet, unprepared to address (within the context of Lomé) the fundamentally new structural and substantive changes in Europe which will affect Europe's relationship with Africa. The stalled Lomé arrangement is to some extent an honest recognition that the Eurafrican relationship needs to be rethought. The Lomé Conventions were, at best, a transitional arrangement between colonialism and the future; at worst, they were a perpetuation of neocolonial ties which as we move towards the next century also require fundamental rethinking and restructuring.

The Challenge of the New Europe and the Crisis in Africa

It was stated in the previous discussion that the multilateral Eurafrican relationship is anchored in the structure of the Lomé Convention. It was also stated that Lomé IV can be seen as a holding operation awaiting new ideas as well as new resources. In 1993, we can also state that political instability and economic decline appear to be intensifying on the African continent in such places as Somalia, Zaire, Liberia, Angola, the Sudan and Kenya. On the European side, changes in Europe offer the prospect of important transformations. While the Lomé Convention gives the appearance of anchoring the EC African relationship, the changes in Africa and Europe are producing potentially important structural and substantive changes in the Eurafrican relationship. Let us examine how and why changes both in Europe and Africa might impact the Eurafrican relationship.

The Deepening Crisis in Africa

The deterioration of Africa's political economy over the past decade is well known, although it is not well understood. Few Africans or observers of Africa currently believe that the crisis is mono-causal. Today's Africa was forged by a combination of historical and contemporary local and international policies. In 1993, many in and out of Africa are cheered by the tentative steps toward democratization in some states, but seasoned observers conclude that it is utopian to expect democratic norms to come quickly or easily or that the path to a less autocratic and authoritarian political life will be anything but rocky and uneven over the next decade.

Africa's problems are not simply political but neither are they simply economic. On the whole, African primary products have declined in world markets since the early 1960s. As world market prices have declined, so too has Africa's share of the world markets. Even where African economies have been productive, economic growth has been slow.[5] Africa's slide into indebtedness has been much discussed and well-documented.[6] Most relevant to our discussion is that African states at this time have ceded control of their economies to outside forces and institutions. Most African states are now under Structural Adjustment Programs[7] which have placed them under the external control. This is so despite debt forgiveness programs sponsored by some European lenders.

The external international control over today's African economic and social policies has been variously described as ongoing neocolonialism, or perhaps more accurately as the recolonization of Africa. My concern here is neither the nature and content nor the advisability of the policies pursued under the guise of Structural Adjustment, but I do want to comment on two aspects of it. First, international institutional control over African affairs by such institutions

[5] Gerald K. Helleiner, *Structural Adjustment and Long-term Developmgnt in Sub-Saharan Africa.* Development Studies Working Paper #18. (Oxford: Queen Elizabeth House, Oxford University, 1990).

[6] Carol Lancaster and John Williamson, eds. *African Debt and Financing.* Special Reports No. 5 (?: Institute for International Economics, May, 1986). See also the annual reports of the World Bank and the IMF.

[7] Helleiner, *Structural Adjustment.*

as the IMF and World Bank can be perceived as less "user friendly" to African states than the somewhat more participatory structure of the Lomé arrangement. Second, the recolonization of Africa, brought on by debt and the inability of African states to control many of its externally determined economic and social policies, far overshadows anything which could be addressed through the current Lomé convention.

Two consequences appear to flow from Africa's continental crisis and the international noose around her economic throat: first, in many states Africans have reasserted the need to address political reforms internally; second, there appears to be internal and external momentum to find new inter-African institutional mechanisms and new international institutional links with which to launch vigorous reforms. The deteriorating circumstances seems finally to have generated serious thought and action in Africa to move forward. Renewed interest in reform re-raises the question of Africa's place in a globally interdependent world, given the changes fulminating elsewhere. The impact of the new Europe is one important variable in any re-examination of Africa's future.

The New Europe: Implications for Africa

The most startling and unexpected political events in Europe are clearly related to the unification of Germany, the end of the Soviet Union and the Cold War and the liberation of Eastern Europe from Soviet domination. The effects of these revolutionary changes on Eurafrican relations can be discussed only in general and guarded terms.

Western Europe is pre-occupied with the new East Europe and the reunified Germany and with the former Soviet Union. The new political and economic dynamic brought on by the end of the Cold War will affect not only trade and investment patterns but also the domestic politics and economics of Western Europe. What these changes portent for Europe's relationship with Africa is not clear, but neither is it irrelevant. At present, the EC is the largest trading entity in the world, with more than a one-third share of world trade. About half of the EC's trade up to this point has taken place in Western Europe and its immediate periphery. How much will trade expansion to Eastern Europe accelerate in the 1990s and to what extent will trade to the former Third World either shrink or remain stagnant? How will EC trade with Africa be affected? Up to this point the EC has been the most important export outlet for African goods and services. This can be seen whether calculated by individual countries, products or the continent as a whole (see tables below).

