AFRICA AND THE COMMON MARKET

P. Tlalé

CURRENT discussion on the European Common Market has missed what lies at the root of the Common Market projects—as indeed of all previous schemes for West European unity: it is the aim of exploiting the vast resources of the African continent. The explicit assumption of the Common Market is that this last stronghold of European colonialism will continue to remain the basis for West Europe's economic prosperity and progress.

The Government's decision to enter is through the fear that a major part of ex-colonial Africa, which is now being 'associated' with the European Economic Community, will become a closed area and so weaken further the relative position of British imperialism in Africa. The integration of the economies of the former African colonies into the Common Market through a system of 'association' is now the method being adopted by the European imperialists to perpetuate their economic privileges in the newly-liberated countries. The Common Market is the instrument by which they hope *collectively* to hold unchanged the régimes of trade and investment developed in the era of open colonial rule in Africa. Hence they intend to make impossible all those economic transformations necessary to give substance to the newly-won independence of the African people. It is the essence of Neo-colonialism.

The main initiative for 'associating' Africa when the Rome Treaty was being negotiated in 1957 came from France; faced then with a rapidly disintegrating colonial empire, the French colonialists realised that their influence in Africa could only be maintained if the African colonies were bound to a vaster, more viable and resourceful framework of trade and investment than that capable of being provided by France alone. They therefore adopted the banner of European unity as a means for mobilising the resources and markets of 'Little Europe', and in particular of West Germany, for the purpose of tying the economies of the African colonies more firmly to those of France and the Common Market.

For West German capitalism it has meant renewed opportunity. West German monopolies, banks and trusts have been particularly quick in joining and even sponsoring interlocking investment *consortia* among enterprises in the E.E.C. to exploit the resources of the

African association territories, swamping the former French colonies with economic missions and offers of 'aid', and gaining new openings for capital investment and penetration. Further, West Germany entered into bilateral economic agreements with a number of new African states and is heavily involved in the 'economic investment' programme of the Common Market's Development Fund.

The colonialism of the Common Market and its aims to hold untrammelled the African basis of 'Little Europe's' prosperity is clearly seen in the terms of the African 'association' so laboriously worked into the Rome Treaty and its accompanying five-year Convention. The Treaty speaks of the declared intention of the European Six 'to confirm the solidarity which binds Europe and the overseas territories' and accordingly goes on to incorporate the then French, Dutch and Belgian empires into the E.E.C. without consulting the peoples of the colonies concerned. The Rome Treaty distinguished between two groups of 'associated' territories. The so-called overseas departments of France—Algeria, Guadeloupe, Martinique and Reunion—were treated as coming within the same provisions as applied to France (with certain important exceptions relating to social insurance, conditions, trade union rights, etc., which were excluded) by extending to all the six member countries in Europe the traditional colonial tariff privileges enjoyed by France.

The second group is of colonies proper, territories with which France, Belgium, Italy and Holland 'maintain special relations'. Of the twenty-four colonies in this group, eighteen with a population of over 53 million are in Africa. If Algeria is added to this group, well over half of the African land surface will have thus been 'associated' in the Common Market. Here again provisions on social and labour policy are excluded. The five-year Convention required this group of colonies to reduce import tariffs on goods coming from the E.E.C. to a level at least equal to the preferential custom duties for the metropolitan country directly concerned, whilst getting preferential tariffs on their raw material and agricultural exports. In this way the old system of colonial tariff privileges is generalised for all the Common Market countries, whilst there is the mutual obligation on the Six and the colonies to remove other restrictions on their trade with each other. Secondly, the freedom available to metropolitan-based capitalist enterprises and monopolies to invest capital, set up subsidiaries and generally exploit the resources and labour of the colonies was extended to enterprises in all the Common Market countries. Thus West German capital can freely enter those colonies previously restricted to nationals and enterprises of rival imperialist countries. To this was added various guarantees against risks of nationalisation in the colonies. Finally, the Convention created a 'Development Fund' of $581 million out of which 'investment projects in the associated areas will be financed', with West Germany and France contributing $200 million each.

The Five-Year Convention expires this year, and some sixteen of the African associated territories became independent in 1960. (Guinea which became independent in 1958 dissolved her association with the Common Market.) Both these developments now require a re-negotiation of the African link-up with the E.E.C. In December last, official representatives from these African states were invited to Paris to consider a French proposal that the African 'association' should continue under the same terms and conditions.

