

Niger profile - Timeline

19 February 2018



A chronology of key events:

1890 - French occupy Niger.



AFP

1958 - Niger becomes autonomous republic of the French Community.

1960 - Niger becomes independent; parliament elects Hamani Diori president.

1968-73 - Severe drought devastates Niger's livestock and crop production.

1974 - Hamani Diori overthrown in military coup led by Lt-Col Seyni Kountche.

1987 - Ali Seybou, the armed forces chief of staff, succeeds Kountche who dies of a brain tumour.

1989 - A new constitution brings Niger back to civilian rule, but under a one-party system; Seybou re-elected president.

Ban on parties lifted

1990 - Seybou legalizes opposition parties following a wave of strikes and demonstrations.

1990 - Rebellion by Tuareg people in the north begins.

1991 July - Constitutional conference strips Seybou of his powers and sets up a transitional government under Andre Salifou.

1992 - New constitution allowing multiparty elections ratified.

1993 - Mahamane Ousmane elected president and his coalition, the Alliance of the Forces of Change wins a majority of seats in parliament.

1995 - Ceasefire between the government and the Tuareg's Revolutionary Armed Forces of the Sahara comes into effect.

More coups

1996 January - Ousmane ousted in a coup led by Col Ibrahim Mainassara, who bans all political parties.

1996 May - New constitution giving the president increased powers approved in a referendum; ban on political parties lifted.

1996 July - Mainassara wins presidential election.

1997 - The Democratic Renewal Front, a hard-line Tuareg group, signs peace accord with government.

1999 April - Major Daouda Wanke assumes power following the assassination of Mainassara by his bodyguards.

1999 August - New constitution reversing the increase in the presidency's powers approved in a referendum.

1999 October and November - Mamadou Tandja elected president and his party, the National Movement for the Society in Development, wins majority of seats in parliament.

2001 January - Niger bans hunting in an effort to save its wildlife population, which includes the lion, the giraffe and the hippopotamus.

2002 August - Soldiers mutiny in the east and in the capital and demand the payment of wage arrears and better conditions. The rebellions are put down.

Uranium claim

2003 January - US President George W Bush claims Iraq tried to acquire uranium from Niger for its nuclear programme. The claim also made in UK's September 2002 dossier on Iraq.

2003 March - Nuclear watchdog tells UN that documents relating to Iraq-Niger uranium claim are forged, concludes specific allegations are unfounded.

2004 July - First-ever local elections. Parties backing the president win most of the seats.

2004 December - President Mamadou Tandja wins a second term in office with 65.5% of the vote in a second-round ballot.

2005 July - International Court of Justice awards Niger most of the river islands along its disputed border with Benin.

Tuareg rebellion

2007 August - Government declares alert in the north, giving the army greater powers to fight Tuareg rebels who have staged deadly attacks over the past six months.

2008 June - Police arrest former Prime Minister Hama Amadou on charges of embezzling state funds.

2009 April - Government and Tuareg rebels of the Movement of Niger People for Justice (MNJ) agree to end hostilities after talks in Libyan capital Tripoli.

2009 May-June - President Mamadou Tandja suspends constitution and assumes emergency powers after Constitutional Court rules against his plans for a referendum on whether to allow him to seek a third term.

2009 August - Much-criticized referendum endorses new constitution which allows President Tandja to rule for three more years and gives him broader powers.

2009 October - Opposition boycotts election to replace parliament that President Tandja dissolved to stop it blocking his constitutional changes. Mr Tandja's supporters win overwhelming victory over independent candidates.

Coup

2010 February - President Tandja is ousted in a coup and a senior army officer, Col Salou Djibo, named head of a military government. The African Union suspends Niger's membership.

2010 March - Coup leader Col Salou Djibo promises to return Niger to democracy, but sets no date for elections.

Military junta appoints a transitional government headed by a civilian prime minister, Mahamadou Danda.

