

Prospects for German-Japanese cooperation in Africa and recommendations

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An impressively interdisciplinary and multinational group of scholars gathered to participate in the symposium “Global Africa: Spheres of Interaction: Africa-Japan-Europe” that considered opportunities for greater Japanese and European cooperation on the African continent, with the focus being placed on German-Japanese cooperation specifically. The symposium was organised by the Japanese-German Center Berlin (JDZB) in cooperation with the German Institute for International and Security Affairs (SWP), and took place over one day at JDZB on March 6, 2017. This symposium was held in the context of evolving thinking among politicians, and within the public and private sectors in both countries, regarding the strategic economic and security importance of the African continent and its various sub-regions. This report presents some recommendations for the Japanese and German governments to better align their policies and thus enhance the outcomes of their individual policy approaches to the various sub-regions in Africa as suggested by participants in the symposium. In the summary of proceedings below, the identities of the presenters are kept anonymous in line with the initial commitments to the participants made by the organising institutions.

Prospects for alignment and recommendations

Despite similarities in terms of approaches to foreign economic policy, military presence abroad, and humanitarian contributions globally, the German-Japan relationship has arguably fallen short of its potential. In particular, both have been reluctant to become too involved in each other’s ‘home regions’. By contrast, cooperation with African nations to achieve their own self-defined goals is an area where cooperation between Germany and Japan offers significant upside and relatively little downside. The commercial opportunities presented by Africa's future population growth with its young demographic profile, especially given recent relatively improved economic performance in some countries and sub-regions, also suggests that the promotion of stability will have positive follow-on economic gains. Cooperation also conforms with both Germany and Japan's role conceptions in international relations, namely that of being forces promoting stability and prosperity.

The contributors to the symposium all decisively upheld the potential for German and Japanese cooperation on Africa as a whole, within the sub-regions, and on a nation-by-nation basis. Cooperation makes sense at the strategic high-level in terms of goal alignment, at the mid-level of alignment of approaches, tactics and policies, and in terms of the similarity of operational activities already undertaken and possible in the future. It is relatively uncontroversial compared to cooperation inside each country's home region, addresses both nations' concerns about extra-regional events impacting upon stability in their own regions, and will enhance Germany and Japan's ability to achieve their foreign economic policy

*These recommendations portray the main line of argument of the conference and it summarizes the presentations and discussions according to the understanding of the author.

objectives. Furthermore, given the domestic political turmoil and self-doubts about international leadership roles inside many of the world's traditional leaders on the global diplomatic agenda, and increased anti-trade attitudes within those countries, Japan and Germany may have no choice but to cooperate. As both countries have traditionally been drivers of the transition to a global multipolar order, and avid supporters of the economic 'rise of the rest', the time may be ripe for even engaged leadership in a region of global importance.

Recommendations for areas of focus

Below is a summary of the recommended broad areas of focus that an enhanced Germany-Japan relationship could take towards Africa. Both the presenters and attendees engaged in free-flowing dialogue throughout the day's proceedings, and while these recommendations are not specific, they may serve as the basis for investigating further possibilities for practical cooperation.

1) The German government's Marshall Plan *with* Africa (MPA) and Japan's enhanced and accelerated Tokyo International Conference on African Development (TICAD) cooperation in response to the requests of African elites to go beyond the poverty reduction aid paradigm, both offer great potential for synergy. Germany and Japan are two OECD countries who have expressed an interest in promoting African development as a global agenda.

Recommendation 1: Germany and Japan should support each other at the G20 level in making Africa the focus of a global agenda by building off complementary approaches developed through MPA and TICAD processes. In addition, reform of United Nations Security Council is important not only for Germany and Japan, but for supporting an African voice in the UNSC

2) The major recurring theme that could not be missed throughout this symposium was that the two countries have both recently emphasised the need to take a developmental and cooperative approach to economic growth in their aid policies in Africa based on financing and implementing economic infrastructure, both at the national and sub-regional level, and improving the business environment for investment. These economic growth-oriented policies are important for enhancing the functioning of production networks and economic clusters that will be critical to the industrialisation and economic growth of African countries in the medium- to long-term. The Japanese government has already identified in its economic revitalization strategies the need to promote greater infrastructure sales of 'high quality infrastructure.' Its 'Partnership for Quality Infrastructure' emphasises a systems-oriented approach that goes beyond the initial deployment of infrastructure 'hardware,' but takes a life-cycle oriented approach that ensures infrastructure remains optimised for local conditions and is well-maintained. On this basis, the Japanese government hopes its own standards are adopted as international standards. Given Germany's own emphasis on infrastructure for Africa, and its own reputation for effective infrastructure, the two nations are natural partners for the global promotion of high quality and environmentally sensitive infrastructure standards, and the implementation of the infrastructure itself.

