## **USC** Center on Public Diplomacy

# IMPROVING FREE TRADE BETWEEN SUB-SAHARAN AFRICA & THE UNITED STATES: THE CURRENT AGREEMENT, POTENTIAL SOLUTIONS & PUBLIC DIPLOMACY STRATEGIES Madison Jones



### Winner, CPD Best Student Paper Prize in Public Diplomacy, 2017

University of Southern California

#### **ABSTRACT**

Sub-Saharan Africa, a region made up of the majority of the world's Least Developed Countries (LDCs), has benefitted from trade and access to global markets. However, with over 40% of the region still living in poverty, there needs to be a focus on greater trade access in order to expand economic opportunities and increase African exports, specifically with the United States. Sub-Saharan exports include petroleum, agricultural products and manufactured goods, while most of its imports are finished products, such as engineering products and vehicles<sup>2</sup>. While the region accounts for a small share of world trade, foreign trade represents more than 50% of the GDP in many areas of Sub-Saharan Africa. Instead of viewing Africa as an impoverished region desperately in need of massive aid packages to survive, the world, and specifically the United States, needs to start to view trade as a viable source of aid in Sub-Saharan Africa, and Africa as a strong trading partner that can benefit the economies of both the United States and Sub-Saharan Africa through decreased trade

<sup>&</sup>lt;sup>1</sup> Meltzer, Joshua. "Deepening the United States-Africa Trade and Investment Relationship." *Brookings Institution*. (Accessed April 15, 2017). <a href="https://www.brookings.edu/testimonies/deepening-the-united-states-africa-trade-and-investment-relationship/">https://www.brookings.edu/testimonies/deepening-the-united-states-africa-trade-and-investment-relationship/</a>

<sup>&</sup>lt;sup>2</sup> Schmieg, Evita. "Africa's Position in Global Trade: Free Trade Agreements, WTO and Regional Integration". *German Institute for International and Security Affairs*. 2016.

<sup>&</sup>lt;sup>3</sup> "Trade." *The World Bank*. (Accessed April 15, 2017). http://data.worldbank.org/indicator/NE.TRD.GNFS.ZS

barriers which include duty-free tariffs and quotas for African countries. The idea of a new and innovative Africa capable of participating in free trade agreements will benefit the global economy as the African market starts to be taken seriously. In addition, expanded trade deals will provide Sub-Saharan Africa with the development, infrastructure and wealth that it needs, thus reducing the need for as much foreign aid in the future. As such, this policy memo seeks to address the current trade relationship between Sub-Saharan Africa and the United States and propose solutions for expanding access to free trade. This analysis also proposes a public diplomacy strategy aimed at the United States in order to improve the image of Africa and free trade with the continent, and the economic benefits that would be reaped from the proposed expansion.

#### U.S. TRADE WITH SUB-SAHARAN AFRICA

The trade relationship between Sub-Saharan Africa and the United States exists - but does not play a significant role in the region's economy. In order for Africa to emerge as a strong trading partner, the United States must reassess its trade agreement with the region. Currently, the United States and Africa operate under the African Growth and Opportunity Act (AGOA). The act, signed in 2000, "seeks to enhance market access to the United States for qualifying Sub-Saharan African (SSA) countries." The AGOA was a step in the right direction in terms of treating African nations as trading partners capable of such an economic relationship, but the current agreement includes restrictions that actually prevent a deepening bilateral trade relationship, therefore curtailing the growth and improvement of Sub-Saharan Africa. In order for the region to achieve its true potential as economically prosperous, access to trade must be widened. For a region where foreign trade represents a majority of its GDP, restrictive trade agreements prevent Sub-Saharan countries from reaping the benefits of free trade: economic prosperity, democracy, improved labor rights, improved infrastructure. Many of these economic problems facing Africa today could be benefitted by free trade deals. As such, participation of the United States is absolutely crucial to achieving these goals.

In order to expand trade between the United States and the Least Developed Countries, the U.S. relies on the Generalized System of Preferences (GSP) to offer duty-free access to goods. The GSP "promotes economic development by eliminating duties on up to 5,000 types of products when imported from one of 122 designated

<sup>&</sup>lt;sup>4</sup> "About AGOA." *African Growth and Opportunity Act.* (Accessed April 15, 2017). https://agoa.info/about-agoa.html

beneficiary countries and territories." The current AGOA expands on that premise in order to provide duty-free access to goods that are not covered under the GSP. The idea was to open trade access while also promoting good governance. The AGOA gives eligibility to Sub-Saharan countries which show progress in democratic governance, establishing a free market economy, fighting corruption, etc. The premise of the AGOA seems to achieve the overall goals of improving trade with Africa and promoting democracy, but it severely lacks a larger role in creating sustainable growth within Sub-Saharan Africa. Despite the existence of the AGOA, the United States only makes up 7% of Sub-Saharan African exports, a significantly low number despite the idea behind the agreement that better trade access will lead to economic growth. This might be true in generalized terms, but the United States does not have a strong hold on that claim, as it is not the leading trade partner with Africa.