2010 May - Food shortages affecting 7 million people, aid agencies say.



2010 October - New constitution designed to restore civilian rule approved in referendum.

Return to civilian rule

2011 March - Mahamadou Issoufou wins presidential elections and is sworn in the following month.

2011 May - Former President Mamadou Tandja, who was ousted in the 2009 coup, is released from prison after charges of misappropriating public funds are dropped.

2011 July - Five soldiers arrested for allegedly plotting to assassinate President Issoufou and take power in a coup.

2012 February - Thousands cross into Niger to escape fighting in Mali.

2013 May - Suicide bombers stage separate attacks on a military barracks and a French-run uranium mining site in the north. The government blames al-Qaeda-linked militants.

2013 June - Historical city of Agadez awarded World Heritage status by UNESCO.



GETTY IMAGES

2014 May - Niger and French nuclear energy group Areva agree a new deal for mining uranium, involving an increase in royalties, which critics had said were too low.

Man sentenced following the first ever conviction for slavery in Niger.

2014 May - A man is sentenced to four years in jail in the first ever conviction for slavery in the country.

2015 February - Niger agrees to contribute to a regional force to fight Boko Haram militants.

2015 November - Opposition leader Hama Amadou is arrested on his return to the country, year after fleeing to avoid child-trafficking charges. He is later approved as a candidate the forthcoming presidential polls.

2016 March - Mahamadou Issoufou is re-elected in a run-off election boycotted by supporters of his opponent, Hama Amadou.

2016 June - Boko Haram militants attack the southeastern town of Bosso, killing 30 soldiers.

2016 September - The US confirms that it is building a military base in the central city of Agadez capable of deploying drones against militants.

2017 March - State of emergency declared in western areas bordering Mali following attacks blamed on militants linked to the Movement for Oneness and Jihad in West Africa.

A court sentences exiled opposition leader Hama Amadou to a year in prison for child smuggling. He was not in court and denied the charges, describing them as politically motivated.

2017 April - The military says it has killed 57 members of Boko Haram who attacked a military position near Gueskerou, in the south-east.

2017 July - Five West African countries, including Niger, launch a new regional force to confront Islamic militants in the Sahel region.

2017 October - Three US commandos on a joint patrol with local troops are killed in an ambush near Tongo Tongo.

2018 January - Italy's parliament approves the deployment of up to 470 troops in Niger to combat migration and the trafficking of people towards Europe.



AFRICA SECURITY BRIEF

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Responding to the Rise in Violent Extremism in the Sahel

By PAULINE LE ROUX

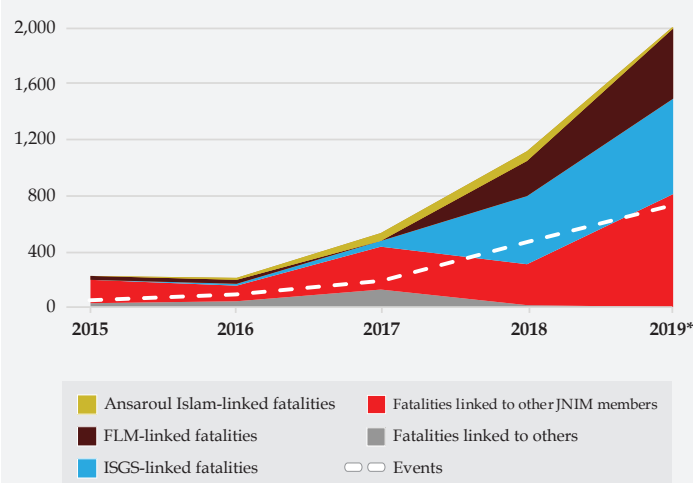
HIGHLIGHTS

- Violent activity involving militant Islamist groups in the Sahel – primarily the Macina Liberation Front, the Islamic State in the Greater Sahara, and Ansaroul Islam – has doubled every year since 2015.
- Employing asymmetric tactics and close coordination, these militant groups have amplified local grievances and intercommunal differences as a means of mobilizing recruitment and fostering antigovernment sentiments in marginalized communities.
- Given the complex social dimensions of this violence, Sahelian governments should make more concerted efforts to bolster solidarity with affected communities while asserting a more robust and mobile security presence in contested regions.

