

This article was downloaded by: [184.75.48.74]

On: 22 January 2014, At: 10:45

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



American Foreign Policy Interests: The Journal of the National Committee on American Foreign Policy

Publication details, including instructions for authors and subscription information:

<http://www.tandfonline.com/loi/uafp20>

Africa and the United States of America: A New Kind of Partnership in Today's Globalized Environment?

Macky Sall

Published online: 05 Dec 2013.

To cite this article: Macky Sall (2013) Africa and the United States of America: A New Kind of Partnership in Today's Globalized Environment?, American Foreign Policy Interests: The Journal of the National Committee on American Foreign Policy, 35:6, 313-316

To link to this article: <http://dx.doi.org/10.1080/10803920.2013.855569>

PLEASE SCROLL DOWN FOR ARTICLE

Taylor & Francis makes every effort to ensure the accuracy of all the information (the "Content") contained in the publications on our platform. However, Taylor & Francis, our agents, and our licensors make no representations or warranties whatsoever as to the accuracy, completeness, or suitability for any purpose of the Content. Any opinions and views expressed in this publication are the opinions and views of the authors, and are not the views of or endorsed by Taylor & Francis. The accuracy of the Content should not be relied upon and should be independently verified with primary sources of information. Taylor and Francis shall not be liable for any losses, actions, claims, proceedings, demands, costs, expenses, damages, and other liabilities whatsoever or howsoever caused arising directly or indirectly in connection with, in relation to or arising out of the use of the Content.

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden. Terms & Conditions of access and use can be found at <http://www.tandfonline.com/page/terms-and-conditions>



Africa and the United States of America: A New Kind of Partnership in Today's Globalized Environment?

Macky Sall

ABSTRACT Sub-Saharan Africa is emerging as a rapidly growing continent that has weathered the storm of worldwide recession. The United States should no longer view Africa as an area for humanitarian initiatives to be treated solely through foreign assistance. The time has come for a new relationship based on mutual interests signified by expanding trade and investment. The United States needs to get away from the conventional wisdom that Africa is too risky. African nations are engaged in adopting necessary reforms—especially the rule of law and expedited formalities—designed to attract and reassure investors. Times have changed and U.S. thinking needs to adapt if the United States wants to take advantage of some interesting new opportunities to make money.

KEYWORDS afro-pessimism; emerging Africa; energy deficit; good governance; infrastructure; leadership initiatives; legal reforms; new U.S. projects; Obama; power; sub-Saharan Africa; trade and investment

I thought it might be useful to share with the readers of *American Foreign Policy Interests* some ideas about the relationship between Africa and the United States in the new global environment.

My approach is based on the changes currently taking place in Africa and the world, especially with respect to the economic, geostrategic, and security aspects that seem to me to be the most significant.

The discussion that I propose is the following: How will Africa and the United States build their future relationship in the light of the changes currently taking place?

First, let me be precise: I begin with two basic premises that reflect a strong rationale:

- The United States is now, and will remain, a major industrial, economic, financial, and technological power that will continue to influence the evolution of the world throughout the twenty-first century. The values of democracy and liberty, the pioneer spirit, the dynamism, and the great capacity to innovate of the American people constitute, from my point of

Macky Sall was elected president of the Republic of Senegal in 2012 in an election that both international and domestic observers declared to be free and fair. He is a member of the new generation of African leaders who were very young at the time of independence and did not directly experience colonialism.

view, the fundamentals that will preserve that status for as long as the United States remains an open society that attracts and encourages talent.

- With its great human potential (soon to be a population of one billion), which, in my opinion, needs to be better managed and enhanced, and its immense natural resources, Africa is an emerging power in the twenty-first century.

We need a serious and objective analysis to replace the too hasty judgments that have created a dogmatic afro-pessimism and the false perceptions based on clichés that, until recently, have depicted Africa as a caricature of conflict zones and humanitarian emergencies—“a hopeless continent” condemned to marginalization.

Certainly, the challenges that Africa is facing must be recognized. But, at the same time, what is important to remember is that the continent carries the burden of more than five centuries of frenzied exploitation of its human and natural resources. More than five centuries of the slave trade and colonization! We should perhaps be astonished that Africa and the Africans have been able to survive such unprecedented pillaging.

It is not my intention here to become enmeshed in an unfortunate state of victimization; rather I wish to recall an incontestable historical fact that explains, to a great extent, the current situation of the continent.