To compare, Europe is Sub-Saharan Africa's biggest importer of goods<sup>8</sup> and receives 10 times more of Africa's imports than does the United States<sup>9</sup>. Europe's treatment of trade with Africa allows for a major larger share of the region's exports. For example, while the United States has strict guidelines about which products can be imported duty free, Europe imports more duty-free goods from the Least Developed Countries than the United States. An astounding 92.3% of goods were imported to the EU duty-free, compared to only 34.3% of goods imported to the U.S. duty-free.<sup>10</sup> The EU's trade policy with Least Developed Countries has generated almost twice as many imports compared the U.S. trade policy, resulting in the idea that "EU trade policy does

\_

<sup>&</sup>lt;sup>5</sup> "Generalized System of Preferences." *Office of the United States Trade Representative.* (Accessed April 15, 2017). <a href="https://ustr.gov/issue-areas/trade-development/preference-programs/generalized-system-preference-gsp">https://ustr.gov/issue-areas/trade-development/preference-programs/generalized-system-preference-gsp</a>

<sup>&</sup>lt;sup>6</sup> Florance, Charlotte, Kim, Anthony and Schaefer, Brett. "Congress Should Pave the Way for a U.S. – Africa Free Trade Agreement." *The Heritage Foundation*. (Accessed April 15, 2017). <a href="http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement">http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement</a>

<sup>&</sup>lt;sup>7</sup> Schmieg, Evita. "Africa's Position in Global Trade: Free Trade Agreements, WTO and Regional Integration". *German Institute for International and Security Affairs*. 2016. Pg. 7.

<sup>&</sup>lt;sup>8</sup> Ibid.

<sup>&</sup>lt;sup>9</sup> Meltzer, Joshua. "Deepening the United States-Africa Trade and Investment Relationship." *Brookings Institution*. (Accessed April 15, 2017). <a href="https://www.brookings.edu/testimonies/deepening-the-united-states-africa-trade-and-investment-relationship/">https://www.brookings.edu/testimonies/deepening-the-united-states-africa-trade-and-investment-relationship/</a>

<sup>&</sup>lt;sup>10</sup> Davies, E., and Nilsson, L. "A Comparative Analysis of EU and US Trade Preferences for the LDCs and the AGOA Beneficiaries." *European Commission*. Issue 1. 2013. Pg.7.

better than U.S. trade policy,"<sup>11</sup> a stunning conclusion for a country like the United States which prides itself on economic liberalization and the free market economy.

#### ADJUSTING THE AGOA TO PROMOTE FREER TRADE

In order for the United States to be a partner in a successful trading relationship with Sub-Saharan Africa, the country needs to make some changes to its AGOA policy toward trade. The U.S. should seek to emulate the EU's policy of expanding duty-free imports. While the U.S. imports many agricultural products duty-free from Sub-Saharan Africa, there are a few goods, such as sugar and cotton, where if tariffs were reduced, would stimulate trade and increase exports. The amount of goods the EU is able to important is increased because of their vast elimination of tariffs, making them a leader in the trading sphere with Africa.

Another benefit to eliminating these tariffs is the diversification of exports from AGOA countries. The agreement is largely dominated by Nigeria, Angola, and South Africa<sup>13</sup> - meaning the majority of the economic benefit will go to those three countries, leaving out a large portion of Sub-Saharan Africa. The economic benefits of trade and the idea of a new and innovative Africa will largely go unseen if trade benefits are not extended beyond these three countries. The elimination of tariffs will help to expand the list of U.S. imports from Sub-Saharan Africa, opening the market for additional countries to join. Another impediment to additional countries using AGOA is the concern that the agreement will fail to be extended. "African leaders are calling for a long-term extension to eliminate the uncertainties that shroud the treaty. They argue that it is only by extending the treaty by a minimum of 15 years that investors will feel comfortable investing in the content because they will have ample time to recoup their investments." <sup>14</sup> After the expiration date of the treaty in September 2015, President Obama extended AGOA until December 31, 2017. Unfortunately, this timeline still does not fit the hope of African leaders to extend the agreement longterm. "Failure to renew AGOA on a long-term basis risks reversing these gains and

<sup>&</sup>lt;sup>11</sup> Ibid., 15.