Table II

Trade with EC-12 as a Percentage of Trade with the World

	1980-1983 Average	
	Imports from EC-12	Exports to EC-12
EC-12 (Intra-EC Share)	49.9	54.5
Sub-Saharan Africa	53.5	44.4
EFTA	55.4	53.2
Mediterranean countries	43.5	42.6
East Europe excluding USSR	16.1	17.1
USSR (EC-12 as a reporter)	21.4	36.0
Caribbean under ACP	10.0	20.6
South-Central America plus Mexico	17.8	23.7
Southeast Asia	12.4	13.6

Source: COMTRADE data base in Geneva.

The following are definitions of country groupings:

Sub-Saharan Africa consists of Burundi, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Tanzania, Uganda, Zaire, Niger, Nigeria, Senegal, Sierra Leone, Togo, Zambia, Zimbabwe, Benin, Burkina Faso, Cameroon, Central African Republic, Congo, Ivory Coast, Gabon, Gambia, Ghana, Liberia, Mali, Mauritania, Angola, Comoros, Djibouti, Mozambique, Cape Verde, Chad, Equitorial Guinea, Guinea, Guinea Bissau, and Sao Tome and Principe.

EFTA: Norway, Iceland, Finland, Sweden, Switzerland, Austria.

Mediterranean Countries: Yugoslavia, Syria, Lebanon, Turkey, Malta, Cyprus, Israel, Jordan, Egypt, Morocco, Algeria and Tunisia.

East Europe excluding USSR: Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland and Romania.

Caribbeans under ACP: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Christopher and Nevis, St. Lucia, St. Vincent and Grenadines, Trinidad and Tobago, and Suriname.

Central-South America plus Mexico: Bolivia, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Nicaragua, Paraguay, Peru, Argentina, Brazil, Mexico, Uruguay, Venezuela, Honduras and Panama.

Southeast Asia: Thailand, Kampuchea, Laos, Socialist Republic of Vietnam, Indonesia, Macau, Malaysia, Philippines, Singapore, Brunei and Hong Kong.

Similarly, the EC's official development assistance (ODA) to the so-called Third World has been substantially larger than Japan's or that of the US. Even more striking is that the EC-12 bilateral ODA to Africa has been four times as big as that of the US and Japan combined.[8]

Social factors which may impact on Africa are also looming on the horizon. For example, worker dislocation throughout Europe, including unemployment and worker dislocation in Germany due to unification has ignited negative attitudes toward foreigners and migrant workers. Refugees from Eastern Europe, the former Yugoslavia and the former Soviet Union all have had an impact on political attitudes and economic choices made in Europe. The effect of many of these events on the future of Eurafrican relations are quite unclear at the moment, but even a modest assessment would indicate that political and economic attention in Europe might be drawn away from Africa to deal with domestic and regional European affairs. The impact of trade, aid and the human links (i.e., African migrant workers and students in Europe) are bound to effect Europe's bilateral and multilateral relations with Africa.

The move of the EC into an internal Single Market constitutes another element of change in Europe which is certain to affect Africa. At this writing, the EC12 trade with Africa is still larger than that of any other region, even those geographically closer to the EC, such as Eastern Europe and the Mediterranean. The move by the European Community into a Single Market has, for understandable reasons, generated a good deal of anxiety in Africa and a good deal of analysis and study.[9] While it is too early to really know the Single Market's effect on Eurafrican relations or the saliency of the Lomé arrangements, analysts have dissected the current economic arrangements and patterns in an attempt to predict the future.[10] They have tried to imagine the future of the EC and indicate how the effects of a Single Market on Europe might spill over into external relations, including Eurafrican trade. Christopher Stevens[11] has summed up the broad and potentially contradictory effects: first, it is anticipated that the removal of barriers within the

---

[8] Alfred Tovias, *The European Communities' Single Market: the Challenge of 1992 for Sub-Saharan Africa.* (Washington: The World Bank, 1992).

[9] Tovias, *The European Communities.*

[10] See especially Christopher Stevens, "The Impact of Europe 1992 on the Margreb and Sub-Saharan Africa." *Journal of Common Market Studies*, XXIX, 2 (December 1990).

[11] Stevens, "Impact," p. 220.

