"Building new partnerships between Europe and Africa"

South African Institute of International Affairs, Wits University

Johannesburg, 14th May

It's a great pleasure for me to be here in Johannesburg to share some of my strongest beliefs concerning today's world. I would like to thank the French Ambassador and the EU representation for their support in organizing this event. I would also like to thank SAIIA, the South African Institute of International Affairs, for welcoming us today and Wits University.

I have been advocating for stronger ties between Europe and Africa for many years now, even before I was Minister of Foreign Affairs and Prime Minister, maybe even since I started my career as a diplomat, in the Department of African Affairs of the French Foreign Ministry.

In the recent years, changes have convinced me even more of the necessity of these relations. In fact, the future of the world depends highly on the capacity of Europe and Africa to build a new partnership.

Not only does the African growth and stability depend on it, which I believe it does.

Not only does Europe's growth and stability depend on it, and I also believe it does.

I believe the capacity of America and Asia to avoid a large scale confrontation that could destroy the world order depends on a strong Euro-African backbone.

Africa and Europe will be stronger together not because they are similar to each other, but on the contrary because they are in stark contrast. North and South the continent of highest wealth and welfare and the continent of poverty and struggling public services; the ageing continent and the continent of youth – one African out of two is under 20 today. But both continents have the chance of benefiting of great examples and inspiration from important figures like Winston Churchill, Charles de Gaulle or Konrad Adenauer in Europe. Not to forget the great Nelson Mandela for Africa, whose hundredth anniversary of his birth we are celebrating this year.

1. There are three good reasons for a strong Euro-African partnership.

A. The first reason is simply the future of Europe.

- Indeed Europe needs the growth of Africa for its own economic growth. Let's be straightforward about this. There is a shared interest of prosperity.
 - Over the last decades, the pace of growth has steadily decreased in Europe, from 3% in the 70es and 80es to 2% in the 90es and 1% in the years 2000. As for the years since 2008, we know that most countries are now just and barely reaching the pre-crisis level of GDP.
 - Africa on the contrary is and will be the continent of accelerating growth, with long term expectations of structural growth around 5% per year.
 Africa is capable of explosive transformation through technological leapfrogging, in the use of smartphones, in mobile payments, in use of block chain or cryptocurrencies.
- Europe also needs economic, social and political stabilization in Africa in order to limit migrations and avoid social unrest in Europe.
 - Refugee policies and migrations have become the main political issue for the populations in Europe. We have seen the landslide of antiimmigration populisms in Europe in the last years, in the Netherlands with Geert Wilders, in Germany with the AFD gaining hundred MPs in the new parliament, with Marine Le Pen reaching unprecedented levels in France last year.
 - We know that the aspiration to migrate from Africa to Europe will increase in the next decades, even as economic growth will give more prospects of jobs. That's why we have to anticipate and bet on a common regulation of migration flows.
- Europe needs this stabilization for its own security.
 - We see the very troublesome evolutions of the Sahel countries, with jihadist groups waging their asymmetric war from Nigeria, Mali, Niger, and Somalia. There has yet never been a terrorist attack in Europe linked to sub-Saharan Africa, but we need to treat the roots of the problem before it is too late.

 We see guerillas and civil wars on the rise again in Central Africa, after years of gradual cooling down of the continent's crises.

B. The second good reason for a Europe-Africa partnership is the future of Africa.

- Africa is in the middle of a huge historic process of modernization
 - o It has been a common law of history for all continents in the past centuries. Modernization is the process through which traditional societies depending mostly on a rural and agricultural economy, organized through collective family control and based on a demographic balance with high mortalities and high birth rates become modern societies, urban, industrial and based on the individual, reaching a new demographic balance with low birth rates and low mortality.
 - All regions who went through this evolution have known massive instabilities, insecurities and often political hyper-violence. It was the case in America in the second half of the 19th century; it was the case for Europe between 1914 and 1945 or even 1989; it was the case of Eastern Asia, specially in China, between 1911 and 1970, with over 50 million deaths.
 - Africa is currently undergoing such a process since the independences.

Yet it is not fully achieved yet. It is our duty to avoid that it becomes a source of mass-violence in the century to come. Economic and social cooperation can allow to mitigate the risks and introduce more stability.

- In 1960, African fertility index was 6,7, it is now under 5, and even under 3 in big cities, and down to 2,5 in Southern Africa countries.
- Recently a group of West-African parliamentarians has proposed to fix an objective of 3 children per woman for 2030 in their countries.
- Africans will account for 2,5Bn inhabitants by 2050.
- Africa is inventing its own approach to modernity, its own cultural tools to apprehend it. African art, that has inspired much of western art's modern revolution, is being more and more recognized in international art fairs, such as the fair 1-54 that takes place in London, NYC and Marrakech.

