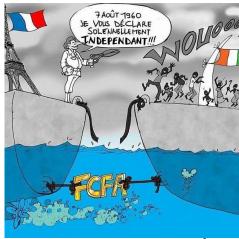
French domination of markets in Francophone Africa: Post-colonialism at its finest?

Dirk Kohnert ¹

"... on 7 August 1960, I solemnly declare you independent!!!"



Source: Ivorian cartoonist Yapsy ²

Abstract: Francophone Africa has been dominated to date by the political, economic and cultural repercussions of France's colonial rule. A major instrument to assert France's interests was the upkeep of a common monetary policy and currency, the CFA Franc. Although this has been increasingly resented by African politicians and economists, who wanted to replace it with a West African currency (the 'Eco') the CFA still prevails, due to the social network of French and African political leaders, the 'messieurs Afrique' who benefit from the system. The controversial international discussion concentrates on questions of sovereignty and formal political and economic questions. However, the rules of the informal sector proved to be at least as crucial in structuring the CFA-zone as the institutions and policies of the formal economic sector, including its monetary institutions. For decades, for example, prices of French imports were overpriced, due to protection by tied aid and other political and cultural non-tariff trade barriers. The cost of this rent-seeking was carried not only by the French Treasury, who guarantees the peg, but by the French and EU taxpayers, who financed budgetary bail-outs and development aid, and last, but not least, by the poorer African member countries and social strata. Although this applies strictly speaking only to the CFA zone, there are strong indicators that things haven't changed much since then for Francophone Africa in general. The repercussions of rent-seeking in Francophone Africa impact up to date negatively on economic performance. For example, growth levels have been significantly lower for two decades compared with Anglophone competitors.

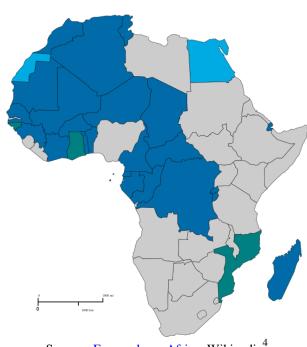
Key-words: France, Francophone Africa, post-colonialism, regulated market, special interests, regulatory capture, monetary policy, CFA franc, international trade, free trade area, customs union

JEL-Code: E26, E31, E42, E52, F13, F15, F22, F35, F45, F52, F54, L13, N17, N97, O17, R11, R58, Z13

¹ Dirk Kohnert, associated expert, GIGA-Hamburg, Germany. *Draft*: 19 February 2022.

² Cartoon on the post-colonial dependence of the francophone Franc CFA zone on France. Source: The <u>Ivorian</u> cartoonist Yapsy is the author of this caricature, which dates from 2016. -- @imgrum

Introduction



Map 1: Francophone Africa ³

Source: Francophone Africa, Wikipedia⁴

When France assumed its six-month presidency of the Council of the European Union for the first half of the year 2022, it announced the dawn of a new African – European partnership. According to the French President, Emmanuel Macron, a 'new deal' would be concluded at the upcoming sixth summit of the African Union (AU) with the European Union (EU) in Brussels from 17 to 18 February, as announced by Macron in his discourse before the European Parliament on 19 January 2022. Macron aimed to "completely overhaul" the EU-Africa relationship (Sanogo, 2022). The deal would focus on four key points: (1) a new economic and financial 'new deal' with Africa, assisted by the emission of a new tranche of IMF special drawing rights as well as a reallocation of European obligations, linked to very concrete investment proposals. (2) An agenda concerning education, health, climate and development of Africa to meet the expectations of African's youth. (3) An security agenda for Africa and Europe *vis à vis* growing danger of terrorism in the Sahel region, and (4) combatting illegal immigration and the networks of human traffickers facilitating this migration (Ribouis, 2022).

The French President thus wanted to reinstall a 'great collective narrative', apparently an allusion to British Premier Boris Johnson's renowned phrase 'Make Britain great again' (Kohnert, 2018). For although Macron's remarks were related to the EU, it was no secret, that

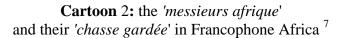
_

³ *Dark blue*, normally, *light blue*, sometimes considered francophone countries, *green*, non-French speaking countries, but have joined the OIF.

⁴ Francophone Africa. The countries coloured dark blue had a population of 442.1 million in 2020. In 2050, their population is forecast to reach between 845 million and 891 million ('African French', Wikipedia).

⁵ The original passage in French reads: « Nous sommes collectivement malheureux de ne plus avoir de grand récit, car nos compatriotes sont confrontés à la petitesse des petits récits », Source: The Editor (2021): Présidence française de l'UE: priorité aux dossiers africains. Paris: Le Point Afrique, 27 October 2021, (no author given).

Paris considered itself as the leading power concerning EU-Africa relations since London left the EU because of Brexit. Thus, the new EU-focus on Africa implicitely reflected at the same time the ambitions of France to revitalise and consolidate its 'chasse gardée' of the infamous 'messieurs afrique' in Francophone Africa (Airault & Glaser, 2021; Borrel, et al, 2021) ⁶. The shadowy movement of Freemasonry in France, including its former colonies in Africa, has been crucial for the coherence of the network of the 'Messieurs Afrique'. Even African despots like Togo's Eyadéma Gnassingbé and Ali Bongo were eager to get admitted to the Grand Orient de France. All the more so, as Africans have always had a strong inclination to occult African belief systems (for details see Kohnert, 1996; Routier, 2019)





Source: Plantu, Le Monde, 30 July 2007

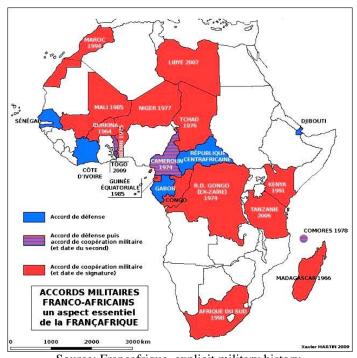
In this regard, a brief review may be appropriate concerning the history of the preparations of the 6th EU-Africa summit. It had been to reaffirm and renew the partnership between the two blocks already in October 2020, but it was pushed back to the first quarter of 2021 and even later due to the COVID-19 crisis. Besides, Brussels had to deal with its post-Brexit situation and its repercussions on EU-Africa relations, excluding the UK. African states, for their part, wanted to renegotiate the EU-Africa partnership and to balance it with new promising Post-Brexit visions of the British premier Johnson about increased economic ties with the African

