

**PORTUGAL-AFRICA BILATERAL RELATIONS IN A CHANGING
ENVIRONMENT**

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Portugal-Africa bilateral relations have to be analysed in the framework of recent events that are taking place not only in Portugal and in the African countries, but also in Europe and in the international scene. This paper will overview the bilateral Portuguese-African relations (mainly with Lusophone countries), discussing some of the implications of the changing environment on (and for) African countries and stressing some aspects of the role of Portugal in fostering Euro-African relations in the 1990s.

1. Portugal-Africa bilateral relations: an overview

1.1. Quantitative dimensions

Weighed against other EC members, the contribution of Portugal in ODA to African countries does not seem to be high - around USD 150 million in 1991, 0.24% of the Portuguese GNP, concentrated in its former colonies, namely Angola, Mozambique, Cape Verde, Guinea-Bissau and S. Tomé, e Príncipe. However, not all cooperation actions are clearly shown in the figures for cooperation funds, since those actions, especially in the fields of health, education and training, are funded through the respective governmental departments.

Recent Portuguese trade with African countries has varied between 3.25% and 4.7% in exports and between 4.5% and 6.24% in imports and is also concentrated in Lusophone countries. Angola has been the major partner. Together with Mozambique it absorbs a growing share of exports (from 27% in 1986 to 73% in 1991).

The following table shows also that trade with South Africa is marginal, expressing not only the reality of sanctions but also weak historical links - in the colonial period, Portuguese trade with South Africa was made through Angolan and Mozambican firms or branches of Portuguese firms.

AFRICA'S SHARE IN TOTAL PORTUGUESE TRADE (%)

	1986	1987	1988	1989	1990	1991
exports	3.25	3.24	3.36	4.54	4.27	4.7
- LC	2.13	2.06	2.54	3.34	3.36	3.9
- SA				0.29	0.21	0.3
imports	5.75	4.78	4.95	6.24	5.87	4.5
- LC	0.82	0.36	0.22	0.25	0.42	0.5
- SA				0.76	0.71	0.6

LC=Lusophone Countries; SA=South Africa

Source: Ennes Ferreira, Portugal e o Mercado Africano, ed. CEDIN, ISEG, 1992, Lisbon

Seen from the African side, trade with Portugal has a greater importance. For the two bigger countries, Angola and Mozambique, the share of Portugal in their total exports has been marginal - for example, to Angola it has amounted to 2% from 1987 to 1989. However, in imports Portugal ranks number 1 for Angola - varying from 12.6% in 1986 and 24.6% in 1989 - and has been number 4 for Mozambique, after Spain, the US and Japan - with values of 7% in 1987, 9.6% in 1989 and 5.6% in 1990.

It should be stressed that the weakness of economic links can only be partially explained by a loss of interest of Portuguese firms in trading with those two countries, or to a less favourable business environment in Angola and Mozambique. In fact, one must not forget that the re)emergence of Portuguese private exporting and financial groups is a very recent event. The privatisation of Portuguese companies - a large part of which were nationalized in 1975 - has barely begun. Some of the newly privatised companies express a growing interest in Lusophone African markets. In practical terms, these facts help to understand why Portuguese firms are not following the general downward trend of European business initiatives towards Africa.

1.2. Evolution in recent policies

For Portugal, relations with Africa have an importance that goes well beyond the quantitative expression of trade and investment. As a matter of fact, the evolution of recent Portuguese African policies has to be understood against the background of its historical dimension.

Actually, more than 10% of the present Portuguese population has lived in Africa, and the number of Portuguese still living in South Africa (part of them with South African nationality), amounts to 600 thousand.

The decolonization process in the aftermath of the April 1974 revolution in Portugal produced dramatic events, particularly in Angola and Mozambique, where thousands of Portuguese people moved back to Portugal or went to South Africa.

The fact that most of the Portuguese population suddenly fled from those countries, which happened more rapidly and dramatically in the case of Angola due to the armed clashes among liberation movements with the support of foreign armies, was also a result of the radical policies of the ruling parties in those countries.

In fact, both the MPLA in Angola and the Frelimo in Mozambique (and, to a lesser extent, the PAIGC in Guinea-Bissau and Cape Verde and the MLSTP in S. Tomé e Príncipe), encouraged this exodus, under the assumption that most of the settler community would react against further moves towards the creation of a socialist state, redistribution of wealth or a central planned economy.

