

## **DEBATE**

### **INDIA AND THE NEW 'RESURGENT AFRICA'**

The “resurgence of Africa” is having a profound significance for the international scene. The rising profile of the African continent has been witnessed both in the political and economic spheres. Africa’s geo-strategic importance has also risen significantly.

The continent is well on its way to attaining a certain level of political stability. It is also coming into sharp focus economically. Some of the fastest growing economies are in sub-Saharan Africa. The regional and sub-regional integration, which is proceeding at a rapid pace, is positively contributing to growth and innovative models of investment. Though Africa still has many challenges to overcome in the political, economic and social sectors, the overall direction of the continent seems to be on the right course and it is poised to play a greater role in international affairs.

“This is the century of Asia and Africa”, External Affairs Minister S.M. Krishna said at a symposium at the UN on 22 September 2011. Where does India, and more specifically, India-Africa relations fit in the new scenario of resurgent Africa?

India’s relations with the continent are centuries old and there has never been any fundamental conflict of interests between India and any of the African countries or the continent as a whole. On the other hand, there was the developing countries’ solidarity manifested in the Non-Aligned Movement and G77. It is true that India-Africa relations stagnated in the 1990s as both sides were preoccupied with adjusting to the emerging scenario of the post-cold war world and globalization. The rapid growth of the emerging Indian economy also alerted the African countries to reorient their traditional economic links. India-Africa relations are now being accorded higher priority by both sides, not only by the governments but also by the business sectors.

India on its part has taken unprecedented initiatives, including holding two Africa-India Forum summits – one in New Delhi and the other recently at Addis Ababa. Bilateral trade has grown from \$1 billion at the turn of the century to around \$50 billion last year. India has expressed the hope that it will cross \$70 billion in the next couple of years.

The questions commonly asked are: What more can India do? Are we doing the right things? Is there a need to go beyond trade, investments and energy and look for strategic convergences? There is enormous goodwill for

India in most African countries. Are we utilizing it effectively for mutual benefit? The other question that comes up often is the competition with others in our interaction with Africa – often termed as “new scramble for Africa”. Diplomatic and political engagement for reform in global governance is also a pressing issue.

The Indian diaspora need to be seen as an asset. It is estimated that there are about 2 million persons of Indian origin in Africa. Is India leveraging this asset effectively? The Government of India’s interaction with the diaspora in the US in the last decade has led to many positive outcomes. Can this be replicated in Africa, in a modified way, to build additional bridges of friendship and cooperation? Closely connected to this is the question of the projection of India’s soft power and a proactive public diplomacy initiative.

Africa is not a monolith. There are great regional, linguistic and cultural differences among the various countries constituting the continent. India has to be sensitive to these differences for its cooperation initiatives to be fruitful. Traditionally, because of historical reasons, commonality of language and Commonwealth ties, India’s interactions have been more with the Anglophone countries. What are the concrete steps needed to correct this imbalance so as to have more engagement with the francophone and lusophone countries? Given the importance of regional organizations, the Second India–RECs meeting in New Delhi in November 2011 was a constructive step. What else needs to be done?

Has the “Team 9” initiative worked well or has it run out of steam? Implementation of projects under lines of credit is at times seen as inefficient, not only in Africa but in other developing countries as well. How can this be remedied? Is the new proposal to establish an autonomous agency for implementation of such projects a good solution?

India decided to go by the Banjul Consensus of 2006 and structured the summits accordingly to interact with a select group of leaders. Has this arrangement worked well or has it hindered a more robust bilateral engagement with *all* – specifically with countries of the continent who, for whatever reasons, are not with the African Union? How can the summits be made more result-oriented? How can these “left-out” countries be addressed?

India’s strength in cooperation with developing countries lies in the sectors of capacity-building and human resource development. Can India take these lines of cooperation to higher levels? Over the last six decades, thousands of Africans have benefited from India’s ITEC programme and have acquired skills to build successful careers. Besides, Indian universities have been home

to thousands of young students from the continent seeking knowledge and learning. Can India positively utilize these contacts? India's contributions in the areas of agriculture and small and medium industries have also been successful in Africa. The demands for these are ever increasing. Are we in a position to respond expeditiously and robustly?

*Indian Foreign Affairs Journal* posed these questions to four eminent scholars and policy practitioners.

**Rajiv Bhatia:** Former High Commissioner/ Ambassador of India to Myanmar, to South Africa, to Mexico, and to Kenya, recommends:

**Empowering Africa and India through Enhanced Cooperation**

... (T)hanks to the momentum created by the two Forum summits, a modest beginning has been made to unleash some synergy between academics, strategic community and media organizations of India and Africa. But this is, by no means, adequate. The responsibility to nurture and sustain the newly built ties rests not just with the governments but also with the institutions concerned themselves. Without an increased effort to bridge the knowledge deficit between the two sides and to promote people-to-people relations on a sustained basis, the India-Africa engagement may yet fail to exploit its optimal potential.

Africa too has a responsibility: it should choose to be an active, not passive, partner. It should bring more candour, energy and dynamism to this relationship. Clearly the future beckons both India and Africa to work closer together because through such harmonization each will help to empower the other. Then only this unique and time-tested partnership, based on equality, mutual respect and mutual benefit, will become optimally successful.

**H.H.S. Viswanathan:** Former Ambassador of India to Cote d'Ivoire and to Nigeria, writes:

**New Opportunities, New Strategies**

Awareness about each other is an area which needs considerable attention. At present, there is hardly any meaningful knowledge of each other. The media on both sides are blissfully ignorant of the real issues of concern for each other. An enduring relationship cannot be built unless there is a genuine interest on both sides at the people's level. The media, think-tanks and academic institutions can play a major role in ameliorating the present situation.

Many African leaders are of the view that India is ideally placed to make

two important contributions: (i) lead the new industrialization in Africa, and (ii) lead the new human resource development in Africa.

Can India take up the challenge? There is no doubt that it has the potential. What is needed are a clear strategy and effective implementation.

**Aparajita Biswas:** Professor & Director, Department of African Studies, Mumbai University, Mumbai, states:

### **Changing Dynamics of India-Africa Relations in the Twenty-first Century**

India's approach to improving its relations with Africa is one of the ways by which South-South ties can be strengthened. This includes exploring areas of possible complementarity in trade, examining the viability of joint ventures in selected sectors, and sharing appropriate technology on the basis of mutual advantage. More importantly, as Indian aid and investments are not tied to any political conditions, it helps the African countries to frame their infrastructure and other developmental programmes on their own terms. India's non-interference in the political activities of African countries has been highly appreciated by several African governments, especially Sudan. India's investments also help the African economies to improve the price of their primary commodities and their terms of trade. They also help them to enhance sub-regional economic integration and to maximize the benefits thereof.

**Manish Chand:** Editor, '*Africa Quarterly*' and Senior Editor with the Indo-Asian News Service (IANS), is of the opinion that:

### **Rising India and Resurgent Africa: It's Time to Tango**

"The twenty-first century is often described as the Asian century. India wishes to see the twenty-first century as the Century of Asia and Africa with the people of the two continents working together to promote inclusive globalization", said Prime Minister Manmohan Singh at the first India-Africa Forum Summit in New Delhi in 2008. The African dream and Indian dream can meld and create a new mosaic of world order. But to make this prophecy real, India needs greater audacity to think big, dream big, and to bet big on the Africa growth story. "The brave may not live forever, but the cautious do not live at all", says an African proverb.

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## ***Empowering Africa and India through Enhanced Cooperation***

Rajiv Bhatia\*

Once upon a time, geographically, India and Africa constituted a whole called Gondwanaland; then they broke apart, drifting away to form separate units – a continent and a subcontinent. The Indian Ocean separated them but it also linked them, facilitating an endless exchange of commerce, culture and legends for centuries. The colonial era was their shared nightmare – long and painful, but its positive gain was an intense emotional and political solidarity of the oppressed that eventually triumphed.

Cooperation between Africa and India began to grow in the glow of independence, but there were limits that could not be transcended. That is, until recently. The combination of Africa's rise, India's steady growth, and the intensification of international competition to engage Africa has created a new paradigm. Sensing the change and conscious of future possibilities, Delhi has seized the initiative. Expectedly enough, its new Africa policy has received a strong endorsement and acceptance from across Africa. The basic question that needs examination now is whether the two sides are on the right track, moving fast enough, with a clear sense of purpose and aware of the larger context.

### **Africa's Resurgence – a Realistic Take**

What exactly is the reality about the much-talked-about rise/renaissance/re-emergence/transformation/resurgence of Africa as a geopolitical region? Are Afro-pessimists right in arguing that Africa's problems are so gigantic that it will remain overwhelmed by them for long and will thus stay as the poorest region of the world? Or, are Afro-optimists and romanticists correct in asserting that Africa's rise is already happening and will soon be complete? My considered suggestion is that we should look at facts and then draw a realistic conclusion.

The renaissance is said to have begun in early-to-mid 1990s, which means that it is now about two decades old or will be so in a couple of years. This is

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\***The Author** is a former Ambassador/High Commissioner of India to Kenya, to Myanmar, to Mexico and to South Africa. He is currently a Visiting Senior Research Fellow at the Institute of Southeast Asian Studies, Singapore.

the second rise, the first having appeared in end 1950s-early 1960s when a large number of African nations gained freedom. Most hopes raised then were dashed because independence was not followed by peace, democracy and development. Happily, the story this time has been unfolding differently.

Five major components of Africa's current positive transformation are: (i) political, including peace and conflict resolution; (ii) economic, including poverty alleviation and faster growth; (iii) social, including development of education, health and other sectors; (iv) regional integration, including success in launching the African Union (AU) as well as several Regional Economic Communities (RECs); and (v) international cooperation, which indicates that the world has been according a higher priority to Africa than before. In respect of each of these components, both positives and negatives need to be evaluated carefully.

