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86th Harold Wolpe Dialogue

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Cape Town

Topic:

THE DESTRUCTIVE COURSE OF
EUROPEAN UNION-AFRICA ECONOMIC
PARTNERSHIP AGREEMENTS AND AN
ALTERNATIVE COURSE TOWARDS
AFRICA'S INTEGRATION

Speaker

Prof Yash Tandon

Former Executive Director, South Centre, Geneva, Switzerland

The aim of these dialogues is to create a space for open and informed dialogue and debate around key local and global political, social and economic issues facing South Africa.

Yash Tandon, The EPA Negotiations with Europe: A Turning Point for Africa

Speech at Wolpe Trust, Cape Town, March 9 2010

Mazibuko Jara, Chairperson of the Wolpe Trust:

Welcome to everyone.

It costs about R35 000 per dialogue in each city that we hold them (Cape Town, Johannesburg, Durban and Port Elizabeth). This is our appeal to you your purses and your rich friends in government to support the trust. It is important that we protect these spaces in society for us to question, think, criticize and discuss. We will continue to ask for your support and we are very grateful to those of you who responded to us last year.

The destructive course of EU – Africa partnership agreement

Our speaker is not just a Marxist by training but also by political choice.

Prof Tandon hails from Uganda and is an international relations and political economy specialist. He holds a PhD from the London School of Economics and has lectured at the universities of Dar es Salaam, LSE, Zambia, Columbia and Makerere. He is a prolific author and his latest publications are *Ending Aid Dependence*, with Benjamin W Mkapa (Fahamu Books, 2008) and *Daring to Think Differently: Development and Globalisation* (Fahamu Books, 2009).

We think that this is an important topic that has received little attention in our media, or if it has, the coverage has been ill-informed and hence we feel it is important for us to discuss it tonight. The implications of these agreements have a significant future impact on South Africa and the continent as a whole.

Prof Tandon:

I want to recognise many of those who are here. Some of us have struggled together through the 1970's, 80's 90's and it is good to see you.

It is ironic that our parliaments throughout Africa spend a lot of time on issues but which pale into relative insignificance when you compare them to economic partnership agreements, like that with the EU. But the consequences of these partnership agreements are immediate and long lasting.

Much of the discussion around EPAs has created a sense of helplessness among concerned citizens, government circles and indigenous business interests who stand to lose if a comprehensive Economic Partnership Agreement (EPA) is signed between the countries of Africa and the European Union that perhaps our governments are signing away our futures without scrutiny by our parliaments or our democratic forces. However although these EPAs are serious, there is no need for despondency. Hence, I have renamed my topic – 'EU-Africa EPA's – A turning point for Africa'. I think that the situation is not as bad as it looks at first sight or as perceived by civil society organisations in South Africa, Zimbabwe or Zambia. There is still plenty of scope and space to save the situation.

I assume that most of you here know what EPAs are and how they operate so I am not going to spend very much time on explaining how they function.

But first we must look at facts as they are. We need neither exaggerate the issues that we face nor trivialise them. We must evaluate our situation. The facts are that the EPAs have fragmented Africa. It is an asymmetrical negotiating situation. The weak and non-unified nations of Africa are trying to negotiate with the powerful combined strength of the countries of Europe negotiating as one. Why are these countries doing this? What were meant to be regional agreements between the EU and African blocks have deteriorated into almost bilateral ones. Also Africans are asked to negotiate under terms that are more or less dictated by the European Commission through the combined use of sticks and carrots, rigid time lines, and threats of sanctions, or actual sanctions as in the case of Zimbabwe.

Nonetheless, we must not create alarm or despondency by exaggerating the dangers of EPAs nor relax our vigilance and alertness by minimising the serious risks we face in Africa if the EPAs do indeed materialise. Matters are of course serious, but they have not reached a no-turning point. Let us look at them dispassionately with a view to first understanding them and then examining a forward strategy that keeps the initiatives in the hands of our people and our governments and that advances our goals of development, the eradication of poverty, industrialisation, and a fair and equitable distribution of the wealth of our nations to the masses of our people.

So let us look at the facts first.