<sup>&</sup>lt;sup>12</sup> Meltzer, Joshua. "Deepening the United States-Africa Trade and Investment Relationship." *Brookings Institution*. (Accessed April 15, 2017). <a href="https://www.brookings.edu/testimonies/deepening-the-united-states-africa-trade-and-investment-relationship/">https://www.brookings.edu/testimonies/deepening-the-united-states-africa-trade-and-investment-relationship/</a>

<sup>&</sup>lt;sup>13</sup> Njiraii, John. "AGOA: The U.S. – Africa Trade Dilemma.". *Africa Renewal Online*. (Accessed April 15, 2017). <a href="http://www.un.org/africarenewal/magazine/december-2014/agoa-us%E2%80%93africa-trade-dilemma">http://www.un.org/africarenewal/magazine/december-2014/agoa-us%E2%80%93africa-trade-dilemma</a>

<sup>14</sup> Ibid

undermining America's credibility as a reliable economic partner in the region."<sup>15</sup> The United States could significantly enhance the AGOA just by agreeing to a long-term extension, thus eliminating many of the fears African nations have about the longevity of the plan.

Another means to open trade access and increase Sub-Saharan exports is to eliminate quotas, another restriction on trade, because "U.S. quotas on agriculture exports exist on a range of products that African producers already export to Europe and where their revealed comparative advantage suggests that they could successfully export to the U.S. if access to quotas was expanded." The existence of quotas is yet another reason why the EU is beating the U.S. in terms of trade policy with Africa. The existence and strict guidelines of current quotas limit the number of goods that can be exported to the U.S., and because the EU doesn't impose these same quotas, Africa is able to export more to the region than they are to the U.S. Adjusting the AGOA also means opening the door to a two-way trade agreement. By eliminating tariffs and trade barriers to Sub-Saharan African countries, these countries would reciprocate by offering the U.S. preferential access to the African market, creating a chance for a mutually beneficial trade deal.

#### **CURRENT VIEW OF AFRICA IN THE UNITED STATES**

Favorability of the United States in Africa is not a problem – according to Pew Research, African countries overwhelmingly view the United States positively. <sup>16</sup> Therefore, in order to create a successful bilateral trade relationship, the United States' view of Africa needs to be adjusted. Americans' view of Africa is twofold: American's often see African countries as largely poor, unstable, undemocratic, corrupt. Images of villages with hungry children often fill our news reports, creating the common, age-old remark that we can't waste food because there are "starving children in Africa." News reports of Africa portray Africans as "naked, black, dis- eased, starving, savages,

<sup>&</sup>lt;sup>15</sup> Florance, Charlotte, Kim, Anthony and Schaefer, Brett. "Congress Should Pave the Way for a U.S. – Africa Free Trade Agreement." *The Heritage Foundation*. (Accessed April 15, 2017). <a href="http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement">http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement</a>

<sup>&</sup>lt;sup>16</sup> Wike, Richard, Stokes, Bruce and Poushter, Jacob. "America's Global Image." *Pew Research Center*. (Accessed April 15, 2017). <a href="http://www.pewglobal.org/2015/06/23/1-americas-global-image/">http://www.pewglobal.org/2015/06/23/1-americas-global-image/</a>

ignorant, without any religion or culture, no written language."<sup>17</sup> Even in international media, the dominating images of Africa are negative; they focus "on war and conflict, poverty and disaster, passivity and despair." <sup>18</sup> These images are problematic. While issues such as these do exist in parts of Africa, it doesn't give the foreign public an accurate view into the lives of the African people. Instead of watching news reports about the boom in Kenyan technological entrepreneurship, or start-up opportunities throughout Sub-Saharan Africa, the media has chosen a specific frame in which to portray the continent – and in turn, the American public has become socialized to the idea of a poor and desolate Africa because of the many years of watching this particular frame.

