

## **India and Africa: An Evolving Partnership**

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In the 21st century, India has emerged as an important global economic and political actor and increasingly, a significant partner for Africa. The increasing two way visits by leaders, officials, academics and businessmen reflect the vibrancy of the relationship. On the other hand the trade figures that have risen from \$967 million in 1990-91 to \$68 billion in 2011-12 reflect the booming commercial activity.<sup>1</sup> This evolving partnership has are several aspects:

### ***India's engagement with Africa is historical***

India has often reiterated the historical importance of its ties with Africa. As Prime Minister Manmohan Singh stated: "India will never forget Africa's role in inspiring our own struggle for national liberation. It was here that Mahatma Gandhi developed his political philosophy and developed the concepts of non-violence and peaceful resistance." The idea of a shared historical experience marked by Western exploitation, is an important factor in the relationship. India as a previous British colony shares a history of anti- colonial struggle with Africa. It was also the first country to take the issue of racial discrimination in South Africa to the United Nations. At the same time, India was a forerunner as a champion of the interests of the developing countries, including those from Africa, particularly through the Bandung Declaration of 1955, the Group of 77, and the Non-Aligned Movement (NAM).<sup>2</sup> Moreover, a large chunk of India's diaspora

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<sup>1</sup> Government of India, Department of Commerce, Export Import Data Bank at <http://commerce.nic.in/eidb/> (Accessed December 12, 2012)

<sup>2</sup> Abraham Itty "From Bandung to NAM: Non-Alignment and Indian Foreign Policy, 1947-65" *Commonwealth and Comparative Politics* Vol. 46, No. 2, April 2008, pp. 195-219

lives in Africa; South Africa alone has an approximately one million-strong Indian community that traces its origins back 150 years when Indian indentured labour arrived in the country to work at sugar plantations across South Africa. Other African countries with a sizeable Indian community include Kenya, Uganda, Mauritius, and Nigeria.

### ***India acknowledges that Africa is Rising***

From an Indian perspective Africa is not a “hopeless continent” as suggested by the *Economist* <sup>3</sup>a decade ago, rather “it possesses all the prerequisites to become a major growth pole of the world.”<sup>4</sup> The latest statistics suggest that Africa’s economic output has almost tripled since 2003, and the IMF forecasts that seven of the 10 fastest growing economies in the world over the next five years will be African. Similarly, a World Bank report published in March 2011, stated that, “Africa could be on the brink of an economic takeoff, much like China was 30 years ago, and India 20 years ago”.<sup>5</sup> Africa’s economic growth is driven by a number of factors. The UN Economic Commission for Africa (ECA) in 2005, linked democracy to economic growth.<sup>6</sup> Another important factor is, urbanisation. While it may strain social services in the cities, it has also led to an increase in urban consumers. More than 40 per cent of Africa’s population now lives in cities, and a recent study suggests that by 2030 “Africa’s top 18 cities will have a combined spending power of \$1.3 trillion”. <sup>7</sup>

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<sup>3</sup> Elizabeth Sidiropoulos, “Lions and Tigers: Africa and India” in Ruchita Beri,(ed.), *India and Africa : Enhancing Mutual Engagement*, IDSA and Pentagon Press, New Delhi, 2014, p.77

<sup>4</sup> Address by the Prime Minister Dr. Manmohan Singh at the Plenary Session of the 2nd Africa-India Forum Summit Addis Ababa, Ethiopia at <http://pmindia.nic.in/speech-details.php?nodeid=1026> ( Accessed January 20, 2013)

<sup>5</sup> World Bank, *Africa’s Future and the World Bank’s support to it*, March 2011, p. 4. [http://siteresources.worldbank.org/INTAFRICA/Resources/AFR\\_Regional\\_Strategy\\_3-2-11.pdf](http://siteresources.worldbank.org/INTAFRICA/Resources/AFR_Regional_Strategy_3-2-11.pdf). Accessed 29 April 2012.

