

## ***What considerations may guide a new American policy for Africa?***

President Trump has not yet shown his African policy hand, nor has he nominated assistant secretaries of state for Africa and other regions of the world. There has only been the February 13 telephone calls to Nigeria's President Muhammadu Buhari and South Africa's Jacob Zuma. It is generally believed that terrorism and trade, US priorities, were discussed.

US-African trade and AGOA (which has been extended till 2015) are important. Some commentators view AGOA as more of an international development instrument than a trade deal; at least vis-à-vis certain African nations. There might be initiatives from Washington to formalize matters and develop ties which allow for the pursuit of specific bilateral interests.

AGOA is not a trade agreement. The non-reciprocal trade preferences enjoyed by Sub-Saharan Africa under this arrangement have their legal basis in American legislation. President Trump could alter AGOA via an executive order but this seems unlikely. The stakes are not high enough; and executive orders are not without political and legal consequences. The American constitutional system is firmly based on the separation of powers. Executive orders are subject to judicial review and may be overturned if they have been issued without a clear basis in a statute or the Constitution. It happened recently.

African nations can benefit from formal trade agreements with the US, if negotiated to reflect the necessary asymmetry. Such agreements are long term deals, are not susceptible to periodic legislative overviews and the threat of executive change. They are difficult to conclude but are more certain and predictable. Unlike AGOA, national policy objectives do not form part of their operational control. Certain African nations have in the past been kicked off the list of AGOA beneficiaries because of their domestic policies.

The main difficulty is lack of detail regarding new American policies for Africa. The *2017 Trade Policy Agenda and 2016 Annual Report of the President of the United States* contains a brief Sub-Saharan section on what the previous administration has done, but no indications of new plans. In 2013 the United States announced the Trade Africa initiative, a partnership between the US and countries in sub-Saharan Africa. It seeks to increase regional trade within Africa and expand trade and economic ties between Africa and the US. The United States-East African Community (EAC) Trade and Investment Partnership seems to be the most advanced. It was agreed to develop a strategic way forward on deepening the relationship beyond AGOA. The US and COMESA met in February 2016 and discussed the US-COMESA trade and investment relationship under AGOA, deepening trade, enhancing agricultural productivity and trade, and the business climate in COMESA. In September 2016 USTR hosted officials of ECOWAS for the second meeting of the US-ECOWAS TIFA Council. They discussed a review of current activities, and broadening cooperation to new areas. In November 2016, US officials and Mozambique held the fifth meeting of the US-Mozambique TIFA in Maputo. This partnership seeks to help Mozambique meet its WTO obligations, address capacity issues, improve its business and investment climate, and expand and diversify bilateral trade and investment.

SACU may be a new candidate for trade negotiations. The fact that the European Union has concluded the SADC Economic Partnership Agreement (it entered into force in October 2016) with South Africa, the SACU member states and Mozambique, puts American interests at some disadvantage. Efforts to conclude a US-SACU trade agreement some years ago floundered because of South Africa's lack of interest in negotiating services and investment issues. It may be different now. Africa has come to accept the importance of services in contemporary trade agreements. Perceptions about the treatment of international investors have also changed. African leaders too should start planning for new initiatives. Bilateral trade and American aid programmes are important, AGOA brings many benefits, and new investments are necessary for local development plans. The development of new policies to suit American interests is not one-way traffic. African nations retain the freedom to promote national interests as they deem fit.

Negotiations about formalized ties provide an opportunity to do so.