American's view of Africa also comes from a fear of nation-building and meddling in global affairs. Images of Africa, including the ones showcasing the region's poverty, also tend to highlight the fact that Africa is in need, and that "it needs the 'West' to prosper and to help young children. Africa is represented as totally powerless and plays a completely passive role." This represents another problem for the West. Not only have we been socialized to the idea of Africa as a poor country, but we've been socialized to the idea that Africa needs a "savior" in the form of Western involvement. This image is even perpetuated by non-governmental organizations that seek to solve the economic problems in Africa. To fundraise, an organization must appeal to the emotions of the donor, and in order to do so, they must use the same images of Africa we've been seeing throughout our lives as Americans. While the goal of fundraising is to do good, nothing will change if this vision of Africa remains. Images "strongly anchor in our heads and create stereotypes, false images of the world around us"20 preventing the West from truly understanding the nuances of development and life in Africa. As a result, Americans are linked to this idea that this desperate country needs massive aid in order to survive.

The problem herein lies in the fact that 53% of likely U.S. voters oppose nation-building efforts by the U.S. government.<sup>21</sup> After the presidencies of George W. Bush

<sup>&</sup>lt;sup>17</sup> Ogundimu, Folu. "Images of Africa on U.S. Television: Do You Have Problems with That?" *A Journal of Opinion*. Cambridge University Press. Volume 22, No.1. Pg. 8. (Accessed April 17, 2017).

<sup>&</sup>lt;sup>18</sup> Dolinar, Maja, Sitar, Polona. "The Use of Stereotypical Images of Africa in Fundraising Campaigns." *European Scientific Journal*. Volume 9, No.11. Pg. 21. (Accessed April 17, 2017).

<sup>&</sup>lt;sup>19</sup> Ibid., 29.

<sup>&</sup>lt;sup>20</sup> Ibid., 22.

<sup>&</sup>lt;sup>21</sup> "Most Voters Say No to Further U.S. Nation-Building Efforts." *Rasmussen Reports*. (Accessed April 18, 2017).

and Barack Obama, the United States electorate felt that after 15 years of war, nation-building should not be a priority for the country. This idea is perpetuated by the election of Donald J. Trump to the U.S. Presidency. His extreme rhetoric and "America First" statements have ignited a populist revolution in which millions of Americans voted in order to focus on building up the U.S. before building up other nations. Another part of nation-building is democracy promotion, an idea that became a major theme to President Bush's foreign policy during his administration. However, President Trump's rhetoric points to a deviation from this principle, a preference instead to focus on American interests and minimize involvement abroad.

As a result of the socialization of U.S. public to the idea that Africa is an impoverished, desolate, starving nation, in addition to its image as a broken continent in need of a Western Savior and the current opposition to nation-building and democracy promotion across the world, how can the United States become socialized to the idea that trade with Sub-Saharan Africa would be beneficial?

#### PAST CAMPAIGNS TO IMPROVE AFRICA'S IMAGE

The idea of promoting Sub-Saharan Africa as an innovative nation who could become a strong trading partner for the United States does not fit with the current representation of Africa. However, there have been past campaigns to improve the image of Africa abroad, providing a possible framework for socializing the public to the idea of a new Africa.

The hashtag #TheAfricaTheMediaNeverShowsYou became went viral in 2015. The hashtag was filled with images of Africa that are the complete opposite of what the West was socialized to believe. Images include features of the three female heads of state in Africa, schools in Zimbabwe, hospitals in Kenya, infrastructure projects in Ethiopia, the beauty of Mozambique, teenage entrepreneurs in Nigeria, among others.<sup>23</sup> These images were posted by Africans to fight back against the stereotypes

http://www.rasmussenreports.com/public\_content/politics/general\_politics/august\_2 016/most\_voters\_say\_no\_to\_further\_u\_s\_nation\_building\_efforts

<sup>&</sup>lt;sup>22</sup> Carothers, Thomas. "Prospects for U.S. Democracy Promotion Under Trump." *Carnegie Endowment for International Peace*. (Accessed April 18, 2017). <a href="http://carnegieendowment.org/2017/01/05/prospects-for-u.s.-democracy-promotion-under-trump-pub-66588">http://carnegieendowment.org/2017/01/05/prospects-for-u.s.-democracy-promotion-under-trump-pub-66588</a>

<sup>&</sup>lt;sup>23</sup> Banning-Lover, Rachel. "The Africa The Media Never Shows You – In Pictures". *The Guardian*. (Accessed April 17, 2017). <a href="https://www.theguardian.com/global-development-professionals-network/2015/jun/30/the-africa-the-media-never-shows-you-in-pictures">https://www.theguardian.com/global-development-professionals-network/2015/jun/30/the-africa-the-media-never-shows-you-in-pictures</a>

they are so often reduced to, in order to share a new idea of Africa that isn't focused on catastrophe and despair. The Twitter campaign, which spread to Instagram as well, produced over 60,000 tweets showcasing another side of Africa.<sup>24</sup>