These radical policies only strengthened the settler community's feelings against the instauration of a black government and their fears of hostile attitudes out of former colonialist practices that naturally created resentments.

This helps explain why bilateral relations were not at all good during the seventies - with the exception of the Portuguese-Cape Verdian case.

Portugal's African policy has also to be understood against the course of the internal political events in Portugal. In fact, MPLA and Frelimo were seen as allies of the Portuguese Communist Party and feelings against communism tended to be mixed with feelings against the ruling parties in most of the former colonies.

In this respect Angola, the richest of the former colonies, has been, since independence, a must in the Portuguese media, not only because most of the former Portuguese settlers - along with some hundreds of Angolan refugees - came from there, but also due to the traumatic decolonisation experience.

Hard feelings against the Angolan ruling government were strengthened by the existing perception of a close and continuing relationship between the MPLA and the Portuguese Communist Party - these relations, incidentally, were not so close after the 1977 aborted "coup d'Etat" by Nito Alves with the support of former members of the Portuguese Communist Party.

These bitter feelings were also strengthened because of the presence of Cuban troops and of Soviet support to the Angolan government.

The long-standing Portuguese public opinion support for Unita during the Angolan civil war, despite the close relationship of this liberation movement with Pretoria, has to be understood against these circumstances. However, after the Estoril agreements of May 1991, inasmuch as the election agenda is developing and the internal policies and ideologies of the former contenders in Angola have begun to surface, a certain shift of this general perception is under way. Obscure murder last year of Tito Chingungi and Wilson dos Santos, prominent anti-Savimbi members of Unita, and recent anti-Portuguese speeches are producing a diminishing support for Unita.

The Mozambican case is somewhat different. Most of the Portuguese settlers who decided to leave Mozambique were able to do it in a less dramatic way, and a substantial part of them did not come back to Portugal but remained in the region (South Rhodesia and South Africa). Besides, the nature of the war in Mozambique and the methods of Renamo were not so popular with the Portuguese public opinion.

These events and a steady increase in the Portuguese-Mozambican relationship at government level - following a visit of then President Samora Machel to Portugal in 1984 - have produced a better environment to further relations.

2. Africa: the changing environment

2.1. A change in attitudes

Over the last few years the world has suffered deep changes. While some of those changes kept in line with foreseeable trends, others are radically transforming the international political map and agenda.

The most dramatic changes are occurring in Europe. The end of the cold war and the processes of democratisation and desintegration of Eastern Europe, are events that impacted on and transformed the world scene.

In Africa, particularly sub-Saharan Africa, changes are also dramatic. However, their impact on the international scene is much less important, given the increasing marginalisation of the sub-continent in the world economy.

Structural adjustment programs and the more recent moves from authoritarian to multiparty regimes in Africa happen in the framework of the most difficult economic and social situation since independence - civil war and internal disintegration of countries, drought, famine and endemic diseases, sharp fall in per-capita product.

Under these circumstances, aid has become the major resource for stability and growth. Unfortunately, taking into account the international competition for funds and the recession that most of the developed (donor) countries are experiencing, no significant increase in the amount of foreign bilateral or multilateral aid for Africa is foreseeable.

This scenario is worsened by the negative image of Africa in the developed world. For Western publics and electorates, Africa is seen as a region of corrupt and incompetent governments, a region to which the necessary provision of public funds, including aid for humanitarian purposes, should be made conditional to the respect of human rights, democratic behaviour and better governance. The business community sees Africa as a loose continent, with an ever decreasing share in the world trade - to a present minimum of 1.8% (2.5% with South Africa).

Part of the African elite matches this negative Western perception of Africa through their own negative perception of the world order. Although accepting that wrong political and economic choices have, in many cases, worsened the inherited situation, they attribute most of the responsibilities for present problems to the "colonial inheritance" and to distorted international economic relations, including protectionism in world markets and the burden of the debt service. Under the assumption that export-led weak economic structures result from the way African economies are integrated in the world economy, this school of thought concludes that Africa should fight marginalisation with more marginalisation, adopting inward-looking policies based on "collective self-reliance".

This kind of Afro-pessimism is widely spread in Africa, and still exerts a strong influence over the policies of governments and of continental and regional organizations.