In the political domain, Africa today has far fewer armed conflicts than in the past. Now, even as internal conflicts take place such as in Comoros and Cote d'Ivoire, it seems possible to contain and resolve them through negotiations or limited military intervention. When old conflicts continue, as in Darfur and Somalia, there is a concerting of efforts by African states and the international community to devise a solution, although not always successfully. Democracy is becoming a popular form of government, with about 80 per cent governments being democratic, but 20 per cent are not so yet. Many are democracies in form only. Rulers in several countries have been in power for two or three decades. Even where forms have been adopted, democratic institutions and culture remain weak and vulnerable. "People's power" manifests itself in varying potency – as the world saw in course of the unfolding of the "Arab Spring": Tunisia ended up with a positive outcome; Libya presented a complex, continuing tragedy; and the results in Egypt remain uncertain as of now.

According to one calculation, seventeen presidential elections were held in 2011. Another twenty-four elections at the presidential, parliamentary and local levels are scheduled to be held in 2012 and 2013. The way they are conducted as well as their outcome will be a clear indicator if democracy is becoming well-rooted in the continent's soil.

Socio-economic development presents, at best, a mixed picture. The African economy may have grown at an average rate of 4–5 per cent in the past two decades, but this can hardly conceal the fact that the sub-Saharan region is one of the most underdeveloped parts of the planet. Africa has been lagging in achieving the Millennium Development Goals (MDGs). Of Africa's 1 billion people, about half live below the poverty line. Besides, growth has been

uneven and inequitable. If a handful of countries have occasionally grown at double-digit levels, many have hardly grown. In computing the real effect of growth, the commodities boom and the rise of price of coal, oil and gas should be factored in. Natural resources have contributed to growth, but agriculture, industry, manufacturing and services have not shown the kind of robustness that was expected of them. The menace of famine still haunts; it is causing misery currently in East Africa. In order to make a dent into widely pervading poverty and disease and to create new hospitals, schools, roads and jobs that people lack, African countries would need a sustained growth at 7–8 per cent per year for the next three or four decades. Are they heading in that direction? Romanticists would not even raise the question, but the realists should.

One of the major concerns is the glaring inadequacy of the education sector. With a few exceptions, a large number of African schools and universities appear to be performing below par, even in an advanced society such as South Africa. Akua Djanie wrote, under the column entitled “Reflections of an ordinary woman” of the prestigious periodical *New African*, in its issue of December 2011, that Africans are very capable in many fields but “the reason why Africa has a few indigenous people excelling in many fields, is because the educational system in Africa has failed and continues to fail the majority of Africans.” She concluded that unless the system is reformed, enabling children “to think and explore in an environment which stimulates and demands action”, it would continue to produce graduates holding paper certificates who would have little to contribute to their own society.

Regional integration has been blossoming well, but it is not without flaws if one cares to listen to African voices themselves. The AU will soon celebrate its first decade. It has been an improvement on its predecessor, the Organization of African Unity (OAU), but its weaknesses are not a secret. In a recent interview, Jean Ping, Chairperson of the AU Commission, pointed out that prior to his innings, the institution’s stress was on words rather than action. He observed candidly that “the focus at AU was on the intellectual side ... we spent too much time debating and did not undertake enough action in terms of development.” Lack of resources is another major issue. Of its fifty-five members, five, namely South Africa, Nigeria, Egypt, Libya and Algeria pay 75 per cent of the contribution; many countries do not pay at all. Libya used to pay for several of them, but even it has not paid for the past two years, thereby creating financial stringency. Another big challenge is to create a viable, workable architecture of regional communities out of a jungle of institutions, marked with overlapping memberships, inadequate leadership,

and unnecessarily competitive agendas.

As regards international cooperation, Africa has arguably never had it so good before. Apart from the old powers – EU and US – a whole host of new or not-so-new suitors are engaged in sharp competition to cultivate ties with Africa. These include China, India, Russia, Brazil, Iran, Turkey, ASEAN and Australia. Consequently, Africa has moved from a position of TINA (“There is no alternative”) to that of TAMA (“There are many alternatives”). Will this competition help Africa in getting deals and arrangements that suit its interests best? Will African governments in particular and the elite in general be enlightened and discriminatory enough to utilize the new international interest for advancing the people’s welfare?

The foregoing analysis takes us to the conclusion that Africa is now on the right path, but it is not moving forward as fast as it should or could. Hence, to talk about “a robust resurgence”, as India’s External Affairs Minister did in May 2011, amounts to over-kindness. I would rather go along with Prime Minister Manmohan Singh, who told the second India - Africa Forum Summit in Ethiopia: “We welcome the continuing transformation of the political, economic and social environment in Africa.” The end result of this “transformation” and the duration it will take to achieve its goals substantially, if not wholly, will be shaped by Africans themselves, the global economic environment, and the policy approaches of Africa’s partners.

### **International Competition**

For obtaining or expanding a place under the African sun, an intense and increasingly sharpening competition is underway. Following the discourse in Indian media, one may not get this impression because most of our commentators seem fixated only on one of its aspects, namely the growth and deepening of China’s cooperation with Africa in diverse fields. This, of course, is a potent phenomenon and is of great relevance to India’s interests. But the fact remains that the role of other key players is also significant and should, therefore, be factored in. In this context, trends in Africa-US and Africa-EU relations deserve special attention.

With its enormous resources and a long history of involvement in African affairs, the US has great stakes and many friends in Africa. It carries the past baggage of the cold war era, although not of colonialism. Speaking of recent years only, it is worth noting that the Obama Administration, quite like the Bush Administration, has accorded a high priority to the continent, thus recognizing Africa’s growing importance in the world’s geopolitics. Earlier,



the attempt was to follow a more strategy-and security-focused policy, because Washington was concerned about countering terrorism and was also engaged in wars in Iraq and Afghanistan. Even then, the US did not neglect other aspects. The African Growth and Opportunity Act (AGOA), which gives preferential access to a large number of African countries to the US market, has been a key element in economic relations. The HIV/AIDS epidemic has been a cause of major concern, which prompted Washington to support the creation of the Global Fund against AIDS, TB and Malaria, with special focus on Africa. Since his historic visit to Ghana in 2009, Obama has made it clear that US interest and activism would be enhanced for furthering cooperation with Africa without putting away the key governance issues. Of course, US stress on democracy and human rights remains marred by “double standards”, as its economic and strategic interests often dominate the agenda. Piracy in the Horn of Africa region has further sustained and increased US engagement.

European powers have had the closest and the most controversial relationship with Africa. Colonialism and later neo-colonial policies and tendencies left an indelible imprint, the impact of which continues to be felt today, and is likely to continue in future. Bilateral relations that the UK, France, Belgium, Portugal, Netherlands and others have developed with African states are of great substance. In addition, much attention has been paid in recent years to the regional dimension by institutionalizing EU-Africa relationship. The last EU-Africa Summit, held in Libya in 2010, showed how extensive the agenda of regional cooperation has become. Bound together by historical, political and economic ties, the two sides have been trying to realize “the enormous potential of our partnership to jointly find answers to the common challenges of today’s globalized world”, as a senior EU official commented some time ago.

Furthermore, it is worth stressing that the world’s emerging economies, grouped together under BRICS, have all become very active, particularly in crafting economic cooperation with various regions of Africa. Therefore, competition among them is inevitable even though India’s spokesmen continue to deny its existence, possibly for diplomatic reasons. More significantly, as BRICS now includes South Africa, it is also essential to study and observe the evolution of South Africa’s “African agenda”. This is emerging as a new and powerful factor in offering competition to the outside powers, including India, as they jostle for the attention of African capitals. One can see the possibilities of both convergence and conflict here.

### **India-Africa Engagement**

The period beginning mid-2008 has witnessed an impressive growth in India - Africa cooperation - a development that the world has been watching with much attention and interest. The multifaceted endeavour by India has been aptly portrayed, by its incumbent Prime Minister, as confirmation that “we are on our way to revive the golden era of Africa-India relations when our leaders stood shoulder to shoulder in the struggle for freedom and as partners in peace.”

In addition to the ideological solidarity and political support that India had consistently extended to Africa in its struggle against colonialism, neo-colonialism and apartheid, it is now in a position to broaden and deepen cooperation in economic, social, technological, infrastructure and human resource development sectors. India has sought to achieve this through a structured method, by enhancing both dialogue and cooperation at three tiers – bilateral, regional and continental.

India’s political commitment has been amply underlined by the two India Africa Forum summits held in 2008 and 2011. Financial resources, including lines of credit (LoC), have been committed in pursuit of specific agreed objectives. The value of financial packages, stemming from the two summits, works out to well over \$10 billion. The focus on proposed establishment of over a hundred new training institutions, proposed creation of India-Africa Virtual University, grant of 22,000 scholarships and expansion of Indian Technical and Economic Cooperation (ITEC) programme are all admirable initiatives. So is the identification of seven specific sectors, mentioned in the Addis Ababa Declaration dated 25 May 2011, of socio-economic and political activity where “enhanced cooperation” is being promoted within a jointly agreed framework.

However, a critical appraisal is necessary by going beyond official statements and claims. It is worth examining how these initiatives will help Africa and assist in moving India-Africa relations forward. A number of points should be noted in this context.

First, there is a need for greater transparency and speed in implementing the decisions taken at the two summits. The authorities should take the public into confidence as to when the new training institutions, promised at the 2008 summit, will become operational. What is the timeline for the creation of institutions announced at the second summit? Secondly, with regard to the utilization of LoCs, the record so far appears to be somewhat unsatisfactory. As the number of projects, the quantum of LoC funds, and the volume of work increases, there appears to be a greater justification for the establishment of a new Development Partnership Agency, the proposal for which has been

pending for several years. South Africa, which began to establish a similar agency much later, has already achieved more progress than India. Thirdly, ITEC, a potent component of cooperation with the developing world in general and India's partners in Africa in particular, is clearly set for a major expansion. But the question is whether the executing agency, i.e. the relevant division in the Ministry of External Affairs has adequate personnel, operational freedom and procedural flexibility to secure the stated objectives. Is it not time for an independent audit or appraisal to evaluate the impact, effectiveness and relevance of ITEC packages for Africa's needs?