Sub-Saharan Africa also has leaders who are hoping to shed stereotypes of Africa as well. Mosunmola "Mo" Abudu, who was dubbed "The Oprah of Africa," runs EbonyLife TV, the only continent-wide TV network. She also hosts her own talk show on the network where she offers viewers an inside look at a different Africa, one that is separate from stereotypes. "The realities that you often see on television are not the only realities that exist. So, it is important for us to show the world that there's another reality. Also, it is important for us as Africans to see a more positive side of Africa rather than that is often reported, I am sorry to say, by the Western media." Abudu is hopeful that she can help to change the stereotypes that plague the continent by showcasing the emerging technologies and economic growth seen by the region.

A new book coming out in May 2017 also seeks to re-tell the story of African society. The book will feature a collection of photographs to showcase "the young generation of creatives in Nairobi who want to 'rebrand Africa's future'." These photographs feature musicians, stylists, designers, social media entrepreneurs, architects, and much more in order to offer a "different perspective of Kenyan society." This becomes difficult when the media chooses the "poverty" frame over the "innovation" frame. However, in order to socialize the U.S. public to the idea of freer trade with Sub-Saharan Africa, old stereotypes must be set aside in favor of more accurate representations of the continent – representations which include sectors of the economy that are growing, and images of a developing region as opposed to a region desperate for aid and monetary help. By changing the conversation from "aid to trade" by highlighting the growth of the African continent and its people, perhaps the U.S. public will open their minds to an expanded AGOA that benefits both the economies of Sub-Saharan Africa and the United States.

2

<sup>&</sup>lt;sup>24</sup> Eggert, Jessica. "The Africa That The Media Never Shows You." *Mashable*. (Accessed April 18, 2017). <a href="http://mashable.com/2015/07/07/the-africa-media-never-shows-you/">http://mashable.com/2015/07/07/the-africa-media-never-shows-you/</a>
<sup>25</sup> Murdock, Heather. "Africa's Oprah Showcases Different Side of Continent." *Voice of America*. (Accessed April 18, 2017). <a href="http://www.voanews.com/a/africas-oprah-showcases-different-side-of-continent/1906565.html">http://www.voanews.com/a/africas-oprah-showcases-different-side-of-continent/1906565.html</a>

<sup>&</sup>lt;sup>26</sup> "The Nairobi Style-Makers Showing a Different Side of Kenyan Society." *True Africa*. (Accessed April 18, 2017). <a href="http://trueafrica.co/picture\_story/style-movers-rebranding/">http://trueafrica.co/picture\_story/style-movers-rebranding/</a> <sup>27</sup> Ibid

#### PLAN TO IMPROVE THE UNITED STATES' IMAGE OF TRADE WITH AFRICA

Ikenberry and Kupchan argue that "acquiescence is achieved by the transmission of norms and reshaping value orientations and not simply by material incentives" 128. This statement accurately describes the socialization process in this situation. While material incentives and inducements do certainly play a role in this situation – one of the mechanisms for socialization is convincing the American public that expanding free trade with Sub-Saharan Africa will economically benefit both countries – the argument for normative suasion also plays a significant role. Material inducements are secondary; first and foremost, the American public needs to experience ideological persuasion in order to start seeing Sub-Saharan Africa as reliable, strong, modern and innovative as opposed to weak and impoverished. This fundamental ideological stance, which has been perpetuated by the Western media for years, cannot be rectified solely through an economic discussion. The fight for hearts and minds must be done through a public diplomacy strategy aimed at reshaping the image of Africa in the minds of Americans.

Past campaigns, like the #TheAfricaTheMediaNeverShowsYou, is a prime example of an attempt at an ideological shift. In order for socialization to occur, this process must be done long-term, and not limited to one simple campaign. Consistent public relations and social media outreach by Sub-Saharan African innovators could attract media attention and help the progress toward ideological persuasion. So why haven't previous campaigns been successful in moving the needle in socialization of the U.S.? It's possible there is still a serious deficit in the amount of positive news about Africa that is being published and promoted. News media look for sound bites and topics that would garner viewers' attention, and often, these topics are negative. It's precisely why Kony2012 and #BringBackOurGirls gained widespread attention - not that they weren't worthy causes, but that it further perpetuates the stereotype of a corrupt and broken Africa, in need of the West to be the leader in bringing back their girls, because the underlying message is that Africa cannot save the girls themselves. In addition, the positive re-framing of Africa hasn't gained traction in the past because the messages were used as stand-alone issues. Portraying the occasional model from Nairobi aims to break stereotypes about African women, but instead, these standalone representations are seen as the exception, not the rule. In addition, these messages run the gamut in terms of what the messenger is hoping to portray. There's a variety of images of models, lifestyle gurus, professionals and engineers without a focus on one frame. Instead of covering all of the stereotypes, the image shaping of