The Sahel has experienced the most rapid increase in militant Islamist group activity of any region in Africa in recent years. Violent events involving extremist groups in the region have doubled every year since 2015. In 2019, there have been more than 700 such violent episodes (see Figure 1). Fatalities linked to these events have increased from 225 to 2,000 during the same period. This surge in violence has uprooted more than 900,000 people, including 500,000 in Burkina Faso in 2019 alone.

Three groups, the Macina Liberation Front (FLM),¹ the Islamic State in the Greater Sahara (ISGS),² and Ansaroul Islam,³ are responsible for roughly two-thirds of the extremist violence in the central Sahel.⁴ Their attacks are largely concentrated in central Mali, northern and eastern Burkina Faso, and western Niger (see Figure 2). Multiple security and development responses have been deployed to address this crisis. While some progress has been realized, the continued escalation of extremist violence underscores that more needs to be done.

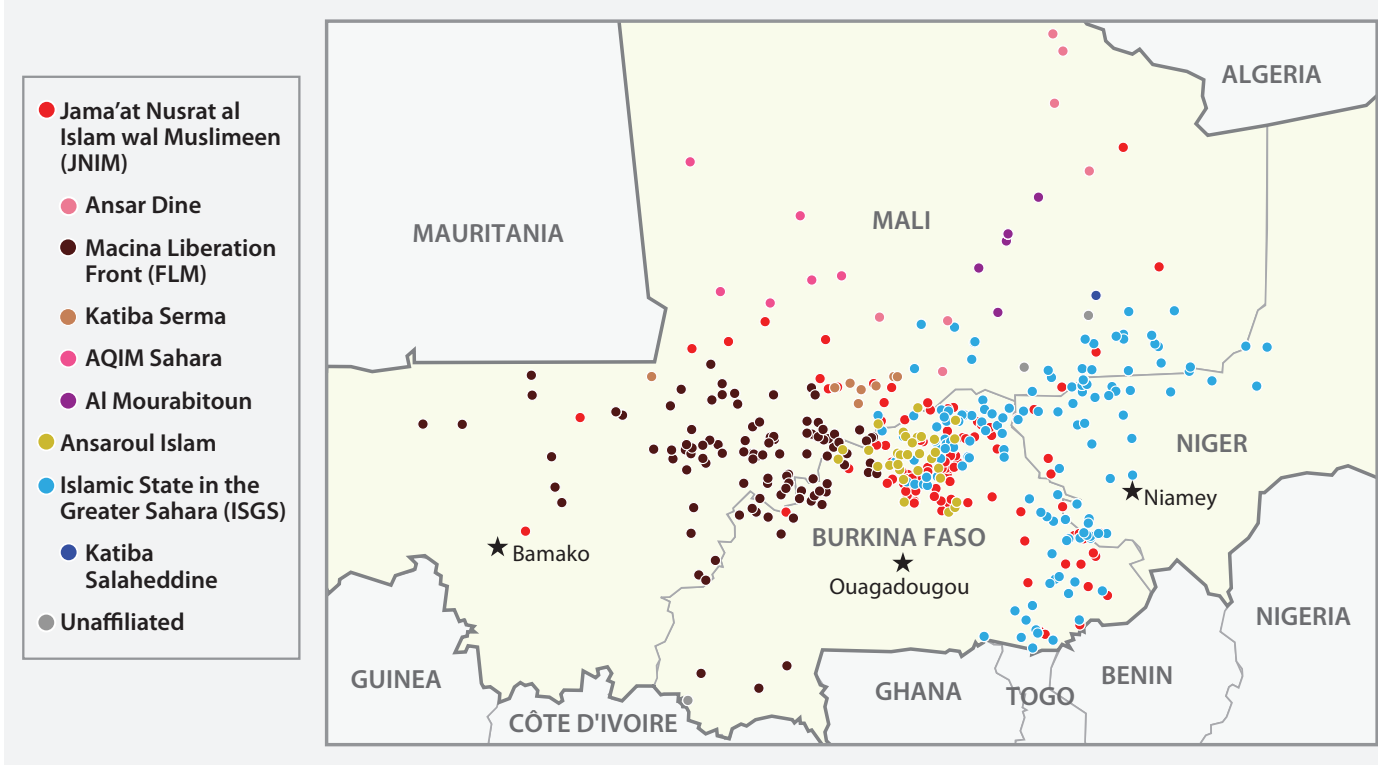
FIGURE 1. TRENDS IN MILITANT ISLAMIST GROUP ACTIVITY IN THE SAHEL



*Projected

Data source: Armed Conflict Location & Event Data Project (ACLED)

FIGURE 2. VIOLENT EVENTS LINKED TO MILITANT ISLAMIST GROUPS IN THE SAHEL



Note: Data points represent violent events involving the designated groups in 2019.
Data Source: Armed Conflict Location & Event Data Project (ACLED)

LESSONS FROM CONFRONTING FLM, ISGS, AND ANSAROUK ISLAM

FLM, ISGS, and Ansaroul Islam are autonomous organizations with distinguishable geographic areas, leadership, and modalities. Nonetheless, certain common features emerge from their operations.

Exploiting Grievances for Radicalization

Each group, particularly FLM and Ansaroul Islam, has skillfully incorporated local grievances to create recruitment narratives centered on perceived marginalization. Frequently, these efforts have targeted young Fulani herders by stoking their feelings of injustice and resentment toward the government. While lacking deep local support, the militant groups have used this grievance narrative to radicalize individuals.