Fourthly, despite a variety of steps taken so far, trade between India and Africa is still small. The recent decision to set a target of \$70 billion for 2015 is welcome, but it should be viewed in a proper context. China's trade with Africa in 2011 exceeds \$110 billion. Fifthly, investment flows from India to Africa are picking up – but rather slowly. In fact, no single agency in India or Africa has consolidated up-to-date figures on investment flows acceptable to all. There is an urgent need to sort out the confusion, devise an agreed method to tabulate investment flows, and then establish specific targets for getting India Inc. to invest in attractive sectors of the African economy.

Finally, thanks to the momentum created by the two Forum summits, a modest beginning has been made to unleash some synergy between academics, strategic community and media organizations of India and Africa. But this is, by no means, adequate. The responsibility to nurture and sustain the newly built ties rests not just with the governments but also with the institutions concerned themselves. Without an increased effort to bridge the knowledge deficit between the two sides and to promote people-to-people relations on a sustained basis, the India-Africa engagement may yet fail to exploit its optimal potential.

### **Conclusion**

While, as it is said, it is difficult to predict the future, one can clearly visualize that, despite the present challenges, the continent will grow and prosper in the coming decades. Such a perspective presents immense opportunities for India as a nation, not just for the Government or India Inc.

Africa too has a responsibility: it should choose to be an active, not passive, partner. It should bring more candour, energy and dynamism to this relationship. Clearly the future beckons both India and Africa to work closer together because through such harmonization each will help to empower the other. Then only this unique and time-tested partnership, based on equality, mutual respect and mutual benefit, will become optimally successful.

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## *New Opportunities, New Strategies*

H.H.S. Viswanathan\*

The phrase “resurgence of Africa” has now become common currency in the media. Unlike in the past, the continent of Africa is very much in the news and for the right reasons. Through most of the past five decades, the continent was not talked about at all. And rarely when it was in the news, it was for civil wars, famines, droughts, poverty and ethnic violence. All that seems history now. Today, there is a new perspective on Africa and the reason is the resurgence of Africa in the past decade.

The ravages that colonization brought to Africa are too well known to be discussed again. The decolonization of Africa did not bring peace and prosperity either. At the time of independence, the countries were so ill equipped to govern themselves effectively that development and industrialization were beyond their capabilities. This resulted in the former colonial masters controlling them economically in a neo-colonial setup. This situation continued throughout the cold war years.

The end of the cold war had two important effects on Africa: (i) removal of the tight control that the ex-colonial powers had on their erstwhile colonies; and (ii) the slow but steady democratization of the regimes in most African countries. Europe became absorbed in its own expansion and intra-European matters, which led to a loosening of their grip on their ex-colonies. This proved a blessing for Africa and enabled the continent to initiate some experiments in the political and economic spheres. The subsequent period saw a slow evolution of democratic processes in many African nations.

The real and noticeable resurgence started in the new millennium. There is no doubt that economic factors have played a very significant role in this. With the growth of emerging economies like India, China and Brazil, the demand for raw materials soared, leading to a greater economic boom in many African countries. The world was compelled to take notice of the resurgent continent and to engage with it. Fortunately, the trends started in the early 2000s seem to be continuing at a steady pace.

While talking of the new emergence of Africa, we have to take note of both the political and economic aspects. Politically, there has been a sea-

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\***The Author** was formerly Ambassador of India to Cote d’Ivoire and to Nigeria. He is currently Distinguished Fellow at the Observer Research Foundation, New Delhi. Views expressed are personal.

change. Today there is a certain amount of stability in the continent, which was unknown in the past six decades. Eighty per cent of the African nations have embraced multi-party democracy. The election processes may not be perfect and may fall short of the standards of well-developed democracies. But what is important is that the people are holding the rulers accountable. There is greater demand and urgency for more transparency and better governance. There have been many cases of peaceful transfer of power through elections, the most recent example being Zambia.

The unique system of the African Peer Review Mechanism (APRM) has also helped in the process of better governance. Under this mechanism, a group of experienced and retired statesmen monitor the performance of the members in an objective manner. So far twenty-four African countries have voluntarily offered to be under the APRM and more are on the way to doing so.

Compared to the past five decades, the number of military coups and counter-coups, for which Africa was notorious, has declined dramatically. This is also due to a change of attitude among the African leaders. Gone are the days when African governments refused to criticize despots and military coups under the pretext of non-interference in the internal affairs of other countries. For example: after a military coup in Togo in 2006, the country was promptly expelled from ECOWAS (Economic Community of West African States) and AU (African Union). We also saw similar actions recently in Cote d'Ivoire when Laurent Gbagbo refused to accept the Presidential election results. Keeping in tune with international norms, African leaders of today have moved away from the principle of non-interference to non-indifference.

The economic resurgence of Africa since 2000 has been even more dramatic. An IMF report says that sub-Saharan Africa grew at an average rate of 5 per cent per annum during the period. After the global financial crisis of 2008, Africa and Asia are the only continents to register positive growth. A McKinsey Report of 2010, entitled "Lions on the Move", reveals some impressive statistics. The combined consumer spending in Africa in 2008 was \$860 billion (more than that of India, which has another 300 million people) and it is expected to increase to \$1.4 trillion by 2020. The combined GDP, which was \$1.6 trillion in 2008, is expected to rise to \$2.6 trillion by 2020. Since 2000, 316 million new mobile phones have been added. While appreciating these statistics, two factors need to be kept in mind:

- i) The main drivers of the growth are the Africans themselves. Some good macroeconomic decisions and the dynamism of the African markets were responsible for the growth.

- ii) Even countries without mineral resources did well. While those with resources grew at 5.4 per cent, those without them grew at 4.6 per cent.

There are several other encouraging factors of great significance. One is the demographic dividend of the continent. The same McKinsey report predicts that by 2040, there will be 1.1 billion Africans in the working age. Since the rest of the world will have an ageing population by then, Africa will be well poised to become the manufacturing hub of the world.

While talking of the Resurgence of Africa, mention must also be made of the New Partnership for Africa's Development (NEPAD) which was established in 2001. This is an initiative taken solely by the African leaders to place their countries individually and collectively on a path of sustainable growth and development and to resist marginalization of Africa in the globalization process. This is a vision of a new generation of African leaders broadly on the parameters of market economy. The international community has been actively supporting NEPAD initiatives.

### **Regional and Sub-Regional Integration**

A very positive trend in the development of the African continent in the last decade has been the efforts to expedite meaningful regional and sub-regional integration. Organizations like Southern Africa Development Council (SADC), East African Community (EAC), Common Market of East and South Africa (COMESA) and ECOWAS have been in existence for a long time. It is only in the new millennium and with the economic resurgence of the continent that sufficient importance has been attached to this issue. The sheer history and geography of the continent dictates such integrations. The colonial division of the continent was so arbitrary that it divided ethnic and linguistic groups between various countries. While the continent has large countries like Nigeria, Egypt, South Africa and Kenya, there are at least twenty countries with a population of less than 5 million; another twenty-plus have GDP of less than \$5 billion. There are sixty river basins shared by many countries. All these factors make it imperative for any meaningful development plan to take into account the regional dynamics. Big infrastructure projects are viable only if conceived on a regional basis.

Market is another important factor for regional integration. Enterprises can have economies of scale only if they are assured of a large enough market. With these factors in mind, the various regional and sub-regional groupings are cutting down their tariffs, promoting intraregional trade and investments and moving fast towards becoming customs unions and common markets.

The signing of a Free Trade Agreement (FTA) among the three big groups SADC, EAC and COMESA earlier this year promises to open up great possibilities. This will be a Free Trade Area (FTA) of 525 million people with an output of more than \$1 trillion. Since Egypt is a member of COMESA, this new FTA has been referred to as the Cape-to-Cairo FTA.

### **Problems and Challenges**

The positive picture of a resurgent Africa should by no means suggest complacency. There are monumental challenges that the continent has to address if the momentum of the resurgence is to be kept up. Let us take the political aspect first. Democracy is still very nascent in most African countries. It needs support both domestically and internationally. Sustained efforts are needed to constantly improve the election processes to make them more free and fair. Governance issues are another area of concern. A lot more has to be done to make the workings of the governments more transparent and people-friendly. The only way to bring down the corruption levels is to make the authorities more accountable and answerable to the electorates.

Lack of democratic institutions and civil society organizations is a serious lacuna in the African countries. Naturally, it takes time for such institutions to become functional. Even though there is no dearth of thinkers and intellectuals in most African countries, what is lacking are organizations for debate and discussion to help governments in making policies. Nurturing academic institutions and think-tanks is vital to take the democratization process forward. As of now, most such institutions depend too heavily on government funds to have any independent activity or opinion.

Parliamentary democracies in the African countries are yet to devolve power effectively to the grassroots level. There is hardly any economic decentralization, with the result that the periodic elections become a fight for control of power at the centre, with no reference to the local and grassroots problems. Also, most of the political parties are not formed on the basis of economic and social issues, but on the basis of ethnic and linguistic loyalties. A vibrant, functioning democracy needs to go beyond these constraints.

The rise of terrorism is a new curse for the continent. Even though armed insurgencies and civil wars have been common in Africa for the last six decades, terrorism based on extremist religious ideologies was unknown in the continent. Today certain areas of Africa are considered to be the hotbeds of terrorism. There are also reports of organizations like al-Qaeda shifting their operations to the failing and failed states of Africa. Of late, three such

organizations have made headlines in the media for daring terrorist acts – al-Shabaab in Somalia, al-Qaeda in the Islamic Maghreb and Boko-Haram in Nigeria. Despite the concerted efforts of the respective governments and the international community to counter the trend, the appeal of these organizations for the poor, unemployed youth seems to be growing.

Let us now look at the economic resurgence. For sure, the statistics of the past decade are very impressive. However, the benefits of growth have been rather slow in percolating to the poorer sections. The so called trickle-down effect has been only marginal at best. The achievement of the Millennium Development Goals (MDGs) formulated in 2001 looks unlikely. On many of the MDG criteria, most African countries are lagging far behind the targets set for 2015. Of particular concern are areas such as health and education. Earlier, we talked of the favourable demographic dividend of the continent. It will be a dividend only if the young population has access to good education, vocational training and skill improvement. Without these, the demographic dividend could turn into a demographic nightmare.