<sup>&</sup>lt;sup>28</sup> Ikenberry, John and Kupchan, Charles. "Socialization and Hegemonic Power". *International Organization*. Volume 44, No. 3.

Africa must be achieved through a major, strategic push toward one single re-frame. Only then might success can be reached. It's important for Africans, especially those in emerging fields such as technology, to be portrayed as serious entrepreneurs to the foreign public, because this idea of entrepreneurship and innovation will be directly tied to trade. Images of lifestyle influencers and models are not the target representative of Africa in this circumstance, here we are only focusing on showcasing the growth of Africa.

For example, the use of consistent Twitter campaigns similar to the above #TheAfricaTheMediaNeverShowsYou could be beneficial if the focus is on entrepreneurship and leadership. Other Twitter promotions with hashtags such as #AfricanEntrepreneur or #AfricanInnovation could showcase African innovators who are contributing to the economy and regional growth. The problem isn't that these leaders in Sub-Saharan Africa don't exist—it's that they aren't publicized. Twitter doesn't solve all the problems however, as the social media platform cannot reach everyone. Therefore, organizations who are proponents of free trade in Sub-Saharan Africa, like the Africa Free Zone Association, could fund filmmakers to create a documentary or mini-series to get an inside look into technological innovations in Africa, which could be shown in the United States, on a platform like CNN, which often explore cultural themes and topics from around the world.

Ideological persuasion is an essential part of changing Americans' minds about the images of Africa, but as Ikenberry and Kupchan state, the secondary option mentioned above is material incentives. There are a variety of economic benefits to use as factors in persuading the American public to accept expanded free trade.

One such factor is the coordination of intra-African trade. In 2015, The Common Market for Eastern and Southern Africa, the East African Community and the Southern African Development Community established a free trade area<sup>29</sup>, a massive step toward a much larger free trade area that would facilitate free trade in Africa with zero tariffs. Intra-African trade exemplifies the continent's ability to make a massive trade deal, which would play a large role in further stimulating the African economy and boosting growth. At its core, showcasing Africa's ability to trade and engage in the elimination of tariffs and trade impediments is a way to encourage the American public that Africa is capable of making major economic decisions like free trade. As intra-regional trade within Africa becomes realized, public relations should be used in order to spread these messages about the continent's ability to trade freely.

<sup>&</sup>lt;sup>29</sup> "Boosting Intra-African Trade Through RECs". *COMESA*. (Accessed April 19). http://www.comesa.int/call-for-papers-2017-boosting-intra-african-trade-through-recs/

The idea that trade is better than aid is another angle that should be used when promoting free trade of the United States and Sub-Saharan Africa. With the number of Americans opposed to nation-building and fears about the economic environment in the U.S., there is a fear that providing too much aid will detrimentally affect the U.S. economy. However, a trade deal can be much more persuasive than an aid package because of the wide-ranging benefits. The idea of freer trade "is critical to America's efforts to replace poverty with economic freedom and prosperity in the continent" When thinking about aid, it's no wonder Americans prefer not to get involved in global affairs. 'Despite tens of billions of dollars of assistance and years of effort, "31 aid has not accomplished what it's set out to.

Trade, on the other hand, has a variety of benefits: democracy, international cooperation, and of course, economic gains like job creation and growth. Billions of dollars can be given as aid to governments to assist their countries, but if the money is mismanaged by government leaders, the problem ceases to disappear. Instead, trade brings economic benefits and good governance by requiring countries participating in free trade to follow a certain set of rules regarding democracy, law enforcement, a free market economy, etc. If these governments fail to meet the standards, they lose out on the trade deal, costing them much-needed assistance. As a result, there's a monetary incentive for African countries to democratize so they can be a part of trade. By understanding the argument for trade instead of aid, Americans may gain some insight into why it is financially sound to participate in trade, rather than continuing to spend billions in aid that does little to benefit these countries.