_

Notorious examples of the 'family-ties' of the 'Franco-African village' (Smith & Glaser, 1992) include <u>Jean-Pierre Prouteau</u>, President of the French Council of Investors in Africa (CIAN); <u>Vincent Bolloré</u>, industrialist and media owner, <u>Martin Bouygues</u>, wealthy businessman and influential <u>Freemason</u>; <u>André Tarallo</u>, top manager of African affairs for French petroleum company <u>Elf Aquitaine</u> from the late 1970s until his arrest in the 1990s for embezzlement; <u>Paul Barril</u>, officer of the <u>GIGN</u> Special Forces and head of several <u>private security companies</u>; <u>Jacques Vergès</u>, lawyer and special advisor to African autocrats like the Togolese head of state, Faure Gnassingbé; <u>Hervé Bourges</u>, journalist, director of the <u>Conseil supérieur de l'audiovisuel</u>, and head of the <u>International Francophone Press Union</u>; <u>Jean-Yves Ollivier</u>, businessman and political mediator specialised in high ranking 'parallel diplomacy'; <u>Jeanny Lorgeoux</u>, politician, former member of the Socialist Partyand senator; Serge Varsano, trader and merchant, close to the late Ivorian President <u>Félix Houphouët-Boigny</u>; <u>Jean-Christophe Mitterrand</u>, son of former French president François Mitterrand and controversial advisor to his father on African affairs; <u>Patrick Pouyanné</u>, chairman and of <u>TotalEnergies</u> and member of the most influential group of European CEOs; Henri-Max Ndong Nzue, Gabonese and very first African at the head of Africa of the exploration-production branch of TotalEnergies.

⁷ Cartoon on the legacy of the 'messieurs afrique' and their 'chasse gardée' (an expression coinde by Antoine Glaser) in Francophone SSA: "Afrique: Sarkozy peine à prouver sa rupture'. Coopération: le président de la République défend sa visite au Gabon" (Omar Bongo), Credit: Plantu – Le Monde, 30.July 2007.

Anglosphere. Moreover, China and other global players ever more are competing with the EU and its member states in the new scramble for African resources. Given that Africa is increasingly courted by other partners, its political leaders could be inclined to successively limit their relations with the EU. Even concerning the EU provision of aid and security against Islamic terrorism there emerged new competitors like Russia, e.g. in Mali, Libya and elsewhere. This trend was reinforced by the fact that the new EU-Africa strategy still hasn't been approved by all EU member states. And a timely replacement of the Cotonou Agreement, which expired in November 2021, is open to question (EP, 2021; Kohnert, 2021). Already in March 2020, the European Commission had presented a communique on a controversial comprehensive strategy with Africa, indicating five key areas of cooperation, namely, growth and employment, the ecological transition and access to energy, the digital transition, and peace and migration (Lory, 2022) (Kappel, 2021).



Map 2: French-African military treaties, an important aspect of 'Françafrique'

Source: Françafrique, explicit military history, wordpress.com, 19 August 2016

The different colonial modes of rule, commonly subsumed under the francophone and anglophone Africa divide, still constitute a major stumbling block on the road to African development (Lory, 2022). However, to succeed, the EU and Africa must first overcome the current Covid pandemic. Also in that respect, the EU would have to make significantly more efforts to assist its African partners to cope with the economic, political and social effects of the COVID-19 crisis if it wants to establish a partnership on equal terms.

1. The development of francophone African markets

1.1 Politics of Françafrique

Cartoon 3: Macron in Africa:

'France's Africa policy, colonial baggage and road map'



Source: *Gado* cartoons, November 2017

The ranking of France among the most powerful nations of the world still depends to a large extent on its political, economic, military and cultural role in Africa. Equally, some of the most notorious autocrats of francophone Africa profited from this special relationship with the 'African friends' of France. Some of them, like Eyadéma Gnassingbé, even boasted about their friendship with French head of states. Although French presidents repeatedly announced to break with the post-colonial system of the shadowy, informal and sometimes even criminal network of 'Françafrique' the system remained very much alive (Borrel, 2021). In August 2017, Macron founded a Presidential Council for Africa, composed of French and African members of the civil society and the African diaspora, to provide specialist advice on France-Africa relations. Yet, apparently, this council served mainly as a public-relations measure to polish the tarnished image of Françafrique (Airault, & Glaser 2021). Too often, the new dialogue between France and Africa was focused on the economic and financial field. Moreover, the point of view of African actors was very often, absent, and primacy given to French interests, to the best way to promote and safeguard them or to ensure its expansion beyond the francophone 'pré carré' (Mbembe, 2021).

The recent example of the 'Bolloré affaire' may serve to illustrate the point. On 19 July 2019, the French magazine ,*Le Point*' revealed the outcome of the lawsuit against the French tycoon and billionaire, Vincent Bolloré, before the Paris Court of Appeal. He was a close personal friend of former French President Nicolas Sarkozy, as had been president Georges Pompidou with his father, Michel Bolloré (Vincent Bolloré, en.Wikipedia). Bolloré recognized the prescription of the facts of "corruption" and "forgery and use of forgery" in Guinea, facts for which Bolloré and his group were prosecuted. Besides, the French billionaire remained charged with breach of trust in this same Guinean case, and for the second part of the investigation which concerns similar accusations in the Togolese case. On 24 April 2018,

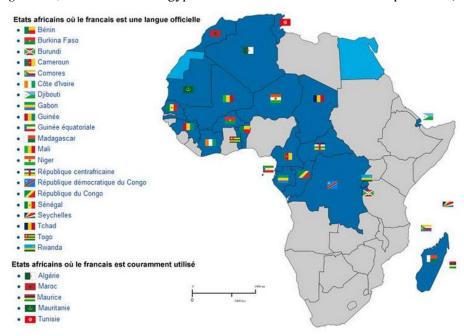
⁸ Godfrey Mwampembwa, pen name *Gado* (* 1969) is a Tanzanian-born political cartoonist, animator and comics artist, living in Kenya. He is an internationally renowned artist and the 'most syndicated political cartoonist in East and Central Africa' (Gado comics, Wikipedia).