Both FLM and Ansaroul Islam benefited from their leaders' charisma, ideology, and personal engagement to attract followers. FLM founder Amadou Koufa was radicalized through travels and foreign contacts who promoted an ultra-

conservative vision of Islam. He, in turn, played a direct role in the radicalization of Ibrahim Malam Dicko who would go on to found Ansaroul Islam. Both Koufa and Dicko used their religious credentials as Fulani preachers to promulgate their views. All three groups have used traditional media such as radio broadcasts in conjunction with social media such as WhatsApp, Telegram, and Facebook to spread their messages, stoke tensions with the government, and drive recruitment.

These groups have also used grievances to foment discord between communities, inciting violence. ISGS has exploited anger over cattle theft to exacerbate tensions between Tuareg nomads, seen as cattle rustlers, and the Fulani herders along the Niger-Mali border.⁵ Growing animosity between the two groups has increased insecurity in these areas. FLM, likewise, has tapped deep-seated local grievances to exploit social cleavages between Fulani and other local groups like the Bambara and Dogon. These recriminations have degenerated into ethnic clashes in central Mali.

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Ibrahim Dicko pursued a similar strategy by criticizing religious and traditional hierarchies that organized politics and society in Burkina Faso's Soum Province. Dicko argued that social order in Soum disproportionately benefited traditional chiefs and religious leaders at the expense of the general population. When security forces searching for militant Islamists from Mali employed heavy-handed tactics in Soum, Dicko weaved the events into a narrative of grievance directed at both the central government and the presumed complicity of traditional leaders to launch Ansaroul Islam's violent campaign.

While these groups profit from spreading insecurity, they have so far failed to generate significant support among local communities. Even so, their tactics complicate the security challenge facing the region's governments.

