

## **Inequality. A Challenge for African-European Cooperation**

A dialogue conference within the framework of the  
Austrian Presidency of the European Union.

Organised by:

Vienna Institute for international Dialogue and Cooperation | VIDC  
Southern Africa Documentation and Cooperation Centre | SADOCC

Vienna, 26-27 November, 2018

### **CONCLUSIONS OF CONFERENCE ORGANISERS**

**[1]** The conference “Inequality. A Challenge for African-European Cooperation” took place within the framework of the Austrian EU Presidency on November 26-27, 2018 at the house of the European Union in Vienna (see programme attached) with over international 120 participants. The event continued Austria’s longstanding tradition of North-South dialogue and built on the Europe-Southern Africa Conference convened by the same organisers under the first Austrian EU Presidency in 1998. These conclusions will be conveyed to the Austrian EU Presidency, in addition to the presidents of the European Council and the European Commission as well, ahead of the High-Level Forum Africa-Europe to be held in Vienna in mid-December.

#### **[2]** Conference participants

1. expressed deep concern about the rise in economic inequality between the populations of Africa and Europe. Over the past six decades, the difference in income inequality between the two groups rose from 6.500 to 28.000 USD (measured in purchasing power parity 2011). Today, more than half the world’s poor live in Africa, while one third of the wealthiest one percent live in Europe;
2. concluded that persistent inequality connected to poverty and unemployment, is one of the greatest challenges of today's world which undermines social cohesion, democracy and political stability. Furthermore, it is one of the root causes of migration;
3. appealed to governments in both the EU and Africa to address the causes of inequality and put the creation of policies conducive to the reduction and eradication of economic and social inequalities - including gender inequality - at the top of their agendas;

4. furthermore concluded that cooperation between Europe and Africa under existing trade, development and security frameworks has been unable to break this vicious cycle, and called upon the European Union and its African partners (the African Union as well as national governments) to reconceptualise European-African relations on the basis of mutual respect, solidarity and social justice.

**[3]** Regarding the future relationship between the EU and Africa and related global matters, the conference expressed its conviction that:

1. unequal trade (export of raw materials vs. import of manufactured goods) constitutes one of the biggest obstacles to development for many African countries, and that future economic cooperation between the two continents (Post-Cotonou) should focus on reducing this dependency by the creation of new production capacities within Africa (accelerate sustainable industrialisation);
2. regional market integration based on local and regional African experiences – as stated in the African Union (AU) Agenda 2063 - will make an important contribution to the financial viability of the production of manufactured goods and should be supported. In this context, the conference noted the process of creating an African Continental Free Trade as it is stated in the Kigali Agreement signed by 44 member states of the AU;
3. fair tax revenues should be increased and directed towards investment in social services and sustainable development; the closure of tax heavens and the cessation of both illicit financial flows and tax evasion are also of utmost importance and should be given high priority within EU-African cooperation;
4. given the economic importance of transnational corporations for Africa, and their huge negotiating power vis-a-vis African governments, the EU should give strong support to the UN binding treaty on business and human rights currently under consideration;
5. in addition, international minimum standards for labour should be adopted in line with ILO conventions and programmes
6. the future framework of EU-African cooperation should be based on coherent policies and enhanced African bargaining power vis-a-vis European institutions;
7. any agreement must recognise the vital role of civil society in social innovation and the implementation of equality strategies; civil society and the African diaspora must be included in policy making processes.

**[4]** With regard to national policies, the conference called upon African governments in particular to effectively implement policies capable of reducing economic inequalities, for example:

1. using present economic growth to shift finances towards programmes which enhance the well-being of the population
2. introducing redistributive tax systems in order to reduce income and wealth inequality, and by tackling tax evasion and tax avoidance
3. reducing the “inequality of opportunities“ by strengthening the delivery of public services in health, education, social security etc.
4. supporting the informal sector, and particularly women in the informal sector
5. integrating trade unions, employers’ organisations, women’s networks, religious organisations, academia and the diaspora into policy planning, decision making and implementation processes, thereby making corporate governance more participatory.

**[5]** The conference participants stressed the importance of solidarity at both national and international levels and called for the strengthening of solidarity engagement by:

1. analysing the roles and experiences of previous and contemporary solidarity movements such as the Anti Apartheid Movement and Jubilee 2000, and utilising these results to inform strategic planning in line with present global challenges;
2. building long-term coalitions and alliances of civil societies in both Europe and Africa, including at Thematic Global Social Forums, along with reaching out to academic and cultural communities and the African diaspora;
3. acting on both ends of the supply chain in cases of conflicting issues or policies, particularly with regards to the operations of transnational corporations (e.g. land conflicts) through the mobilisation of shareholders, media and public opinion, and/or by the use of complaint mechanisms rendered by the UN or the OECD;
4. applying pressure to EU institutions and bodies responsible for economic policies affecting Africa and supporting African demands and proposals in that context;
5. recognising the potential of migrants and acknowledging the African diaspora as equal partners and agents of change both in their countries of residence and origin, and inviting them to networking activities, business forums etc.

**[6]** The conference subsequently appealed to the Austrian EU Presidency and all EU member states:

1. to make the support of economic and social development a top priority in their future relations with Africa, in line with the right to development as enshrined in UN resolutions; to sign the Global Compact for Safe, Orderly and Regular Migration and the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families.
2. to address the root causes of inequality, both within and between countries and regions, rather than establishing a fortress Europe, militarising EU foreign relations and undermining multilateral efforts to set minimum standards for migration policies. Such approaches will not lead to a solution, however they will serve to increase current challenges, including the rise of xenophobic and racist tendencies in Europe.

Vienna, December 10, 2018