5

Vincent Bolloré had been placed in police custody in Nanterre, to answer accusations of "bribery of a foreign public officials" (among them the Togolese head of state, Faure Gnassingbé), and to determine whether the Bolloré group used its political advisory activities, via its Havas subsidiary, to manage the ports of Lomé in Togo and Conakry in Guinea. In 2021 his company Bolloré SE was condemned to a fine of € 12 Mio, calculated on the basis of the profits of the group envisaged on the port concession of Lomé. On the other hand, African statesmen covertly contributed to financing the elections of French Presidents of their choice, including Ivory Coast's ousted leader Laurent Gbagbo and Omar Bongo of Gabon, who allegedly paid around US\$10m for Chirac's 2002 election campaign (Chrisafis, 2011).

1.2 Different growth and development in Anglophone and Francophone Africa

Map 3 : Francophone Africa (26 countries) (*dark blue*, countries usually considered to belong to Francophone Africa; *light blue*, Mauretania and Egypt are sometimes considered Francophone too)



Source: Francophone Africa, Wikipedia

The form of colonial rule impacted also on its post-colonial economic growth and development. Although Francophone Africa provides investors with exclusive opportunities and windfall profits, there are specific linguistic, legal and administrative challenges (Chambord, 2014).

Yet, Francophone Africa is no longer France's exclusive backyard. For example, the Nigerian powerful multinational <u>Dangote Group</u> entered the Senegalese market and also expanded into <u>Gabon</u> and <u>Congo-Brazzaville</u>. <u>Bharti Airtel</u>, an <u>Indian multinational telecommunications</u> services company also became a major player in Francophone Africa in 2010, when it bought the African assets of Zain Group. Later on, it expanded to Burkina Faso, the Republic of the Congo, the DRC, Gabon, Madagascar, Niger and Chad. Also, Australian companies invested in the mining sector of Francophone Africa, and Middle East and Asian companies capitalized in the agricultural sector. Stakeholders from North Africa and Anglophone Africa developed an interest in the region (Maritz, 2013). Moreover, since the 2010s French enterprises went for new hunting grounds in East Africa, notably Kenya and Rwanda. They made Kenya their

regional hub to conquer Anglophone markets. According to the French Chamber of Commerce, the number of French companies in Kenya has increased considerably from 30 to 110 since 2012. In 2018, French exports to Kenya increased by 11.7% compared to 2016, reaching €171.2m (\$194.4m). France thus became the third greatest investor in East Africa's most developed market, locking for green pastures. The GDP of Kenya is higher than that of Côte d'Ivoire and Cameroon combined – the two main Francophone markets till then (Collins, 2019).

Apparently, countries previously under French rule are on average worse off than countries previously under British rule. A recent comparative study of the <u>Akron Williams Honors College</u> in Akron, Ohio, of two anglophone (<u>Ghana</u> and <u>Nigeria</u>), and two francophone (<u>Cote d'Ivoire</u> and <u>Cameroon</u>) countries revealed for example that Ghana outperformed Côte d'Ivoire concerning the <u>Human Development Index</u> (HDI) by a difference of over 20 countries. Cameroon edges out Nigeria by eight points (Gagne, 2020). Seven of the ten lowest-ranked countries concerning the HDI belonged to francophone Africa. Moreover, <u>Burundi</u>, <u>Niger</u>, and the <u>DR Congo</u> occupy the last three positions of all 187 countries included in the report (Ngugi, 2017).

Nevertheless, concerning economic growth, Nigeria had higher economic growth rates because of its oil wealth. According to World Bank data, GDP per capita (PPP; constant 2017 international \$) for Ghana was slightly higher, with 5.45 \$, against 5.18 \$ for the Ivory Coast. But Nigeria showed higher growth (4.17 \$ PPP) than Cameroon (3.67 \$ PPP). However, growth was not inclusive, only a minority profited. The income distribution was very unequal too. In Ghana, the Gini index was 43.5 (2016) compared with a slightly less unequal distribution in the Ivory Coast (41.5, 2015). Surprisingly, Nigeria showed the lowest income inequality of all, with 35.1 (2018), against Cameroon (46.6, 2014) (World Bank, Gini Coefficient by Country 2022).

1.3 Divide between Anglophone and Francophone Africa

The divide between Anglophone and Francophone Africa, which included politics, economy and culture in African countries, existed since colonial rule. First, it was fuelled by imperialism of fiercely competing colonial powers, later on by political, economic and cultural rivalry, including even <u>proxy wars</u>, e.g. in <u>Biafra</u>, Congo, Ivory Coast, and <u>Rwanda</u>.

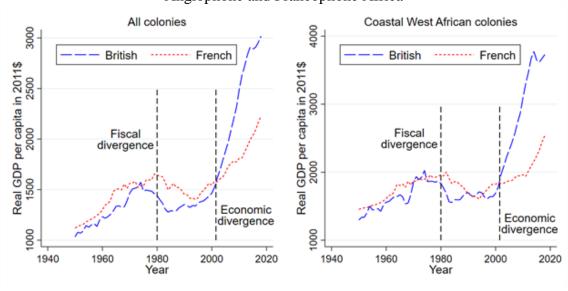
Concerning institution-building, the divergency resulted in rival political and economic alliances, for example of ECOWAS and WAEMU (UEMOA) in West Africa, including the imposition of an own currency by France, the CFA franc. However, neither organisation had the expected spillover effects for the subregion as a whole. As for the francophone WAEMU, labour mobility slowed down, fiscal convergence was disappointing, the expansion of intraregional trade remained modest, and competitiveness eroded (Boogaerde & Tsangarides, 2005). Therefore, it was no surprise that a growing resentment developed also against the unbroken dependency of Francophone Africa on the monetary policy of France in its former colonies employing the CFA franc as explained in the following (Kohnert, 2005; 2005a, 1994).

France imposed its own monetary policy and currency to its colonies that prevailed up to date, i.e. the <u>CFA franc zone</u>. It consists of two economic and monetary unions with two separate CFA francs. In francophone West Africa that comprises the West African Economic and Monetary Union <u>WAEMU</u> (UEMOA, in French) bloc within the <u>ECOWAS</u>. The West

African CFA franc is managed by the Central Bank of West African States (<u>BCEAO</u>). Along the same lines the Central African CFA franc, issued by the Bank of Central African States (<u>BEAC</u>) is organized under the Central African Economic and Monetary Community (<u>CEMAC</u>).