<sup>6</sup> Kingsley Ighbhor, African economies capture world attention <http://www.un.org/africarenewal/magazine/august-2012/african-economies-capture-world-attention> accessed (Accessed February 1, 2013)

<sup>7</sup> Ibid

### ***India- Africa engagement goes beyond trade***

Apart from trade, India has undertaken a number of investment projects in Africa and is unlikely to reverse this policy.<sup>8</sup> However these investments are not limited to the energy sector and span diverse sectors such as pharmaceuticals, IT and telecommunications, and agriculture. India's engagement with Africa is not just led by government institutions. The private sector also plays an important role. Vedanta Resources has invested in copper mines in Zambia, while the Oil and Natural Gas Corporation Videsh Limited (OVL) has invested in equity assets in Sudan, Nigeria, and Libya, and the Tata Group in the engineering and information technology sectors. Similarly, an Indian firm such as Bharti has acquired the \$10 billion African assets of telecom giant Zain in 2010. Investments have also been made in a wide array of sectors including agriculture and water management. Kirloskar Brothers and Mahindra also have a presence in several countries. Indian companies have shown willingness to make knowledge transfers in key areas, such as chemicals, with Uganda's state owned, Quality Chemicals and India's Cipla, being just one example of a joint venture that will enable value addition. The increasing number of business delegations travelling to Africa, and business conclaves in India and Africa suggest that India is an important stakeholder in Africa's development.

### ***India's engagement with Africa is unique***

India has often reiterated that its engagement with Africa is unique and based on mutual benefit, while contributing to Africa's development objectives through a consultative process. In the words of a former Indian minister of state, "We do not wish to go and demand certain rights or projects in Africa but we do want to contribute to the achievement of Africa's development objectives as they have been set

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<sup>8</sup> Ruchita Beri, "Evolving India- Africa relations-: continuity and change" *SAIIA Occasional paper* no. 76, February 2011

by our African partners”.<sup>9</sup> The development cooperation between India and Africa covers diverse areas, such as agriculture, small and medium enterprise, science and technology, health, education, culture, infrastructure, energy, communications, civil society, and governance. India provides lines of credits to support economic development in African countries.

India has taken several initiatives to deepen engagement with Africa. These include the Exim Bank’s Focus Africa, policy initiated in 2002 to deepen trade ties with African countries. To enhance cooperation with the West African region, the India government launched the Techno-Economic Approach for India Africa Movement (TEAM) in partnership with eight countries in the region - Burkina Faso, Chad, Cote’d Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali and Senegal. The TEAM initiative envisages transfer of critical technologies from India to the region. India’s development cooperation also seeks to enhance inter and intra African connections. The prime example is the Pan African E network initiative that seeks to enable African capacity building through e-learning and online medical consultations. This seeks to overcome the barriers to learning and promotes public health in the continent.

India recognises the diversity within the African continent and in that spirit, India’s current engagement with Africa, is at three levels - bilateral, regional, and pan- African. At the pan-African level, India has hosted two India-Africa Forum Summits in 2008 and 2011. The summit is not open to all African countries, but is based on Banjul formula that leaves it to the African Union to choose the countries that should participate in the summit.<sup>10</sup> India has also begun a structured dialogue with African regional economic communities.

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<sup>9</sup> Address by Minister of State Dr. Shashi Tharoor at the CII-EXIM Bank Conclave on India - Africa Project Partnership. New Delhi, March 15, 2010 at [http://www.mea.gov.in/Images/pdf/Indias\\_Foreign\\_Relations\\_2010.pdf](http://www.mea.gov.in/Images/pdf/Indias_Foreign_Relations_2010.pdf) ( Accessed February 15, 2013)

<sup>10</sup> African Union, “Decisions And Declarations”, Assembly of the African Union, Seventh Ordinary Session1 – 2 July 2006, Banjul, the Gambia at [http://www.africa-union.org/root/au/Conferences/Past/2006/july/summit/doc/Decisions\\_and\\_Declarations/Assembly-AU-Dec.pdf](http://www.africa-union.org/root/au/Conferences/Past/2006/july/summit/doc/Decisions_and_Declarations/Assembly-AU-Dec.pdf) ( Accessed January 25, 2013)