It is true that Africa has been fragmented in the course of the negotiations with the European Union. It is true that the five regional communities which the Abuja Treaty sought to integrate as building blocks for African Unity – namely, North Africa, West Africa, Central Africa, East Africa and Southern Africa – have been divided and sub-divided as a result of the sometimes multilateral but often bi-lateral negotiations between African countries and the European Commission (EC) acting for the European Union (EU). Thus, we have the curious phenomenon, for example, that Zambia and Zimbabwe who were the original members of the Southern African Development Community (SADC) find themselves negotiating not within the SADC framework but within a peculiar hybrid called the Eastern African Region EPA grouping. Much of this division and sub-divisions have taken place at the insinuation of the EC; but our leaders too have allowed themselves to be so divided and sub-divided. Yet, you cannot blame Europe for acting in its own interests. The fault for allowing this to happen lies squarely on African leaders.

Notwithstanding this most unfortunate development, it is still time to remind our leaders of the commitments they had made in the Abuja Treaty and their pledges to advance the cause of African Unity. They cannot be at peace with themselves if they become the authors of Africa's fragmentation and balkanisation. If we allow the European Commission to force us into signing a comprehensive EPA, then history and future generations will never absolve us. Future generations will demand why, at this point in history, our leadership allowed Africa to be divided. Hence, it is from our leadership that we should demand accountability.

The consequences of signing these agreements, as they stand now, will be that we [Africa] won't be able to industrialise and we will not have policy options while simultaneously compromising our political options.

I don't only want to paint a dark picture. I also want to discuss how we can correct the flaws.

In the Southern African region, it is true that Botswana, Lesotho, Swaziland and Mozambique (BLSM) have signed the Interim Economic Partnership Agreements (IEPAs) in June 2009. It is important to understand why they have chosen to do so. It is important to understand their fears of the consequences of not signing the IEPAs. And it is important to address their

concerns and suggest to them concrete and meaningful alternatives. It would not be correct in my view to try and isolate them or make them feel as if they have betrayed the cause.

To start with, rightly or wrongly, they may be nursing the fear that without signing the IEPAs they might lose the preferential access for their products in the European market. Or they may fear that without the IEPAs, they may not secure “development aid” from the European Union. Our objective is to understand, and then to offer these four countries other alternatives. This is an important point because it again points to the question of leadership and what leadership is needed by South Africa in particular to confront these challenges.

This is a factual matter. It is an empirical issue. It requires a fair minded diligent researcher qualified in economics and finance to look at what sectors in BLSM stand to lose had they not signed the IEPAs, and to verify whether they would indeed lose out the so-called “development aid”. It is also important to ask the negotiators of BLSM whether it is indeed worth their while to beg for this so-called “aid” if the conditions attached to it make them subservient to the will of the EU, and, furthermore, to isolate them from the rest of the Southern African development community. These are serious issues with profound consequences both for them as individual countries and for the region as a whole.

Why are the agreements that they have signed bad? It includes competition policy, government procurement amongst others. It includes issues that we, as SADC, have actually rejected at the World Trade Organisation. But the EU has managed to put these back on the table through these back-door negotiations with BLSM.

The rest of the SADC community, in any case, must not look at Botswana, Lesotho, Swaziland and Mozambique as “deviants” or as having betrayed the cause of regional integration. There are still many issues that they and the EC have not agreed yet, including export taxes, quantitative restrictions, the issue of food security, and the Most Favoured Nation clause. This shows that these countries are not negotiating blindly. Each of these issues is a minefield. Each of these, if badly handled, can have profound consequences for the development of these countries in the future.

Take the issue of export taxes, for example. The EPAs, if finally concluded, will disallow BLSM countries to impose new export taxes or increase existing ones. Export taxes are levies that poor countries impose on commodities that leave our shores. Why are the Europeans so keen on disallowing new export taxes to BLSM? Well, because the EU is interested in their commodities and minerals which are critical to the growth of EU's own manufacturing industries. Somehow, our leaders in Africa are always made to believe (often by “experts” or “consultants” paid out of EC funds) that “we in Africa need them more than EU needs us.” This is completely wrong-headed; indeed upside down. The reality is that Europe is in a crisis and is desperate need of African natural resources. If they do not secure these, they will lose them out to China or India or Brazil, or other players in the global competition for resources. If our countries impose export taxes, then they are increasing the costs of commodities and then the Europeans will end up paying the costs of these higher prices. Europeans are just trying to protect their interests, but somehow we still think that we need them more than they need us.