Agriculture and manufacturing are two sectors whose growth is critical for the development of the continent. Unfortunately, both these sectors face very serious challenges. Africa has 60 per cent of the world's uncultivated, arable land, which if exploited properly could turn the continent into the bread basket of the world. But is Africa ready? The tragedy is that, till recently, agriculture was not a viable economic activity in most countries. Fortunately, it is changing. The reasons for this are many: low technological support, high input costs, lack of micro-financing, poor transportation and other infrastructure facilities and the absence of an effective value-chain from the farmer to the consumer. With all these problems, imported agricultural products have a ready market, displacing local ones.

Manufacturing is another area bedevilled by structural hurdles. One is the availability of power, the shortage of which is chronic in most of the continent. Back-up generators add to the cost of the products. Other infrastructure problems like roads and transport links make manufacturing unviable. The education systems do not produce enough skilled hands to keep the sector going. Countries with mineral resources face the additional problem of what currency experts call the Dutch disease: when commodity prices rise, their currencies appreciate, making local manufactures uncompetitive.

### **India's Engagement with Africa**

India-Africa relations are centuries old. Some recent Western narratives are



way off the mark when they refer to India as a “new entrant” to Africa. India has been engaging with that continent long before Western colonialism. There was flourishing trade between the west coast of India and the east coast of Africa. Colonialism ended this trade. The British took hundreds of thousands of Indians to Kenya and Tanzania for building railway lines, to Mauritius for plantations, and to South Africa for the mines. This was the foundation for a huge Indian diaspora in East and South Africa.

The independence of India, which was a catalyst for the decolonization of Africa, marked a new paradigm in India-Africa relations. India and the African countries came closer to each other through the Non-Aligned Movement (NAM) and the G-77. India's relations with Africa have always been based on four factors:

- 1) Due to similar historical experiences, there was a mutual feeling of solidarity.
- 2) There has always been a collaborative approach in bilateral dealings.
- 3) There has never been a fundamental conflict of interests between India and any of the African countries or the continent as a whole.
- 4) There has been a belief that we can learn from each other and contribute to mutual development and also to peace and stability of the world.

It is true that in the decade of the 1990s there was a visible loss of momentum in India's engagement with Africa. The reasons are obvious. Africa was readjusting to a new world scene with no cold war and no neo-colonialism. Democracy was taking roots and its natural fallout kept most of the countries preoccupied. India, on its part, was busy with its economic reforms and the globalization process. The growth of the Indian economy in the 1990s inadvertently led to stagnation in India-Africa economic relations. The Indian market provided enough opportunities for the entrepreneurs and they did not have incentives to venture into new markets.

It is obvious that in today's scenario, robust engagement with Africa is vital for India. At the political level, Africa represents 54 votes in the UN and other multilateral fora. If India is to play a global role, its visions and ideas will have to be supported by a large section of the international community, and that is where Africa could become important. It is all the more significant that Africa has traditionally supported India's general worldview. Nowhere is Africa more important than on the question of UN reforms and the expansion of the UNSC, which is a high priority issue for India.

The economic and commercial compulsions for engagement are even

stronger. First is the question of resources and raw materials, the need for which is only going to rise with India's continued economic growth. The other factor is the expanding African market with a healthy growth in consumer spending. India cannot afford to ignore this huge market.

There is also the question of the Indian diaspora in the continent. Estimated to be more than 2 million, the bulk is in South Africa, Mauritius and East Africa. Many of them have been there for generations and their connections with India are rather tenuous. None the less, many among them keep up the Indian languages and traditions in the original unadulterated forms. Questions have been raised whether India could successfully leverage the diaspora, as it has done in the last decade with the diaspora in USA and UK. This looks difficult since the profiles of the diaspora in the two cases are different. In Africa, Indians are rarely involved in politics. Also, as mentioned earlier, apart from South Africa, Mauritius and Kenya, the Indian populations in the other countries are not significant. However, they have been doing a great job in projecting India's soft power and this could be further encouraged.

### **A New Scramble for Africa?**

Much has been written, particularly in the Western media, on this theme. Even some Indian narratives tend to argue along these lines. Expressions like "Africa – a new hunting ground" and "new colonization of Africa" are being used freely. This is unfortunate and betrays a colonial mindset. It presupposes an unchanged reality of foreign domination of African countries. But the Africa of today is not the Africa of the colonial or the neo-colonial periods. Yes, many powers, both traditional and emerging, are competing for the African resources and market. But this is on the terms set by the African countries. Their leaders do not seem to attach any relevance to the "scramble theory". For them, cooperation with anyone is welcome, so long as it is on equal terms and helps in their socio-economic development. The Government of India has made it clear that there are no inherent rivalries for cooperation with Africa. Prime Minister Manmohan Singh has said more than once that there is enough potential in Africa for everyone interested in the development of the continent.

### **How is India Engaging with the New Africa?**

India's engagement with Africa in the last decade has been quite impressive. The engagement has been at all three levels – bilateral, regional and continental.

Trade and investments have grown at a very healthy rate. Bilateral trade has grown from \$7.3 billion in 2000 to \$46 billion by 2010. The expected target for 2015 is \$70 billion.

The Indian telecom giant Bharti Airtel has managed to introduce a new business model in Africa to drastically bring down call rates. Companies like Tata and Mahindra have been expanding their traditional businesses. Indian pharmaceuticals like Ranbaxy and Cipla have an impressive footprint in the continent. ONGC, IOC and Essar are investing in the hydrocarbon sector. Total investments from India in Africa are estimated to be over \$50 billion, out of which roughly \$15 billion are by the private sector. About 250 Indian firms have investment linkages with Africa. There is also investment in the reverse direction. For the time being it is modest – around \$110 million – but it is growing.

Agriculture is a sector that many Indian corporates are investing in. The hugely successful Kirloskar rice project in Senegal is going to make that country self-sufficient in rice. This project is often quoted as an ideal example of South-South cooperation. Karturia Global has made significant investments in Ethiopia and Kenya to promote horticulture and grain farming. Seeing these success stories, more entrepreneurs are venturing into new areas in Africa. A long-term strategy in agriculture should include small and medium industries in agro-based and food processing sectors.

The Pan African e-network, an idea of Dr A.P.J. Abdul Kalam, is a unique project on a continental scale. It has started contributing positively to e-education and e-medicine. The project won the 2010 Hermes Award for Innovation.

### **India-Africa Forum Summits**

There is no doubt that the India-Africa Forum Summits have given the India-Africa engagement a very high profile. The media coverage of these events put India in focus. There have, so far, been two such summits: in New Delhi in April 2008 and in Addis Ababa in May 2011. The summits were initiated with the concept of taking India's cooperation with Africa to a transformational trajectory by encompassing many sectors. It is a new institutional mechanism for engagement. At the New Delhi summit, a set of seven areas were chosen for intensive cooperation. India unilaterally offered preferential market access to exports from thirty-four least developed countries (LDCs) in Africa. Additional lines of credit amounting to \$5.4 billion were announced for the period 2008–2013. The number of ITEC (Indian Technical and Economic

Cooperation programme) slots was increased from 1000 to 1600 per year. There was also a doubling in the number of scholarships for graduate and postgraduate studies.

The second summit in May 2011 took the initiatives forward. Another \$5 billion lines of credit (LoC), \$700 million for new institutions and training programmes and \$300 million for the Ethiopia-Djibouti railway line were announced. Clusters in areas of food processing, textiles, weather forecasting and agricultural and rural development are to be established. The aim is to train Africans in these sectors in their own countries. The total commitment in scholarships for the next three years will be more than 22,000.

These are impressive initiatives which have brought considerable goodwill. But there are questions on the effectiveness of the Africa Forum mechanism. Unlike other countries like Japan and China, India chose this route keeping in view the 2006 Banjul Consensus of the African Union. Under this scheme, a representative group based on specific criteria (like the founding members of NEPAD, AU Troika, current and past chairmen of the regional groupings, etc.) take part in the summit and take decisions on behalf of all the countries.

Is the mechanism working well? Is India getting enough out of its initiatives? Doubts have been raised on these questions in some quarters and there is a feeling that there is a need for fine-tuning. One of the main lacunae in the Forum structure is that under this scheme of things, India puts all the eggs in the AU basket. This bureaucratic organization gets to play too large a role in India's cooperation initiatives. Many small African countries do not have enough clout with AU to get more allocations for themselves. On the other hand, big countries like Nigeria and South Africa do not wish to be constrained by AU bureaucrats. While it is nobody's case that India should abandon the Forum format, there are very good reasons to fine-tune it to give bilateralism a little more importance. Some Indian Ambassadors and High Commissioners have remarked that decisions are now taken in New Delhi and Addis Ababa without much of a role for them. If that is so, how can India's envoys leverage its engagement with the respective countries in projecting its interests?

The point that is being made is that we need more bilateral and regional engagements. A more decentralized system of decision-making on development projects could bring in better dividends.

Traditionally, India's strength has been in capacity-building and human resource development. It is significant that most of the recent initiatives are in this direction. This is an area which could lay the foundation for robust

cooperation in future.

An important factor in India's engagement with Africa is that even though the Government of India will continue its cooperation efforts in the above-mentioned sectors, a very significant part of the activities will be by the private sector. It is time for the private sector to think in regional terms in Africa rather than see individual countries as markets. This would enable them to shift some of the production to African countries, generating employment for the locals. Fortunately, this trend has already started with some Indian pharmaceutical companies like Ranbaxy. Care should also be taken that the private sector does not repeat the mistakes committed by the colonial entrepreneurs or even by some of the Chinese firms. Indian entrepreneurs will have to ensure two important elements in their businesses: (i) corporate social responsibility, and (ii) generation of employment for the local population. These are critical for building a long-term business partnership.

India's record in delivery of promised projects has been dismal not only in Africa but even in its neighbourhood. This problem has been addressed by the government many times, but so far, no effective solution has been found. The implementation of the projects under LoCs involves cumbersome procedures. That is why the amounts of LoCs announced are not utilized in the prescribed timeframe. The recent announcement of creating an autonomous body on the lines of USAID to implement projects is a welcome development. It is to be hoped that it will be able to deliver projects on time.

