Japan’s Role in Africa: Principle, Pragmatism and Partnership

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Introduction

Japan has been an important actor in Africa’s international relations over the past few decades, although its role tends to be understated in most analyses of Africa’s ties with the large powers. The Asian country’s economic and aid relationship with the African continent has been highly variable, shaped by changing foreign policy objectives and internal political conditions in Japan, and changing reorientations and expressions of agency in African diplomacy. In recent years the emergence of new players from Asia in Africa’s economy and politics (most notably the People’s Republic of China) has nearly overshadowed the role that Japan has played on the continent; this eclipse of Japan reinforced by the country’s relative decline as a major aid power.

Yet Japan is still an important partner for the continent, being the source of a not insignificant volume of development assistance, and for some African countries, of investments in key sectors. Indeed, Japan contributes nearly one-third of all aid flows to Africa from the OECD’s Development Assistance Committee (DAC), and as a member of the G8, has been instrumental in sustaining the forum’s ‘Africa Agenda’ over the years. It was on the initiative of the government of Japan, as host of the Okinawa Summit in 2000, for instance, that African leaders were first invited to be present at G8 proceedings, an early progenitor of the G8’s later Heiligendamm outreach programme. Following and sometimes setting the example for Western G8 members, Japanese leaders also tended to use the G8 setting for pronouncements about Africa’s plight and for pledges of aid doubling.

This article reflects on the past patterns and contemporary dynamics of Japan’s relationship with the African continent, considering some of the substantive underpinnings of this relationship and the way in which they relate to key political processes underway both in Japan and in Africa. The focus falls on Japan’s bilateral and multilateral engagements with the continent, the significance of the TICAD (Tokyo International Conference on African Development) process, and Japan’s role as an aid donor and investor.

The contours of Japan-Africa relations

Given Japan’s lack of colonial history with Africa and limited economic and political contact between the two entities for much of the twentieth century, the change in the Asian country’s position in Africa since the 1990s is noteworthy. The end of the Cold War introduced a new era in Japan-Africa relations, with the Asian country ostensibly placing more emphasis on fostering meaningful, and for Africa, beneficial ties. An expansive Official Development Assistance (ODA) programme, that saw Japan
emerge as top donor to several African states during the 1990s, and the initiation of the TICAD in 1993 are two indicators of a far greater degree of Japanese involvement on the continent.

Prime Minister Mori’s official visit to Kenya, South Africa and Nigeria in 2001, the first ever by an incumbent, marked a break from Japan’s earlier detachment from the continent. Mori’s promise that this heralded the start of a new period between the two with Japan focused on supporting African development, indicated an attempt by the Japanese government to solidify its ties with the continent, but also signalled to the outside world that Japan was embarking on a new international path (Cornelissen, 2004). 2

Aid

Aid has been an important feature of Japan’s role in Africa. Moreover, Japan’s African ODA programme is significant for the wider foreign policy utility it has offered to the Asian country. By 1995 Japan’s total aid disbursements amassed to US$ 14.5bn, making it the top ODA donor in the world. Its aid power was undisputed, globally, and its prominence as a donor was particularly highlighted in the African continent, where, at the time Japan provided assistance to all sub-Saharan African states. It has conventionally followed a key-country approach in its aid-giving, with most of its ODA going to strategic states (those that are resource-rich or have diplomatic clout) (e.g. Ampiah, 1997; Morikawa, 1997).

Since the start of the twenty-first century there has been a steady decline in Japanese aid disbursements to the continent, which paralleled trends in Japan’s global aid contributions. This has mostly been as a result of Japan’s declining economic fortunes. Japan’s aid fell to an average of about US$7.7bn during the 2000s. Against this backdrop, Japan’s bilateral ODA to Africa has wavered, for instance comprising less than 10% of Japan’s total disbursements in 2002 and 2003 (MOFA, 2007).

In 2005, during the G8 Gleneagles Summit, Japan announced that it would double its African ODA over the next three years and that it would increase ODA cumulatively by US$10bn over the next ten years. Then prime minister Koizumi heralded it as part of Japan’s efforts to help Africa transform itself from ‘the home of issues’ to ‘the home of self-endeavor’ (Koizumi, 2006), but the announcement had a clear political intent to it, as Japan was well aware that the cyclical downturn in aid to the African continent could jeopardise set diplomatic objectives.

