

German big business continues its new scramble for Africa

By Peter Schwarz
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German imperialism is continuing its renewed efforts to exert its power in Africa. The German government organised its second Africa conference in Berlin on Tuesday, which had the goal of ensuring a significant increase in German investment on the African continent. The first Africa conference was held two years ago.

Heads of state travelled from a total of 12 African countries, including Egypt, Ethiopia, Ghana, Morocco, and Tunisia. Germany was represented by Chancellor Angela Merkel, the ministers for development, the economy and the environment, and a representative from the Finance Ministry. To give the event a smattering of European representation, the Prime Ministers of Norway and Italy were also invited.

Confronting trade war measures from the United States and growing competition from China, German big business is on the hunt for new markets, raw materials, investment opportunities, and cheap labour. Africa is seen as a promising destination, with its young and rapidly expanding population.

According to estimates by the federal German Raw Materials Agency, Africa possesses relatively large deposits of unexplored raw materials compared to other continents. It possesses significant deposits of nine out of the 14 so-called critical raw materials.

In some African countries, a middle class with buying power has emerged that could serve as customers for German products. According to the World Bank, average per capita income in North Africa has increased almost four-fold since 2000. However, it is distributed extremely unequally and is still only the equivalent of one-sixth of per capita income in Germany.

Furthermore, Africa also possesses an almost unlimited supply of young workers.

“Anyone who wants to do business can’t ignore Africa,” commented the *Tagesschau* on the Africa Conference. It continued, “Egypt has 100 million residents, many of whom are young and very mobile people. Anyone who wants to do business can’t ignore al-Sisi’s Egypt.”

The *Frankfurter Allgemeine Zeitung* commented, “It is in our own interests for Germany, and Europe as a whole to turn more towards Africa and engage there. Politically as well as economically.”

The task of the conference was to pave the way to Africa for major German corporations. The representatives of government and big business repeatedly noted that this required more transparency, the elimination of bureaucracy, legal guarantees, and the resolution of security challenges.

What this means in practice was shown by the prominent role played at the conference by Egypt’s President Abdel Fattah al-Sisi, who was the main speaker alongside Merkel.

The representatives of German capital are demanding that their investments and profits are not endangered by strikes, protests, or rebellions. Al-Sisi, who seized power in a bloody military coup in 2013, is notorious for his brutality towards political opponents and social protests. Thousands were forced to pay for their criticism of his regime with their lives, while many more are herded into overcrowded prisons. Several other heads of government in attendance are notorious for their authoritarian forms of rule.

To ease access to Africa for German corporations, the first Africa Conference established an investment fund worth around €1 billion. According to the Economy Ministry, German investments in Africa have risen substantially since then, reaching €2 billion last year.

But German big business has a long way to go to

catch up. They are competing against strong rivals.

According to 2017 figures from the United Nations Conference on Trade and Development, Germany, with total direct investments in Africa of just over \$10 billion, is far behind the leading investors, which include France (\$64 billion), the Netherlands (\$63 billion), the United States (\$50 billion), Britain (\$44 billion), and China (\$43 billion). China in particular is planning major investments. At last year's China-Africa Conference (FOCAC), Beijing pledged to invest \$60 billion over the coming three years.

With a trade volume of \$204 billion, China is already Africa's largest trading partner. By contrast, German trade with the continent amounts to around \$50 billion, just one quarter of the Chinese total.

Other countries are also seeking to join in a new scramble for Africa. With direct investments of \$13 billion and a trade volume of \$62 billion, India is currently ahead of Germany. Russia, Turkey, and the Gulf states are also pursuing their own economic interests in Africa.

In the final analysis, the struggle over Africa will be determined primarily by military rather than economic factors. The economic expansion is inseparably bound up with the military incursion. The German army's deployment in Mali is now its largest operation, and it is to be expanded still further. Senegal's Prime Minister Macky Sall recently demanded a "more aggressive" mandate for the United Nations to bring the situation under control.

Defence Minister Annegret Kramp-Karrenbauer undoubtedly had this mission in mind when she said during a keynote address to the Bundeswehr University in Munich, "A country of our size, our technological and economic power, a country with our geostrategic location and global interests cannot just stand on the sidelines and watch, and wait for others to act."

Germany is consolidating its military position in central Africa so as to be able to secure its imperialist interests across the entire continent and challenge its rivals.

On the occasion of the Africa Conference, public broadcaster RBB recalled another conference held in Berlin in 1884. Reich Chancellor Otto von Bismarck invited representatives from 13 European countries, the Ottoman Empire, and the United States to a Congo Conference to finally carve up Africa among the great

powers. Germany also secured its share.

The result was disastrous. Hundreds of thousands of Africans fell victim to genocide, such as in German-occupied Namibia, and massacres in Belgian-occupied Congo. The struggle among the imperialist powers ultimately culminated in the First World War, with 10 million deaths. Today, the struggle for markets, raw materials and global hegemony once again threatens to culminate in a world war, only this time one fought with nuclear weapons.

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