### **Long - Term Prospects**

India and Africa are well positioned to take their engagement to much higher levels. To keep the momentum going, special attention has to be devoted to the individual aspects of the relations. Political dialogues are an important part of the engagement. Regular bilateral political consultations are essential in coordinating the positions of the two sides on global issues like UN reform, climate change, Doha Development Round and counterterrorism. As their economic strengths grow, many African countries will, in future, increase their international political clout; and that is why it would be beneficial for India to engage with Africa politically.

There is an asymmetry in India's relations with Anglophone countries as compared with the francophone and lusophone ones. It is understandable that traditionally the concentration of India's engagement has been with Anglophone countries because of the language, Commonwealth connections

and the presence of a large diaspora. But the time has come when we have to build stronger ties with the others. The experiment of Team-9 in the early 2000s with eight small West African states yielded some results, but it seems to have run its course. It was hampered by a multilateral approach which delayed decisions and implementation. There is a case for identifying six or seven francophone and lusophone countries with potential and nurturing a new relationship for a long-term partnership.

Awareness about each other is an area which needs considerable attention. At present, there is hardly any meaningful knowledge of each other. The media on both sides are blissfully ignorant of the real issues of concern for each other. An enduring relationship cannot be built unless there is a genuine interest on both sides at the people's level. The media, think-tanks and academic institutions can play a major role in ameliorating the present situation.

Many African leaders are of the view that India is ideally placed to make two important contributions: (i) lead the new industrialization in Africa, and (ii) lead the new human resource development in Africa.

Can India take up the challenge? There is no doubt that it has the potential. What is needed are a clear strategy and effective implementation.

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## ***Changing Dynamics of India-Africa Relations in the Twenty-first Century***

Aparajita Biswas\*

India's involvement with Africa goes back a long way to the early days of the independence movements in that continent in the 1960s and before. However, the current level and extent of India's involvement is on a different plane. In those early days India looked at Africa within the context of an emerging Afro-Asian solidarity among developing countries. Its presence was notable in infrastructure projects, with finance and building of railroads in East African countries, besides its assistance in setting up small-scale industries in Tanzania and Kenya, joint ventures in textiles, etc. In the next several decades, India provided technical expertise, doctors, educational scholarships, and various other forms of aid under the Indian Technical and Economic Cooperation (ITEC) programme.

In the first decade of the current century, the scope of India-Africa cooperation has increased rapidly, especially with India's emergence as an important player in the world economy and India's own significant need for oil and other natural resources. This is evident in India-Africa Forum Summits where India offered significant loans, grants and development assistance to woo the African countries.

India's engagement with the African countries differs fundamentally from that of the Western countries, particularly with regard to the aims, objectives and political discourse, besides the instruments and modalities of engagement. India's policy towards Africa is founded on a mutually beneficial basis, mainly on the agenda of South-South cooperation.

The strength of India's relations with African countries and the source of much of its soft power is derived from more than just its recent growth in trade and investment. Throughout its history of cooperation with the African nations, India has emphasized that it has "given what it could" in terms of financial aid and technical support and it continues to do so even as its ability to promote relations through economic incentives – primarily trade, tourism and investment – has grown. India has actively pursued capacity building and a development agenda in Africa.

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\***The Author** is Professor and Director, Centre for African Studies, University of Mumbai, Mumbai.

The India Africa Summit, held in May 2011, involved fifteen African countries. India committed itself to raising the credit line for Indian businesses to (US)\$ 5.4 billion, providing \$500 million in grants for development cooperation, improved market access to African exports, training for over 1500 Africans in Indian universities and improvement in defence cooperation.

### **Trade and Investment**

The most important initiative that India has taken to advance its relationship with the African countries is its Focus Africa Programme, launched under its EXIM Policy 2002-07, the main objective being to increase interactions between the two regions by identifying the potential areas of bilateral trade and investment. Effective 1 April 2003, the programme was extended to cover effectively the entire African continent. Through this programme, the Government of India provides financial assistance to various trade promotion organizations, export promotion councils and apex chambers, and Indian missions in the form of market development assistance. In 2004 India pledged \$500 million in the form of concessional credit facilities to eight energy- and resource-rich West African countries: Burkina Faso, Chad, Equatorial Guinea, Ghana, Guinea-Bissau, Cote d'Ivoire, Mali and Senegal – to help private Indian firms carry out development projects in those countries. This initiative has been named Team-9.

It is reported that under this scheme \$280 million worth of projects have already been approved against concessional lines of credit. These include \$970,000 for the construction of a national post office in Burkina Faso, \$30 million for rural electrification in Ghana, \$4 million for a bicycle plant in Chad, \$12 million for a tractor assembly plant in Mali, and \$15 million for drinking water projects in Equatorial Guinea. Firms exporting to these markets are given “Export House” status subject to a minimum export value of Rs 50 million.

While some Africanists may perceive India as “sleepwalking in Africa”, especially in terms of its trade partnership, the signs are that India is awakening to the reality that Africa is a strategic market. India strengthened the commercial wings of its African missions in 2003 as a trade promotion measure and to provide market assistance to African countries. The EXIM Bank of India has extended lines of credit (LoCs) to several regional organizations in Africa, such as the Common Market for Eastern and Southern African countries (COMESA), Economic Cooperation of West African States, (ECOWAS) and Southern African Development Community (SADC).



These LoCs supplement the Focus Africa Programme. At present sixty-six LoCs are in operation, amounting to \$2.25 billion and covering forty-seven countries. They are seen as a facilitator for strengthening and expanding export trade between the respective regions and India through deferred payments terms. Many of them are earmarked for infrastructure and related projects.

To enhance trade, the Confederation of Indian Industry (CII) regularly holds a "Made in India Show" in various African countries. Indian companies display in these shows their variety of products to the trade and business representatives of African countries.

**Table 1**  
**India's trade with Africa, 1997/98–2010/11**

(in \$ million)

	1997-98	2002-03	2006-07	2010-11
<b>Exports to Africa</b>	1,492.03	2,516.12	8,407.53	16,281.17
<b>Imports from Africa</b>	2,081.77	2,889.31	11,362.76	26,062.02
<b>Total Trade</b>	<b>3573.8</b>	<b>5405.43</b>	<b>19,770.29</b>	<b>42,343.19</b>

Source: www.commerce.nic.in.

It is seen from Table 1, which presents figures for India-Africa trade between 1997-98 and 2010-11 that India's exports to Africa have increased from \$1,492.03 million in 1997-98 to \$16,281.17 million in 2010-11, while imports have increased from \$2,018.77 million to \$26,062.02 million. The increase in imports was mainly on account of increased demand for Africa's raw materials and oil. Gold and silver account for two-fifths of the imports. Among India's exports, chemical and pharmaceutical products, machinery, transport equipment, food and livestock products, etc. are now occupying more prominent positions than manufacturing goods. India's top ten trading partners are South Africa, Kenya, Nigeria, Egypt, Angola, Ghana, Morocco, Sudan, Tanzania and Tunisia.

These trade flows are largely driven by economic complementarities between the two regions. Broadman writes in his book *Africa's Silk Trade*:

Although African exports to Asia as a whole do not exhibit a significant pattern of product diversification, inter-sectoral complementarities between Africa and Asia do exist.... The rich resource endowment in Africa provides a natural comparative advantage in raw materials and resource-based products. China and India, on the other hand, have a rich stock of skilled labor compared to Africa and thus have a comparative advantage in manufactured products.

**India's Investments in Africa**

India's investments in Africa are led by the private sector, mostly in the services and manufacturing sectors. In recent times, investments have also grown significantly in the oil and mining industries of Africa. In East and Southern Africa, the large Indian diaspora, whose members have business ties with India and a good knowledge of Africa, have played a significant role in attracting new investments from India to the African continent. The government has facilitated these investments by minimizing regulations and controls in order to encourage firms to go abroad, such as removing the \$100 million cap on foreign investment by Indian firms abroad. During 1995–2004, Africa accounted for 16 per cent of India's FDI, at \$2.6 billion. Indian oil companies in Africa, like ONGC and Mittal Energy have also pursued acquisition of oil and gas assets. This is in the backdrop of Africa's proven oil reserves of about 16 billion metric tons and gas reserves of about 500 trillion cubic feet.

Besides, India has made considerable investments in sectors like apparel, retail ventures, fisheries, food processing, commercial real estate, transport, construction, tourism, power plants, and telecommunications, as well as finance. Indian conglomerates like the Tatas and Kirloskars, pharmaceutical firms like Cipla, and automobile companies like Mahindra have undertaken projects in Africa. The Tatas have invested about \$100 million till 2009, in activities ranging from infrastructure development, energy and hospitality services, to financial, communication and automotive outputs; they have plans to invest another \$200 million over the next three years. The group claims to have employed 700 people in Africa and provided indirect employment opportunities three times that number.

Mauritius is a major Indian FDI destination in Africa, particularly in the financial sector, telecommunications and pharmaceuticals, accounting for about 70 per cent of the total flows into the continent. Routing overseas private Indian investment through Mauritius, directed at other host countries, and even bringing back the investment into the home country is a very attractive option for Indian companies. This is because they can avail of benefits of low rates of dividend and income tax in Mauritius, as well as benefit from double tax avoidance treaties that other countries have signed with Mauritius. Being an offshore financial centre, Mauritius has also attracted a large number of Indian software companies catering for financial service providers. Kenya and Uganda are the other African countries that have attracted Indian software investments.

In Kenya and Ethiopia, Indian companies are active in a range of sectors including pharmaceuticals, machinery and equipment, chemicals, textiles, paper and paper products, financial services, software, refinery and printing. In Ethiopia, Indian private investment has reached \$4.16 billion, over half of which is in the floriculture and agriculture sector – amounting to \$ 2.36 billion.