Right now, as afro-pessimism is giving way to a rebirth of interest in Africa, it is time for us to move ahead by constructing our future by ourselves, with determination and without hang-ups, and in cooperation with our partners. We will do it taking into consideration our complementarities and with a win-win outlook.

While the world is undergoing a major economic and financial crisis that is destabilizing economies that until now have been prosperous, African nations are showing growth rates that are consistently superior to world averages. And, contrary to conventional wisdom, this new African success is no longer based exclusively on price increases for certain raw materials but also on sectors such as infrastructure and informatics.

During its annual meeting held in June 2013, the African Development Bank confirmed the outstanding performance of the continent during the past few years:

- Four-fifths of the African people live today in countries that are stable and peaceful, enjoying economic growth above world averages.
- For the first time, the average per capita gross national product in Africa has risen above one thousand dollars.
- Seven out of ten Africans are currently connected to the world by portable telephones.
- In sub-Saharan Africa alone, three-quarters of annual public expenditures of \$464 billion are originating internally.

The Program for Infrastructure Development in Africa (PIDA), formulated within the New Economic Partnership for African Development (NEPAD), has identified a coherent set of regional infrastructure projects covering transportation, energy, information and communications technology, and the utilization of cross-border bodies of water.

These projects call for the mobilization of resources that declining foreign aid cannot satisfy.

Therefore, it is necessary to find innovative financing mechanisms such as concessions, joint ventures, and public-private partnerships.

It is exactly from this point of convergence that we should work together to build the new African-American partnership.

Apart from our historical ties (America and Africa have both been colonized, and, as a legacy of slavery, Africa has ties to its American diaspora), we are also linked by our neighborhood.

On both sides of the Atlantic, many of us ignore the fact that only seven hours of flight time separate us, just a little further than the distance between the East Coast and West Coast of the United States. Departing from Dakar, I will take longer to get to Addis Ababa or Johannesburg than to New York!

On the one hand, the United States of America, a great nation, is at the apex of progress in every sector. On the other hand, Africa is a continent in a dynamic of emergence, with its power, its limits, and its needs, and with many opportunities on offer.

For both sides, there is a historic opportunity to promote trade and investment, to create more wealth and employment, and to fight poverty.

During our joint press conference on the occasion of his visit to Sénégal in June 2013, President Obama was quite frank in recognizing that the United States

is lagging behind other economic powers in the promotion of this new type of partnership with Africa.

As for us, despite the progress that I have described, we are quite aware of our inadequacies and we remain mobilized to eliminate them. Emergence is not automatic. It does not happen by itself. We must encourage it and maintain it in a world of intense competition.

As for governments, we must work to improve the business climate in order to create favorable conditions for investors. This has been the objective of reforms that have allowed us, in Sénégal, to lower taxes on enterprises, simplify customs formalities, and reduce the length of time it takes to establish a company from 58 days to just 2. All of these procedures take place at a single “window” at our Agency for the Promotion of Investments and Public Works.

We have made sure that these reforms are monitored within the framework of our Presidential Council on Investments, composed of representatives from the public and private sectors who meet every six months to evaluate progress and to identify obstacles to the growth of private enterprise.

In addition, after I took office in April 2012, I initiated a large program of good political and economic governance that includes:

- The decrease of the mandate of the President of the Republic from seven to five years, renewable one single time. This reform is applicable immediately, which means that the mandate of seven years for which I was elected is now reduced to five years.
- A complete audit of public finances.
- Establishment of a public disclosure of wealth for the President of the Republic, other officials of the state, and certain senior civil servants who manage public property.
- The creation of the National Office Against Fraud and Corruption (OFNAC) with broad powers of investigation.

I undertook these reforms because the rule of law and good governance seem to me to be indispensable—not only to establish relations of confidence and to attract foreign investments, but also to establish the conditions for development on sustainable foundations.

With respect to trade and investment in Africa, I assign high priority to three sectors:

- Mechanized agriculture to assure food self-sufficiency
- Affordable energy at prices that will allow for a competitive economy
- Infrastructure networks that will facilitate trade within and among states and will increase connections to the outside world

Experience tells us that there is a direct link between both growth and development to energy and infrastructure—two sectors in which the continent continues to show a considerable deficit. But Africa is actually the continent where access to energy is the weakest, even though she has one of the principal sources of the basic elements of energy.