Among the most important names of global art are voices of the continent, like Barthelemy Toguo or Chéri Samba and especially from the republic of South Africa, from the generation of David Koloane and William Kentridge to the new generation of Zanele Muholi. The recent opening of the beautiful Zeitz Mocaa is the proof of this renaissance of African art.

- Africa is also undergoing a process of Integration that requires outside support.
 - o In order to overcome the rivalries of neighbor African states and the complexity of a continent without hegemony, it is necessary to build tools of regional integration. The transformation of the OAU to become the African Union in 2002 has been a major step. But there are still major divisions.
 - There are competing structures on the regional level, like ECOWAS.
 - There are not enough financial and human capacities.
 - There is no natural hegemonic power for the whole continent,
 although the Republic of South Africa has a key role to play
 - South Africa is a figure of exemplarity because of the history of the « rainbow nation » in the last decades. South Africa has more Nobel Prizes of Peace than any other country. It has a vivid intellectual scene, world renowned writers and thinkers.
 - South Africa is the major economic power, with an important part of the continent's GDP coming from South Africa. Most big companies from Africa are based in Johannesburg.
 - South Africa is a world-scale power, specially through its place in the BRICS forum.
- Africa is also challenged by globalization.
 - Globalization is a chance for the Continent, because it allows more development and fight against poverty. The Chinese example since

- Deng Xiaopings Four Modernizations shows that it is possible, through international trade, to free 700 million people from poverty.
- But globalization creates tensions on the African economy because of its particular characteristics.
 - Africa as a whole is rich in mineral resources, but more dependent than other continents on these resources for its exports, while it still has limited control of pricing, trading and transport – and even less transformation – of these resources. This was the main challenge in the aftermath of colonization but it is even more now.
 - Africa because of its historically low densities of population and its underinvestment in infrastructures in the past, accumulates more freight transport bottlenecks than anywhere else, making its agricultural or industrial productions less competitive.
 - Africa still has too catch up in the race for qualifications and skills, with less engineers than the other continents. In tomorrow's creative economy, this will be the main necessity for sustainable endogenous growth.
- That's why Africa will need to invent its own response to globalization.
 The initiatives of a continental free trade zone, initiated by Rwanda, is a good example of such possibilities.

C. The third good reason is simply the future of the world. Let me explain:

- We are entering a time of massive confrontations in which new blocks of power and ideology are threatening to crush everything in between them.
 - Signs of opposition of blocks are clearer and clearer. In last year's
 national security review, the United States have declared the strategic
 rivalry of I quote, « revisionist powers » such as Russia and China as a
 greater threat to US security than terrorism.
 - Military budgets have been steadily on the rise in terms of structures and equipment. China has double its military expenses and will get nearer to the US still heavily predominant, in the

- coming decades. It can be expected that around 2050, China and the United States will reach similar levels.
- Technology is becoming the key stake of rivalry, on drones, on IA and Big Data or on aerospace.
 - We see a growing interconnection between administration and military on one side and major tech companies on the other side. China has stepped up its investment and become a leading research power, specially in IA. The US have taken action recently to protect US tech, by banning ZTE for seven years from supplying US actors or by blocking the take-over of Qualcomm by Broadcom.
- There is also more and more ideological substance in the divide between a Western model of development, based on liberal democracy, the rule of law and some inclination towards interventionism abroad, through regime change, and on the other side an Asian model based on authority, nationalism and economic state-planning and strict defense of state sovereignty in foreign policy. This becomes effectively an alternative for many parts of the developing world, specially based on the success story of China in the past decades on the economic level.
- o We can witness these tensions all around the world already.
 - In the Middle East, the violent transformation of the region that has been going on for forty years now gets more complicated with the involvement of global powers. Two coalitions are structuring the conflict in Syria and extending their reach to other parts of the region.
 - On one side Russia and Iran, supporting the Syrian regime.
 - On the other side the United States and Saudi Arabia.
 - In South East Asia, the tensions around the south China Seas is taking worrying proportions and risks of escalation are very high.
- We can see the logics of multipolarity transforming Africa and Europe into battlegrounds of superpowers. Because they are divided continents, although in very different situations.

- In this confrontation, Eastern Europe might be again on the front line of the confrontation, but without much control of the decisions, should they be taken in Washington and Beijing.
- o This means battles for influence and privileges in key countries and regions in Africa. Look at Russia in Central African Republic. Look at Rwanda in the American orbit. Look at the tensions on Western Sahara between Algeria and Morocco, with more and more outside influences.

2. <u>If there are so many good reasons, why isn't there a major Euro-African partnership yet?</u>

Let's be honest, there has been a lot of talk about such projects, there have been many attempts, but insufficient success. There are major obstacles on the road to partnership. We need to face them very seriously.

