

AN ANALYTICAL STUDY OF INDIA'S ENGAGEMENT WITH AFRICA

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Abstracts

This articles deals with India's political, economic and social engagement with Africa. It also tries to explain how India has developed its relation with African countries. Also this paper will try to know, how good will for each other has play major role in international politics? This article also delves that how India has counter the china and developed and developing countries in Africa? Also we will try to look the role in India Africa –summits to strengthen the economic relation.

[Keywords: Africa, India, Food Security, Politics, Trade]

Introduction

India has great friendly relation with Africa from long period. Both countries have followed similar ideology from colonial period. Geographical condition has also attracted both countries to join south-south cooperation. During Bandung conference, Asia and Africa came closer and cooperated with each other, specially India and Africa relation started to focus on promotion of economic and cultural cooperation, protection of human rights and principle of self-determination, following similar ideology. Both countries have given strength to one common ideology when they became member of non-alignment movement during cold war (Abraham 2008). While Northern Africa's link to the super-continent through the Mediterranean will remain contested, India could serve as fresh economic as well as ideological bridge with African countries.

India and Africa share deep social and economic relations dating back thousands of years, when Indian traders first sailed to the east coast of Africa in search of agricultural and animal products, gems and minerals. Trade relations between India and Africa after independence were not that strong. However, over the last decade, and with the emergence of the Global South, bilateral trade between India and Africa has recorded impressive growth with India's emergence as fourth largest trading partner of Africa. After liberalization period, India's relation with Africa has shifted from ideological realm to pragmatism or economic diplomacy. India's partnership with Africa is based on a model of cooperation which is responsive to the needs of African countries. It is demand-driven and free of conditionality. It is based on our history of friendship, historical ties, and a sense of deep solidarity (Wagner 2019). From beginning of 21st century, Indian

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Government has started to make conscious efforts to improve economic relations with African countries. In 2002, India launched the 'Focus Africa Program' with 24 African countries and set goal to increase business interactions, improve relation, circulate information on tenders and investments by Indian mission in Africa, and extend new credit lines. The available data shows that since 2010, there has been rapid growth in the economic relationship between Sub Saharan Africa and India in many areas including trade and investment. The India-Africa Forum Summits and the recent International Solar Alliance (ISA) has become big platforms to improve these relationship. Solar energy as component of renewable Energy also got attention as alternative source from both policy maker as well as scientists (Modi 2105). It ensure sustainable security so during Paris climate convention two major energy consuming countries one from global south, India and another from global north, France took measures to establish the ISA framework.

Coming to trade, bilateral trade between India and Africa has grown steadily over the years, characterized by the rise of both India and Africa's corresponding trading activities. Bilateral trade volume has increased from just US\$7.2 billion in 2001 to US\$78 billion in 2014, before falling to US\$59.9 billion in 2017 (Chakrabarty 2016). The decline in trade was observed after 2014 when international market got economic crisis. Despite these developments, bilateral trade has recorded an average compound annual growth rate (CAGR) of 14.2 percent over the period of time, with India-Africa trade accounting for 8 percent of India's total trade and 6.4 percent of Africa's in 2017, against 7.6 percent and 2.7 percent, respectively, in 2001. The strong growth in bilateral trade has been driven by growth in exports and imports. India's dependency on Africa's natural resources is shown in the import component of India. The share of petroleum (mostly crude) in India's imports from Africa increased from around one-third in 2001 to over two thirds in 2011ⁱ.

Additionally, India has developed its economic relation with Africa in recent year by supporting African countries in international organization for example in U.N.O and W.T.O, regional organizations such as BRICS etc. But now in post globalization period where climate change indicating red signal for world to reduce use of natural sources, energy security has become major issue for third world countries. Also food security for African countries and for India is essential aspect because both are developing countries and so many natural disaster, famine was faced by Africa and India. So here we will try finding how both countries' has developed its relation to protect food security and energy security (Chigozie 2020). We also will try look what Diaspora is playing role in protect energy security and food security for African countries and India.

India's contribution towards food security of African countries

Africa has potential not only to achieve food security for the continent but also want to become a major player in the global food marketⁱⁱ. This potential lies in its abundant natural resources and huge population base, which offer opportunities in terms of a large labor market and an enormous food market. Africa's middle class is estimated at 350–500 million, which is larger