According to the African Development Bank, of 1.5 billion people living without energy in the world, 80 percent reside in sub-Saharan Africa. A 2010 study by the World Bank reports that the 48 countries in sub-Saharan Africa, with 800 million people, generate approximately the same quantity of electricity as Spain with 45 million people (“African infrastructures: an imperative transformation”).

The same observation can be made for road, railroad, port, and airport infrastructures.

In comparison, the freight cost of shipping a container 1,300 km between Shanghai and Beijing is \$1,900. Shipping the same container 1,200 km between the African cities of Mombasa and Kampala costs \$3,800.

Without any doubt, we can report good news with respect to Africa’s digital revolution because, as early as 2004, the International Telecommunications Union declared: “Africa has the fastest growth in portable telephone usage in the world.”

Africa is at a historic turning point where close to one billion inhabitants have positioned themselves as one of the most important markets of the future. And, the potential of the continent is sufficiently vast so that there is enough room for everyone, in a spirit of partnership, to fulfill their objectives.

In addition, the sub-regional integration groupings currently forming will offer far bigger markets in the future than any individual country. Contrary to a number of currently circulating ideas, investment risks in the large majority of African countries are

not greater than elsewhere. Otherwise, why would there be such a new growth of interest in investing in the continent?

This strategic vision should underpin relations with Africa today.

Within the program for the development of infrastructure in Africa (PIDA), the African Union has identified 51 substantial projects in the continent's five regions for roads, railroads, energy, and industrial agriculture.

For some of these projects, feasibility studies are already available. What remains is the mobilization of resources to finance them.

This constitutes a great opportunity that the United States, as the world leader, should seize in the framework of its new strategy of partnership with Africa.

This is not an appeal for aid; rather it is to encourage trade and investment through public-private partnerships, joint ventures, and concessions for the large American corporations that want to establish business relationships on the other side of the Atlantic.

With the Peace Corps, the U.S. Agency for International Development, the African Growth and Opportunity Act, and the Millennium Challenge Corporation, the United States has the advantage of a public cooperation network that has already been in existence for half a century.

This remarkable mechanism would benefit from the added presence of significant American enterprises throughout Africa with the support of instruments such as the Overseas Private Investment Corporation and the US EXIMBANK.

To achieve this, it will be necessary to overcome prejudices and preconceived ideas and to become better informed about Africa's new realities so as to discover its opportunities and work more with the African diaspora in the United States.

A large number of young Africans have been training for a number of years in the United States in the best universities and institutes. These young people often go on to succeed, start businesses, and become wealthy.

They constitute, in my opinion, a substantial network of competent people who can serve as intermediaries capable of facilitating trade and investment relations between the Africa and the United States. At the end of the day, these young people understand

equally the realities of their countries of origin and those of their country of adoption.

That is why I salute President Obama's "Young African Leaders Initiative" that he announced during his African trip. This project is designed to develop the talents of more than 500 African young people in some of the best American universities starting in 2014.

This initiative has a great deal of promise, just like "Trade Africa," a project designed to increase economic and commercial ties among African countries to create more viable markets. This project is being implemented for the time being only within the East African Community. It will be even better when it is extended to the other regional African economic communities.

The same is also true for the "Power Africa" initiative that has as its objective providing access to electricity (10,000 megawatts) to 20 million homes and enterprises in sub-Saharan Africa with an initial financing of \$7 billion from the United States. It is encouraging to note that some new private sector partners have joined this initiative by announcing substantial contributions since President Obama's announcement.

At the same time, we must welcome and hope for rapid enactment by the U.S. Congress of the Electrify Africa Act 2013; this act aims to have Africa produce 20,000 megawatts of electricity by the year 2020, covering the needs of 50 million Africans.

Arriving to reinforce an already rich partnership, these strong and innovative initiatives demonstrate that in an open and globalized world, the United States has not only understood Africa's full potential (and the economic opportunities that Africa presents) but also that Africa's emergence constitutes a source of economic renewal for the American economy.

Working together, beyond the relations of foreign public assistance that necessarily have limitations, America and Africa can develop a vigorous and mutually beneficial partnership.

In this regard, the U.S.-Africa summit, planned for 2014 in Washington, D.C., is very timely because the United States and Africa certainly have lots to say to each other in the mutual interest of their peoples.