In addition, the West African Monetary Zone (WAMZ) was founded in December 2000, to create a monetary union and later on a common currency, the eco, to replace the CFA franc with a single regional currency for ECOWAS. In the beginning, the WAMZ comprised only former British colonies. However, in December 2019, the French and Ivorian presidents, Emanuel Macron and Alassane Ouattara, surprisingly declared that the (Francophone) WAEMU member states would abandon the CFA to adopt the eco in 2020 irrespective of WAMZ member states. This caused a sharp protest of the latter, notably Nigeria, the by far biggest of West African countries because Abuja suspected Paris to continue its one-sided Africa policy and its post-colonial relations under the disguise of assisting an 'independent' West African currency (Ibrahim, 2020). In May 2020, the French Council of Ministers passed a bill that prepared the way to abandon the West African CFA franc for the eco. The bill has still to be confirmed by the parliaments of WAEMU member states and France. Characteristically, it did not address one of the most controversial aspects of the CFA, i.e. the linkage of the currency to the monetary policy of Paris and the fixed parity with the Euro. Thus, Paris undermined the long-lasting ambitions of WAMZ member states by its divide and <u>rule</u> policy.

Following different traits of development, Anglophone and Francophone Africa showed significant differences in economic growth (Ricart-Huguet, 2022).



Graph 1: Divergence of economic growth Anglophone and Francophone Africa

Source: Ricart-Huguet, 2022

However, arguably, the higher growth rates in Anglophone Africa in the past decade might also indicate c. p. an erosion of the persistence of colonial investments. For example, public investments *per capita* in education and health were higher in francophone Africa (Ricart-Huguet, 2022). Moreover, colonial investments in Anglophone Africa were (even) more unequally distributed across districts than in Francophone Africa, which may have created

growth-poles, stimulating overall growth in the former British colonies, an advantage which may have been eroded in the past decade (Ricart-Huguet, 2021).

Interestingly enough, the spatial and physical planning of the conquered colonies, notably of headquarters and district administration, was an important element to embed the 'superiority' of colonial rule in the people's minds. Although colonial planners considered themselves to be apolitical, interested uniquely in technical and aesthetical matters, they nevertheless served the overarching aim of the conquerors. The first care of the colonialists was to suppress nascent resistance within the conquered territories. Secondly, it was to bring to bear the colonial claim on the people and to defend the newly conquered territory against rival colonial powers. Thirdly, it was to express visibly, e.g. by the imperial buildings, the political and juridical dominance and cultural superiority of the European colonialist (Njoh, 2007).

Another important difference between Anglophone and Francophone Africa concerned the vision of the post-war relations of Britain and France regarding their colonies. Whereas London, in principle, accepted the inevitability of independence already in a 1943 declaration pledging to guide its colonies on the road to self-government within the Commonwealth, Paris envisaged retaining its African colonies as an integral single entity within the French nation. Thus, when the Free France movement led by Charles de Gaulle adopted the 'Brazzaville Declaration' during a meeting of politicians and high-ranking colonial officials from the French African colonies in the then-capital of French Equatorial Africa, Brazzaville, in January 1944, to discuss the future of francophone colonies, de Gaulle made several concessions, to get their assistance. But he explicitly rejected independence as a future possibility (Kirk-Greene, 1995; Brazaville Conference, Wikipedia).

The close Africa relations after World War II were also proved by the French military in its former colonies up to now. For example, it intervened in the first (2002-2003) and second (2010-2012) Ivorian civil war. This served certainly to end the civil war, but also to upkeep France's stakes in the most important member countries of Francophone Africa. Also periodic 'Francophone leaders' conferences, and last, but not least, the global, social and cultural network of the <u>Francophonie</u> testify to the close relations of Francophone Africa with Paris (Le Vine, 2014).

Alongside the world biggest global players, China, India and the USA, France plays still a crucial role in francophone Africa. Possibly, the COVID-19 crisis may have distorted the picture somewhat. Nevertheless, it is held that the major tendencies are truly reflected. In most of the major 15 of 18 francophone Sub-Saharan African countries French enterprises are among the first three sources of imports (see Tab. 1). Fuels were the most important imports in most countries.

 Table 1: Trading imports by SSA country (value in Mio US\$)

No.	Country	Source	Imports	Year	% of	Major
		countries	•		imports by	Category of
					country	imports
1	Ivory Coast	China,	\$ 1.80 B	2019	18%	Mineral fuels, oils,
1	Ivory coust	Nigeria,	\$ 1.41 B	2017	14%	distillation products
		France	\$ 1.13 B		11%	distination products
2	Senegal	France	\$ 1.22 B	2020	16%	Mineral fuels, oils,
		China	\$ 719.4 M		9.2%	distillation products
		Netherlands	\$ 481.9 M		6.2%	1
3	DR Congo	China	\$ 1.68 B	2020	25%	Printed books,
		USA	\$ 1.42 B		21%	newspapers,
		South Africa	\$ 611.6 M		9.2%	pictures
4	Mali	Senegal	\$ 1.14 B	2019	23%	Mineral fuels, oils,
		China	\$ 795.9 M		16%	distillation products
		Ivory Coast	\$ 536.2 M		11%	
		France	\$ 401.0 M		8 %	
5	Cameroon	China	\$ 1.13 B	2018	19%	Mineral fuels, oils,
		France	\$ 506.8 M		8.3%	distillation products
		Nigeria	\$ 342.2 M		5.6%	
6	Madagascar	China	\$ 818.4 M	2020	26%	Mineral fuels, oils,
		India	\$ 276.1 M		8.9%	distillation products
	221	France	\$ 232.1 M		7.5%	~ .
7	Niger	France	\$ 675.3 M	2020	22%	Cereals
		China	\$ 558.5 M		18%	
0	G :	USA	\$ 191.5 M	2017	6.6%	C1: 1 . 1
8	Guinea	Ivory Coast	\$ 660.8 M	2017	22.0%	Ships, boats, and
	(Conakry)	China	\$ 341.7 M		12.0%	other floating
9	Dda	Spain	\$ 259.3 M	2010	8.8%	structures
	Rwanda	China	\$ 635.3 M	2019	20.0% 8.8%	Mineral fuels, oils,
		India	\$ 280.5 M \$ 278.4 M		8.7%	distillation products
10	Burkina Faso	Kenya China	\$ 521.4 M	2020	12.0%	Mineral fuels, oils,
	Burkina Faso	Ivory Coast	\$ 342.5 M	2020	8.2%	distillation products
		France	\$ 307.2 M		7.3%	distination products
		Trance	ψ 307.2 141		7.570	
11	Togo	China	\$ 441.5 M	2020	n.a.	Mineral fuels, oils,
	1080	France	\$ 185.8 M		11.00	distillation products
		India	\$ 162.9 M			F
12	Congo-	China	\$ 357.3 M	2020	n.a.	Ships, boats, and
	Brazzaville	France	\$ 277.1 M			other floating
		Belgium	\$ 140.9 M			structures
13	Benin	India	\$ 298.7 M	2020	12%	Mineral fuels, oils,
		China	\$ 292.4 M		11%	distillation products
		France	\$ 262.5 M		10%	1
14	Burundi	China	\$ 141.7 M		n.a.	Mineral fuels, oils,
		Saudi Arabia	\$ 107.5 M			distillation products
		India	\$ 86.1 M			
15	CAR	France	\$ 65.9 M	2018	n.a.	Vehicles other than
		China	\$ 45.4 M			railway, tramway
		Cameroon	\$ 30.9 M			
16	Chad	France	n.a.	n.a.	43%	Mineral fuels, oils,
		Cameroon			16%	distillation products
		Nigeria			12%	
17	Gabon	France	n.a.	2020	33%	Machinery, Nuclear
		Belgium	n.a.		16%	Reactors
		USA	n.a.		7.1%	