than India's and has a rising per capita income and greater propensity to trade and invest. The continent is today the third fastest growing economic region in the world and its rate of urbanization is higher than that of India. Agriculture forms a significant portion of the economies of all African countries and therefore it can contribute towards major continental priorities, such as eradicating poverty and hunger, boosting intra-Africa trade and investments, rapid industrialization and economic diversification, sustainable resource and environmental management (Chakrabarty 2016). Over the last decade, countries that have increased investments in agriculture as per Comprehensive Africa Agriculture Development Program (CAADP) targets (or have exceeded) have seen reductions in hunger and poverty, and increases in productivity. Ghana, Togo, Zambia, Burundi, Burkina Faso, Mali, Niger, Congo, Senegal, Ethiopia and Malawi are some examples. However, as is evident from the agricultural performance numbers, Africa still needs substantial efforts to boost investments and productivity, and establish market-oriented agri-food value chains. African agriculture therefore needs business models that can significantly increase the level of investment from the private and public sectors, as well as donors. India's contribution in Africa regarding agricultural effort, we find that India holds 4.5 million hector of African land under foreign land acquisition deals and is perceived to be a significant player in farmland acquisitions. About 70 Indian companies are already in the process of making an entry into the agriculture sector in Africaⁱⁱⁱ. The countries which offer big opportunities include Ethiopia, Malawi, Kenya, Uganda, Liberia, Ghana, Congo and Rwanda for India (Dodo 2020).

Exports of African agricultural product to India

Major agricultural commodities exported by Africa include cocoa, fresh fruits, vegetables and nuts, and fish/marine products. In value terms, on an average exports to India represented a share of 4.8% for these major agricultural commodities exported from Africa, whereas 11% of India's agricultural imports were from Africa. The year-wise trend for Financial Year 2010 to Financial Year 2014 shows that India's bilateral trade with Africa was limited to five major product categories in these years that is fresh fruits, nuts and melons, fresh vegetables, coffee, tea and spices; cotton, and fertilizers. Further, trends across these five product categories have fluctuated over the years (CII/WTO 2013).

Africa's agricultural imports from India

Major agricultural commodities imported by Africa include cereals; animal fats and oils; dairy products, eggs and edible animal products; sugar and sugar confectionery; and edible meat. In terms of value, Africa imported agricultural products worth 4,205 million USD in Financial Year 13, wherein exports from India represented a meager share of 5.1%. The year-wise trend for Financial Year 2010 to Financial Year 2013 shows that India's bilateral trade with Africa was limited to five major product categories in these years: cereals, edible meat, sugar and sugar confectionery, beverages/spirits/vinegar, and coffee and spices, with cereals, followed by meat

and sugar and sugar confectionery, being the prominent product categories imported from India^{iv}.

The India-Africa partnership for overall growth of the agriculture sector is moving towards one common goal— food security, and both economies have been flexible in their approach towards achieving the same. Therefore, there exists significant potential for both India and Africa to explore and leverage from various agricultural technologies that have been successful in increasing the productivity of small-scale farming. With Africa's economic growth gaining momentum, now is the time to evolve and collaborate for the agriculture sector to develop as a whole (FAO 2015). More than one-fourth of the world's fertile land is in Africa. However, it has the most underdeveloped and underutilized arable land. With the removal of barriers in agricultural development, the agricultural output has the potential to boom into an 880 billion USD industry by 2030.

India' contribution on African energy security

Trade and investment relations between India and Africa can be traced back thousands of years. It is said that with the help of Monsoon winds, merchants from Ancient India would sail to the East Coast of Africa to trade cotton, glass beads and other goods in exchange for gold and soft carved ivory.

Africa's burgeoning role in India's energy security is on display at the India-Africa Hydrocarbons Conference in New Delhi, which has brought officials and ministers from 22 African countries to draw a roadmap for expanding cooperation in this crucial area^v. Nine countries have been represented at the ministerial level, which includes, among others, Algeria, Morocco, Tunisia, Mauritius, Sudan and South Sudan. Building on discussions at the third India-Africa Forum Summit held in New Delhi in October last year, India is looking to import more oil from the African continent. India's oil imports from Africa rose from 15.5 percent to 26 percent in May 2015(Singh 2015). *“Over the past two decades, the African hydrocarbon sector has been expanding rapidly as also the interests of Indian oil companies in the continent”* India's Petroleum Minister Dharmendra Pradhan said at the inaugural session of the Fourth India-Africa Hydrocarbon conference, *“It is clear from our crude import figures that Africa has played an important role in India's energy security. We imported 32 Million Metric Tonnes of crude in 2014 from Africa, including 3 Million Metric Tonnes from North Africa and 29 Million Metric Tonnes from West Africa, mainly from Nigeria and Angola. This constitutes approximately 16% of our consumption. This is going to increase in the coming years.”*The number of African countries that have proven reserves of oil or gas has increased from seven in 1990 to 25 in 2015^{vi}. India imports 76 percent of its crude oil needs, which is estimated to reach 90 percent by 2030. The country also imports 37 percent of its gas requirement. Being the faster growing economy in the world, India is looking to diversify its energy imports. *“To sustain our economic growth, particularly the “Make in India” program, I expect energy demand to go up further. According to the International Energy Agency's (IEA) World Energy Outlook 2015,*