Arguments about the share of historical and factual responsibilities between the internal and the external factors will not, however, help the African countries to solve their problems and reverse negative trends. As a matter of fact, an important part of the answer to the present situation begins with a change in perceptions and attitudes.

On the part of the Africans, a new debate over modernization is more necessary than ever - one that does not concentrate on issues belonging to the past or on cultural specificities that, no matter its accuracy, is either aimed or results in justification of wrong and inadequate policies. Moreover, analysis should be sharp and free from abstractions - such as "African strategies" (there is no such thing as a single strategy for every one African country), or in false dilemmas - such as the opposition between economic openness and structural transformations (as a matter of fact, in the modern world, opening up the economies is a precondition for the participation of smaller economies in technological change and industrialization).

Today, there is no other viable alternative than the adaptation and integration of the African countries into the world economy, for the simple reason that these countries, either individually or as a group, do not have the capacity to modify the international realities and trends.

Present and future development in Africa will be dependent upon a change in domestic factors. African countries will not be elected, either by nationals or by foreigners, as recipients of private capital funds, until sound policies and better governance are implemented, no matter who should take the blame for the present situation. These means that the economics of aid must be substituted by the economics of business - aid cannot be regarded as a substitute for savings and investment. Development cannot rely solely upon grants and loans for balance of payments relief or for humanitarian purposes. Development needs private investment, including foreign direct investment that brings in technology and enlarges domestic and regional markets.

2.2. A change in policies

The change in attitudes interacts with a change in domestic policies, mainly related to economic and political reform and to regional integration.

a) economic reform

Structural Adjustment Programs have spread all over Africa in the eighties. Designed to curb the negative economic tendencies of the previous decade, they led to devaluation of exchange rates, reduction in government expenditures and decrease in the weight of the public sector in the economy. They were able, in general, to restore important macro-economic equilibria such as the relation of monetary circulation to goods and services and resulted in positive rates of growth.

However, having relied mainly upon stabilisation measures, with equilibrium restored at a lower macro-economic level, these programs deepened economic inequalities and increased social problems. Although alleviated towards the end of the past decade through the introduction of so-called "social dimensions of adjustment", these problems are an important negative strain to ongoing economic reform.

This question again brings forth a crucial issue: Africa is not a single entity and general models should be avoided by governments, donors and multilateral institutions alike. Restoring financial balances is very important for African as well as for any other countries, because more suitable environments are then created for the increase in savings and investments. However, in order not to destabilize the entire process of reform, the pace and the methods to restore these balances should always be in accordance with domestic and regional factors.

b) political reform

The democratisation wave that followed economic reform all over Africa results from a combination of domestic and international factors. Very clearly, part of the African elite - mainly when holding the government - is not keen on free elections and multiparty regimes. "Democratic" attitudes are often expressed through declarations of intention and sometimes only after strong domestic and international pressure is exerted.

Democratic transition is essential not only to keep in pace with the international political trends but also for domestic reasons. In fact, the alternance of power through elections and not through violent action, the separation of powers, with particular relevance to the independence of the judiciary system and a free press are supported by a growing number of Africans as conditions for further development.

Looking at recent history, democracy and human rights have not always been a pre-requisite for stability and development or a pre-condition for Western military and economic aid. In certain moments and circumstances, African, Latin America and Asian dictatorships have been supported, in some cases by military means, by European and other democracies - the examples are abundant.

The end of the cold war - that has often been cited as a justification for this kind of behaviour - allowed a change in course of the external policies of most Western democracies. The current move to make aid dependent on a greater respect for human rights, democratic procedures and better governance is an expression of this change of attitudes. African democratic forces now have a more suitable international environment to succeed.

c) regional cooperation and integration

The move towards regional integration is now a central aspect of African policies. As a way to enlarge local markets, to allow a better environment for investment and industrialization and to speed up modernization of the economies, the process of regional integration is of paramount importance to African countries. However, a number of important lessons from past experiences in Africa and elsewhere should be taken into consideration.

Integration cannot be regarded as a simplistic process of opening up internal frontiers to the free flow of goods and services - regional trade among African countries is much less significant than trade with the outside world (it hardly reaches a two-digit percentage in most areas) and the non-complementary character of production structures is hardly a major reason for that.

In fact, regional integration has to be built while in most African countries the processes of national integration - that is to say of integrated home markets - is far from being completed.