So there is no reason why, provided they stand together, BLSM or any other African country should succumb to pressures from the EC. BLSM should not agree to block the road to new export taxes. It helps the EU; it does not help BLSM. Furthermore, export taxes are an important source for BLSM to secure revenue and also for encouraging their own industrial sectors. Why should BLSM lose these? If they believe that the EU would somehow compensate them for the loss of revenue or for the loss of industrial opportunities, then they

would have given up what they already have in their hands in return for what they may never get in the future. Europe is not really going to allow this to happen – it has not allowed it to happen thus far. Losing the proverbial bird in hand (export taxes) in chasing after the one that is flying in the air is not wisdom. It is elementary that you should hold onto what you have and hence, BLSM should not sign anything that prevents them from increasing export taxes.

Or take the issue of the Most Favoured Nations (MFN) clause. This is a serious flaw in the system of international trade because it is a myth. The EU wants BLSM to sign this. But why should they? If they signed the MFN, it would bind them to ensure that any trade concession that they grant to a country enjoying more than a one percent share of world merchandise exports - - such as India or China for example -- is automatically extended to the EU too. Europe needs that to have access to our markets. If these countries sign MFN, then these countries do not have a chance of encouraging trade diversification or multilateral South-South trade. They would be locked up and we end up being eternal producers of raw commodities for Europe, which is what the EU wants. They would also, of course, isolate themselves from the rest of Africa and the rest of the Third World. So BLSM should not sign MFN under the EPAs.

These are only two examples from a number of issues that still remain unsettled between BLSM and the EU. This shows that not only is there room for manoeuvre, but also that BLSM have been aware of the clauses that they have signed thus far.

Of course BLSM are not the only countries in a dilemma. What applies to BLSM also applies, even more strongly, to Zimbabwe and Zambia. Zambia has not signed an agreement thus far, but Zimbabwe has. In September 2009 Zimbabwe, in spite of ferocious EU sanctions against the country, signed an IEPA with the EU. It was both perplexing and surprising. Was it an attempt to appease the EU? Did the Zimbabwe government really believe that if it did not sign the IEPA it would lose out on market access to the EU? Or did they think that if they signed the IEPA, there would be doling out of “development aid” pouring into the country? The EU is not going to pump money into Zimbabwe. Do they not realise that they are going to lose economic and political sovereignty? I cannot understand why Zimbabwe signed thus far.

Once again, there are still many issues of disagreement between Zimbabwe and the EU including export taxes, quantitative restrictions, the issue of land and food security, and the MFN clause. Zimbabwe should not yield to any of these even if, in return, the EU agrees to lift the sanctions. Lifting the sanctions could become a bait to get the country to sign a more comprehensive EPA. But this would make Zimbabwe hostage to policies decided in Brussels and other capitals of Europe, and not in Harare.

And, there is, of course, South Africa. It too has not signed the IEPA. Here the negotiations are even more dense and complex than those with the smaller countries, for there is much at stake, on both sides. Of course, the experience of the earlier Free Trade Agreement between the EU and South Africa in the 1990s has left a bitter taste on the South African side, especially on the issue of the “geographic indicators” on wines and spirits. The deal that South Africa signed with the EU in the 1990s said that they would have access to European markets on wines and spirits. And in return for that, SA opened up its own markets for sugar-based products and cereals. When the time came to export wine, South African products were subject to a number of restrictions from the Europeans – your ‘Oozo is Greek’ and your ‘champagne is French from a region in France’ and so you cannot export that. In return, South Africa opened up its markets and the confectionary manufacturers, who had 0% of the local market, suddenly became major players in these markets in only 2 years. Most

importantly, the same story happened with wheat products – with foreign firms getting large markets shares quickly. Hence, this is one of the reasons that South Africa is approaching the current EPAs so carefully and a reason why it has a responsibility to take the lead and share its experience of negotiating with the EU with the rest of the SADC countries. But, South Africa must admit its mistakes.

