
UK Africa Policy, the Prosperity Agenda and the ‘Golden Thread’: Between Idealism and Pragmatism?

Keynote Address: How much does Africa matter? Defining the UK’s Africa Policy under the Coalition Government

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James Duddridge MP

Good morning. It's a pleasure to be here today.

This morning I've been asked to speak on the subject of 'defining the UK's Africa Policy under the Coalition Government', and to discuss how much Africa matters to us.

The answer, I hope, should be obvious. It matters a lot.

It matters to this Government. It matters to the Foreign Office. And it matters to me personally, as a long-time resident of the African continent.

Some twenty two years ago I was in the City working for Barclays Bank. After a couple of years, my feet began to itch.

My boss asked me if, rather than quitting, I'd like to run a bank in a sugar field in Swaziland instead.

Now, it was obvious that he wasn't talking about Switzerland... but only because we'd just been talking about Zambia. But it would be fair to say my understanding of Africa was not very deep at that time.

So I found myself in Africa, for the first time. It was the beginning of my deep passion for that continent. Swaziland, my first African home, will always be particularly special to me – I met my wife in that country, and we later returned there on honeymoon.

When I moved to Swaziland, most of my fellow expats were aid workers. But I really believe that I, as a banker, and the people who ran businesses, were doing at least as much good as my non-profit friends to help that country.

Traditional aid programmes building health, education and sanitation services in developing countries are vital. They make a real difference to millions of people. The UK Government will continue to provide this type of support – while recognizing that aid alone will not eliminate poverty in Africa.

This government knows that it is the private sector that will grow Africa out of poverty, and over the last five years has put business growth at the heart of its African agenda.

The Africa I came to know in Swaziland, and later living in Côte d'Ivoire and Botswana, is a dynamic place of entrepreneurs, opportunities, an aspirant middle class and a vibrant youth culture. There are over 100 million active users of Facebook – a far cry from the impression of Africa shaped by Band Aid and other well-meaning efforts.

And this is the Africa this Government has sought to engage.

The private sector in particular. Because profitable businesses pay taxes. And tax revenue allows governments to invest in health, in education and in infrastructure. Tax revenues provide accountability between the government and the electorate.

As we know here in the UK, the positive effects of a thriving economy are felt throughout society.

Yes, there are risks across the continent. Yes there are difficulties. Yes there are security challenges across the continent. We're never short of people who will talk about the negatives. I will leave that to the naysayers and focus on the positives.

But there are also commercial opportunities, abundant resources, and huge economic potential in the Africa I know and love.

Today, I'd like to talk about why Africa has been, and will remain, central to Britain's foreign policy objectives. I'd like to highlight the achievements of the Coalition Government over the last five years, building on the achievements of the previous government. And I'd like to share a few reflections on the direction UK policy might take in the future.

Anyone can see that an active and activist UK foreign policy must have Africa at its heart. This means genuine partnerships with African countries. Our shared history, family and cultural connections mean that we are committed to partnerships with African countries, through the good times and the bad. Africa is important to us because Africa is part of the fabric of the UK.

But the continent's diversity means it's difficult to tell one 'Africa story'.

Africa is a continent of 2,000 languages with almost 150 million Arabic speakers. There are 3,000 tribes and peoples. A population of over a billion.

And it is a continent of mammoth proportions: the distance between Cairo and Cape Town is greater than that between London and Lahore.

Would we ever assume that all the countries between these two cities face the same challenges? Would we ever try to construct a single narrative for Britain, Italy, Syria and Pakistan? But it would be lazy not to join up the dots. Regional groupings, sectoral synergies, shared histories, languages and opportunities bring together the 54 countries. It is lazy to talk of one Africa, but equally it is lazy not to see the similarities.

This Government has been working together with our partners to address the challenges and seize the opportunities of each of our African partners. A key policy of this Government has been to re-position the UK's relationship through:

- Bilateral expansion, increasing our footprint in Africa, where we have opened or re-opened six new embassies over the last five years in Côte d'Ivoire (I was particularly pleased that the embassy reopened in Côte d'Ivoire as I worked as a banker here), Madagascar, Bamako, Juba, Mogadishu, and Monrovia;
- Increasing our development spend on economic development, getting alongside private sector interest in Africa to drive sustainable and inclusive growth that will reduce poverty by creating jobs, and reduce dependency on aid;
- Championing financial inclusion – DFID has been doing great work to support the use of technology like mobile money and M-Pesa, and branchless banking to make it possible for people to overcome the barriers to access, as well as working with African governments to make the operating environment for business simpler, fairer and, crucially, more transparent.