Of the sixteen states only four refused to accept the French proposal—Togo, Mali, Congo (Leopoldville) and Somalia, and decided to re-negotiate their trade links with each of the European Six to gain a greater degree of autonomy in matters of tariff and trade policy. The other twelve states, apparently pre-occupied with short-term trade advantages and the illusion of 'aid' from the Development Fund, accepted. They even went further. They claimed that as 'founder-associates' they should receive more than preferential treatment from the E.E.C. should other (British) African territories become associated as a result of the British application to join the Common Market. The Common Market had clearly revealed itself as another imperialist force for disunity and disruption in the African independence movement.

This vast design to bind a major part of the African economy to that of the E.E.C. clearly carries considerable dangers for Britain. It provides the Common Market with the prospects of an exceptional rate of economic growth and prosperity based on the rich African resources and a considerable protected market effectively closed to its capitalist rivals. The exports of British-held Africa—the colonies and ex-colonies in the sterling area—will be seriously discriminated against in the markets of the European Six, so undermining their foreign exchange-earning capacity.

What possibly has impressed Britain most has been the seeming success of the Common Market colonialists in devising plans and policies to hold on to the economies of the former French West and Equatorial African colonies, despite their advance to political independence. The British cannot show the same. In his address to the E.E.C. Council of Ministers in October last, Mr. Edward Heath carefully outlined a case for the inclusion of the 'less developed and dependent states of the Commonwealth' in the Common Market. He recognised that 'some Commonwealth countries have expressed the opinion that the present arrangements for association in the Common Market are not appropriate for independent states', but hoped that these opinions might change. In essence the British plan to involve Britain's African colonies and ex-colonies in the Common Market is designed to preserve the imperial tariff preference system and at a stretch to share it with the six countries of the E.E.C. In return the United Kingdom government asks for unlimited market opportunities for the export products of the African sterling area region.

All this has the most far-reaching implications for the economies of Africa. Tying such unequal economies as those of Africa and West Europe in a concentrated customs and tariff preference system cannot but lead to increased backwardness and dependence of Africa. Already the economies of almost all African countries are intensely specialised, with what are virtually single crops. Commodity circulation is narrow and practically confined to foreign trade, which itself is of a special kind, and largely in the hands of metropolitan-based monopolies, which dominate the markets for native products, determine prices and wages, own and manage vast plantations and mines and hence expropriate virtually the whole of the economic surplus. One crucial factor promoting this kind of specialisation is the system of privileged colonial tariff and trade preferences, especially the French and British.

Will not this process of colonial specialisation and the resulting economic backwardness become more intensive in the associated territories linked, as they will be, by a uniform tariff and trade policy to the vaster and more powerful industrial complex of the Common Market? There can be no doubt about the answer. True, Article 133 of the Rome Treaty recognises that these territories may levy customs duties which 'correspond to the needs of their development'. But in practice this right is reduced to nothing; the tariffs imposed on the colonies were already quite inadequate to protect infant industries. Rather the Common Market with its enormous appetite for raw materials and protected markets will tend to freeze the economies of the associated territories into a strictly colonial framework, so rendering their hard-won independence as little more than a façade for the colonialism of the Common Market.

The Common Market monopolies are made stronger and more aggressive by their ability to mobilise vast sums of capital and by the assurances against nationalisation. The leading banks and monopolies in the E.E.C. have set up investment *consortia* to exploit the associated overseas territories. The Development Fund of $581 million is primarily to finance the development of 'infra-structure' projects—roads, railways, and communications, necessary to link the hinterland to the ports, so as to make investment more profitable. By the end of 1961, grants amounting to $250 million from the Fund for 221 projects, all in Africa, were authorised, over 185 covering infra-structure investments. For 1962, a further $330 million will be disbursed in Africa. The E.E.C. Council of Ministers have now approved an extension of the Fund's powers for the years after 1962 and are providing facilities for spending at a rate of $220 million a year from 1963.

Above all, the Common Market intensifies divisions in Africa. The link-up with the E.E.C. have made the various attempts of the former French colonies to create their own tariff and economic unions of little consequence. Politically, the Common Market has been an important factor encouraging disunity and rivalry among African states. Some of the states by having become dependent on contributions and trade outlets in the Common Market have been forced to tie their policies to those of the European colonialists. The inability of former French territories to agree to the participation of the Algerian Provisional Government at the recent Conference of African States in Lagos is a reflection of this.

The Third All-African Peoples Conference held in March, 1961, warned sharply against the dangers of the Common Market in its celebrated resolution on neo-colonialism. In his Budget address of last July, Dr. Nkrumah explained:

> those African states who have been inveigled into joining this union will continue to serve as protected overseas markets for the manufactured goods of their industrialised partners and the source of cheap raw materials.

Other leaders in Africa have denounced the Common Market.

As far back as 1915 Lenin wrote that 'a United States of Europe under capitalism is tantamount to an agreement to divide up the colonies'. Today, the slogan of European unity is again being resurrected to secure the collective power of European colonialism.