The MFN clause, in particular, is a big issue. Can South Africa really afford to extend to the EU any trade, services or investment concessions that it chooses to make to India, China, Brazil, Russia, the US and other trading blocs and investment partners? If it did so, what would be its consequences for South African companies that are trying to hold on to South African market (let alone the Southern African regional market), and resources? What would be their implications for the currently explosive issue of unemployment and social unrest? These are serious questions, and South Africa can ill afford to get in bed with Europe under the terms and conditions on offer from Europe.

There is a significant amount of space to manoeuvre now, but what is it that I suggest we do?

Conclusions and Recommendations

1. So far the countries of Eastern and Southern Africa have not signed anything that cannot be retrieved, or saved. No real harm is done. There are still too many issues that are in dispute for the process to move towards an EU-friendly and Africa-unfriendly enforced agreement. Hence, we should put a moratorium on all negotiations. We have nothing to lose by taking this action. Two days ago there was a meeting in Maputo and the EU was really riled up and said that if Mozambique did not sign the agreement, there would be disastrous consequences. The head of the EU delegation in Brussels said that if you don't sign the EPA now, you will have lost all opportunity to do so. 'Sign or else...' This has echoes of the imperialism and arrogant language of years ago.
2. The EU really wants to have an agreement with Angola. And each time that the EU expresses interest, it show how badly they want to sign the deal with African countries. So, the situation is not that bad. The EU is getting desperate. If you read the papers, you would have seen how some people describe China by saying that 'look, the Chinese dragon is coming beware'. You should be scared. But, in reality, China can offer South Africa much better terms of trade than Europe can. I have to stay cautious when we sign agreements with China too, but the shrill noise that comes from Europe, both when it demands African countries to sign agreements and also when it tries to delegitimize the 'Chinese dragon' are good examples of just how afraid they are of losing out, because if they do, they are finished.
3. We must involve our parliaments. The governments of the countries that have signed IEPAs should put the agreements before their parliaments for ratification. Indeed, even if their Constitutions do not provide for ratification by the parliaments, they must provide ample opportunity for the democratic processes to monitor and regulate treaty obligations that can have far reaching and long term consequences, some of which might be irreversible, or reversible at huge cost to the people. This is especially so if these treaties create binding obligations on the peoples of these countries forever and if we do not abide by the agreements that our governments have made, then the world can impose sanctions on us.
4. The media is not educated about the impact of EPAs to the point of being ignorant of their impact. This I find quite shocking.
5. African countries must involve the full gamut of democracy to debate the issues surrounding EPAs – media, government, civil society, grassroots organisations and

faith groups – and demand from our governments that they protect our interests. What happens generally is that those industries that are export-orientated start to lobby our governments, but those industries that focus mainly on agriculture and hence on the local market are weaker. Hence, in order to gain access for our export industries to European markets, our governments surrender the domestic one. You may think that I am exaggerating, but if you look at markets all throughout Southern Africa, this pattern has repeated itself.