Source: <u>Tradingeconomics.com</u>

2. Regulatory capture in Francophone Africa

As shown above, Francophone Africa has been characterized up to date by the lack of government accountability. This has been due to the power and influence of the 'Messieurs Afrique' and French corporations that allowed autocrats to remain in power. French companies have often been favoured over other foreign firms, thus adding unnecessary additional costs of transactions with francophone Africa. In case of doubt, French economic interests also often undermined calls for a democratic process (Pickett, 2017). Because of increasing competition with other global players, notably the US and China, French politicians regarded Washington's and the EU's rhetoric in favour of democratization with suspicion (Schraeder, 2000).

According to Douglas A. Yates from the <u>American Graduate School in Paris</u>, France is the only member of the <u>UN Security Council</u> to have an explicitly "African policy". By an ingenious system of bilateral cooperation accords, France installed privileged access to its former African colonies not just in politics and the economic sector, but also in culture, education, natural resources, aid, trade, finance, security, defence, and a common currency. The latter is not only to the advantage of French ambitions to consolidate its hegemonic grip on its 'chasse gardée' in Africa, but it especially benefited a small predatory lobby of influential 'Messieurs Afrique' (Yates, 2019). This corresponds to the politics of regulatory capture, i.e. a comprehensive market control in the interests of a minor constituency that passes off rent-seeking as the common public interest.

Examples of this resourceful approach to regulatory capture are manifold. For instance, a recent comparative case study of government accounting reforms in Anglophone and Francophone Africa (Ghana and Benin) revealed that the French approach could be conceptualized as 'coercive' Postcolonialism and the British as 'soft' Postcolonialism (Hopper et al, 2019). The approach of the government in Paris has been characterized as comparable to 'hard power' and domination. This is, it forced a dependent state to do something, which, without coercion, it would not do. This includes economic sanctions, coercive diplomacy, and – if necessary – even direct military intervention, despite public resentment and high political and economic costs.

This encompassed trading privileges, enjoyed by French multinationals and accounting firms, and associated accounting practices. They perpetuated socio-economic dependencies of colonial rule and encouraged a predisposition for French goods and services. Thus, the agreements not only imposed Paris' monetary policy (including the CFA Franc) but also the strategic placement of French administrators, functionaries and detached national experts (Hopper et al, 2019). Case studies of government accounting reforms meant to combat corruption and nepotism in Benin, also imposed by World Bank, IMF within the framework of 'structural adjustment' programmes all over SSA, revealed that the involvement of foreign experts could even aggravate the problem. This, all the more so, because the regulatory system, recommended by the IMF concerning local administration, was abandoned for a French system in Francophone Africa which ultimately proved even more problematic (Lassou & Hopper, 2016).

Instead, regulations, directed at redressing fraudulent and corrupt practices should empower national administrations by helping people to help themselves. Apparently, the proponents of 'good governance' did not consider sufficiently that local ownership was decisive, i.e. the

-

⁹ Irrespective of this, other EU member states, like Germany, have their own Africa policy guidelines.

empowerment of local <u>agency</u> of indigenous civil servants and <u>civil society organisations</u> (Lassou et al, 2020).

2.1 Succinct history of cotton production in Francophone Africa

The full extent of this regulatory capture and market control in Francophone Africa can best be illustrated with a case study of the cotton <u>agricultural value chains</u>. Public associations to promote and market-specific <u>cash crops</u> like cacao, coffee, tea, sugar cane, coconuts, bananas, natural rubber and cotton had been created by all colonial powers all over Africa.

The expansion of cotton production in francopone Africa started after the Second World War. Again, from the 1970s there was another upswing. About fifteen years after independence in 1960, most former French colonies transformed the subsidiaries of the Compagnie Française pour le Développement des Fibers Textiles (CFDT, now transformed to 'Geocoton') into national cotton companies in which the CFDT remained a shareholder. These national companies were Sodecoton in Cameroon, the Compagnie Ivoirienne pour le Développement des Textiles (CIDT) in Ivory Coast, the Malian Compagnie malienne pour le développement du textile, CotonTchad in Chad, the Société centrafricaine de développement agricole (Socada) in the Central African Republic, the Société togolaise du coton (Sotoco) in Togo, Sodefitex in Senegal, the Société nationale pour la promotion agricole (Sonapra) in Benin and the Burkinabè Société burkinabè des fibres textiles (Sofitex) in the then Upper Volta. Altogether they managed a five-fold increase in cotton production in francophone Africa, between 1980 and 2004 (No author (2022): History of cotton cultivation in sub-Saharan Africa, fr.wikipédia). At the WTO's Ministerial Conference of 2003 the conflict about unfair coton subsudies paied to farmers in the US and EU culminated in a protest by four African countries, the so-called 'Cotton Four' group (C4), i.e. Benin, Burkina Faso, Chad, and Mali, against the prevailing cotton subsidies (Cotton made in Africa, 2022). Despite the scarcity of irrigation, productivity of producers increased thanks to rural extension and training services and a purchase price guaranteed to the producer. In the first decade of the 2000s cotton contributed about 3 to 10% of GDP for five West African countries, and up to 2020, income from cotton supported more than 15 million small farmers in sub-Saharan Africa (No author (2022): History of cotton cultivation in sub-Saharan Africa, fr.wikipédia).