Following the last India – Africa Forum summit, apart from unveiling a \$5.7 billion line of credit for Africa, India undertook a slew of signature initiatives that distinguished India's development-centric approach towards Africa, announced New Delhi's intention to set up over 80 capacity-building institutions across the continent as well as additional scholarships for African students.<sup>11</sup> These institutions encompass areas ranging from agriculture, rural development and food processing to information technology, vocational training, English language centres, and entrepreneurial development institutes. These institutions will be in addition to 19 training centres started by India as part of the action plan launched with the AU in March 2010. Moreover these will be set up in consultation with the African countries at the pan-African, regional, and bilateral level.

These initiatives highlight the Indian focus on capacity building and human resource development. India has devised a strategy that would support the African countries efforts to create a new generation of entrepreneurs and technologists within the continent.<sup>12</sup> The India-Africa Food Processing Cluster and an India-Africa Integrated Textiles Cluster, announced at the last summit, are aimed at enhancing the industrial capacity. Another set of institutes have been set up to boost Africa's agrarian sector and include an India-Africa Centre for Medium Range Weather Forecasting and an India-Africa Institute for Rural Development. India has also unveiled plans to set up an India-Africa Virtual University. At the same time it has instituted more than 22,000 scholarships for African students. Clearly these initiatives are meant to enhance the skills of Africa's youth and are the centrepiece of its current engagement with Africa.

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<sup>11</sup> Government of India, Ministry of External Affairs, Second India Africa Forum Summit, Africa-India Framework for Enhanced Cooperation, <http://mea.gov.in/bilateral-documents.htm?dtl/34/Second+AfricaIndia+Forum+Summit+2011+AfricaIndia+Framework+for+Enhanced+Cooperation> ( Accessed January 18, 2013)

<sup>12</sup> Manish Chand, "A two way street : India brands its Africa diplomacy" at <http://www.pambazuka.org/images/Emerging%20Powers%20newsletter%20May%202011/Issue%209%20May%202011.pdf> ( Accessed January 28 2013)

### ***India supports efforts towards peace and security in Africa***

India has actively contributed to the efforts to maintain peace and security in Africa through its long involvement in UN peacekeeping efforts. In the past it has offered to train African security personnel at the various defence training academies within India and has also been involved in training and infrastructure development in countries such as Ethiopia, Nigeria, Mauritius, Zambia, Ghana, Sudan, Botswana, South Africa, Tanzania, Egypt and Lesotho. This entailed developing operational and administrative facilities and infrastructure such as roads, airfields, communication network etc. India has also cooperated with African littoral states such as Mozambique, Mauritius and Seychelles in the maritime sphere in the past. In the last few years the Indian navy has been undertaking constabulary duties in the Gulf of Aden, where it has successfully escorted over 2,400 vessels.<sup>13</sup> It has also pledged support to African Union Mission in Somalia and the African led mission in Mali.

### ***Growing convergence on global issues***

The interactions between India and the African countries indicate a growing convergence of interests and positions on a variety of global issues, ranging from jointly combating terrorism and piracy to close coordination in global forums over UN reforms, climate change and the WTO negotiations. The reform of political, security and economic institutions of governance was a key issues in the discussions, with both sides underlining the urgency of supporting negotiations for UN reforms and expansion of the UN Security Council. India's Prime Minister during the last India Africa summit noted that:

..the current international economic and political situation is far from favourable, particularly for developing countries ... fresh political upheavals

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<sup>13</sup> See, Address by Admiral CK, Joshi, Chief of Naval Staff, India on the theme, "Role of Indian Navy in Maintaining Peace in Indian Ocean Region," March 5, 2013, at the Institute for Defence Studies and Analyses, New Delhi at [http://www.idsa.in/keyspeeches/RoleofIndianNavyinMaintainingPeaceinIndianOceanRegion\\_CNS](http://www.idsa.in/keyspeeches/RoleofIndianNavyinMaintainingPeaceinIndianOceanRegion_CNS) (Accessed March 6, 2013)

are taking place. The world faces new challenges in assuring food and energy security. Global institutions of governance are outmoded and under stress.<sup>14</sup>

India has often underscored the need for a new spirit of solidarity among developing countries to achieve the goal of recasting the larger global governance structure.