In major prospects of coffee production, Tata Coffee entered into an agreement in 2006 with the Ugandan government to set up a 3600 metric tons per annum capacity plant in that country, at an investment of Rs 700 million. The Ugandan government has allocated to Tata Coffee 50 acres at Jinja, about 60 km from Kampala. In Uganda, India is now the third-largest source of FDI, after the UK and Kenya.

The second most attractive region for Indian FDI, North Africa, had attracted investment worth over \$550 million by March 2007. By end 2009, Egypt alone was accounting for \$750 million, invested in forty projects in diverse areas like chemicals, petrochemicals, pharmaceuticals, cosmetics, garments, etc. The OVL/IPR consortium has invested in excess of \$31 million in oil exploration project in Egypt. Indian companies are also active in chemical ventures in Morocco. ONGC bought a 25 per cent stake in Sudan's Greater Nile Oilfield in 2002, even though China National Petroleum Corp. (CNPC) operates in this oilfield in a big way. ONGC has also planned to invest \$750 million for renovation of Sudanese oilfields. Sudan offers Indian investors – most of them in the oil and gas sector – attractive incentives and preferential access to Arab countries. Efforts by Sudan to encourage Indian investments in other sectors have drawn investments in automobiles and light engineering goods. Oil India Limited (OIL) and its partners have entered into an agreement with the National Oil Corporation of Libya for four exploration blocks in that country that are estimated to hold two trillion cubic metres of gas reserves.

In West Africa, Nigeria is the main trading partner of India, with major FDI directed at metals, rubber and plastic products, infrastructure machinery and equipment. Essar, an oil company, entered Nigeria in 2007. ONGC has bought concessions for long-term oil and natural gas extractions in Nigeria and Angola. Dabur India (pharmaceuticals) has announced the commissioning of its new manufacturing facility in Nigeria: it has been set up with an investment of around \$4 million, by African Consumer Care, a subsidiary of Dabur International, for manufacture of toothpaste initially: the production line would be expanded to manufacture a range of skincare, homecare and household disinfectant products.

Although traditionally India's private sector investments have focused on countries where the Indian population has a significant presence, this approach is rapidly shifting, as they now are increasingly seeking investments in non-Anglophone West African countries. For instance, trade deals with francophone Cote d'Ivoire are expected to grow to \$1 billion by 2011. ONGC has agreed to buy 30 per cent offshore oil exploration in Cote d'Ivoire. The Government of India has also offered small loan facilities to private sector companies to cover the risk of non-payment. The impact of this strategy has been remarkably positive in the field of urban transport. In Abidjan, several Indian-made buses ply. Nearly 350 Tata buses are present in Dakar, Senegal. Tata Motors beat stiff competition from European carmakers Renault and Volvo, and went on to win a World Bank-funded contract to build a minibus assembly line in Senegal. The original seed loan was \$18 million. Senegal also has substantial Indian investment directed into the chemicals sector. Recently the Liberian parliament ratified a twenty-five-year deal allowing Arcelor Mittal to launch a \$1 billion iron ore mining project that will eventually employ 20,000. Indian firms are now setting up cotton mills in Chad and cement plants in the Congo.

Although Southern Africa had attracted a minimal proportion of total Indian direct investment (1.4 per cent) in Africa, major Indian corporations now have a presence in the region. In South Africa, the Tata group has 26 per cent participation and Tata Motors is the sixth-largest investor company in South Africa. The amount is estimated at nine billion rands (\$1 billion). The Tatas are already in the mining sector in Mozambique and South Africa, and are looking for more opportunities in coal and iron ore in East and West African regions. With a substantial presence of Tata Consultancy Services in South Africa, the company is looking to expand its information technology ventures to other countries. Furthermore, Tata Steel in a tie-up with South Africa's Sasol Synfuel International is setting up the country's first project to convert coal into liquid with a mammoth investment of Rs 450 billion in Orissa.

In Zambia, the Tatas are investing in the 120 MW Itezhi-Tezhi hydropower project, in a joint venture of Tata Africa Holdings with state-owned Zambia Electricity Supply Corporation. Vedanta Resources has invested more than \$750 million in Zambian copper mines.

Indian pharmaceutical companies have also made significant headway in the African market. They supply low-cost generic drugs and provide support to humanitarian programmes across the continent. Ranbaxy has provided reasonably priced medicines, particularly anti-retroviral (ARV) drugs, to several African countries, including Nigeria, Kenya and Zambia. Cipla provides HIV/

AIDS drugs to one in three patients in Africa. Cipla, in conjunction with Quality Chemicals Industries of Uganda, is planning an \$80 million expansion to their current operations in Uganda. This expansion will expand their capacity to produce generic AIDS and malaria medication.

With India being recognized and accepted as an IT destination by the world, countries like South Africa and Nigeria, which promise to be growing markets for regional organizations like SADC and ECOWAS, offer an enormous business opportunity to the Indian IT sector. Indian IT firms are helping the African countries transform business through integrated technology solutions.

At present, the number of Indian companies in the list of Greenfield FDI projects in Africa is forty-eight, being the highest. In comparison, China has thirty-two companies. With the African Development Bank including India among its twenty-four non-African members, as well as inviting Indian companies to bid for \$4.6 billion – set aside by the Bank for infrastructure development projects – the presence of India in Africa is set to increase even further.

### **Capacity-building**

India has actively pursued a capacity-building and development agenda in Africa since the 1960s. It was the first Asian country to become a full member of the African Capacity Building Foundation (ACBF) in 2005, and assured \$1 million to its sustainable development and poverty alleviation capacity-building initiative. In India's capacity-building initiatives, ITEC is the most popular programme in Africa. Under this programme, India has provided more than \$1 billion worth of technical assistance and training to African countries. India has plans to scale up training courses under ITEC, for which it has increased training positions by 900, as announced by the Indian Prime Minister during the India-Africa Summit of 2011. A total of 2500 training positions under ITEC will be offered to Africans during the next three years, with scholarships totalling 22,000 in number.

Not limited to the economic field, India's engagement with Africa also extends to political, social, educational and cultural fields. Initiatives have been taken to strengthen political cooperation between the Indian and African governments, with India announcing that it would increase support for education and human resource development. At the bilateral level during the India-Africa Summit 2011, it was decided to establish new institutes at the pan-African level for English language training across various sectors – food, textile, weather forecasting, life and earth sciences, and agriculture and rural

development. The Prime Minister of India offered an additional \$700 million to establish new institutions and training programmes, in consultation with the African Union and its institutions.

The Indian government is also financing an “e-network” project to enhance internet connectivity in Africa, linking five regional universities, five specialty hospitals, fifty-three regular hospitals and fifty-three educational institutions across Africa to Indian universities and hospitals via a satellite and fibre optic network. For this brainchild of former President of India, A.P.J. Abdul Kalam, India has offered \$100 million. Already twenty-nine African countries have signed up for the project. The first Centre for Indian Studies (CIS) started operations in 2007 at the University of Witwatersrand in Johannesburg.

Taking the lead in the infrastructure sector in Africa are India’s state-owned engineering companies IRCON and RITES (Rail India Technical and Economic Services). RITES has bagged contracts to refurbish and run railways in Mozambique, Sudan and Tanzania. IRCON has constructed railways in Algeria and is also working in railway projects in Sudan, Nigeria and Zambia. There is also financial support of \$300 million for the development of a new Ethiopia-Djibouti railway line.

In addition, India has contributed to UN peacekeeping operations in Africa. According to the Ministry of External Affairs, India is the largest contributor of peacekeepers to the continent. There are 3500 Indian troops as peacekeepers in the Democratic Republic of Congo; the 1400-strong Indian military contingent constitutes the largest contribution to the UN Mission in Ethiopia and Eritrea. India has also supplied UN peacekeeping missions with helicopters and medical and communication equipment.

India’s approach to improving its relations with Africa is one of the ways by which South-South ties can be strengthened. This includes exploring areas of possible complementarity in trade, examining the viability of joint ventures in selected sectors, and sharing appropriate technology on the basis of mutual advantage. More importantly, as Indian aid and investments are not tied to any political conditions, it helps the African countries to frame their infrastructure and other developmental programmes on their own terms. India’s non-interference in the political activities of African countries has been highly appreciated by several African governments, especially Sudan. India’s investments also help the African economies to improve the price of their primary commodities and their terms of trade. They also help them to enhance sub-regional economic integration and to maximize the benefits thereof.



## ***Rising India and Resurgent Africa: It's Time to Tango***

Manish Chand\*

### **When Indian and African Dreams Entwine**

In times of distress, hope springs in the most unusual places. Just when the developed world, especially the Eurozone, is reeling from the blowback of the festering global recession, a renascent Africa has emerged as a fountain of hope. Shattering past stereotypes of gloom and doom, the fifty-four-nation African continent is expected to grow at a healthy 6 per cent, according to the International Monetary Fund (IMF). The upbeat predictions about Africa's economic fortunes coincide with hopes of political transformation, a process that has been accelerated by the redemptive upheavals of the so-called Arab Spring that toppled the long-entrenched autocratic regimes and promises to carry its contagion of freedom to other parts of sub-Saharan Africa.

Whichever way one looks at it, Africa is rising, and so is India; and their emergence is part of the larger process of the seismic shift of power from the West to the rest. In the second decade of the twenty-first century, Africa has become an important pole of a new global discourse that sees the resource-rich continent as the next big thing or the next Asia, and the African and Indian dreams are increasingly intersecting each other.

### **Mapping African Resurgence**

While statistics can sometimes lie and the most well-meaning prophecies can go awry, the overwhelming optimism about Africa's economic outlook is ineluctable. The African resurgence is, therefore, no longer an Afro-optimist's delusion: it is for real. Some of the larger African countries are expected to record double-digit growth, while most African countries are expected to average 5–6 per cent this year. And, significantly, this projected boom will come not simply from regional behemoths like Nigeria and South Africa or the famously rich oil-producing countries. The IMF predicts that uranium-rich Niger in West Africa is set to grow by more than 12 per cent, thanks to new uranium mines coming online and a new oil rig. Angola, Africa's second-biggest oil producer after Nigeria, will continue its high-growth trajectory, with a projected GDP increase of 10.8 per cent. Ghana recorded an impressive 13.6 per cent growth rate in 2011 and is expected to continue its onward

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\* **The Author** is Editor of *Africa Quarterly* and Senior Editor, Indo-Asian News Service.

march this year as well. Mozambique is set to remain a star performer in Africa: its economy expanded at an average rate of close to 8 per cent over the last decade and is likely to grow by more than 7 per cent in 2012, says Standard Chartered in a review. But it is not just the resource-rich countries which are going to prosper, but also countries displaying a can-do attitude in developing the much-needed infrastructure and a burgeoning middle class which will drive the growth in the continent.