Another example of unfair monopolies or oligopolies in Francophone Africa concerns Transnational corporations (TNCs) that are important in controlling utilities and privately appropriating common resources. Under the pressure of the Bretton Woods Institutions structural adjustment programmes municipalizing services were privatized, such as the distribution of water.

Already the French colonial power had for example in the Ivory Coast put an end to treating water as common property in Abidjan. The private monopolistic ownership of water continued unfettered under the label of the 'French water model' (Obeng-Odoom, 2018). Water has been provided by the French TNC, Société de distribution d'eau de la Côte d'Ivoire (SODECI) founded in 1959, a year before Ivoirian independence, and being in charge of drinking water provision in Abidjan since then. Since 1973, it extended its market to all urban centres. The growth of SODECI was not primarily due to its effectiveness or innovations but driven by the combined efforts of French and Ivoirian power politics. According to a study of French economists, the relative performance of French public and private utility providers was characterized as oppressive and inefficient. According to Franklin Obeng-Odoom (2018), it, therefore, amounted to the height of hypocrisy and a double standard for the French state to continue to impose a monopolistic private-sector regime in its former colonial outpost.

3. Conclusion

Given the growing competition of other global players, notably China and India, in the former 'closed shop' of French-speaking Africa, French corporate interests are not any longer able to do as they like. Nevertheless, they jealously try to guard their vested rights and their preferential access to African markets. The latter they search meanwhile also successfully beyond the frontiers of Francophone Africa. Also, Africa remains of paramount strategic interest for France and its European partners concerning security, e.g. the growing threat of Islamist movements in the Sahel, and the mounting influx of African refugees (Djimi, 2016). The withdrawal of Great Britain as Franc's strongest competitor within the EU, regarding African politics and economics, made Paris assume an even more crucial role in the EU as the leading power in African relations (Kohnert, 2018).

In fact, a certain decoupling between France's economic and geopolitical interests has been observed already for more than a decade. Gone are the days when France focused solely on a rentier-capitalism, while more dynamic capitalists invested elsewhere. Already former President Nicolas Sarkozy asserted that "the failure of Africa today will be the disaster of Europe tomorrow" (Hugon, 2007). Yet, in the past decades, the Africa policy of Paris amounted to little more than cosmetic changes aimed at rehabilitating France's reputation in Africa while attempting to maintain domination through other means, without a real partnership among equals (Renou, 2002). The EU-Africa summit of February 2022 offered the last chance for a fundamental change.

But every cloud has a silver lining. Economically, in francophone Africa recently emerged for example most promising tech startups looking for investors and, according to a World Bank expert, 62.5% of Africa's fastest-growing economies will be in francophone Africa (Rusagara, 2019). The region's economic growth rate between 2012 and 2018 with 4.9% was surpassed that of the rest of Africa (2.9%) significantly (Kene-Okafor, 2020). And there is still room for more. For instance, according to a recent survey of the International Trade Centre, a joint agency of the WTO and the UN, few small and medium enterprises in French-speaking Africa know already about their improved market prospects opened up by access to the African Continental Free Trade Area (AfCFTA) (ITC News, 2021). France and the EU would do well to make it easier for these up-and-coming young African companies to network with the ZLEC free trade area.

_

 $^{^{10}}$ Quoted by $\underline{\textit{Jeune Afrique}}$ / L'intelligent, n° 2391, 2006, p. 20-28.

References

- **Airault**, Pascal & Antoine **Glaser** (2021): <u>Le piège africain de Macron: Du continent à l'Hexagone</u>. Paris : Fayard, 7 April 2021
- **Alidou**, O. (2000): <u>Francophonie</u>, <u>World Bank</u>, and the collapse of the <u>Francophone Africa</u> <u>educational system</u>. In: Alidou, O. & C. G. Caffentzis et al. (eds.)(2000): *A thousand flowers:* Structural adjustment and the struggle for education in Africa, pp. 37-42
- **Baxerres**, Carine (2011): <u>Pourquoi un marché informel du médicament dans les pays francophones</u> <u>d'Afrique?</u> *Politique africaine*, vol. 2011/3 (N° 123), pp. 117 136
- **Boogaerde**, Pierre van den &Charalambos **Tsangarides** (2005): <u>Ten years after the CFA Franc</u> <u>devaluation</u>: <u>Progress toward regional integration in the WAEMU</u>. Washington: IMF, WP/05/145
- **Borrel**, Thomas et al (eds.)(2021) : <u>L'Empire qui ne veut pas mourir</u>. <u>Une histoire de la Françafrique</u>. Paris : Seuil
- **Chambord**, Olivier (2014): <u>Francophone Africa: the business landscape.</u> *Morgan Lewis' business and finance practice*. London: International Comparative Legal Guides (ICLG), 19 February 2014
- **Chrisafis**, Angelique (2011): <u>Jacques Chirac 'given briefcases of election cash by African leaders</u>. London: *The Guardian*, 11 September 2011
- Collins, Tom (2019): En Marche: Why French companies are exploring East Africa. African Business, 7 January 2019
- **Cotton made in Africa** (2022): African Cotton. Hamburg: Aid by Trade Foundation (AbTF) and ATAKORA Fördergesellschaft GmbH (ATAKORA), CEO: Michael Otto
- **Daviron**, Benoît & Janine **Sarraut-Woods** (2016): <u>Histoire des organisations publiques ou associatives spécialisées sur une commodité agricole et liées à l'Afrique francophone</u>. In : Biénabe, Estelle & Alain Rival & Denis Loeillet (eds.): *Dans Développement durable et filières tropicale*, Collection : Agricultures et défis du monde. Éditions Quæ, pp. 41 50, Chapitre 2
- **Djimi**, Yves-Justice (2016): <u>L'Afrique a-t-elle encore une importance stratégique pour la France au XXIe siècle ? Géoéconomie</u>, 2016/5 (N° 82), pp. 99 107
- **EP** (2021): <u>After Cotonou: Towards a new agreement with African, Caribbean and Pacific states.</u> Brussels: European Parliament, *Briefing*, International Agreements in Progress.
- **Favre**, Guillaume & Julien **Brailly** (2015): <u>Salons et définition de normes marchandes : Le cas de la distribution de programmes de télévision en Afrique sub-saharienne</u>. *L'Année sociologique*, 2015/2, vol. 65, pp. 425 456
- **Fok**, Michel (2006): <u>Liberalization and globalization</u>: <u>Trojan Horse for the cotton traders' domination in Francophone Africa</u>. Lyon: HAL- SHS, (open archive) Humanities and Social Sciences
- **Gagne**, Jackson (2020): A socioeconomic analysis of Francophone and Anglophone West Africa. University of Akron, Williams Honors College, Honors Research Projects. 1110
- Hopper, Trevor & Mathew Tsamenyi & Victor Murinde (2019): <u>Varieties of neo-colonialism:</u>
 Government accounting reforms in Anglophone and Francophone Africa Benin and Ghana compared. *Critical Perspectives on Accounting*, vol. 65, December 2019