A. The first is the roadblock of history.

- Colonization remains an issue of guilt and resentment that blocks too many initiatives.
 - Not only was it a time of crimes, but it was also an ideology that deeply reshaped the African societies and transformed them. Colonialism is the idea that everything is organized toward the satisfaction and justification of a metropolitan power. It is not only the absence of independence, but also the negation of autonomy. That's why decolonization was not an act, but is a long and painful process.
 - It requires Africa to seize back its own history, as the cradle of ancient civilizations as well as thriving contemporary cultures. Ancient Egypt has spread light on Africa as well as Europe, as Cheikh Anta Diop has showed.
- So, why now? Why should something be possible today that wasn't possible yesterday?
 - Because Europe is ready. Emmanuel Macron made his first trip to Africa in last December. In important speeches in Ouagadougou, Dakar and

then Alger, he outlined what meant to him a European-African partnership.

- He embodies a new generation, it's true. He was born in the year of the last French decolonization in Africa, Djibouti in 1977.
- But he embodies also a new method, more based on private sector initiatives and on project based and result driven management.
- He also embodies a more European approach, and he has stressed this aspect. It has been difficult for the nation states with their own special history with Africa to let go these special relationships, sometimes these special responsibilities. And the European Union on its side has not always been political enough to device working mechanisms of dialogue and progress. Times have changed.
- Europe is ready, but Africa is ready too.
 - Civil societies are stronger and stronger. A new generation is rising also in Africa. A generation that has known only independence, a generation rich of its diversity and its global outreach.
 - We see also new generations of leaders trying to find longer lasting political balances. There have been many changes on the continent in the past year, with the election of George Weah, with the change in Zimbabwe, and even here in South Africa.

B. The second obstacle is state weakness.

- Failed or failing states are the specific symptom of the difficulties of Africa to cope with globalization.
 - Civil wars and wars, with different levels of intensity, but always with tragic consequences, like in Sierra Leone, in Sudan, in the Democratic Republic of Congo or in Ivory Coast
 - The weakness of political institutions within the countries is another factor that has allowed corruption and personal quarrels to be too often at the center of political life.

- Many African countries lack qualified personnel for administrative purposes.
- They lack stable and sufficient tax resources because of the difficulty of levying taxes efficiently. The African states depend on a far lower share of national GDP than OECD countries. And the taxes they perceive are more often complex tariffs and duties than progressive income taxes. This means they don't have yet the tools, in many case, to act in favor of social justice and of economic development, their priorities.
- Sometimes the inadequacy of infrastructures and the legacy of the geography of colonial times roots social conflicts and territorial divisions that undermine the states capacity of action.
- A chain cannot be stronger than its weakest link. How could a partnership that depends on the action of nation-states not be weak if they are weak? The priority should therefore be to strengthen them, not to avoid or circumvent them.
 - We must build projects of training, good practices platform and international exchanges of civil servants in the judiciary, in the tax services, in public health and education.
 - We must create a global task force to tackle the failure of states, in order to anticipate difficulties that always lead, in the end, to civil war and economic catastrophe. I believe European countries, with their accumulated experience, as nations and as a community, should be the spearheads of such an initiative, in cooperation with the African countries.

C. The third roadblock consists in the lack of sufficient financial returns.

- The economic models show that economic development requires a constant flow of capital to have a snowball effect on growth. In Africa capital accumulation is at the same time insufficient, localised and intermittent.
 - Insufficient because the rate of return are not high enough compared to other regions and investments rarely reach the minimal size to be effective.

- Localised because investors flock in the same regions, sometimes only because they seem fashionable or because of some national interests.
- Intermittent because they flee the country with the local capital at each new political crisis.
- That's why we need a public and collective vehicle to promote investment and hedge against risks, specially against political risks. We can set up an African-European investment fund that would invest in equity in companies and industries indispensable to the development of Africa.
 - Of course we need to avoid the moral hazard of de-risked financing of projects that simply are not good enough. There are enough « white elephants » roaming the region already.
 - Of course we need the support and contribution of the private sector. It needs to be a joint private-public fund, with high level implication of companies and investors from Europe and Africa, but also, I think from China or the USA. They would find in this vehicle a reassuring instrument to increase their know-how on Africa.
 - Of course this fund must put the services that generate growth in first line, and not the extractive resources that would be the most profitable.
 Today insurances, telecommunications, technologies are the main drivers to achieve the growth of growth.

3. But what should this partnership look like concretely?

Many projects, many partnerships have been announced in the past. They always missed their goal. I think our first task is to take the lessons of previous failures. But we also need to take example on what seems to work elsewhere, for example the project diplomacy initiated by China through its New Silk Road project.

A. We need a few guiding principles

 First principle, openness. It needs to be an open and dynamic partnership, because we will solve more problems if web ring everyone around the table. A partnership with Europe should not compete, even less confront, the initiatives of America, Russia or China.