The impact of the announcement on Japan’s ODA to Africa was tangible and immediate: in 2006 for instance, Africa received more than one-third of all Japanese bilateral disbursements (MOFA, 2007). In 2007 however, Japan’s overall ODA budget declined severely, largely due to unforeseen cuts to multilateral assistance. It was therefore somewhat unexpected when, in May 2008, Prime Minister Fukuda announced another doubling in its ODA to Africa, this time projecting disbursements of US$1.8bn by 2012. As part of this he pledged the implementation of a loan facility (amounting to approximately US$4bn) for the development of the continent’s agriculture and
infrastructure sectors until 2012 (JICA, 2008: 7). Currently, on net disbursal basis, Japan’s ODA to Africa stands at around 20% of its total ODA budget (MOFA, 2010).

Japan has tended to favour loan assistance and technical assistance above grants, something which stems from an aid philosophy of ‘self-help’ and ‘ownership’ and a deep-seated belief among aid officials that Japan’s own development came through self-discipline. This, however, places the country’s aid practices at odds with DAC norms. Indeed, Japan’s DAC peers have consistently criticised the country for what has been termed in the past as self-serving aid (Islam, 1990). More recently, the Japanese government has endeavoured to ‘untie’ all aid (OECD, 2010), i.e. de-link assistance with rules for exclusive procurement from Japanese corporations.

One consequence of Japan’s aid philosophy is that it has dedicated more support for infrastructural development projects in the developing world than other DAC donors do. This traditional emphasis has also been the case in Africa. In recent years grants and technical cooperation to African countries have become more tailored to meet Japan’s new emphasis on human security and attaining the Millennium Development Goals. Most grant assistance provided by Japan has therefore been directed to food assistance and the enhancement of the agricultural sector, while technical cooperation has focused on the improvement of health provision (MOFA, 2008a). Several African countries have also received debt relief from Japan under its commitments to the World Bank’s Highly Indebted Poor Countries’ Initiative and G8 debt relief pledges. Finally, Japan has become a more active supporter of peace-building initiatives on the continent, albeit mostly through indirect financing channelled through multilateral conduits such as United Nations-run programmes.

The Tokyo International Conference on African Development (TICAD)

Japan’s launch of TICAD in 1993 came at a time of significant Afro-pessimism and donor fatigue in Western aid circles. The TICAD process (with successive five-yearly meetings) has been the principal framework under which Japan’s aid and other types of economic involvement with Africa have been determined, even as it has evolved in nature and outflows (Similarities to the subsequently established China-Africa Forum (FOCAC) are very unlikely to be purely incidental). The second conference held in 1998 identified priority areas for Japan’s economic cooperation (i.e. education, health, gender, agriculture, industry and private sector support, and assistance for improved governance, conflict prevention and post-conflict development (TICAD, 2008)). At the 2003 TICAD meeting priority sectors were linked to the three newly defined pillars of Japan’s assistance to Africa, which were declared as the consolidation of peace, human-centred development and poverty reduction. A commitment to human security and South-South cooperation was also made (TICAD, 2003).

TICAD IV, held in 2008, pledged a major increase in Japan’s ODA to Africa over the next five years. It also had a more focused and hands-on tone than the three meetings that preceded it. The 2008 Yokohama Plan of Action for example listed some specific development targets and also called for the establishment of follow-up mechanisms to monitor progress. This has had some very early offshoots in that the Ministry of Foreign Affairs set up a unit (or secretariat) to oversee the implementation of projects under the
broader framework of TICAD IV objectives. TICAD IV identified three priority areas: boosting economic growth through infrastructure development and agricultural sector support; promoting human security through encouragement of the attainment of the Millennium Development Goals and the consolidation of peace and good governance; and supporting measures to improve environmental protection.

Changes in the administration of Japanese aid

In the past the administration of Japanese aid involved up to 13 state bureaucracies. Aid administration was reformed in 2008, first through the merger of the Japan International Cooperation Agency (JICA) and the overseas economic cooperation section of Japan’s Bank for International Cooperation (JBIC) into the so-called ‘New JICA’, and secondly through attempts to streamline the activities of the state bureaucracies tasked with aid disbursement. Through this process JICA not only gained more aid functions – beyond its conventional tasks of technical cooperation – but also greater autonomy vis-à-vis traditionally powerful bureaucracies such as the Ministries of Foreign Affairs and Finance.