6. We need get our governments and parliaments to stand up. We need to access our democracies to make sure that it is not just a word, but a living entity that we use to engage with the issues of EPAs.
7. Our democrats should debate with the intellectuals and civil society members in their countries who know a thing or two about the pros and cons of free trade fundamentalism, and the perils of globalisation. The neoliberal ideology that lured Africa into the globalisation orbit is in tatters. The very countries that were the authors of the neoliberal ideology of free trade, free flow of capital, denationalisation and privatisation – namely the US and Europe – are turning protectionist and are indeed nationalising or part-nationalising private assets, including banks. We have warned our governments about the dangers of neoliberal approaches and policies. Well, our arguments never won the ideological battles inside governments and hence our governments started to open up to the winds of globalisation. In South Africa, the government instituted GEAR (Growth, Employment And Redistribution) policy (which is really reverse-GEAR). This is the perfect time to do so because of the international economic and financial crisis globally and many countries that were neoliberal and free-trade are today protectionist. Countries that were saying ‘we will never nationalise banks’ are now nationalising banks. We have to wake up and protect our manufacturing and agriculture.
8. Africa must reactivate the Abuja Treaty’s very sensible and, yes, practical proposals on developing the five regional communities -- North Africa, West Africa, Central Africa, East Africa and Southern Africa – as the building blocks towards achieving pan-African unity. These were treaties signed by our heads of state and we must adhere to them.
9. In this context, the June 2008 initiative taken by the EAC, COMESA and SADC to start negotiations for a grand Free Trade Area among them is an excellent initiative. It is time to take it one step further. It would be important for the Heads of States parties to this initiative to meet for half a day to give it the necessary political boost and mandate to their Trade Ministers.
10. As for the interface between the WTO and the EPA , once the current EPA negotiations are put on hold, African countries should push for a revision of the WTO's Article XXIV relating to regional trade agreements and Free Trade Agreements (FTAs). This article calls for the liberalization of “substantially all the trade” in the FTAs. However, paragraph 29 of the Doha Declaration notes that “The negotiations shall take into account the development aspects of regional trade agreements”. (WTO Doha Ministerial Declaration, WT/MIN(0)/DEC/1, 14 November 2001). If and when African countries resume negotiations with the EU (and there is no need to hurry on this before the revision of Article XXIV of the WTO), they should refuse to accept EU’s interpretation that “substantially all trade” means 80% tariff liberalization. This means that African countries need to open up 80% of their markets to EU companies. This is quite absurd. It is a completely unjustified application of a principle that is reasonable when negotiating FTAs between advanced industrialised countries to a situation of asymmetry between the EU and the ACP countries. African countries must revise this article and until it is revised, we say ‘we will not negotiate’.

11. Lastly, I would like to say that we and the region need to tell the Europeans, if and when negotiations resume, that we are only going to negotiate over goods, which are pegged to development benchmarks with explicit development criteria, and with no built-in clauses about negotiations on services, competition policy, investment policy and government procurement that were thrown out of the WTO negotiations. Government procurement is especially important, because this deals with our countries' basic services – health, education and transport. We have been tackled by corporations for too long.
12. Why should Africa negotiate on areas that are already a forbidden territory in the WTO? This is an area where the South Centre has done excellent work. As a South Centre paper argues: “Importantly, liberalization in goods should be done in keeping with development benchmarks i.e. only when the sub-regions have attained a certain level of development (e.g. measured by per capita GDP; per capita manufactured exports etc) should the sub-region liberalise x percentage of their tariff lines. Since the EPA proposes a model of development that is fundamentally flawed and anti-developmental, pegging liberalization to development benchmarks, if the EPA is signed is the only way to ensure that liberalization is paced appropriately and is not fixed to an arbitrary and artificial timeline such as 15 or 25 years.” (South Centre, “EPAs the wrong development model for Africa”, *Informal Note*, 19 February, 2010).
13. Most importantly, Africa must refuse to be pressurised to succumb to the EU demands of MFN clause inserted in the EPA text. If they succumb to this it will seriously erode our policy options and any benefits they could get from South-South trade, services and investment agreements. It will also affect our ability to diversify our economies. A South-South regime that does not extend to Europe or to other developed countries is recognised as fully legitimate and compatible with the WTO and GATT.

The time is now for Africa to unite. On the EPA issue, the Europeans have succeeded in subdividing us again but time is on our side because in the long term they need our resources and if we hold onto them we will get a good deal. Then we will be able to negotiate terms that are acceptable to our people.

Questions

Black Sash

1. Homogeneity of interests in the SADC region and what were the sources of the fragmentation that took place. What about the relationship between SA and China? China is always pushing for bilateral negotiations rather than multilateral treaties.