### ***India's engagement fulfils certain strategic goals***

From the geostrategic perspective, there has been a perceptible rise in the importance of Africa for New Delhi. First, to some extent, it is influenced by the demand for natural resources to fuel its growing economy. India's growing energy needs have forced it to diversify its oil imports. In the past, India has been dependent on West Asia for its oil imports. In recent years, India, like the US and the other major powers, has recognised the energy potential of African countries. Second, there is a growing recognition that countries on the eastern coast of Africa abutting the Indian Ocean – from South Africa to Somalia – fall under India's maritime strategic neighbourhood. It is also a fact that insecurity in the Indian Ocean region is growing, in view of the existence of fundamentalist, terrorist, and militant, separatist or extremist organisations and criminal syndicates involved in trafficking in drugs, arms and humans, and piracy. The growth in incidents of piracy in Somali waters in particular threatens the security of the Sea Lanes of Communications (SLOCs). Moreover, though not explicit, India's drive into Africa is guided by a desire to seek support for the early reform of the UN Security Council (UNSC). India strongly believes that this vital organ of the United Nations is unrepresentative and not in sync with the current geopolitical realities. India is aware that Africa is the only continent that is not represented in the UNSC and hopes that the interests of both can converge to hasten this process.

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<sup>14</sup> See PM's Address note 4.

## **Challenges**

India faces a number of challenges in its quest for bilateral and multilateral cooperation with African countries. First, while Africa is now the focus of India's foreign policy, it is not the primary focus, given India's growing economic and security cooperation with the US, the EU and its Asian neighbours. Second, though, India's engagement has been largely welcomed by the African governments there has been some criticism in certain quarters. India's offer of cost effective and intermediate technology in areas such as information technology, agriculture, health and pharmaceuticals has been much appreciated by the Africans. An assessment of African media indicates that for most Africans India is just another country with whom they would want to cooperate whenever the opportunities arise. Unlike China, India did not face much criticism with regard to its investments in oil sector in Sudan or for doing business with Khartoum. However there has been some controversy relating to Indian companies investing in the agriculture sector. Several Indian companies have leased land for commercial crops and bio-fuels production. The biggest investment has been made by a private Indian firm, Karuturi Global Ltd. Recently there were reports of an Indian company in Ethiopia displacing local communities but these were denied by both the Indian and Ethiopian governments. Finally, India has been working to make its relationship with Africa distinct in content and form. However it is not the only external power engaging Africa, developed countries and other emerging powers like China, Brazil and Russia have also been involved in various activities across the continent. To a large extent, African countries have welcomed investment in the much neglected areas such as infrastructure and communications that are vital for raising productivity and reducing poverty. The challenge remains as to how the BRICS countries who have different levels of interaction with African countries will develop a common vision regarding cooperation with Africa.

## ***Conclusion***

India has offered a model of partnership that is consultative and hinges on human resource development and capacity, building in the African countries. There is no doubt that India's domestic experience and success in developing vibrant manufacturing and services sectors, while encouraging inclusiveness at the societal level has impressed several African countries who are keen to replicate this model on their own turf. India can therefore be viewed as a partner that is able to offer successful solutions to address the continent's various problems. India's relations with Africa are yet to peak and there is potential for both parties to benefit from this relationship. Africa is poised to benefit significantly from its engagement with India and the other BRICS states. Hopefully the partnership between India and Africa reflects the beginning of a new era for Africa- an era that will bring "Amandla Ngawethu" (power to the people).