While expanding the AGOA with Sub-Saharan Africa has obvious benefits for the countries in the region, a significant part of socializing the American public is the argument that this trade is beneficial to the U.S. economy, as well. In fact, a report by the African diplomatic corps "estimated that AGOA has generated about 350,000 direct jobs and 1,000,000 indirect jobs in Sub-Saharan Africa, and about 100,000 jobs in the United States" It's imperative to highlight not only job gains in Sub-Saharan

\_

Florance, Charlotte, Kim, Anthony and Schaefer, Brett. "Congress Should Pave the Way for a U.S. – Africa Free Trade Agreement." *The Heritage Foundation*. (Accessed April 15, 2017). <a href="http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement">http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement</a>

<sup>&</sup>lt;sup>31</sup> Haass, Richard. "Trade More Than Aid." *Council on Foreign Relations*. (Accessed April 19, 2017). <a href="http://www.cfr.org/trade/trade-more-than-aid/p9299">http://www.cfr.org/trade/trade-more-than-aid/p9299</a>

Florance, Charlotte, Kim, Anthony and Schaefer, Brett. "Congress Should Pave the Way for a U.S. – Africa Free Trade Agreement." *The Heritage Foundation*. (Accessed April 15, 2017). <a href="http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement">http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement</a>

Africa, but the job gains the U.S. makes from trade. In addition, since the AGOA was put into place, U.S. exports to Sub-Saharan Africa increased from \$6.7 billion before AGOA, to \$21.8 billion, after AGOA. This number could continue to rise should the doors of trade be opened further, allowing for more open access to the African market, and vice versa. Another aspect of trade benefits the American public should consider is the type of product the U.S. is exporting to Sub-Saharan Africa. The rise of populism has ties to the Rust Belt of the U.S., where blue collar workers have felt manufacturing losses since NAFTA. However, the top exports from the U.S. to Sub-Saharan African through the AGOA are machinery, aircraft, vehicles, mineral fuel and electrical machinery. Therefore, the argument that the manufacturing sector might suffer as a result of new trade deals is inaccurate—in fact, the industry may actually benefit from expanded trade with Sub-Saharan Africa.

#### CONCLUSION: RETHINKING TRADE WITH SUB-SAHARAN AFRICA

Trade with Sub-Saharan Africa is an opportunity the U.S. should not miss out on. In order for the proposed policy adjustments to be made, such as extending the AGOA by 15 years, eliminating trade barriers such as tariffs and quotas, the U.S. public needs to be socialized to the idea that Africa is capable of becoming a reliable trading partner. Sub-Saharan Africa needs to focus on re-framing their region from one that is impoverished, desolate, corrupt and in need of a Western Savior in the form of massive aid, into a region that is innovating and experiencing entrepreneurial growth. Through the use of public diplomacy strategies like social media, public relations and international broadcasting, in addition to including insight into the material incentives for both economies to engage in trade, the U.S. public could become successfully socialized to the idea of free trade with Sub-Saharan Africa, paving the way for a better, more expanded AGOA and a stronger Sub-Saharan Africa and United States.

<sup>&</sup>lt;sup>33</sup> Ibid.

<sup>&</sup>lt;sup>34</sup> "Africa." Office of the United States Trade Representative. (Accessed April 19, 2017). https://ustr.gov/countries-regions/africa

#### **WORKS CITED**

- "About AGOA." *African Growth and Opportunity Act.* (Accessed April 15, 2017). <a href="https://agoa.info/about-agoa.html">https://agoa.info/about-agoa.html</a>
- "Africa." Office of the United States Trade Representative. (Accessed April 19, 2017). https://ustr.gov/countries-regions/africa
- Banning-Lover, Rachel. "The Africa The Media Never Shows You In Pictures". *The Guardian*. (Accessed April 17, 2017). <a href="https://www.theguardian.com/global-development-professionals-network/2015/jun/30/the-africa-the-media-never-shows-you-in-pictures">https://www.theguardian.com/global-development-professionals-network/2015/jun/30/the-africa-the-media-never-shows-you-in-pictures</a>
- "Boosting Intra-African Trade Through RECs". COMESA. (Accessed April 19).

  <a href="http://www.comesa.int/call-for-papers-2017-boosting-intra-african-trade-through-recs/">http://www.comesa.int/call-for-papers-2017-boosting-intra-african-trade-through-recs/</a>
- Carothers, Thomas. "Prospects for U.S. Democracy Promotion Under Trump."

  Carnegie Endowment for International Peace. (Accessed April 18, 2017).