And we have continued our long standing commitment to supporting Africa's growth and prosperity.

This Government will be remembered I think in the African environment for being the first major economy to meet the UN's 0.7 per cent target on aid spending. I am proud that Parliament has now passed this Bill.

Tackling poverty overseas is about addressing the root causes of global challenges such as disease, migration, terrorism and climate change. Addressing these issues is firmly in Britain's own national interest as well as Africa's interest.

Addressing these challenges helps create the trading partners and markets of the future. So there is an element of self-interest.

We understand that while some countries in Africa still need aid, many more need investment, expertise, and financial services – the World Bank estimates that the continent as a whole needs an extra \$90 billion capital investment a year for infrastructure alone. So we want to champion Africa as an investment and trade destination of choice. To this end, we have:

- Established trade envoys, people such as David Heath MP and Baroness Scotland have had a fantastic effect, visiting more regularly than Ministers are able to;
- Added 20 Foreign and Commonwealth Office prosperity officers to complement the work of our 14 UK Trade and Investment offices on the continent;
- Focused on our High Level Prosperity Partnerships with Angola, Côte d'Ivoire, Ghana, Mozambique and Tanzania, very different countries of different heritages, and this week I will be sitting down with them to hear what we can learn from their successes, and where we have built ambitious frameworks to encourage growth across a range of key economic sectors including education, agriculture, infrastructure, and extractives.

This Coalition Government has understood that it is in our enlightened national interest to promote prosperity and security on the Africa continent. We need our partners to be stable, prosperous and secure.

And these things go hand in hand. Without peace, we cannot have prosperity; without prosperity, security is impossible to maintain. The prosperity agenda advances long term security. But we also need shorter term tactical security structures.

We support Nigeria and her neighbours in fighting the terrorist group Boko Haram by providing military, development and intelligence support, including counter-terrorism cooperation and training.

And we work with multilateral partners in Somalia, where the UN-authorized, EU-funded, AU-led AMISOM mission has been a major success, degrading the capability of Al Shabaab and allowing the Federal Government of Somalia to re-take swathes of territory.

We've done great work over the last five years, but there's plenty more to do. Plenty more opportunity. Challenges certainly remain.

But even taking the limiting factors into account, the scope for opportunity on the continent is huge.

In January 2014, the International Monetary Fund predicted the sub-Saharan economy to grow by over 6.1 per cent in 2014. Compared to the Eurozone's 1 per cent predicted growth, this demonstrates the opportunity.

We need to position the UK to work together with our partners to make sure this opportunity is not wasted. And there is plenty that the UK can offer. Take finance. At the moment, only about 1 per cent of private equity goes to Africa. But this appears set to change.

In January, London based Helios Investment announced the first billion dollar Africa private equity fund.

The Carlyle Group and Blackstone Private Equity have both struck huge regional deals. This is a growing market. Investing in Africa is great for development, but also good for investors.

Over the last six months I have built on the work of Henry Bellingham and Mark Simmonds; I am talking about the same things, including the prosperity agenda.

Though difficulties and challenges remain – not least relating to oil prices - the Economist noted in January, perhaps somewhat optimistically, that 'money managers on Wall Street and in the City of London are taking crash courses in Swahili and learning to find Ouagadougou on a map.' I think that's somewhat of an exaggeration but it shows something of the shift.

Any incoming government will want to think about our Africa strategy, to do even more to join up Whitehall departments on Africa – not just the FCO, DFID and BIS [the Department for Business, Innovation and Skills] but across the board, including the Whitehall Africa Group, and to make sure we're getting the most out of the myriad opportunities on offer.

So while I've been back in the UK for over a decade now, my ties with the continent are, like the UK's, enduring and deep. Over the next ten years the challenge will be to move away from short term security concerns to longer term prosperity and stability.

Whatever happens, the UK Government will be at the heart of that transformational challenge.