



Submission No 98

**Review of Australia's Relationship with the
Countries of Africa**

Organisation: Private Submission

Contact: Peter Odhiambo

Submission for;

The Inquiry into Australia's Relationship with the Countries of Africa

Submitted by;

Peter Odhiambo¹

Organisation:

Griffith University Law School-Socio-Legal Research Centre

¹ Peter Odhiambo was born in Kenya and came to Australia in 2005. He is completing his doctoral dissertation in International law at Griffith University Law School. He has participated in numerous international development forums, and was recently invited to attend discussions at the UN Millennium Development Goals Summit in New York.

Joint Standing Committee on Foreign Affairs, Defence and Trade Inquiry into Australia's Relationship with Africa

When one types in the words 'Australia-Africa relations'; or 'History of Australia's relations with Africa' in the search engine Google, there is almost no pertinent result. The exception is the few hits in relation to South Africa. Discerning the reason for this poor return is beyond the scope of this submission. Whilst it is fair to say that Australia enjoys relatively good bilateral relations with most African countries, it is difficult to decide whether there is clarity in Australia's foreign policies in relation to Africa.

This submission is made in respect of the ongoing parliamentary review of the Australia-Africa Relationship. Its focus is on the formulation of policies that will enhance Australia's long-term strategic interests in Africa. The emphasis is the areas of trade, development and cultural and educational ties. The content of this submission is therefore structured within the following Terms of Reference provided by the Committee;

1. Economic issues, including trade and investment
2. Cultural and educational relations

Economic Issues; Trade & Investments

Like Australia, Africa is a continent that is endowed with abundant natural resources. Australian companies have invested heavily in Africa's natural resources sector. This sector defines Australia's business relations with the continent of Africa, and will, in all likelihood continue to do so for the foreseeable future. Australian mining companies have won dozens of exploration licenses; and engage in developing mines.

I would, however, like to draw the Committee's attention to the sectors in which Australian companies could enjoy significant advantages, yet are absent from, in Africa. There are different sectors in which Australian companies can invest in, and enjoy profitable returns, in Africa. These include, though are not limited to, infrastructure development, agriculture, manufacturing and tourism.

Many countries in Africa are becoming ever more stable, and experiencing economic growth. Economic growth creates a need for infrastructure development. Infrastructure development is particularly demanded by Africa's fast growing natural resources sector. The development of infrastructure in Africa was traditionally dominated by European and American companies. Over the past decade, there has been a shift to the East; Chinese and Indian companies are making substantial investments in Africa's infrastructure. By contrast, Australia, despite its significant advantages in this area, is marked by its absence from Africa's infrastructure development.

Agriculture: Australia's agricultural sector shares a significant common predicament with Africa. Both continents are dry. Yet while Australia is one of the most agriculturally

productive countries in the world, Africa struggles to meet its food needs. There are plenty of opportunities for Australian companies to invest in Africa's agricultural sector, replicating the success achieved here, and sharing research studies and innovations in systems for efficient use of water resources.

Manufacturing: Australian companies can enhance their profitability by establishing manufacturing bases in Africa. Doing so would position Australian products in close proximity to key markets in Europe and the Middle East. This could result in significant cost savings, both financially and in terms of time taken to transport goods.

In addition, by investing in manufacturing and agriculture in Africa, Australian companies can benefit from two conditions: First, they can take advantage of the numerous free trade agreements and common markets within Africa, thereby increasing exports. Second, they can exploit preferential trade arrangements for Africa put in place by the major markets in Europe and North America. Asian companies have taken advantage of these preferences and substantially increased their exports to the European Union and the United States.

Tourism; Africa has an abundance of tourism products, but a dearth of tourism infrastructure. It is a popular destination for Europeans, North Americans, and increasingly East Asians. Australia has a flourishing tourism sector. Domestic tourism infrastructure in Australia can be replicated in Africa. The World Tourism Organisation says that Africa is the fastest growing tourism destination. There are barely any Australian owned tourism facilities in Africa; and Australian Airlines (Qantas and V-Australia) only fly to South Africa.

There are opportunities to diversify Australian investments in Africa in respect of the above sectors. Australia's economic and trade policies in relation to Africa should be formulated to reflect an interest in diversifying investments in Africa. Australian companies can be informed of the significant advantages that can result from a diversification of investments. Investments in the above sectors are mutually beneficial; for Africa, it could create jobs, improve food security and standards of living, increase revenues sources for the continent and reduce reliance on aid. For Australia, expanded markets will result in increased revenues for Australian manufacturers and exporters, and increased capital returns.

Cultural and educational relations

Australia attracts a significant number of African students. However, the long-term future of African students coming to Australia cannot be presumed to be secure. There are two reasons for this. First, there are an increasing number of universities in other parts of the world that offer degrees in English, opening up new educational opportunities for Africans. Second, there is an increase of universities on the African continent. Therefore, it is necessary to develop an alternative long-term strategy for retaining academic links with Africa. In this respect, the best option is to develop collaborative research programmes with universities in Africa. Australian Universities can also play a significant role in assisting with curriculum and academic course developments for the new universities in Africa. Doing so would strongly align Africa's academia with Australia, affording Australia a critical enduring presence in Africa.

Culturally Australia shares a Commonwealth heritage with many African countries; and has a common language – English. The number of African migrants to Australia has increased

dramatically in recent years. This increase is attributable largely to refugees and students. Africans, both here in Australia and in Africa, also enjoy interactions with Australia at sporting events such as the Commonwealth Games, whilst the Tri-Nations and Super 14 rugby are popular on both continents.

However, African populations in Australia are critically under-served. There are no clear policies designed to integrate Africans into Australia as there were during the previous waves of migrations. In addition, there is little being done to educate Australians about the extent or depth of culture and diversity in Africa. There are no specialised African institutions, for example research centres, in Australia. These are critical policy omissions. The success of Australian diplomacy and business in Africa will ultimately be determined by the ability of Australians to engage with Africans in a manner that is cognisance of, and sensitive to the respective diverse customs and cultural practices. African migrants in Australia should be seen as key resource in understanding the diversity, and engaging with, the continent.