



"Africa, a continent of opportunities"

Take-aways of the sixth #FlorenceLive conversation about a post-corona world

#FlorenceLive 6 on Africa, 22 June

by Jonas Brendebach (Research Associate at the STG)

The penultimate #FlorenceLive panel conversation focused on the human and economic impact of the pandemic on the emerging economies of Africa. The two main panellists were Janez Lenarčič (European Commissioner for Crisis Management) and Mohammed Ibrahim (Founder and Chair of the Mo Ibrahim Foundation). They were joined by Luther-King Okunade Fasehun (PhD candidate in epidemiology at Temple University, Philadelphia), MaryAnne Iwara (researcher at the Nigerian Institute for Peace and Conflict Resolution), and Annick-Laure Tchuendem (policy officer at the UNHCR) — all of which are or have recently been Policy Leader Fellows at the STG. Fabrizio Tassinari (Executive Director of the STG) moderated the discussion. Central themes were:

- the different dimensions of the COVID-19 crisis in Africa,
- EU-Africa relations and the return of geopolitics,
- multilateral support for developing countries in fighting the crisis,
- post-Corona economic prospects for Africa.

11 key take-aways:

Analysis

- 1. The health crisis in Africa: The number of confirmed COVID-19 cases has recently passed the 300,000 mark and the spread of the disease is accelerating. The situation remains rife with uncertainties, but the health crisis has hit Africa less hard than other world regions until now. Possible explanations include the late arrival of the virus on the continent, the comparatively young population, less air travel connections, or a lack in testing. It is undisputed, however, that African countries have shown a high level of preparedness and resilience in the early stages of the pandemic. Experience in containing communicable disease, like Ebola, Zika or measles, have prompted governments and publics to swiftly enact emergency measures. Yet, a lack of resources in public health systems, especially deficits in testing, continues to present a formidable risk to the containment of COVID-19 on the continent.
- 2. **The looming economic and social crisis:** "COVID-19 has hit globally, but not equally" (Janez Lenarčič). For Sub-Saharan Africa, the IMF currently projects an economic contraction of -3,4% for 2020, Africa's first recession in 25 years. Collapsing trade, sinking commodity and raw material prices and a sharp decline in remittances have cut drastically into household incomes and public revenue. The economic impact hits African countries particularly hard because







many <u>lack the fiscal space for effective crisis mitigation</u>. Social safety nets are absent in the widely dominating informal economies. Job losses and food shortages threaten livelihoods. In combination with fragile political landscapes, the situation may turn into a breeding ground for civil unrest, irregular migration and conflict. At the international level, already <u>existing inequalities between world regions may be aggravated</u> due to vastly differing capacities to respond to the crisis.

- 3. **Dawn of an "African Century"?** Despite such challenges, the continent's economic and demographic growth rates as well as its potential for innovation, climate action and digitization have sparked a new discourse on Africa's future. The European Commission speaks of the "fastest-growing middle-class in the world". The *Economist* recently titled "The African Century" (a phrase coined by then president of South Africa, Thabo Mbeki, in 1999), predicting the continent will play a "much more important role in global affairs, the global economy and the global imagination" in the decades to come. In this context, a renewed competition for influence, not least in the wake of China's increasing economic involvement, may change the balance of power of outside actors but also herald an empowerment of Africa itself.
- 4. **2020 a pivotal year in EU-Africa relations:** The European Commission under President Ursula von der Leyen has made <u>Africa a centre piece of its new geopolitical outlook</u>. In late February, the EU and the African Union initiated negotiations for a joint partnership agenda to be presented in October at the 6th EU-Africa Summit. The Commission's new <u>Strategy with Africa</u> puts <u>emphasis on respect and pursuit of mutual interests and a deepening "political alliance"</u>. It names green transition, digitalization, economic growth, security and migration as central areas in which both continents have to gain from deeper cooperation. The EU sees Africa as "continent of opportunities" (Janez Lenarčič). The COVID-19 crisis has not changed this outlook, but made the formulation of a common agenda even more urgent.
- 5. Multilateral crisis cooperation and European efforts in solidarity: The European Union was among the first to mobilise multilateral cooperation to assist the crisis management in developing regions. The Team Europe initiative dedicated EUR 36 billion to supporting emergency responses, stressed health systems and economies. The EU's Global Pledging Conference has raised almost EUR 10 billion to provide universal access to vaccines, treatments and testing. This is not to overlook, however, the important work being done by NGOs, businesses or philanthropy, such as the Mo Ibrahim or the Bill and Melinda Gates Foundations.

Recommendations

- 6. **Lessons learned:** A renewal of EU-African relations may start by drawing lessons from the current COVID-19 crisis. Europe has witnessed that it is not spared from challenges it thought only other world regions would face, like fighting infectious disease. <u>Europe can learn from many African countries' swift responses</u> as well as from their strong focus on prevention.
- 7. **Health governance:** Success stories in the African response to the health crisis may not overshadow the <u>dire need to build and improve public health systems</u> across the continent. Building on progress made after the Ebola outbreak in 2014, the current crisis may further raise awareness for health as essential public good to which governments and international development partners have to dedicate adequate resources.







- 8. Need for debt-relief: The health and economic dimensions of the crisis burden public finances while the slowing economy reduces governments' revenue. This toxic combination aggravates the already precarious situation of many African countries with view to public debts. Leading international voices call upon multilateral (financial) institutions and bilateral lenders to radically scale-up debt relief measures. This includes expressly the private sector and the possibility of a binding approach if the voluntary process falls short.
- 9. Demography as opportunity: Often considered a challenge, the dynamic demography in Africa may become an asset in building the continent's future. With a median age of 19 years (half the age the Europeans), the youth will drive Africa's political, economic and social transformations. Empowering and offering opportunities to the young thus needs to be a core ambition of national and international recovery plans in Africa. Together with economic measures such as debt-restructuring, this has the potential to prepare the ground for Africa's economic transformation in the mid- to long-term.
- 10. **Education is key:** Africa's young population today constitutes the workforce of tomorrow. National and international efforts must therefore be geared towards building education systems in Africa that provide the young with the necessary knowledge and skills. In particular, a still existing mismatch between educational offers and job market requirements needs to be addressed otherwise "a tsunami of young people with no training and no jobs will end up as criminals, join terrorist networks or wind up on a boat to Europe" (Mo Ibrahim).
- 11. **Security and humanitarian assistance:** The European Union has to continue and intensify efforts in <u>military and security cooperation and provide humanitarian assistance in crisis zones</u>. Economic recovery and development will not grow in an environment of violence, while economic hardship may well cause fragile regions to descend into conflict.

Online reactions: On Facebook, the event was followed by an international audience and elicited numerous comments and questions. As of 25 June, the video has been viewed some 4300 times.

(Re)watch the conversation at stg.eui.eu/events/FlorenceLive