Undermining the Government

As part of their effort to contest governmental authority in the outlying areas where they operate, FLM, Ansaroul Islam, and ISGS have targeted security forces, teachers, civil servants, and community members who are seen as collaborating with government representatives. The void created by diminished government presence gives the militant groups more leverage to assert influence in the affected communities. Over time, a growing share of these groups' activities have involved violent attacks on civilians. Ansaroul Islam has stood out in this regard, with 55 percent of the violent events attributed to the group targeting civilians.

Intimidated communities have thus grown hesitant to collaborate with security forces. At times, this has fostered suspicion by security forces, particularly in Mali and Burkina Faso, leading to collective reprisals and human rights abuses. This has further deteriorated levels of trust between communities and security forces.

FLM and Ansaroul Islam have actively sought to tie this cycle back into their radicalization narratives, highlighting the governments' abuses and disinterest in local communities. In contrast, ISGS does not appear to have developed a sustained or cohesive ideologically driven narrative. Rather than winning people over, the group has focused instead on stretching the battlefield and exploiting country boundaries

by employing highly mobile tactics to strike targets in Mali, Burkina Faso, and Niger.

High Degrees of Adaptation and Coordination

Another commonality of the three groups relates to their adaptability and coordination. The emergence of Jama'at Nusrat al Islam wal Muslimeen (JNIM) in 2017, a coalition of militant Islamist groups in the Sahel region, reflects a complex organizational structure that serves multiple purposes. While not an operational entity itself, JNIM facilitates communications and coordination among the affiliated groups, mitigating infighting. This is evidenced by the geographic concentration of activity by its member groups (see Figure 2). Like other umbrella associations, JNIM also shields its individual members from unwanted attention. For example, while FLM is the leading militant actor in central Mali, its strategic alliance through JNIM obscures the extent of FLM's activities and allows it to maintain a relatively low international profile avoiding greater foreign attention.

While not officially part of the coalition, ISGS maintains close ties with JNIM members, facilitating the coordination of their respective activities. The ability and willingness of ISGS to coordinate with JNIM enables them to deconflict their activities while expanding the areas in which the militants operate. The coordination also demonstrates that despite formally splitting from the al Qaeda network in 2015, ISGS continues to operate like an al Qaeda affiliate even though it retains a nominal alliance with ISIS.

Ansaroul Islam underwent a leadership transition following the death of Dicko in 2017 that resulted in a surge of claimed attacks during 2018. The number of violent events attributed to Ansaroul Islam has subsequently diminished dramatically. As Ansaroul Islam's reported activities have declined, however, attacks linked to JNIM have increased in northern Burkina Faso, suggesting that many Ansaroul Islam fighters may have joined the ranks of the coalition or simply turned to criminality. Thus, while the degradation of Ansaroul Islam's capabilities points to the effects of sustained military pressure, the adaptability of militant Islamist groups in the region continues to thwart efforts to defeat them.

PROMISING INITIATIVES UNDERWAY IN THE REGION

Despite the many challenges faced, security forces, government officials, NGOs, and local communities have undertaken a number of promising initiatives to combat the threat posed by FLM, ISGS, and Ansaroul Islam.