- **Lassou**, Philippe J. C. & Trevor **Hopper** & Teerooven **Soobaroyen** (2020): Financial controls to control corruption in an African country: Insider experts within an enabling environment. Financial Accountability and Management, vol. 37 (2), pp. 107-123, May 2021, First published: 13 April 2020
- **Hugon**, Philippe (2007): <u>La politique économique de la France en Afrique- La fin des rentes coloniales? *Politique africaine*, vol. 2007/1 (N° 105), pp. 54 69</u>
- Hugon, P. & N Pagès (1998): Ajustement structurel, emploi et rôle des partenaires sociaux en Afrique francophone. Cahiers de l'emploi et de la formation No. 28 (Programme d'action sur l'ajustement structurel, l'emploi et le rôle des partenaires sociaux), 'Afrique francophone de l'Ouest' (chapitre 1), pp. 1-62. Geneva: ILO
- **Ibrahim**, Ayyub (2020): <u>France and the new Francophone-Anglophone divide in West Africa</u>. London: *Encyclopedia Geopolitica*, 6 November 2020
- Lassou, Philippe J. C. & Trevor Hopper & Teerooven Soobaroyen (2020): Financial controls to control corruption in an African country: Insider experts within an enabling environment. Financial Accountability and Management, vol. 37 (2), pp. 107-123, May 2021. First published online: 13 April 2020
- Le Vine, Victor (2014): Politics in Francophone Africa. Boulder (USA): Lynne Rienner
- Kappel, Robert (20121): Redefining Europe-Africa relations. Berlin: Friedrich Ebert Foundation
- **Kene-Okafor**, Tage (2020): <u>How Francophone Africa tech players are breaking down barriers in search of recognition</u>. *Techpoint-Africa*, 2 December 2020
- **Kirk-Greene** A. (1995) 'Le Roi est mort! Vive le Roi!': The comparative legacy of Chiefs after the transfer of power in British and French West Africa. In: Kirk-Greene A., Bach D. (eds): State and society in Francophone Africa since independence. St Antony's/Macmillan Series. Palgrave Macmillan, London, pp. 16-33
- **Kohnert**, Dirk (2021): <u>The EU-Africa summit 2021: Quo vadis, in the light of Brexit and Corona</u>. *ResearchGate*, MPRA, WP 106283
- **Kohnert**, Dirk (2018): Britain and Africa: heading for the Brexit rocks. Author's version of Kohnert, D. (2018): More equitable British post-Brexit Africa relations: doomed to fail? [Britain and Africa: heading for the Brexit rocks]. *Africa Spectrum*, vol. 53., No. 2, 119-130; academia.edu, WP No. 37270112
- Kohnert, Dirk (2005): Monetary Unions Dominated by the North? The CFA-Zone and the CMA On the relevance of rational economic reasoning under African conditions. In: Fritz, Barbara / Metzger, Martina (eds.) (2005): New Issues in Regional Monetary Coordination Understanding North-South and South-South Arrangements. Houndmills, Basingstoke, Hampshire, Palgrave Macmillan, pp. 177-187
- Kohnert, Dirk (2005a): <u>Die UEMOA und die CFA-Zone. Eine neue Kooperations-Kultur im frankophonen Afrika?</u> In: Nabers, Dirk / Ufen Andreas (eds.)(2005): *Regionale Integration Neue Dynamiken in Afrika, Asien und Lateinamerika*. Schriften des Deutschen Übersee-Instituts, Nr. 65, Hamburg, DÜI, 2005:115-136
- **Kohnert**, Dirk (1994): 'Wir sind alle abgewertet!' Zur Anpassungskrise von Währung, Wirtschaft und Gesellschaft in der CFA-Zone. In: Institut für Afrika-Kunde / Hofmeier, Rolf (eds.): *Afrika-Jahrbuch* 1993. Opladen: 1994:35 45

- Lassou, P.J.C. & T. Hopper (2016): Government accounting reform in an ex-French African colony:

 <u>The political economy of neocolonialism</u> *Critical Perspectives on Accounting*, vol. 36, April 2016, pp. 39-57
- Maritz, Jaco (2013): <u>Demystifying doing business in Francophone Africa</u>. Cape Town: <u>How we made</u> <u>it in Africa</u> (online African business publication), 3 April 2013
- **Mbaye**, Ahmadou Aly & Stephen S. **Golub** & Fatou **Gueye** (2020): <u>Formal and informal enterprises</u> <u>in Francophone Africa: Moving toward a vibrant private sector</u>. Ottawa: International Development Research Centre
- **Mbembe**, Achille (2021): <u>Les nouvelles relations Afrique-France</u>: <u>Relever ensemble les défis de demain</u>. *Elysee,fr*, October 2021
- **Ngugi**, Fredrick (2017): <u>Are Francophone</u>, <u>Anglophone Countries the next big fault line in Africa?</u> Face2faceAfrica, April 13, 2017
- **Njoh**, Ambe J. (2007): Example of neo-colonial cultural-imperialism in town-planning in Togo. In: Njoh, A. J. (2007): <u>Planning power: Town planning and social control in colonial Africa.</u> London: University College London (UCL), pp. 12-28
- No author (2022): History of cotton cultivation in sub-Saharan Africa, fr. Wikipédia
- **Obeng-Odoom**, Franklin (2018): <u>Transnational corporations and urban development</u>. *American Journal of Economics and* Sociology, vol. 77 (2), pp. 447-510
- **Pickett**, Cameron D. (2017): French political-economic interests in francophone Africa: Weighing the merits of dependency theory and modernist theory in the political and economic relations between France and her former African colonies. Harrisonburg, Virginia, USA: James Madison University, Senior Honors Projects, No. 331, Spring 2017
- **Raikes**, Philip & Michael Friis **Jensen** & Stefano **Ponte** (2000): <u>Global commodity chain analysis and the French filière approach: comparison and critique</u>. *Economy and Society*, vol. 29 (3), pp. 390-417
- **Renou**, Xavier (**2002**): <u>A New French Policy for Africa?</u> *Journal of Contemporary African Studies*, 20:1, pp. 5-27
- **Ribouis**, Olivier (2022): <u>Europe Afrique: 04 axes d'un New Deal que propose Emmanuel Macron</u>. Cotonou: *Banouto*, Beninese media start-up, 21 January 2022
- **Ricart-Huguet**, Joan (2022): Why colonial investments persist more in Francophone than Anglophone Africa. London: London School of Economics (LSE), 25 January 2022
- **Ricart-Huguet**, Joan (2021): Why Do Colonial Investments Persist Less in Anglophone than in Francophone Africa? Journal of Historical Political Economy, vol. 1 (4), pp 477-498
- **Routier**, Airy (2019): Quel est vraiment le poids des francs-maçons sous l'ère Macron? Paris: <u>Challenges</u>, 23 February 2019
- **Rusagara**, Consolate K. (2019): <u>Francophone Africa has the most promising tech startups and they are looking for investors.</u> World Bank *Blogs*, May 06, 2019
- **Sanogo**, Issouf (2022): Will EU-AU summit reshape Europe-Africa relations? London: African Business, online

- **Schraeder**, Peter J. (2000): <u>Cold war to cold peace: Explaining U.S.-French competition in francophone Africa</u>. *Political Science Quarterly*, vol. 115 (3), pp. 395-419
- **Smith**, Stephen & Antoine **Glaser** (1992): <u>Ces messieurs Afrique: Le Paris-village du continent noir</u>. Paris: Calmann-Lévy, 1 January 1992
- The Editor (2021): <u>Présidence française de l'UE : priorité aux dossiers africains</u>. Lille: *Le Point Afrique*, 27 October 2021 (no author given)
- **Thierry**, Raphaël (2019): <u>Les éditeurs d'Afrique francophone sur l'échiquier du « glocal » (1980-2019).</u> Vol. 10 (2), Spring 2019, *Mémoires du livre / Studies in Book Culture*, Online publication: June 18, 2019
- **Yates**, Douglas A. (2019): <u>Paradoxes of predation in francophone Africa</u>. *International Journal of Political Economy*, vol. 47 (2), pp. 130-150

Résumé: L'Afrique francophone a été dominée jusqu'à présent par les répercussions politiques, économiques et culturelles de la domination coloniale française. Contrairement à la domination coloniale « indirecte » de la Grande-Bretagne, Paris gouvernait ses (anciennes) colonies de manière plutôt autocratique, classiquement qualifiée de « pouvoir directe ». Un instrument majeur pour affirmer les intérêts de la France était le maintien d'une monnaie commune, le franc CFA. Bien que cela ait été de plus en plus ressenti par les politiciens et les économistes africains, qui voulaient le remplacer par une monnaie commune ouest-africaine (l' « Eco »), le CFA prévaut toujours. La discussion internationale controversée s'est concentrée sur les questions de souveraineté et les questions politiques et économiques formelles. Cependant, les règles du secteur informel ont été au moins aussi cruciales dans la structuration de la zone CFA que les institutions et les politiques du secteur économique formel, y compris ses institutions monétaires. Pendant des décennies, par exemple, les prix des importations françaises ont été surévalués, en raison de la protection par l'aide liée et d'autres obstacles politiques et culturels non-tarifaires au commerce. Le coût de cette recherche de rente a été supporté non seulement par le Trésor français, qui garantit le rattachement, mais aussi par les contribuables français et européens, qui ont financé les renflouements budgétaires et l'aide au développement, et enfin, mais non des moindres, par le membre le plus pauvre pays et couches sociales africaines. Bien que cela ne s'applique à proprement parler qu'à la zone CFA, il existe de forts indicateurs que les choses n'ont pas beaucoup changés depuis cette époque pour l'Afrique francophone en général.

Zusammenfassung: Das frankophone Afrika war bisher von den politischen, wirtschaftlichen und kulturellen Auswirkungen der französischen Kolonialherrschaft geprägt. Im Gegensatz zur "indirekten" Kolonialherrschaft Großbritanniens regierte Paris seine (ehemaligen) Kolonien eher autokratisch, was klassischerweise als "direkte Herrschaft" bezeichnet wird. Ein wichtiges Instrument zur Durchsetzung der Interessen Frankreichs war die Beibehaltung einer gemeinsamen Währung, des CFA-Franc. Obwohl diese zunehmend von afrikanischen Politikern und Ökonomen abgelehnt wurde, die sie durch eine gemeinsame westafrikanische Währung (das "Eco") ersetzen wollten, dominiert der CFA immer noch. Die kontroverse internationale Diskussion zum Thema konzentrierte sich bisher auf Fragen der Souveränität und formale politische und wirtschaftliche Fragen. Allerdings erwiesen sich die Regeln des informellen Sektors bei der Strukturierung der CFA-Zone als mindestens genauso entscheidend wie die Institutionen und Richtlinien des formellen Wirtschaftssektors, einschließlich seiner Währungsinstitutionen. Beispielsweise waren die französischen Importpreise über Jahrzehnte von Preisbindungen und anderer politischer und kultureller nicht-tarifärer Handelshemmnisse überbewertet. Die Kosten dieses 'Rentier-Kapitalismus' wurden nicht nur vom französischen Finanzministerium getragen, das die Bindung garantierte, sondern auch von französischen und europäischen Steuerzahlern, die Haushaltssanierung und Entwicklungshilfe finanzierten, und nicht zuletzt von den Ärmsten afrikanischen Mitgliedsländern und Gesellschaftsschichten. Obwohl dies streng genommen nur für die CFA-Zone gilt, gibt es starke Indikatoren dafür, dass sich seit dieser Zeit für das frankophone Afrika im Allgemeinen nicht viel geändert hat.