EC will lead to faster economic growth in Europe and this, in turn, may benefit third parties. Set against this is the prospect that within a Single European Market, production may become more efficient and Europe's competitiveness may increase resulting in increased competition among European producers and cause a reduction in imports.

There is little that is specific or reliable in these broad conclusions. One can look at import and export figures for specific products in order to extrapolate possible new conditions. One can also examine the various sectors of the economy in an effort to anticipate the future.[12] If, for example, primary products, such as cocoa or bananas, are isolated, one can speculate about the impact of the Single Market on each. In the case of cocoa, the harmonization of the standards for chocolate production as well as the elimination of duties on cocoa promises to affect cocoa producers. The cocoa content of chocolate could be reduced by some European producers as a consequence of the redefinition of chocolate. Likewise, the establishment of a standard for the use of vegetable oils in chocolate could increase the use of vegetable oils in chocolate by manufacturers who heretofore did not use them. The exporters of cocoa beans or butter (Ivory Coast, Ghana, Nigeria and Togo) might lose some business. Perhaps more starkly, African banana producers (Cameroons, Ivory Coast and Somalia) holding special export arrangements with their former colonizers are threatened by a Single Market which could reduce their "preferred status" and render banana producers elsewhere more competitive. However, this, in turn, may be offset by larger Single Market consumption. As of April 1993 the EC is seeking a policy which would allow the importation of ACP bananas into Europe tariff free while imposing steep taxes on other exporters. However, there is dissent in Europe on this issue and Germany and Belgium are suing in the European Court to overturn the EC decision. It is also anticipated that European consumers may revolt against lower quality and higher prices for bananas. In short, the outcome of this tussel over protecting ACP producers is not as yet clear, which illustrates the complexity of such disagreements over even a single product.

12 See also *The Checchini Report*. Center for Business Strategy, 1989. *1992 Myths and Realities*. London: London Business School.

It is obvious that even in concrete situations the long-term impact as well as the short-term cushioning devices being worked out between the EC and the ACP countries present many uncertainties. The impact on all aspects of economic relationships is extremely unsettled internally in Europe and between Europe and the rest of the world, including Africa. It is certain, however, that the Single Market in Europe, along with the as yet unknown future of GATT arrangements, promises to produce some changes in Eurafrican trade. The ability of Lomé to influence the directional change is very small but the impact of the change on the viability and the future of Lomé promises to be considerable.

When one adds the Single Market to other economic and political changes in Europe which will impact the relationship with the African continent, one is reconfirmed in the thought that the African continent's internal changes will, at many points, intersect with the rapid alterations in the structure of the European and global economy. The development of Europe's Single Market promises to impact Africa in specific economic ways but as it will be argued in the following section, the process of change now set in motion will also impact the reconceptualization of the future structure of Eurafrican links.

The Future of Eurafrica

The future of a Eurafrican relationship must be addressed with a clear understanding that Africa's recent development has been a failure and its present is a crisis. Seen in historical context, Europe has been a major player in Africa's failed development, but I believe the Eurafrican connection still holds promise. During the past decade, the World Bank has been the biggest player on the African continent. Therefore, when identifying failed policies—such as Structural Adjustment and the currently fashionable rush to "privatization"—the Bank, not Europe, has been the driving force.

When today's observers refer to Africa's free-fall into increased misery as a "nightmare scenario,"[13] this should not be considered hysterical nor an exaggeration. The apparent

[13] Marguerite Michaels, "Retreat from Africa," *Foreign Affairs* 72, 1 (1992-1993).

intractability of Africa's problems and the failure of successive "fixes" and strategies, however, does require Europe and Africa to discover reasons for sustaining old ties and forging new content and purposes for the Eurafrican connection. Old patterns need to be broken, but the temptation to isolate Africa, or for Africa to isolate itself, is in the interest of neither Africa nor Europe. Some analysts speak of greater marginalization and isolation of Africa, others have begun, at the level of a whisper, to argue that recolonization of some parts of Africa is on the horizon. Somalia is pointed to as the first of many states which will have to be managed effectively from the outside by a combination of multilateral actions.