Security Responses

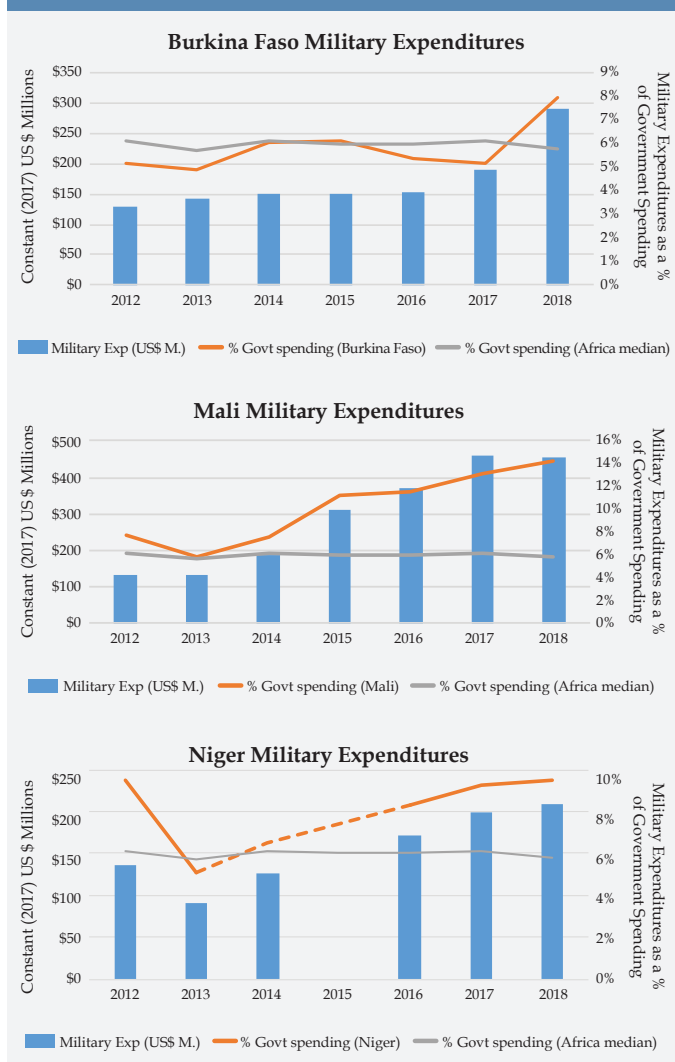
The governments of Mali, Burkina Faso, and Niger have mobilized their security structures in an effort to respond to the rise in militant Islamist group violence. The budgets dedicated to the armed forces in the three affected countries have doubled since 2013 – from 5.4 percent of government spending, on average, to 10.6 percent (see Figure 3). This equates to an increase of nearly \$600 million in military expenditures for these three countries.

The increase in security expenditures has been coupled with bolstered troop levels. Burkina Faso's Minister of Defense announced a 50-percent increase in the number of annual recruits in August 2019. As part of an overhaul of its security sector, the Malian armed forces and gendarmerie have sought to add 5,000 and 1,500 new recruits (increases of around 30 percent and 18 percent), respectively. Nigerien troop levels have remained at around 10,000 soldiers in recent years, but increases in military spending have augmented troop salaries and equipment procurements.

In 2017, the Malian armed forces launched Operation Dambé deploying 4,000 soldiers to 8 zones covering northern and central Mali in an effort to counter the activities of violent extremist groups. The mission, updated in 2019, is to establish a population-centric posture in Mali and along the border with Burkina Faso and Niger. These efforts are complemented by mobile units deployed to disrupt militant Islamist group activities through increased patrols. While threats posed by FLM in central Mali continue, the increased presence of security forces has undoubtedly curbed the extremist group's influence in key population centers in the region.

The Burkinabe armed forces launched Operation Otapuanu in March 2019 to counter the jihadist insurgency in the eastern part of the country and Operation Ndofoou in May 2019 for the Nord, Centre-Nord, and Sahel Regions. The Burkinabe government also declared a state of emergency in December

FIGURE 3. TRENDS IN MILITARY EXPENDITURES IN THE SAHEL



Data source: Stockholm International Peace Research Institute (SIPRI)

2018 covering 14 of the country's 45 provinces. Operation Otapuanu has enjoyed some success by limiting ISGS's ability to traverse the territory easily. On the other hand, Operation Ndofoou has struggled to reinstate security in the north where militants are familiar with the environment and easily cross the border into Mali taking advantage of the terrain.