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Following this streamlining, JICA has gained a new role as implementer of grant aid, technical cooperation and yen loans. JICA has also defined new medium-term focuses under the framework of the Yokohama Action Plan. These have included four priority areas: assistance with regional infrastructure development (mainly roads, ports and electricity); improvement of agricultural productivity; assistance to promote private-public partnerships between Japanese and African counterparts; and improving access to safe water (personal communication, Director-General: Africa, JICA, Tokyo, 14 January 2009).

JICA’s objective to bolster African agricultural productivity centres extensively on a multi-agency initiative to promote rice production on the continent under the framework of a project termed the Coalition for African Rice Development. Based on the principle that rice cultivation could address some of the food insecurity in Africa, and making use of a rice hybrid of strains from Africa and Asia, the initiative aims to double the harvest of rice in Africa over the next ten years to 28 million tonnes. It was extended from an earlier initiative, known as the New Rice for Africa, which was launched in the late 1990s.

In keeping with the Yokohama Action Plan’s objective to boost economic growth, JICA has identified support to infrastructure development projects as a focus area for its activities. These stem from a framework to enhance the development of economic corridors developed by the African Union and NEPAD, many of them through public-private partnerships. The intention is to extend Japanese support for these projects mainly through the provision of grants and loans (MOFA, n.d.). A similar focus has been placed on Africa’s renewable energy sector (see Appendix 1).

By early 2009, however, more negative outlooks for the world economy, and that of Japan in particular, led some observers to question whether Japan would be able to deliver on its much publicised TICAD pledges (see for instance Africa-Asia Confidential, 2009: 4). In an attempt to placate African concerns, at the first TICAD ministerial follow-up meeting held in Botswana in March 2009 the Japanese government not only recommitted to the Yokohama goals, but went further, promising to increase grant aid and technical assistance to US$2bn (more than the US$1.8bn initially pledged by Prime Minister Fukuda) and to speed up its disbursement of the pledged US$4bn of yen loans (MOFA,
2009b). Yet more commentators have questioned the wisdom of this, as it would place additional burdens on an aid bureaucracy that was already battling to contend with recent major institutional realignments (personal communication, President: TICAD Civil Society Forum, Kyoto, 16 April 2009).

Trade and investments – focussing on, often starting in South Africa

While Japan has been a major aid donor to Africa, its trade with and investments in the continent have been minimal; historically sub-Saharan Africa has captured only around 2-3% of total Japanese trade and investments (JETRO, 2008a). Table 1 details Japan’s main trade partners in Africa.

<table>
<thead>
<tr>
<th>Principal partners</th>
<th>Exports</th>
<th>Imports</th>
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<tbody>
<tr>
<td>South Africa</td>
<td>4.40</td>
<td>7.71</td>
</tr>
<tr>
<td>Egypt</td>
<td>1.29</td>
<td>0.84</td>
</tr>
<tr>
<td>Nigeria</td>
<td>0.73</td>
<td>0.67</td>
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<tr>
<td>Algeria</td>
<td>0.85</td>
<td>0.39</td>
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<tr>
<td>Liberia</td>
<td>1.19</td>
<td>0.0001</td>
</tr>
<tr>
<td>Morocco</td>
<td>0.37</td>
<td>0.32</td>
</tr>
<tr>
<td>Kenya</td>
<td>0.55</td>
<td>0.03</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>0.02</td>
<td>0.22</td>
</tr>
<tr>
<td>Tanzania</td>
<td>0.17</td>
<td>0.08</td>
</tr>
<tr>
<td>Cote d’Ivoire</td>
<td>0.04</td>
<td>0.02</td>
</tr>
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Source: JETRO (2008a)

In recent years however, South Africa has exported a greater volume of value-added goods, particularly of motor components. This has been underpinned by the increase in Japanese investments in South Africa’s automotive sector.

Japan had built up a very strong trade relationship specifically with South Africa, so that South Africa is Japan’s main trading partner in Africa. Similarly, for South Africa, Japan is one of its principal export destinations. South Africa has been the main source for Japan’s platinum imports for numerous decades (also see Ampiah, 2003; Morikawa, 1997).