India will contribute around 25% of the growth in global energy demand and would thus be the single largest contributor to energy growth globally,” Mr Pradhan said. Besides energy, the two sides are looking to expand cooperation in key areas, including capacity building, environmental sustainability, human resource development and employment generation. India and Africa are expected to come out with a roadmap to develop strategies for the next big steps to be taken to enhance energy cooperation. The two sides are exploring opportunities at various levels to be partners in their growth and resources. Africa is rich in natural resources and India has been pushing its National Oil Companies to enhance their partnerships with African nations. Indian investments have also been made in the natural resources of Africa. In the oil sector, India’s Oil and National Gas Corporation (ONGC) has acquired shares in oil exploration ventures in Nigeria and Libya which account for 15 percent India’s oil imports (Ajay kumar dubey 2016). The Corporation has further invested about US\$690mn in the hydrocarbon sector of Sudan and about US\$12.5mn in offshore drilling in Cote d’Ivoire. Private Indian companies, on the other hand, have been seeking investment in oil rich countries like Angola, Burkina Faso, Equatorial Guinea, Senegal and Ghana. In terms of other natural resources, there have been significant investments in iron, copper and steel^{vii}. Vedanta Resources is said to have invested around US\$750mn in a copper mine project in Zambia. Similarly, Arcelor Mittal, the leading steel company in the world, has recently launched a US\$1bn project in mining in Liberia (Ganeshan 2011). The said project is expected to substantially increase employment as it is sought to introduce 15,000 direct jobs and 20,000 indirect jobs.

If we talk about energy resources and supply in Africa, even if resources are spread unevenly across the continent and are at differing stages of development, the region is well-endowed with energy resources. As a whole, Africa not only has enough fossil fuel resources, but also renewable resources, to meet the regional energy needs. However, despite significant potential and humongous efforts made over the past years to develop it, the renewable potential remains almost entirely untapped^{viii}. Modern renewable energies (e.g., hydro, solar, wind, geothermal, and non-traditional solid biomass) still account for less than 2% of SSA energy mix. In particular, hydropower potential is important, but remains untapped. For instance, only 2% of the hydro potential in DR Congo, 5% in Ethiopia, and 12% in Congo have been developed (Kalitsi 2003).

Role of Indian Diaspora in Africa on food and energy security

The word ‘Diaspora’ is derived from the Greek word *Dia* (through or over) and *sperio* (dispersal or to sow). Diaspora literally means ‘scattering’ or ‘dispersion’. In the case of the Indian Diaspora, India is that common ancestral homeland from which people, for various reasons, voluntarily or involuntarily, moved to various parts of the world. The Diaspora was thus formed due to such kind of migration. The term, ‘Diaspora’ is generally used to refer to Jewish people who reside outside Palestine. The connections that Diaspora maintain are symbolic^{ix}. For scholars, the term ‘Diaspora’ combines various categories such as immigrants, guest workers, ethnic and racial minorities, refugees, expatriates, and travellers. Diaspora may be created as a

community as a result of voluntary or forced migration, mass exile and by the emigration of economically depressed groups to other countries (Beri 2014). The first wave of Indians was brought to Africa as slaves. However, the first regular migration to Africa started with indentured laborers being hired as agricultural hands. Subsequently, economic prospects lured migrants to Africa, and they went as traders, clerks, business people, artisans, lawyers. There are more than three million PIO across the African Union countries - large numbers are found in Anglophone Africa, while smaller and a more recent population are found in Arab Africa, the Francophone and the Lusophone areas. As highlighted earlier, the initial wave of migration of Indians was concentrated along the eastern coast of Africa, and the subsequent waves spread all along the Indian Ocean coastal region in addition to the western Indian Ocean island nations. Indians can now be found across all the countries of the vast continent. The history of Indian immigration is very old (Ajay kumar dubey 2016) (Biswas 2016). In 19th century which is usually regarded as the “watershed” period. First time Indian traders come in contact with African in east Africa during Kenya- Uganda railway building.

The strength of Indian Diaspora in all over the world is approx 25 million. 11 countries are home of 1 million Indian immigrants. The largest concentration of Indian Diaspora was found in African continents^x. Large number are found in Kenya (100,000), South Africa (1500, 000), Mauritius (855,000), Reunion (220,000), Uganda (90,000) etc. According to government of India, those who migrated from territories that is currently within the borders of republic of India and their descendants (Sinha 2019).