- Second principle, people first. We must put education as a priority for the youngest of all continents. Because it is the key to fair social development and inclusiveness and because we cannot accept to sacrifice another African generation. We know that most of the solutions to public health, industrialization, agricultural growth are linked to the schooling of children and especially of the girls of the continent; you don't have to spend very long in Africa to understand that among the most important keys to unlock the continent are the women of Africa, their energy and their entrepreneurship.
- Third principle, choosing exemplarity. We need initiatives that are able to restore hope on the world stage, in an age where multilateralism is challenged.
 - Africa has a leading role to play on multilateral action on environmental changes following the Paris Agreement of 2015. I don't forget that Jacques Chirac came here, in Durban, to advocate for a global response to global warming, warning that « our house is on fire ».
 - We also need to change the approach on aid. Emmanuel Macron has been advocating in the last months for changes in policy which I want to strongly support. I think Europe as a whole and European countries together have a greater role to play to transform and enhance public aid.

B. We need innovative tools.

- First I believe we need a dedicated governance body to give political guidance and unity to such a project. It needs strong deliberation and harmonization between state-level administrations. Regular meetings and a permanent secretariat should give life and longevity to this partnership, defining its priorities and implementation, as well as monitoring its results.
- We need also a multilateral financing tool, a project bank, a bit on the model of the Asian Infrastructure Investment Bank, created through the initiative of China's president Xi Jinping as the key of his New Silk Road strategy. This policy bank has been capitalized with 100 bn USD by its over sixty member countries, in order to support projects linked to any country within the « One Belt one Road » as the Chinese call it. It has chosen a clean, lean and green approach in order to become an efficient, one of a kind, exemplary institution.

- The same is possible between the World Bank, the African Development Bank and the European Investment Bank.
- We need, I believe, a special cultural board that would promote initiatives in the field of art, ideas and higher education, developing the movie industry, working on more translation of works. The continent is still waiting for its own movie festival, while Nollywood productions are thriving. It waits for its continental book fair.

C. More than anything else we need concrete results.

- First of all we will need economic results. This will be the touchstone of the
 partnership, through projects tackling the concrete challenges of the continent.
 There are three key development projects to put on the first row.
 - The first is sustainable urban development. Africa has a very specific profile regarding cities.
 - It has a very political history of urban planning linked to colonization or to segregation, as with the townships in South Africa.
 - It has a very fast growth of urban population. Urban population is today around 500 million people in Africa. In 25 years, it will have doubled according to the World Bank.
 - It has very high environmental constraints. Look at the situation of the Cape today, endangered by the drought and Day Zero.
 - Africa has, overall, a very weak investment in infrastructures, in sewers, in water treatment plants, in power production. There is also a lack of maintenance of existing facilities.
 - Today, we need to put together different fields of expertise to build and finance together showcase projects including city lighting, access to resources, public transports. Many EUropean companies are active through their commercial activities or through their foundations, as is the case with the French environmental services leader Veolia for instance.
 - o The second field is transnational transport infrastructures.

- In the new globalization, we need forms of continent-wide planning for the transport of major resources and of industrial goods.
- We need to think international deep-water ports, airports, highways, and major railroads not only on the basis of national needs or aspirations, but in regional or global perspective.
- The third field of necessary cooperation is agriculture.
 - Today the economic model in many regions of Africa makes it vulnerable to large scale agro-business.
 - Africa needs to remain in control of its agriculture because its security is at stake.
 - Africa needs to provide solutions to tens of millions of farmers to avoid a rural exodus to already crowded cities.
 - It is possible to organize a transition towards a sustainable and more efficient agriculture
 - By working on transports of crops and truck driving that remains much more expensive on the continent than in other places.
 - By working on the education of farmers and the creation of special institutions of continuous training that would go to the villages.
 - By working on innovation and new crops or productions, adapted to the demand of African cities and of the world.
- But we will also need political results. The Africa-Europe partnership will be driven by crisis management, let's be aware of it.
 - o It's true for example in Sahel, from Mali to Nigeria, with the security crisis of jihadism. But there is no simple military solution. It is necessary to address the root causes that are the lack of social and political inclusiveness and the accountability of administrations and elites.
 - Crisis management is necessary also in Congo, where the constitutional crisis is foreboding the risk of a massive crisis.
 - Crisis managements and active prevention is necessary still in the horn of Africa, in Somalia, Eritrea, Kenya.

Ladies and Gentlemen,

We can't afford losing more time. We can't afford to build castles in the sky. We need to open up to the world and see what is happening.

We need to acknowledge the wave of populism and identity politics. We need to acknowledge the crisis of globalization. We need to acknowledge also the fracture between two blocks in our world

Then we will see the necessity of making fast and deep progress on a partnership between Africa and Europe that will be the safeguard of peace for the coming decades. Thank you.