  <a href="http://carnegieendowment.org/2017/01/05/prospects-for-u.s.-democracy-promotion-under-trump-pub-66588">http://carnegieendowment.org/2017/01/05/prospects-for-u.s.-democracy-promotion-under-trump-pub-66588</a>
- Davies, E., and Nilsson, L. "A Comparative Analysis of EU and US Trade Preferences for the LDCs and the AGOA Beneficiaries." *European Commission*. Issue 1. 2013. Pg.7-15
- Dolinar, Maja, Sitar, Polona. "The Use of Stereotypical Images of Africa in Fundraising Campaigns." *European Scientific Journal*. Volume 9, No.11. Pg. 21. (Accessed April 17, 2017).
- Eggert, Jessica. "The Africa That The Media Never Shows You." *Mashable*. (Accessed April 18, 2017). <a href="http://mashable.com/2015/07/07/the-africa-media-never-shows-you/">http://mashable.com/2015/07/07/the-africa-media-never-shows-you/</a>
- Florance, Charlotte, Kim, Anthony and Schaefer, Brett. "Congress Should Pave the Way for a U.S. Africa Free Trade Agreement." *The Heritage Foundation*. (Accessed April 15, 2017). <a href="http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement">http://www.heritage.org/trade/report/congress-should-pave-the-way-us-africa-free-trade-agreement</a>

- "Generalized System of Preferences." Office of the United States Trade Representative. (Accessed April 15, 2017). <a href="https://ustr.gov/issue-areas/trade-development/preference-programs/generalized-system-preference-gsp">https://ustr.gov/issue-areas/trade-development/preference-programs/generalized-system-preference-gsp</a>
- Ikenberry, John and Kupchan, Charles. "Socialization and Hegemonic Power". International Organization. Volume 44, No. 3.
- Meltzer, Joshua. "Deepening the United States-Africa Trade and Investment Relationship." *Brookings Institution*. (Accessed April 15, 2017). <a href="https://www.brookings.edu/testimonies/deepening-the-united-states-africatrade-and-investment-relationship/">https://www.brookings.edu/testimonies/deepening-the-united-states-africatrade-and-investment-relationship/</a>
- "Most Voters Say No to Further U.S. Nation-Building Efforts." Rasmussen Reports.

  (Accessed April 18, 2017).

  <a href="http://www.rasmussenreports.com/public\_content/politics/general\_politics/august\_2016/most\_voters\_say\_no\_to\_further\_u\_s\_nation\_building\_efforts">http://www.rasmussenreports.com/public\_content/politics/general\_politics/august\_2016/most\_voters\_say\_no\_to\_further\_u\_s\_nation\_building\_efforts</a>
- Murdock, Heather. "Africa's Oprah Showcases Different Side of Continent." *Voice of America*. (Accessed April 18, 2017). <a href="http://www.voanews.com/a/africas-oprah-showcases-different-side-of-continent/1906565.html">http://www.voanews.com/a/africas-oprah-showcases-different-side-of-continent/1906565.html</a>
- The Nairobi Style-Makers Showing a Different Side of Kenyan Society." *True Africa*. (Accessed April 18, 2017). <a href="http://trueafrica.co/picture\_story/style-movers-rebranding/">http://trueafrica.co/picture\_story/style-movers-rebranding/</a>
- Njiraii, John. "AGOA: The U.S. Africa Trade Dilemma." *Africa Renewal Online*. (Accessed April 15, 2017). <a href="http://www.un.org/africarenewal/magazine/december-2014/agoa-us%E2%80%93africa-trade-dilemma">http://www.un.org/africarenewal/magazine/december-2014/agoa-us%E2%80%93africa-trade-dilemma</a>
- Ogundimu, Folu. "Images of Africa on U.S. Television: Do You Have Problems with That?" *A Journal of Opinion*. Cambridge University Press. Volume 22, No.1. Pg. 8. (Accessed April 17, 2017).
- Schmieg, Evita. "Africa's Position in Global Trade: Free Trade Agreements, WTO and Regional Integration". *German Institute for International and Security Affairs*. 2016.

"Trade." *The World Bank*. (Accessed April 15, 2017). http://data.worldbank.org/indicator/NE.TRD.GNFS.ZS

Wike, Richard, Stokes, Bruce and Poushter, Jacob. "America's Global Image." *Pew Research Center*. (Accessed April 15, 2017). http://www.pewglobal.org/2015/06/23/1-americas-global-image/