The rise of middle-class Africa is part of this story of optimism. The middle class in sub-Saharan Africa has been growing steadily, and depending upon benchmarks, the middle class in Africa is estimated to be between 100 million and 300 million. According to the African Development Bank (AfDB), Africa's middle class, which spends around \$ 2–20 every day, rose to 313 million people in 2010, 34 per cent of the continent's population, from 111 million (26 per cent) in 1980. The bank says that many living on \$2–4 a day are "floating" and calculated the stable middle class to be 123 million, 13 per cent of the population. What is more striking is the redoubtable optimism about the trajectory of the middle class in Africa, which AfDB's chief economist Mthuli Ncube describes as "unstoppable". By 2060, the African middle class is projected to grow to 1.1 billion (42 per cent of the population).

Be it slick cars, TVs, fridges or the latest mobile, the African middle-class consumer is no longer resigned to be a have-not in the globalized marketplace. A mobile revolution has swept Africa, with over half a billion subscribers. According to the McKinsey Global Institute, consumer spending is expected to more than double, to \$1.4 trillion in 2020 from about \$860 billion in 2008. "It is a trend marked by changing lifestyles, greater spending power, more recreational time, the harnessing of technology and a new political assertiveness and cultural self-confidence", says a news report filed by David Smith and Lucy Lambie in *The Guardian*.

These tectonic changes are rapidly morphing the geo-economic landscape of the continent and are also transforming the public image of Africa, creating a new narrative of 3Rs – resurgence, renaissance and renewal – replacing the dead clichés of the 4Cs: crisis, catastrophe, conflicts and coups. The turnaround in the image of Africa was strikingly demonstrated in the December 2011 cover story of *The Economist*, a powerful barometer of elite intellectual opinion in the West, that flaunted the tagline – "The hopeful continent" – and regretted its earlier description of "The Hopeless Continent" in 2000. "This is the Africa of opportunity ... the Africa where people take charge of their own futures ... the Africa where people are looking for partnerships", says IMF managing director Christine Lagarde.



The poverty rate in Africa has declined from nearly 60 per cent to just over 50 per cent in the ten years up to 2005, says the World Bank in a report. Although the commodities boom in the last decade or so, buoyed by surging demand from large emerging economies like China, India and other emerging economies, has certainly helped, commodities are clearly not the whole story about the ongoing African resurgence.

Despite the festering famine in parts of the Horn of Africa and political brinkmanship in some countries, the untold story in the last decade has been the quiet embrace of democracy by a majority of African countries. From 1980, when there were just four democracies, there are now more than thirty functioning democracies, with several important countries like Senegal, Kenya, Mali and Zimbabwe going to the polls this year. Many African countries have willingly accepted the African Peer Review Mechanism, a redoubtable sign that calls for transparency and accountability cannot go unheeded anymore in this age of multi-media transfusion and the new media 24x7 chatter. "Better governance and macroeconomic policies, with greater political stability in a number of African countries, have contributed to a significant improvement in the overall economic performance of the continent", says John Coulter, JP Morgan's senior country officer for sub-Saharan Africa. "As a consequence, Africa is being taken more seriously as an investment and business destination."

### **Rising Africa and Resurgent India**

What does this ongoing African renaissance mean for India, the world's most populous democracy and one of the fastest growing economies navigating its transition to a global power? Can India dovetail its growth story with that of Africa and create a new era of Afro-Asian solidarity, a new Bandung, against the backdrop of the tectonic shift of power from North to South and from West to East? How can India and Africa leverage their respective core strengths and capabilities to transform the lives of over two billion people and to shape an emerging world order? These are large overwhelming questions that deserve a close scrutiny, but there is no getting away from the fact that India is uniquely poised to leverage the African resurgence and quicken the blossoming of the re-awakened continent of a billion people with its proven prowess in knowledge industries, capacity building, and IT.

History, cultural affinity, economic synergy and kindred worldviews are set to drive India and Africa, which were once part of the same geological landmass called Gondwanaland, closer and closer in the days to come.

The relations date back centuries from the time enterprising Indian traders set sail in dhows to explore fresh business opportunities in the littoral states of the African continent. The same spirit of enterprise found its modern incarnation in the nineteenth century that brought traders, mostly from Gujarat, to East Africa. Thousands of Indians were also brought in the late nineteenth century as indentured labourers to sugar plantations in Mauritius and South Africa, among other nations, and to work on East Africa's Mombasa–Kampala rail link. While building the rail link they chanted “Har Har Ambe” (praise to Durga, a Hindu deity), an expression that so impressed Kenyan leader Jomo Kenyatta that he deployed it as a metaphor for collectively building a new nation. In Swahili, Harambee now means “Pull together, everyone”, and denotes the community spirit. This effortless cultural transfusion and intermingling is reflected in generous improvisation of Indian-origin words in Swahili. So one can eat chapattis and samosas in Africa and take a gaddi (vehicle) to go to one's favourite haunt; and no wedding in Africa is complete without serving biryani. There is a nearly 2.5 million-strong Indian diaspora in Africa, which is well networked and amalgamated into their adopted societies, and has the potential to serve as an agent to spur the transformation of the India-Africa relationship in the current century.

The bonds were deepened during the struggle against colonialism and apartheid, with African and Asian leaders taking the lead to forge the Bandung spirit and the Non-Aligned Movement. India's first Prime Minister, Jawaharlal Nehru, counted leading African leaders like Egypt's Gamal Abdel Nasser, Ghana's Kwame Nkrumah and Kenya's Jomo Kenyatta as personal friends. Due to domestic preoccupations and the shifting geopolitics of the cold war, Africa, however, momentarily lost its importance in India's foreign policy priorities somewhere between the mid-1980s and mid-1990s, but the resource-rich and people-rich continent bounced back in the reckoning with India's policymakers in the new millennium, with the launch of the Focus Africa policy in 2002 and a host of signature initiatives like Team-9 (focused on West Africa) in the years ahead.

With India's economy steadily expanding in the 2000s and Africa benefiting from a commodities boom, India's budding multinationals and globally ambitious corporates started rapidly recording their footprints across Africa. In fact, a wave of Afro-optimism has been sweeping India Inc., with big, small and medium enterprises vying with each other to invest in Africa. The seven CII-EXIM Bank project partnership conclaves India has hosted have brought hordes of African and Indian business leaders and policymakers on a common platform to forge joint collaborations and investment plans. Projects

worth over \$80 billion have been discussed in these conclaves. The perception has changed radically from the risks of being in Africa to the risks of *not* being in Africa. India's approved cumulative investments in Africa during 1996–2011 are estimated to have been \$16.3 billion. Investments by auto majors like Tata Motors and Mahindra & Mahindra and pharmaceutical majors like Ranbaxy, Cipla and Dr. Reddy's have grown steadily in size. While oil is seen as a key driver of India's foray into Africa, the investments are spread over a wide swathe of areas ranging from IT, telecom, mining and infrastructure to hotels, agriculture, banking, real estate, education and services. ONGC Videsh, the overseas arm of India's Oil and Natural Gas Corporation, operates \$2.1 billion oil assets in Libya, Sudan, Cote d'Ivoire and Egypt.

Although India's bilateral trade with Africa is now a little over \$50 billion – less than half of the bilateral trade of China and the US with the continent – the two sides are confident of surpassing \$70 billion trade by 2015. An India-Africa Business Council comprising CEOs of major corporations is in the process of being formed. Besides investment in oil and minerals, Indian consumer brands like Bharti Airtel, which has a presence in sixteen African countries following its \$10.3 billion investment, Tata Motors, Mahindra Jeep and Maruti are creating an emotional connect with African buyers. However, the increased foray by the private sector also underlines the need for greater caution in ensuring that multinationals of the South do not replicate some of exploitative practices of the MNCs of the North. Many Indian companies operating in Africa have, therefore, woven corporate social responsibility into their business strategy by starting schools and community projects, but there is need to ensure constant self-scrutiny so that the ruthless pursuit of profit does not blanket out all other considerations and attract the tag of a neo-colonial predator, a charge that is sometimes levelled against Chinese companies operating in Africa.

### **Beyond Summits**

Seeking to provide an institutional coherence to its engagement with Africa, India has set up the mechanism of the India- Africa Forum Summit, based on the 2006 Banjul Formula, where African countries participate as heads of regional economic communities and are chosen by the African Union. The two India- Africa Forum summits held in New Delhi in 2008 and in Addis Ababa in 2011 have firmed up a template for taking this relationship into a higher trajectory and re-emphasized the need to stretch this partnership beyond the 3Ts – Trade, Technology and Training – to a more ambitious global

partnership. Broadly speaking, one can say that the heart is in the right place as India goes on to set up over a hundred training institutes across the continent, a unique venture that has the potential to create a trained corps of technicians, IT professionals and a managerial class that is badly needed to accelerate and sustain the African resurgence. If Africa is to reap the demographic dividend of an overwhelmingly young population – much like India, more than half of Africa’s billion-strong population is in the age group 18–35 – education and human resource development on a continental scale are vitally crucial. Otherwise, this huge untapped human capital may fall prey to the blight of survival crimes on the one hand and the seductions of radical ideologies on the other. In this backdrop, India, with its experience of building world-class engineering and management institutes, can play the role of a catalyst in harnessing the energies of the continent’s growing young population. There have been some laudable efforts in this direction, including the ITEC training slots for thousands of students and mid-career professionals, a decision to scale up scholarships to African students to 22,000, and an ambitious plan to set up an India-Africa Virtual University.

