
BREXIT AS AN OPPORTUNITY FOR AFRICA?

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29.03.2017

Deutsche Welle (27 March 2017)

It will be a big leap into the unknown once the United Kingdom triggers formal talks to leave the European Union. The EU's existing trade agreements will then no longer apply to Britain and have to be renegotiated.

"We don't know where we are going to end," Ghana's Foreign Affairs Minister Shirley Ayorko Botwey told DW.

"Are we going to have to sign new agreements? And if so which agreements are we going to sign? All these things are very fluid at the moment, so you can't say much."

Traditionally, trade with the UK has been very important for African Commonwealth countries like Ghana. At its peak in 2012, UK-Commonwealth Trade accounted for \$120 billion (110 billion euros), according to the Commonwealth.

Some are hopeful the UK might be eyeing to boost trade with its former colonies.

Better deals for Africa?

"With UK going solo, it may strengthen our course to face them one-on-one," said financial analyst Courage Martey. Rather than dealing with the EU as a whole, "there is an opportunity for us to balance the scale, to ensure that we strike trade deals that favor especially our local business."

[Infografik Karte Afrikanische Mitgliedsländer des Commonwealth Englisch]

South Africa has similar hopes to resurrect its relationship with the UK.

"Initially there were fears that Brexit would be harmful to the South African economy because of the threat of a decline in European economic growth as a result of Brexit. But those fears have been allayed more recently as we have seen increased interest by the British in South Africa," said Azar Jammie, Chief Economist at the Johannesburg-based consultancy Econometrix.

"The latter could indeed result in more trade, more investment, which would lead to more jobs."

According to Jammie, it's all down to how Brexit will affect European economic growth.

"If you believe that Brexit is going to have a negative impact on European economic growth, bear in mind the fact that Europe is a very important trading partner for South Africa accounting for nearly a third of all its exports, then clearly Brexit would have a negative impact."

But since the UK might try to look at new markets once its links to Europe are diminished, African countries could actually stand to benefit.

"The most obvious thing to do - which many leaders of the UK have already suggested - is to look to their traditional markets, one of them obviously being South Africa. And already there are signs that there is increased interest by British companies in investing in South Africa and increasing trade relations with South Africa in order to make up for the loss of trading opportunities in Europe."

British Trade Minister Liam Fox said he wanted to strengthen trade with the Commonwealth, the 52-member bloc that should "lead the defense of free trade."

Don't go it alone

The African Commonwealth nations certainly had more leverage if they negotiated as larger blocs such as the Southern African Development Community (SADC) or the East African Community (EAC), says Brian Wanyama, an economics professor at Kibabii University in Kenya.

"It all boils down to the quality of the negotiating teams that the Commonwealth countries have. It would actually be a very good deal if the Commonwealth countries came together to negotiate as one bloc, because in that way they are likely to get a better deal out of the UK. But if they go it separately, definitely they are bound to lose out."

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'Brexit is stoppable'

That's something Lagos-based financial expert Kasuma Garba Karfi agrees with.

"When you are united, you are stronger," he said, adding negotiations with the UK were going to pose a great challenge.

According to Wanyama, the East African countries are rather optimistic about a new trade agreement, pointing to the long-established relationship between the UK and the EAC dating back to the 40s and 50s.

"There is actually hope that they will not only pick up where Brexit left them, but that the UK as a long-time friend will give East African countries preferable treatment."

However, it's not yet clear what the UK's intentions are, says Accra-based financial expert Martey.

"One of the things that got them out of the EU appears to be more of an inward looking direction. And so the priority will be the things that favor the people of the UK rather than the Commonwealth relationship."

Isaac Kaledzi, Mansour Bala Bello and Martina Schwikowski contributed to this report.

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