This fact stresses the need of an interaction between national and regional processes and, therefore, of a better management of their inherent contradictions. To improve national infrastructures, communications and services, and, in general, those sectors which allow a more steady flow of relations among countries is a part of and a condition for the success of the whole process of regional integration. Investments and common use of means in such sectors should be encouraged as a way to foster regional trade and cooperation.

Another aspect of the integration process relates to institutions and management. A more open and steady flow of goods, services, capital and people should be pursued as a way to develop and modernize African economies - so, regional and continental organizations fostering these issues are welcome. However, regional integration should proceed on the framework of manageable spaces. In areas that cover, for example, the countries of Eastern and Southern Africa, it may be possible and even desirable to develop and manage, say, preferential trade agreements. But when the aim is to build up a customs union or an economic community involving such a big and disintegrated area and such diverse economic, social and political realities, the final results of such an effort can hardly be expected to be successful.

3. Portugal-Africa bilateral relations: the 1990s

Bilateral relations with African countries in the 1990s should take into account these changes in attitudes, perceptions and policies.

Africa has been a first priority in foreign cooperation policies since the very beginning of the European Community, due to the influence of the French, the British and the Portuguese bilateral relations and as a consequence of the Yaoundé, and Lomé Conventions.

However, this priority is changing very quickly since the early nineties, as a result of the growing amount of EC money and involvement in Eastern and Central Europe due to the recent transformations in that part of the world. Besides, following the Maastricht decisions to move towards a political union, a common foreign EC policy is also being envisaged. This does of course not imply an abandonment of bilateral relations, which will certainly continue to exert an important role in the years to come. However, a greater harmonization of the African policies of individual EC member countries is expectable, as well as an increase of multilateral cooperation.

The debate over the Portugal-Africa relationship must consider these overall scenarios.

Portugal is in a privileged position to have a significant role in European policies towards Africa. Recent political developments in some of the former Portuguese colonies (regardless of the Portuguese involvement or share of responsibilities for them), have strengthened its own influence within the EC. The Portuguese diplomacy is not only being credited with an international recognition for the management of the Angolan peace settlement; it also benefited indirectly from the peaceful transition of power in Cape Verde and S. Tomé, e Príncipe.

Under these circumstances - and taking also into account the relatively well-managed presidency of the EC in 1992 - Portugal is in a better position to foster Euro-African relations inside the Community agencies. Only thus can the Portuguese position surpass its relative individual weakness compared with other EC members.

This in no way means Portugal should have to give up its privileged relations with Lusophone countries - as a matter of fact, due to financial considerations, Portuguese institutions and firms will be in a better position to develop relations with Africa inside rather than outside the EC cooperation framework.

It is generally accepted in many Portuguese circles that Portugal has "comparative advantages" regarding cooperation with former African colonies. A privileged knowledge and understanding of the situation, the fact that the Portuguese is the "official" language and the dominance of "intermediate technologies" are normally invoked to support this idea.

These arguments require however a closer look.

The colonial scenario differs substantially from the current one - new structures and government channels were created, new firms and people from other (not only European) countries have established themselves in the terrain. The Portuguese are no longer "the" "connoisseurs" of the situation. This is particularly evident in Southern Africa, where South African firms are improving business and trade links.

The dominance of the so-called "intermediate" technologies is again a controversial question. In fact, the concept of "intermediate" is hard to define and tends to be wrongly equalised with obsolescent industries. The new countries do not need and the ruling elites do not want a modernization based on outdated technologies.

A real advantage that the Portuguese still maintain is the language. Portuguese is not known in Western or Southern Africa other than the Lusophone countries - that is why language turns into a "comparative" advantage. Besides, the resemblance of working processes (and even infrastructures and equipment) to the Portuguese reality, turn to be another important asset. Together with language, this close working experience favours privileged relations between Portugal and the African Lusophone countries in the 1990s.

Provided peace is restored and maintained in Angola and Mozambique and good political relations continue to exist, some areas are a natural choice for the increase of bilateral links. Education, training, law, order, defense and administration are clearly areas in which the Portuguese have something to offer to the newly independent Lusophone countries.

However, to improve their business activities in these and other areas and to compete on domestic or regional markets, Portuguese firms should consider the benefits of association with local and other partners, including those partners that can more easily turn into potential competitors. Joint-ventures that include nationals and established European or South African firms (of a new South Africa, of course) would seem to be appropriate.