Prof Tandon

If you look at interests; that depends on what level of abstraction you are talking about. At every level there are interests that both collide and are mutual. We need skilled negotiators and leadership who are able to transcend beyond simple national interests and define national interests in broader terms and say that if we allow outside forces in, we will be divided and conquered (like we were many years ago). So, interests can be homogenized, but it involves work. China does not say that it goes to Sudan to development for human rights. It says ‘we are here for business’ - we want your oil and we will trade with you. I have no problem with that. If we negotiate bad treaties, then that is our fault. But, China is not saying that it is coming with ‘aid’ like the EU (which is mere camouflage). I wrote a book called *Ending Aid Dependence* (but a copy yeah?) in which I argued that aid has become the means by which developed countries are misleading and controlling us.

2. Academia is being arrogant. Our politicians understand these things but there are reasons why. The problems come from academia. We have ‘Economics 101’ saying

that we need to privatise the state's resources to increase revenue. They don't say who this revenue is being created for though. We are also told that we need 6% growth but for what? Academia needs to go back negotiate the bread and butter issues.

Prof Tandon

Natural sciences are a different kind of discipline. Economics is an ideology. Yet, it does not parade as one. Ricardo proposed free trade in order to get rid of landed property interests in England. The economics proposed at our university is bad economics by our point of view. That ideology proposes a number of policies, including such things as privatization. They recommended that the entire economic system becomes deregulated, including banks. 'Economics 101' should be scrapped. Economics as a subject is pure abstraction, it does not exist. There is something called political economy, yes, because how do you talk about economics without talking about power?

There is a group of academics, of which I am a part, that have been battling against this neoliberal economics. Let me add one more thing here. Neo-classical economics is being replaced with neo-Keynesian economics, where the state has been substituted for the market. But, whose state is it? Does the state belong to corporate interests? Remember, that growth is not the same idea as development.

3. I attended a conference here between Europe, African and Caribbean countries. The African and Caribbean delegates were having rings danced around them by the EU. They did not know what was happening.

4. I have three points –

A) you mentioned the 'new generation' issues that the EU is pushing through these EPAs and having been blocked in the WTO, they are now outflanking WTO and pushing these new issues on vulnerable and divided and weak countries. What you did not mention is that the EU is demanding complete capital liberalization and in this day and age, it is completely outrageous from what we know about deregulated markets.

B) The role of aid in the decisions of governments. A number of these governments acceded to these EPAs because of fear of losing aid from Europe and EU negotiators made it quite clear that the EDF (European Development Fund) would become available on final signing of EPAs. However, another lever that EU negotiators used very cleverly was the WTO's non-discrimination principle, which says that governments cannot give preference to one country that it does not extend to others. So the Europeans said that if they did not sign these EPAs, then they would have to compete with much bigger and more powerful countries. If you look at the functioning of the WTO, the US does it all the time – giving preferential access to this country or that country. And it is not taken to the court of the WTO. And the Europeans have done exactly the same thing. So, this idea of having to have a special waiver in the WTO to get access to Europe was a simple negotiating ploy.

C) The EU is not only targeting these EPAs at specific countries but other FTAs are being targeted at other regional groups throughout the world and attempting to split regional groups like the – Andean Community which has been split apart by the EU and they have pulled off Columbia and Peru to sign these EPAs. There are all sorts of ploys that the EU is using and I just wanted to add them to your comments.

Prof Tandon

You are right in drawing attention to the liberalization of capital. When South Africa decided to de-regulate its capital flows, massive amounts of capital left the country.

And you are also right about aid being used as a weapon for the trade negotiations in Doha. There is a thing called ‘aid for trade’ which the Europeans have been arguing for, saying that if you liberalise your trade, we will give you aid.

I recently had a look at the numbers and figures. Do you know who gets the most ‘aid for trade’? Iraq and Afghanistan gets the biggest amount of Aid for trade.

5. With the leadership of Africa needing aid and the heads of government have a lot to gain from encouraging aid. Is there not some sort of dash between African leaders and the interests of their countries?
6. How to move from national interests to regional interests? Do we have the leaders to stand up to the EU? Are we in Africa to offer that? There is another massive continent wide problem in that most of our able minds are not living on the continent - How do we lure the brains outside of Africa back?