Recommendation 2: The German government should engage the Japanese government on its 'Partnership for Quality Infrastructure' and initiate a dialogue for mutually forging higher quality international standards for infrastructure that would apply to Africa and elsewhere

3) Japan and Germany could play a valuable role in the development of a code of conduct for ODA funding of infrastructure and facilitating investment in fragile states. This is something both countries have had to struggle with themselves over the last half century as ODA donors, and would be beneficial for all interests and actors involved.

Recommendation 3: Germany and Japan should take the lead in developing a ‘Code of Conduct’ for ethical investment in fragile countries and have it accepted at the G20 level

4) Participants at the conference identified the need to reach out to ‘new donors’ in Africa, specifically India and China. Not only are the governments of these two countries playing a significant role in funding infrastructure implementation and conducting resource diplomacy, both countries already have strong on-the-ground connections in Africa due to the presence of large ethnic Indian and Chinese communities. Given these advantages engagement with these new donors in regards to the need for ethical standards for investment and economic cooperation assistance is likely to result in superior outcomes, as opposed to criticism. Ultimately, both countries have important economic interests in the region and any exacerbation in instability is also likely to hurt their national interests. Other new donors of importance include Turkey and Latin American countries.

Recommendation 4: Explore opportunities for dialogue on ethical standards with these new donors, and implement model programs that facilitate and recognise the importance of emerging economy-emerging economy cooperation and linkages. Such cooperation could take the lessons of Japan and JICA’s ‘Triangular Cooperation’ initiatives that have been implemented over the last decade for developing a modified form of cooperation between OECD and non-OECD donors.

5) At the same time, it is important to ensure that vertical integration of African countries into global production networks is complemented by the ‘horizontal’ integration of African countries at the sub-regional level. This ‘globalization within Africa’ is important so that nations can develop their own economic capacity rather than be solely reliant or dependent on outside economic actors for economic wellbeing. While it may be impossible to fully develop production networks within one country, production networks nurtured at the sub-regional level are more likely to succeed in terms of achieving positive scale and agglomeration effects. The resilience of production networks to absorb outside shocks is important, but trade within Africa is still relatively weak compared to extra-regional trading relationships. Furthermore, better urban planning is required to address the urbanisation ‘mega-trend’ that may threaten social stability reasons as well as economic growth. It is important that urbanisation is better managed in the African context, especially in sub-regions such as Northwest Africa.

Recommendation 5: In addition to continuing to champion open trade agendas at the global and regional level in an era of the rise of protectionist sentiments, Germany and Japan should also consider leading discussions on sub-regional plans that encourage trade in intermediates and services through the enhancement of ‘connectivity infrastructure’ in addition to the traditional approach of emphasising urban planning and infrastructure to enhance industrial agglomerations for attracting outside talent. The Asian Development Bank offers a template for the cooperation between ASEAN

nations and outside interests such as Japan and China on the development of ‘economic corridors’ in regions that have traditionally not been centres of economic development. This connects to possibilities for cooperation on high quality infrastructure standards development.

6) Human resource training, vocational skills and enhancing educational outcomes is clearly important for industrialisation and the capture of greater value-add in economic growth. It is positive that increased emphasis is placed on this ‘software’ to complement public and private investments in infrastructure and production capacity upscaling (hardware) by both Germany and Japan. In many ways assisting countries to ‘join’ an already established production network is a good option as it is much lower risk for developing countries than trying to industrialise on the back of import substitution and ‘big push’ approaches. However, the promotion of high-level innovation, entrepreneurship, and support for fostering Africa’s own Greenfields industries are still important in the long-term as countries seek to rise up production and supply value chains. There should be a balance between German and Japanese experts being dispatched to Africa for training on the one hand, and talented Africans participating in education and business internships in Germany and Japan. It was noted that the African Business Education (ABE) initiative is a combined Master’s Degree and Internship Program that allows multi-year learning at Japanese educational and enterprise institutions, including in areas of applied sciences. The initiative attempts to foster ‘excellent personnel’ for the purpose of going beyond the acquisition of skills and knowledge.

Recommendation 6: Germany should consider a similar scheme and engage with the Japanese government on the lessons learned from the first four years of the ABE initiative. Japan should extend its ABE initiative beyond the initial yearly allotment of 250 participants.