But clearly more can be done in an area that has the potential to create enduring goodwill for India as well as provide the much-needed trained personnel for the Indian businesses which are set to come in still larger numbers to African countries. Maybe India should think of setting up four IIT/IIM-like institutes in the four regions of Africa, a costly proposition but one which also promises robust returns in the long run.

Another component of human resource development is health. With all the talk of African renaissance, the average lifespan remains stubbornly below 50 in most African countries; and lifestyle diseases, too, are growing. India’s affordable generic drugs and its anti-HIV retrovirals have made a huge difference in Africa, but the Indian government should encourage leading hospital chains of India to set up world-class healthcare institutions in African countries. Apollo Enterprises, for example, is planning to set up a 300-bed super-specialty hospital in Tanzania. The India-assisted Pan-African e-network project is an example of how innovative thinking can harness Indian expertise for the development of Africa by bringing telemedicine and tele-education to thousands of Africans, who can get privileged advice/consultancy from top medical professionals in India. The experimental project has been so successful that the Ethiopian government has asked for special classes for its students via the e-network. The pioneering project has won plaudits and has been honoured with a top European prize for innovation.

### **India versus China in Africa?**

But while some of these successes are commendable, there is little room for smugness. Not just headline-hunting journalists, but also the discourse-obsessed academics and experts portray India as a laggard and point out that India has still a long distance to travel in Africa before it can come anywhere close to China's \$120 billion-plus trade with the continent. Faced with this gap, Indian policymakers have resorted to clichéd formulations, such as that India is not in any race; that China has used "questionable methods" to win lucrative infrastructure deals and deepen its economic stranglehold in the continent; and even that the West is trying to conjure Africa as an arena of contention between India and China. But such assertions only conceal unease at China's success in the continent. Although comparisons can sometimes be misleading, there are also a few things India can learn from China.

There is a serious diplomacy deficit at the top level that needs to be scaled up. Visits by Indian prime ministers, presidents and foreign ministers to African countries are few and far between. It was not exactly music to one's ears to find in Abuja in 2007 that Manmohan Singh was the first Indian prime minister to visit Nigeria, Africa's most populous country, after Nehru in 1956. The diplomatic infrastructure needs to be upgraded. An Indian ambassador is often accredited to two or three African countries. Right now, India has missions in a little over thirty African countries compared to China which has missions in fifty.

On the flip side, India needs to avoid some of the mistakes made by Chinese companies, like bringing in their own labour at Chinese facilities in African countries, which have triggered a backlash in a few places. Beijing's policy of doing deals with dictatorial regimes also slows down democratization of the continent.

The argument here is not really about India catching up with China in Africa, because the trajectories of their engagement with the continent follow different histories and imperatives: but how India, with its \$1.8 trillion economy and a 300-million-strong middle class, can partner Africa to achieve mutual empowerment and to spur mutual resurgence. From this argument flows the need to address urgently gaps and issues of vision incoherence to achieve this eminently desirable goal.

### **A Strategic Vision**

While the deepening trade and investment linkages will have multiple spin-off

benefits for India's relations with Africa, it is time to have a larger strategic vision of the relationship that could be pivotal to the emerging world order. Is there a vision problem afflicting India's Africa policymakers? Or more importantly, is there a grand overarching design behind multiple initiatives that underpin India's Africa policy?

Recognizing Africa as "a major emerging growth pole of the world in the twenty-first century", Prime Minister Manmohan Singh unveiled his vision of the India-Africa relationship at the India-Africa Forum Summit in Addis Ababa on 25 May 2011. "India will work with Africa to realize its vast potential. We believe that a new vision is required for Africa's development and participation in global affairs", he said. "We do not have all the answers but we have some experience in nation building which we are happy to share with our African brothers and sisters." The Addis Ababa Declaration outlines a global strategic partnership based on a growing convergence of positions on international issues, ranging from jointly combating terrorism and piracy to close coordination in global fora over UN reform, climate change and the Doha Round of WTO negotiations. The template of strategic cooperation has been firmed up, but one needs to put in place a multilayered strategic dialogue that is spread throughout the year rather than being focused on just summits. With radical Islamists and al-Qaeda active in some parts of Africa and piracy becoming a chronic problem, security and counter-terror cooperation, for one, needs to be scaled up perceptibly. In Addis Ababa, the two sides not only supported each other's claim for permanent seats in the UN Security Council, but also acknowledged "the imperative of urgent and comprehensive reform of the UN system" and sought "a new spirit of solidarity among developing countries" to remould the global governance architecture. With the text-based negotiations for UN reform gathering pace, Africa and India need to redouble their efforts jointly to achieve a reformed Security Council that reflects the ongoing shift of power from the developed West to emerging countries/regions of the North and East.

### **The Road Ahead**

The ongoing resurgence of both India and Africa amid the global recession has thrown up a host of opportunities for both sides to cement their bonds and rethink the next steps in their evolving partnership. The Indian model that has so far revolved around trade, capacity-building and human resource development has its heart in the right place, but New Delhi needs to scale up its efforts in all these areas. The mantra for the future should be "more, more

and more”, as Africa’s continuing growth offers fresh opportunities every passing day. In particular, Indian diplomacy and enterprise have to expand their footprints in the francophone and lusophone countries that have in the past not received the attention these dynamic clusters richly deserve. The transformation of Senegal’s rice farming with Indian aid and technology is a success story that can be replicated in other West African countries. Another important area which requires close attention is to ensure that the billions of rupees India is committing to Africa are being used prudently and adhere to international criteria of aid effectiveness.

At the second summit in Addis Ababa, India announced \$5.7 billion in lines of credit and grants for a host of training institutes and development projects. It is imperative that New Delhi puts in a comprehensive institutional and legislative framework to ensure greater transparency and accountability in how this money is being spent and sets up an impact assessment panel to determine what visible results are being achieved on the ground.

### **Building a Knowledge Bridge**

The terrain of engagement also needs to be broadened and remapped by building an enduring knowledge-and-information bridge between the two billion people living in these fast-growing regions. Sadly, for all the talk about the burgeoning engagement, there is still a forbidding wall of misinformation and lack of credible knowledge about each other that obstructs efforts at mutual understanding. Can an enduring relationship be built through interpreters or a hazy understanding of each other’s tastes, histories, proclivities and sensitivities? Both India and Africa have changed dramatically over the last two decades, and people need to travel more, talk more, and read more to know how friends are doing and managing. Replenishing knowledge about each other’s society, culture and systems is vitally important in this wired world.

The worldview needs updating as well. How many Indians can name ten countries in Africa? But many of them will surely be able to tell you names of ten states of the United States of America! The media need to shed their obsession with a few headline-grabbing countries, and turn their ears to new narratives and new stories of redemption emerging from the once-Dark Continent, but now a promised land for creativity, enterprise and investment. It is time to step up linkages and collaborations between intellectuals, authors, experts, think-tanks and academia of both India and Africa. As Prof. Alpha Oumar Konare, then chairperson of the African Union Commission, said at

the first India-Africa Forum Summit in New Delhi in April 2008:

Today, Africa does not need a guiding hand. Between India and us, we do not need any intermediaries. Our civil societies, our businessmen, our youth, your women, our workers, our labour, our intellectuals, have to continue to talk amongst them to broaden the cooperation. There is very little time now for Africa. We do not want to waste any time. We have to make very major decisions now.

The operative word here is *now*, and it is time both sides move beyond rhetoric to take tangible initiatives to accelerate civil society dialogue.

### **Brand-building**

Above all, as renascent Africa attracts increased global interest, there is also a compelling need to invest the relationship with strategic depth and to brand and distinguish India's engagement from those of other traditional and emerging powers in the continent. Whether or not one calls it a neo-scramble for Africa, the competition for Africa's resources and markets and for diplomatic influence there is going to intensify. Gone are the days when Africa had no takers except the diktat-wielding Western donors and their favoured IMF-World Bank combine (ironically, the same institutions are now cheerleading for a new Africa). Africa has now multiple suitors, and it is she who will decide whom to partner for her resurgence.

It is therefore crucial for India, which boasts a centuries-old relationship and a history of anti-colonial South-South solidarity with that continent, to develop and sustain a discourse about its multifaceted engagement and save it from potential misrepresentation by its rivals and competitors. Marrying African resources and Indian expertise, as former Ghana President John Kufuor says, is a win-win combination. Malawi's President Bingu wa Mutharika says in "Sharing the African Dream" (*Two Billion Dreams: Celebrating India-Africa Friendship*):

The African continent is now searching for new opportunities to partner with India to build the right capacity for a new prosperous, hunger-free, disease-free and poverty-free Africa. This is achievable through the transfer of human skills and technology from India to Africa.

India has many winning cards in Africa. There is no Chinese equivalent to Bollywood yet; and Mahatma Gandhi has a more powerful influence than Chairman Mao, as Ali Mazrui points out. But New Delhi needs to reinforce its



development-centric model with more vigorous diplomacy, quicker delivery systems, and a broadened strategic dialogue that complements its growing trade and investment in the continent.

Compared to the Washington Consensus and Beijing Consensus, is there a New Delhi way in Africa? Or is there a new Southern consensus in the making? The conditions are indeed propitious for burnishing and deftly marketing Brand India, an attractive mix of democracy, free market, technological innovation and enterprise that makes it a possible role model for many African countries. But the problem with role models is that one could also grow disillusioned as quickly if promises are not backed with time-bound action. Constant self-scrutiny and a sustained dialogue, however, can keep the fire burning. To wit Mahatma Gandhi, the commerce in goods and services is fine and even necessary, but can dry up in the long run if there is not enough commerce and trafficking in ideas.

“The twenty-first century is often described as the Asian century. India wishes to see the twenty-first century as the Century of Asia and Africa with the people of the two continents working together to promote inclusive globalization”, said Prime Minister Manmohan Singh at the first India-Africa Forum Summit in New Delhi in 2008. The African dream and Indian dream can meld and create a new mosaic of world order. But to make this prophecy real, India needs greater audacity to think big, dream big, and to bet big on the Africa growth story. “The brave may not live forever, but the cautious do not live at all”, says an African proverb.

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