In **Niger**, the military has led several joint special forces operations with the **French-led** Operation Barkhane targeting the leaders of militant Islamist groups. Niger has repeatedly placed the **10 departments bordering Mali and Burkina Faso under a state of emergency**. In April 2019, Niger provided air support and increased the troops committed to active military operations in the western regions of the country –

Dongo, Saki 2, and the joint Dongo-Barkhane missions. Saki 2 targets armed bandits, Dongo provides increased protection for communities, and Dongo's joint operations with Barkhane aim to dismantle violent extremist organizations by going after high value targets. (Similar joint operations with Barkhane are periodically conducted by Malian and Burkinabe armed forces.)

Significant regional security efforts have also aimed to improve the armed forces' capacity with increased access to resources, training, and equipment.⁶ This takes place through the **G5 Sahel Joint Force** (aimed at enhancing cooperation in the shared border areas), the **European Union training missions** in Mali and Niger, the **United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA)**, and other capacity building programs. From 2015 to 2019, Operation Barkhane neutralized over 600 terrorists. Similarly, Barkhane's ability to quickly deploy and reinforce regional forces enhances their counterterrorism capabilities.

While these deployments have demonstrated noteworthy progress, the threat posed by militant Islamist groups remains a serious concern. Furthermore, the groups have adapted their tactics by laying improvised explosive devices (IEDs) as well as ambushing security forces after monitoring their patrol routes.

Bolstering Social Cohesion

A parallel security challenge posed by FLM, ISGS, and Ansaroul Islam, is their threat to social cohesion. These groups have purposively tried to exploit social cleavages to foment instability. This has resulted in an increase in intercommunal violence. In Burkina Faso, this threatens the social solidarity that has historically provided stability between the diverse communities in the north. Efforts to promote peacebuilding and social cohesion, accordingly, are vital.

Some small but effective initiatives in Burkina Faso have aimed to mitigate these threats by bolstering social ties. In cooperation with local community leaders, the United States Institute of Peace (USIP) in 2015 initiated the Justice and Security Dialogue in Saaba, Kadiogo Province, to explore ways to improve the security environment. This dialogue included members of the Koglweogo (a self-defense militia of mostly Mossi men), women, community organizers, youth representatives, and

local politicians. Through this dialogue the community engaged in an extended exchange with Burkinabe police and gendarmerie. The dialogue has contributed to a reduction in intercommunal tensions while rebuilding trust between security forces and community members.

Other initiatives have sought to provide a platform for the concerns of vulnerable populations in the region. Two parastatal organizations, the **Haute autorité pour la consolidation de la paix (HACP) in Niger** and the Centre de suivi et d'analyses citoyens des politiques publiques (CDCAP) in Burkina Faso play important roles in engaging Sahelian youth and communities that are more susceptible to the messages of militant Islamist groups. In Niger's Tillabéri Region, HACP organizes community dialogues to take stock of ongoing projects and address shortcomings. When such exchanges are organized routinely, they enable communities to express their concerns and ensure that they are accounted for in the drafting of public policy.⁷ Similarly, in Burkina Faso, the CDCAP created a civil society network, gathering contributions from the populations of outlying regions through community consulting groups ("cadres de concertation communaux") to convey their views to Burkinabe authorities.⁸ Local representative bodies such as these present an invaluable opportunity to connect traditional authorities and young people.

The activities of HACP and CDCAP indicate that expanding community engagement can reduce perceived grievances and resentment toward the government. Similar activities may prove to be useful in central Mali as the government and local groups seek to restore security and amplify local representation. Doing so may help further cut the limited support for violent extremist organizations.

Actors who participate in government-linked initiatives, however, have very often become high value targets for militant groups. Each group, FLM, ISGS, and Ansaroul Islam, has targeted community leaders in assassinations and terrorized communities by killing those suspected of government collaboration. This was the case in a similar initiative in the Tillabéri Region of Niger, where ISGS targeted senior Tuareg leaders in an attempt to crush ongoing efforts to enhance intercommunal dialogue. For any community-based peacebuilding initiatives to be successful, therefore, community leaders need to be protected.