In globalization period, India's interest in Africa is essentially economic. Africa is rich in oil and minerals. South Africa hosts largest number of Indian Diaspora in Africa possesses abundant qualities of gold, diamond and other minerals. In Botswana, country next to south Africa Indian immigrates possesses diamonds. In West Africa specially Kenya, Tanzania and Uganda are known to be rich in oils, minerals and gold, tin and here Indian immigrates play major role in it market and business. Other African countries may not have a significant number of Indian immigrates but possess minerals and other raw materials needed by India include Nigeria, Angola and Democratic Republic of Congo (Beri 2014). India could use companies owned by Indian Diaspora in Africa to access these raw materials. India could use companies owned by Indian Diaspora in Africa to access these raw materials. India also needs market for its goods. In recent time Indian immigrates has dominated the service in Africa especially in the commercial sector in the host countries. Indian owned companies in Africa often import goods from Africa. Indian Diaspora in Africa could be encouraged to invest in India. The Indian government is noticeably engaging the Indian Diaspora in Africa (Amit kumar jain 2017). Indian corporations and officials are increasingly enthusiastic by the economic and political potential of relations with the South and the Diaspora is now seen as a major resource that should be tapped into. Indians abroad in places such as Kenya and South Africa are being cast as possible lubricators of relations. However, challenges remain. The aloofness between East Africa's Indians and India remains.

Conclusion

The partnership between India and Africa is beyond strategic concerns and economic benefits; the partnership is poised for achieving the greater goals of shared prosperity and food security for all. With predictions of Africa's GDP scaling up to 2.6 trillion USD by 2020, there are hopes of creating new collaborations and partnerships between the two economies. It is estimated that additional annual investments of as much as 50 billion USD will be required to make the agricultural systems better. However, it comes with its own set of challenges, the major one being underinvestment which has inhibited growth of the African economy. Today, Indian communities in Africa constitute 12.37 percent of the total strength of India Diaspora and they reside in 46 countries of Africa inhabiting all linguistic, cultural or geographical regions of the continent (Ajay kumar dubey 2016). These people went with limited resources and to places where the physical and climatic conditions of the region were usually very difficult. However, all the hardship was overcome with courage, hard work and dedication. The influence of Indian communities in their country of adoption varies from one country to another which is largely dependent on their size of population. In case of Mauritius, they have been able to dominate in the political and socio-cultural domain. They have also been an important pillar in the political space of South Africa as well as the socio-cultural life of Reunion Island. The India-Africa Forum Summit has also provided a strong platform for the Indian and African governments to discuss the economic ties and pave way for sustainable and inclusive trade and investment. In the Second India Africa Summit, India promised to provide momentous investment in infrastructure, human capacity-building, agriculture and rural development. In the said Forum, the Indian Prime Minister then agreed that India will provide US\$300mn to help assimilate the Djibouti-Ethiopia railroad. The long history and the Diaspora presence have greatly contributed towards improving the relationship. The increasing cooperation in energy security and food security is seen as an attempt to reboot the India and Africa relationship. Thus the cooperation is seen to create a win-win situation for both in the years to come.

Notes

ⁱAfrica exports to India are growing at the rate of 32 percent annually, with Indian exports to Africa at the rate of 23 percent. The top six African exporters to India are Nigeria, south Africa, Angola, Egypt, Algeria and Morocco and account for 89 percent of total African exports by value to India mainly due to exports of oil, gas, ores and gold.

ⁱⁱIn the 1960s, many African countries were self-sufficient in food. However, due to various failures in policy making, African agriculture, specially in sub-Saharan Africa, began to suffer and Deteriote in the subsequent decades.

ⁱⁱⁱThe Indian government also encourages private sector partnership initiatives in Africa primarily by creating export-friendly policies. For more details visit this site: <https://poshan.outlookindia.com/story/how-india-and-africa-can-start-a-revolution-in-agriculture-and-food-security/353637>.

^{iv}In term of commodity categories, cereals (including rice, maize and wheat) and livestock products (dairy and meat) represent more than 50% of Africa's total food imports.

^vThe conference was organized in new Delhi on January 21 to January 22,2016. It aimed to strengthen the relation between India and Africa in all its dimensions particularly in the hydrocarbons sector.

^{vi}According to data India's overall imports in October rose 14.1 percent from a year earlier to 4.7 million barrels per day with shipments from Africa more than doubling to 874,000bpd.

^{vii}Vedanta resources of India bought the Nchanga Mine comprising three mines, Nchanga underground and Nchanga Open Pit Mine, Plus a leaching plant and a smelter andrefinery all for US\$48.2 million.

^{ix}According to Vijay mishra, Diaspora is a product of fantasy, "a joy ,a pleasure around which antimiscegenation narratives of homeland are constructed."

^x(Upendra Tripathi april 2017)The Indian community is spread across 46 countries of the African continent ,they constitute around 12 percent of the total Diaspora in Africa.

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