

REPORT

Resetting Africa-Europe relations: From self-deception to economic transformation

Chatham House, Online

Riccardo Cernigliaro Research Assistant



European Business Council for Africa and the Mediterranean (EBCAM)



www.ebcam.eu



+32 456 79 11 50



Avenue Toison d'Or 77 1060 Brussels - Belgium



On October 28th, 2024, the event "Resetting Africa-Europe relations", organized by Chatham House, took place in London, at Chatham House, and online.

Introduction

Dr. Sara Pantuliano, Chief Executive at ODI, chaired the event and introduced the panelists of this research event.

The first panelist was **Carlos Lopes**, Professor at the Mandela School of Public Governance at the University of Cape Town and associate fellow in the Africa Programme and Chatham House. He occupied the role of policy director for UN Secretary-General Kofi Annan and was executive secretary of the UN Economic Commission for Africa.

The second panelist was **Eka Ikpe**, Director of the Africa Leadership Centre and Professor in Development Economics in Africa at the King's College London.

Professor Lopes discussed the key points of his book "The Self-Deception Trap: Exploring the Economic Dimensions of Charity Dependency within Africa-Europe Relations" in which the relation between Africa and Europe is described as deeply rooted in emotional elements and perspectives, explainable by historical reasons, particularly colonialism.

Even though Europe is the first trading partner of Africa, China is reapproaching and is expected to surpass it, meanwhile India's trading size with Africa already counts for about half of the trading size of China with the African continent.

Particularly after the Brussels summit between the European Union and the African Union in 2022 there has been more skepticism by African leaders towards Europe, since the commitment from European leaders to invest in the development of the African continent, although marked by their good intentions, has not been followed by facts.

According to **Lopes**, there are three main reasons that explain why this relationship has been difficult and problematic.

The first reason resides in the belief of European leaders that an altruistic attitude towards Africa would have produced development, but they were wrong in this assumption. On the other hand, African leaders exploited the help and the aid coming from Europe as a form of personal recognition to spend in front of the public opinion of their own countries.

The second reason is the attempt of Europe to obstruct the strategies of the African Union by using a colonial approach, that is exploiting the divisions within the continent, and especially those between North African countries and Sub-Saharian countries.

The third reason is structural: it is an approach rooted in the theory of comparative advantage by David Ricardo, through which Africa is seen as a commodity producer, that mainly produces goods without any added value, and this distorts the possibilities of structural change, development and



growth. There is also a distorted interpretation of Malthus' theory of demography that produces concerns over the demographic growth of Africa and the migration issue.

Furthermore, European leaders used the existent economic asymmetries to obstruct this structural change, one example is the Carbon Border Adjustment Mechanism (CBAM) that may represent the imposition of strict environmental conditions and regulations from more powerful European countries over more vulnerable African countries.

The case of Covid-19 has been emblematic of the asymmetrical and hierarchical relation between Africa and the most developed countries. When the vaccines became available many African countries asked that the developed countries share the intellectual property and the technology of the vaccines but they received a rejection from them.

The relations between Africa and Europe have been mainly distorted by the inferior treatment received by African countries throughout history and by the failed attempts of the 2022 Bruxelles summit between the EU and the AU. But there is a third element that can lead to better relations, and that is aiming towards common interests. In particular, there are three main topics of discussion that may lead to an improvement in the relations between the two continents and those are climate change, migration and the technological revolution.

The goal of improving the relations between Africa and Europe can also be reached through more easily feasible changes, such as the reform of the international financial institutions, like the IMF, and the reduction of the regulations imposed to allow a less restrictive approach towards African countries and the elimination of the asymmetrical approach from Europe towards African partners. The example of the attainment of the Sustainable Development Goals (SDG) is indicative of this asymmetry.

There are also positive aspects of the relation between the two continents, one example is the Official Development Assistance (ODA), that has been considered as the main driver of development, because of its leverage power over investments, but according to Lopes it has not been as effective as it was auspicated because of the lack of political commitment from African institutions.

Moreover, African countries and the African Union should not blame too much the European Union because of the progress that they have made on three main fields, such as the Continental Free Trade Area (CFTA), the increased number of visa-free agreements that boosted internal migration in the African continent and the structure of the financial sources for the activities of the African Union, that were external for the 70% at its creation and that now are external just for the 30%.

Professor Eka Ikpe intervened, highlighting the problems that are intertwined within Africa-Europe relations, particularly from a structural economic point of view.

Africa is a place of production of low value goods and the paradox is that the majority of its production is made for somebody that lives outside of the African continent. Another paradox is



that the exports, which comprise their majority in fuels and minerals, come from countries that have energy insecurity issues within their population meanwhile the agenda of African leaders continues to be that to expand the exports of fuels.

In general, the relation between the two parts has been influenced by an extractive logic that has led towards a path of dependence, especially in relation to critical minerals.

The question to ask is if it is possible to establish a more equitable relation between Africa and Europe, and the answer should also come from African leaders, producers and institutions that should focus more on their internal markets and rethink the hierarchies of trade by putting Africans at the center of the interactions with Europe and also Asia, which is becoming a more and more important partner over time.

The other way to establish a more symmetrical and equitable relation between the two continents is by recognizing the asymmetries and the hierarchies in order to criticize them and to work on more equitable trade agreements.