In recent years however, South Africa has exported a greater volume of value-added goods, particularly of motor components. This has been underpinned by the increase in Japanese investments in South Africa’s automotive sector. For example, the export of motor vehicles and related components from South Africa to Japan rose by 41% between 2002 and 2006, carrying a value of approximately US$1bn in 2006 (Department of Trade and Industry of South Africa, 2007). Over the years specific corporations such as Toyota and Nissan have been major developers of the automotive sector in South Africa (see e.g. Cornelissen, 2004), but others such as Honda and Suzuki have also started to develop a significant marketing presence.
Japanese corporations have undertaken some major investments in African countries through public-private collaborations and joint ventures. One of the largest has been Mitsubishi’s investment in a joint venture with the transnational mining group BHP Billiton and the Industrial Development Corporation, a South African parastatal, to create an aluminium smelter plant in Mozambique. Since its creation in 1998, Mozal, as the facility is known, has come to account for 60% of all goods exported from Mozambique. A further recent case of a large-scale public-private project partially funded by Japanese investment, is Sumitomo Corporation’s involvement in the planned development of a nickel and cobalt mine and smelting facilities in Ambatovy, Madagascar and the related development of a port pier along the east coast of Madagascar. The project will involve a Canadian mining corporation, Sherrit and a consortium of Korean and Japanese corporations led by Sumitomo.

In 2007 the Japanese government concluded an agreement with Botswana to establish a Remote Sensing Centre, a unit to detect metals such as nickel, cobalt and platinum through the use of Japanese-owned satellite technology. In return, Japan can get preferential access to mines in Botswana extracting such metals. The Remote Sensing Centre was opened in July 2008 with the assistance of the Japan Oil, Gas and Metals National Corporation (JOGMEG), an agency created by the Japanese government a few years ago, and funded through public finances to source new international supplies of minerals and metals. JOGMEG principally establishes joint venture agreements with third parties for the exploration of resources before transferring rights to interested Japanese corporations. The agency has targeted platinum group metals, nickel and zinc as priority resources for exploration in Africa (JOGMEG, 2006).5

In line with these aims several large Japanese corporations have stepped up their efforts in recent years to gain entry to the African resources market.

These moves reflect a wider emphasis in Japan’s aid policy to secure stable access to needed resources, which has come to define Japan’s orientation to Africa. The 2007 ODA White Paper (MOFA, 2007) for instance comments that

“The international environment for rare metals is growing in severity. Additionally, especially in Africa, China is intensifying its diplomatic efforts for securing natural resources. Against this backdrop, it is tremendously important for Japan to secure stable supply of these resources over the longer term through direct investments by Japanese enterprises for gaining access to vital resources such as rare metals. It is considered that supporting these corporate activities through the utilization of official aid will become more and more important in the future. Specifically, possibilities include the development of an environment where Japanese enterprises can conduct activities smoothly in developing countries through assisting infrastructure building such as harbors and roads, and social development of local residents of surrounding mines.” (MOFA, 2007).

In line with these aims several large Japanese corporations have stepped up their efforts in recent years to gain entry to the African resources market. In West Africa, corporations such as Mitsui have proactively sought to secure contracts for underwater oil and gas scouting projects. That corporation is involved in energy development projects along the Gulf of Guinea, where fresh discoveries of submarine reserves have meant that exploitation along the coasts of Cameroon, Equatorial Guinea, Gabon and Cote d’Ivoire has become very lucrative (Africa Research Bulletin, 2008). In studies, the Japan External Trade Organisation has also documented how the desire to tap Africa’s

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resource reserves has become a more general motivation for Japanese business interests on the continent (JETRO, 2008b).

It is therefore noteworthy that at the TICAD IV meeting, a great deal of emphasis was placed on the need to invest in Africa’s resources as a means to stimulate development. In his speech, Prime Minister Fukuda for instance stated that ‘if we are able to utilise Africa’s plentiful resources more fully by harnessing Japan’s technologies this will surely be a major trigger for growth and without a doubt benefit Africa’ (cited in Africa Research Bulletin, 2008: 17836). To this end the Japanese government promised to seek to double Japanese investments over the next five years. The Japan Bank for International Cooperation was pledged US$2.5bn to establish a Facility for African Investments to provide equity, guarantees and loans for projects undertaken in manufacturing, energy and natural resource and infrastructure development in various parts of the continent (JBIC, 2008). This facility was established in April 2009.

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**Concluding remarks**

Japan’s relations with Africa over the past number of decades may be typified as a mix of aloofness, growing interest underpinned by paternalism, as signified in Japan’s early aid overtures to the continent, and latterly, pragmatism and partnership. This relationship has been an important one for the continent, particularly as far as aid ties are concerned.