Marguerite Michaels speaks for many observers in and out of Africa when she says:

> What ails Africa is that its governments, reformed and unreformed alike, remain bankrupt facades, relating more to donor largesse than to the poverty of their own populations. Economic and political reform will be pursued. . . . But what the continent needs to survive in the real world—a world without unending foreign aid—is a money making private sector buttressing a more efficient public sector. And what the private sector needs is security, infrastructure and skilled manpower. . . ."[14]

What Michaels and others are talking about is not more Bank Structural Adjustment and so-called "privatization" but some serious decentralization of economic activities and the fostering of Africa's semi-operational local civil societies. In Michaels' words:

> . . . privatization in Africa may best be described as the sale of companies no one owns, no one knows the value of and no one has any money to buy.[15]

Ironically, the cumulative failure of development in Africa is returning both African and international thinking back to ideas voiced in the 1950s and 1960s but all too often ignored, namely that African development hinges upon the rural, rather than the urban, upon the small scale rather than the big scale, upon African entrepreneurism rather than big business, and not on whether government or privately-run development is more appropriate.[16]

Case studies and recent theoretical work has begun to emphasize the argument that development salvation lies only, in part, on the latest development fashion of privatization and

---

[14] Marguerite Michaels, "Retreat," 104-5.

[15] Marguerite Michaels, "Retreat," 101.

[16] See Rene Dumond, *False Start in Africa* (London: Andre Deutsch, 1966).

allowing competitive markets to work. The development success stories in Asia and elsewhere indicate the importance of public intervention through appropriate and functioning institutions. Functioning political institutions, bureaucratic and public agencies (and ideally electoral systems) are central to achieving growth and development.[17]

In addition to the focus on national economic and political reform, a good case can also be made that Africa must revitalize at least some African sub-regional and continental institutions. Africa's level of impoverishment, her lack of institutional infrastructure, her lack of resources and shortages in skilled manpower, information and technology, to name a few, still makes some African interstate institution building a rational goal for the future. This is true despite the obvious failures of regional institution building in Africa's post-colonial past. Organizations such as the Organization of African Unity (OAU), the West African Economic Community (ECOWAS) and the Southern African Development Community (SADC) ought to receive renewed attention.[18]

It is for Africa to sort out whether sub-regional or continental institutions ought to be made vital and what, if any, links there should be among regional institutions. However, the utility of some form of regional institution building and not merely the existence of largely duplicating paper organizations should be perceived vital to Africa's self-development and as a conduit for connecting Africa, for example, to the European region.

The time appears to be at hand when outsiders must admit the failures of their policies in Africa and cease and desist from continuing policies and strategies, no matter how well-intentioned or self-serving, which aggravate and exacerbate the deteriorating human and natural environment. That said, the developed world needs to encourage (or even insist that) Africans

---

[17] For an excellent African case study which demonstrates the link between functioning political institutions and processes and economic development, see Robert H. Bates, *Beyond the Miracle of the Market: The Political Economy of Agrarian Development in Kenya* (Cambridge: The University Press, 1989).

[18] For a good recent review of various African Regional Integration schemes and their past experiences and future prospects see Faezeh Foroutan, "Regional Integration in Sub-Saharan Africa," *World Bank and CEPR Conference on New Dimensions in Regional Integration, Session II, Paper 3* (Washington: World Bank, 1992).

take charge, but the developed world must continue to engage responsibly. Continued engagement with Africa is justified on historical, moral and self-interest grounds. To conclude that continued engagement is justified raises the question of how? and by whom? which brings us back to the Eurafrican link. Before speaking directly about the EC, let us divert to a brief discussion of South Africa.

A politically just, economically strong South Africa, one which survives the looming danger of internal disintegration and emerges politically and economically intact, provides perhaps one of the few bright lights on the African horizon. A South Africa at peace with itself could provide the single most useful economic and technical boost to the rest of Africa. A majority-ruled South Africa with a revitalized potent economy could provide the sort of "lead country" input into the rest of Africa that has been missing. A strong South Africa could create new opportunities for the entire continent. South Africa could provide an infusion of resources, know-how and talent. If South Africa could play a major role, Europe could remain engaged in Africa with reduced paternalism. In short, the future role of South Africa can be the key variable in restructuring Africa's future and developing more constructive links with the non-African world, especially the European continent.

Although I have argued that much of Africa's salvation will have to come from Africa itself, international policy toward Africa needs to be reformed in two ways: first, harmful and malfunctioning policies should be halted; second, international engagement with Africa needs to be sustained for humanitarian reasons and for self-interested economic, political and environmental reasons. Europe's historical responsibility augurs for future European engagement. Her proximity to Africa means that the human and environmental chaos in Africa will spill over into Europe's own front yard. Human migration—legal and illegal—and environmental pollution will affect Europe undeniably. Europe's economic development may appear decreasingly linked to Africa but mutual benefit ought still to be the motivation for Eurafrican economic links.