Prof Tandon

We have lost doctors and nurses in Uganda (brain drain). This is a problem that is political and not necessarily economic. This is another area where our countries in Africa are weak and fragmented. In 60 years, I have seen things have gone backward in my country. Our early leadership was inspired by national commitment, but this group quickly gave way to another leadership that surrendered their sovereign rights to outsiders.

Why has this happened? One aspect that has weakened us most of all is the dependence on aid. Even people in villages are waiting for food and assistance from outside. They have lost the desire to be self-sufficient. In Africa we are still aid dependent. In my book, I indicated 7 steps of what to do in order to extricate ourselves from this position of which the most important shift is a psychological one, just like you did in South Africa 30 years ago when you collectively decided to get rid of Apartheid. Behind the mind shift, there are the material interests. The liberation struggle leaders are now sucked into enriching themselves and that is a part of the problem that we have.

7. I saw that you wrote a book with our head of state recently. You have let our leaders off the hook by focusing on African parliaments, which as we know, are not very good. To have leaders that are able to negotiate with China, you need leaders who have some kind of strategic sense, rather than allowing China to pick us off bilaterally. Parliaments are not very strong and are rubber stamps throughout most of Africa. I don't usually defend South Africa, but in the SACU negotiations they realized that they made a mistake in negotiating an agreement with the EU without taking account of SACU. Thereafter they met with SACU and restructured it and agreed that no one would sign agreements without consensus between all of them.

And those BSLM states went ahead and did that and so share some of the blame because there was no consensus.

Prof Tandon

Somebody said that I am letting leadership off the hook – no, I am not. Our leaders carry the responsibility for having short changed us and hence we must demand of them that they abide by the commitments they made at the Abuja Treaty. They need to take seriously their responsibility to provide health, education, transportation and communication. This means really that they respect the democratic will of our people.

The next phase of the illusions that we have are the neo-keynesian ones. The state still services the interests of people in power. We need to present the marginalized voices of ordinary people – like small farmers, small manufacturers.

How do we make sure that those who control the state do not pocket the resources that they can extract from it?

Well, I would say that you get the leaders that you deserve. At the end of the day, we have to fight for these issues. We did not get independence by sitting back on our chairs. There is a cross section of us who understand the dynamics of global trade and who understand what kinds of policies we should be following.

So, no, I do not absolve our leaders but I do not absolve ourselves either.

8. The fact that you highlighted what the impact of these trade agreements will mean and hence bring home to all of us the importance thereof. How will this goal of African unity be realized or is it just a dream? What we have seen is that Africa is not homogeneous because we have different interests and we have been able to be divided along these lines. But, how much are we idealizing Europe in terms of believing that it is a uniform entity? Where are the weak links in Europe? And who, in Europe, could be our allies? And then in terms of this 9 point agenda, how is it realizable? Who can lead these 9 points?

Prof Tandon

Weak links in Europe. Well, the Europeans do have weak links, but they know how to cope with them. For examples, the weakest European countries at the moment are the PIGS – Portugal, Ireland, Greece and Spain. Now they are in crisis. But, the Euro itself is now in crisis. Last week, Germany and France said that they must bail out Greece and discipline its economy. They are doing this in order to ensure that Greece conforms to the regulatory norms of the EU. EU is very self-conscious political entity. For instance, Britain is a potential ally in that they do not conform to the Euro and we could potentially exploit that fact.

Sometimes weaknesses are perceived. We in Africa perceive ourselves as weaker than we are. We think that we need Europe. We act as if we need money to come from there to develop our resources. We do need technology, yes, but we can buy it off the shelf. What we do not have are sufficient social forces to step up.

9. It seems as if it is a question of relative strength and weakness. How does Africa from its weak position, when it is negotiating with China or with Europe, how does it increase its negotiating skills and strength?

Prof Tandon

To conclude – we should not be cynical or pessimistic, we must not exaggerate the challenges that we face, but we should not minimize the risks either. We need to be self-aware and distinguish this from ego awareness. If you are self-aware, then you know where you are coming from. I know my society and I am going to fight my society. Ego awareness is when you put yourself in the center. I think that is what is happening with our leadership.