African countries may benefit from a new emphasis on resource-driven partnership by Japan. It is encouraging for instance that Japan’s objectives for infrastructure and energy sector development on the continent are principally framed under the continental development blueprints of NEPAD and the AU, with the offices of both organisations involved in progress monitoring. Individual countries should also seek to ensure that economic cooperation and public-private partnerships with Japanese entities are not one-sided or unequal arrangements. At the same time, it should be recognised that the interests of the Japanese corporate sector do not necessarily overlap with that of the state. While the Japanese government may therefore promote greater investments in Africa, it is not guaranteed that corporations will follow suit if they do not deem conditions appropriate.

Shifts in Japan’s domestic situation could imply changes to Japan’s aid policy in the foreseeable future, in which Africa may not feature very prominently. Following the election of the Democratic Party of Japan in mid-2009, the new government reiterated its commitment to honour the TICAD IV pledges (see for example MOFA, 2010). In the wake of the triple environmental and nuclear crises of March 2011, further, Japan quickly reassured African countries that its involvement will not decrease. However, Japan’s total aid budget has seen systemic reduction over the years, and much of the country’s recent disbursements to Africa came as a result of creative budget reallocations, rather than new capital flows.

Most crucially, from the perspective of many African countries, Japan seems to have lost the edge to China in terms of economic involvement and its role in shaping development discourse on the continent. The robustness with which China has engaged in many economies in Africa has led it to overshadow Japan in many respects: Chinese trade with Africa outweighs Japan-Africa trade by a factor of nearly six; Chinese investment in
the continent is far above that of Japan, and in spite of media-hyped announcements of ODA increases by Japan, its aid to Africa has not matched that of China. Today, even China’s flagship conference on African development, the Forum on China-Africa Cooperation, in many ways modelled on the TICAD, eclipses the TICAD meeting in profile and number of high-ranking African delegates in attendance.

Thanks in large part to its willingness to divulge more resources, a more visible (if less elegant) public relations machinery, and its philosophy of comradeship above foreign policy ethics, China, not Japan, appears to be viewed as a partner for development by many African countries. It can be argued that these factors played a significant role in the recent revitalisation of the TICAD process. With a view to TICAD V, to be held in 2013, these forces might help stimulate an aid policy which has been rather lacklustre. Also, provided programmes and initiatives are appropriately conceived and implemented, they may yet hold real, long-term development gains for the continent.

End Notes

1 This article is a condensed and adapted version of an article entitled ‘TICAD’s directives for Southern Africa: Promises and pitfalls’, which is to be published in a forthcoming issue of Japanese Studies in 2012.

2 On his visit to South Africa, for instance, Yoshiro Mori announced: ‘I chose to visit Africa at the dawn of the new century because I definitely wanted to stand on the soil of the African continent and express directly to the African people the firm determination of the Japanese people to open our hearts along with you, to sweat and to expend all our might to aid in the process of Africa overcoming its difficulties and building a bright future. I believe this is an appropriate new beginning for Japan’s global diplomacy’ (The Sunday Independent, 14 January 2001).

3 As an outcome of TICAD IV, a three-tier follow-up mechanism was formalised, which consists of the MOFA secretariat (Tier 1) to gather, monitor and disseminate information on the implementation of TICAD; a joint African and Japanese Monitoring Committee (Tier 2) which meets on an annual basis and produces a yearly progress report; and annual follow-up meetings (Tier 3) which involve public and private Japanese organisations and counterparts from the African continent.

4 The major agencies involved in the Coalition for African Rice Development include JICA, the Alliance for a Green Revolution in Africa and the Africa Rice Centre.

5 Since its establishment in 1994, JOGMEG has established close to 30 joint venture mining contracts for Japanese corporations. In Africa, in addition to the Botswana agreement, two further have been drawn up with Niger and the Democratic Republic of Congo (see Africa Research Bulletin, 2007: 17423).

References


Japan Oil Gas and Metals National Corporation (2006). ‘Facilitating mining investment from Japan to Africa: The role and activities of JOGMEG.’ Presentation by JOGMEG Executive Director at Junior Mining Congress, Johannesburg, 4 July 2006.


Appendix 1

Japan’s Assistance for Energy Sector in Africa

(Source: MOFA, n.d.)

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