Some argue that both Europe and Africa would be best served by a multilateral free trade regime (GATT) and that any discussion of Eurafrican economic regionalism undermines such a goal. Others argue that regionalism offers itself as an alternative either because multilateralism is seen as inappropriate or unfeasible. Still others argue that regionalism can be a supplement rather than an alternative to multilateralism.[19] The fact is that the EC, (difficulties not withstanding), the moves in the Western Hemisphere toward NAFTA and ongoing moves in Asia suggest that regionalism is progressing. Thus, whether one sees regionalism as an alternative or a supplement to multilateralism, the African continent would be disadvantaged if it were not drawn into some regional arrangement beyond its own borders. The engine of the Asian region is Japan; the engine of the Western Hemisphere is the US and Canada and Africa's engine could be the EC.[20]

The Eurafrican link needs to move into a post-Cold War post-neocolonial regional configuration. Europe and Africa could then refocus on the Lomé Arrangement. Rather than tinkering with Lomé, a new start might be made incorporating aspects of Lomé but under a radically revised relationship. The first step to genuine reform is the admission by all parties of what has not worked. Commodity prices, by and large, have declined and it makes little sense to encourage countries to produce more of these products for export when it only contributes to a further decline of prices. The Lomé's STABEX scheme, although it seemed to be a good idea, has not worked because corrupt governments, not the local farmers, have reaped the benefits. Aid, whether through Lomé or other sources, has largely failed. African participation in managing the Lomé convention has perpetuated ineffective bureaucracies, elitism and corruption. The conclusion one might draw is that both Africa and Europe need to look afresh at their own actions and their own institutional needs and capacities. Self-interest is not an

[19] For an excellent discussion of regionalism versus multilateralism, see Jagdish Bhagwati, *Regionalism and Multilateralism: An Overview,* World Bank and CEPR Conference on New Dimensions in Regional Integration, April 2-3, 1992 (Washington, D.C.: The World Bank).

[20] Europe would probably be wise to disengage from the Caribbean and the Pacific and let those components of the ACP states join the Asian and Western Hemisphere regions respectively.

unreasonable way to begin thinking about reform, but the next necessary step for Europe and Africa is to acknowledge that self-interest includes a Eurafrican regional connection. The Eurafrican nexus ought to be preserved as a supplement to global multilateralism rather than as an all-encompassing alternative.

Conclusion

Africa's circumstances are so dire that business as usual is counter to Africa's, Europe's and the global interest. No simple reform of Europe's Africa policies will be sufficient to stem the decline and meet the crisis. The politics of economic reform and the economics of political reform in Africa must be lodged in Africa and must be conducted by Africans acting nationally and regionally. That Africa must be made responsible for managing its own future increases rather than decreases Europe's responsibilities toward Africa. Europe must desist from policies which undermine Africa's potential for self-managed political and economic change. The current Lomé arrangement hinders the necessary reforms that Africa needs to engage in. Europe must also acknowledge its contribution to Africa's crisis, not to assign blame and provoke guilt, but to acknowledge her contribution to the morass.

Halting bad policies is only the first step. The next step is to acknowledge on-going responsibility and self-interest. Developing a Eurafrican region can be justified in terms of enlightened self-interest. A well-structured mutually conducive Eurafrican arrangement could also serve to link Africa to the wider global multilateral network. In addition, Eurafrican institution building needs to be paralleled by effective African regional institution building. Europe has the know-how to provide technical assistance and economic leverage to put Africa's feet to the fire to reform its own regional and sub-regional institutions so that they become potent mechanisms for development.

If the worst is proven correct, namely that African states will follow Somalia into a formal international trusteeship, then surely strong African regional and sub-regional institutions can become the conduits for demilitarizing corrupt and dysfunctional states in cooperation with the international system. African institutions with their Eurafrican links and European institutions (including EC and NATO) can be asked to take regional responsibility to work with the wider international community through the UN. If properly structured with full African participation, such actions could prove to be considerably less neocolonial than the other arrangements one can envisage.

History has given Europe special responsibilities due to its special knowledge of and access to Africa. Her close geographical proximity continues to provide special self-interested reasons for linking with Africa in a Eurafrican region. It is neither morally nor practically justifiable for Africa to be isolated as it sinks further into despair. The time is at hand to think creatively about a Eurafrica of the future, and to do so in a context which recognizes that in the decades to come Africa's crisis is a unique case. Development lessons learned elsewhere may provide insight and guidance but as so often in the past, they are not automatically transferable. Colonialism and neocolonialism not withstanding, Europe is best equipped and best situated to provide constructive linkages.