Extending the Reach of Government

A reality in the Sahel is the challenge for governments to maintain a presence across their expansive territories in a highly resource-constrained environment. Any governance and security strategy for Mali, Niger, and Burkina Faso, accordingly, will require forming networks with a variety of nonstate actors such as traditional leaders, community-based groups, and NGOs.⁹ An example of this is in the justice sector. In Burkina Faso, the Mouvement Burkinabè des droits de l'homme et des peuples (MBDHP) receives complaints, initiates legal actions, and accompanies clients with pro bono lawyers for those who have suffered from conflict. This important work helps to provide some legal recourse for communities affected by insecurity. Elsewhere in Africa, alternative dispute resolution mechanisms that support overstretched judiciary institutions have been seen to increase perceptions of justice and, consequently, increase stability.¹⁰

NGOs can also play a central role in training security forces to better observe human rights and address potential abuses. In Burkina Faso, local civil society organizations such as the Centre d'information et de formation en matière de droits humains en Afrique (CIFDHA) and the MBDHP provide trainings on human rights and cultural awareness to the police and gendarmerie as do international organizations such as the International Committee of the Red Cross. Currently, these trainings need to be scaled up and adapted for all security forces prior to their deployment in violence-affected zones.

The education sector presents another arena in which collaboration between government, NGOs, and local communities has shown results. In the central Sahel, most public schools lack funding and are often unable to enroll all children, especially those following a nomadic way of life. Consequently, children in pastoralist communities have historically attended Quranic schools. These students are disadvantaged because they have not been through a formal education system making them less employable and potentially more prone to radicalization.¹¹ Ouagadougou-based NGO, l'Association IQRA, works in collaboration with foreign donors and religious leaders to create and disseminate a common curriculum for Quranic schools.

RECOMMENDATIONS

Despite some significant steps to counter FLM, ISGS, and Ansaroul Islam, much more remains to be done. Given the multifaceted strategies deployed by these groups, a diverse set of responses will be necessary to defeat them.

Sustain a security presence in marginalized areas. Mali, Niger, and Burkina Faso have taken some encouraging steps to counter FLM, ISGS, and Ansaroul Islam through military operations Dambé, Dongo, Otapuanu, Ndofofou, and Saki 2. These operations need continued support if they are to degrade militant Islamist group capabilities. Supplementing these operations with quick reaction forces by enhancing the mobility of select units to reinforce positions and target militant Islamist groups as intelligence comes in will be crucial to defeating them. The 2019 revised concept of operations in Mali reflects the need to shift strategies towards highly mobile offensives and quick reaction reinforcements to combat these groups' asymmetric tactics.

This is particularly the case in the fight against ISGS which uses its own rapid mobility as a tactical advantage over the armed forces of Niger, Burkina Faso, and Mali. Increasing the mobility of select units will also bolster the defensive posture of troops stationed at strategic bases and aid in the disruption of the JNIM coalition's abilities to coordinate among one another.

For troops already deployed to protect communities in the zones covered by these operations, greater effort is needed to integrate community leaders and representatives in security planning. Establishing liaison teams between communities and battalions could create a point of contact between the different parties helping to ensure that lines of communication are clear and open. Improving coordination in this manner would bolster the ability of troops to respond to communities' security needs.

A key element of sustaining an expanded security presence in marginalized areas is providing better protection for community leaders and members who engage with government representatives and security forces so they do not fear the retaliation of violent extremists. Consequently, security forces need to assure communities that they will be protected. This is particularly important in countering FLM, which is embedded in many communities of central Mali.

Improve security in the border regions. The vast and poorly patrolled border regions of Sahelian countries provide refuge to militant Islamists. They also provide exploitable revenue streams for these groups by connecting them to weapons, drugs, and human trafficking networks as well as offering up an expansive territory upon which to establish protection schemes over communities.¹² ISGS, in particular, has benefited tactically from this situation and increased its access to equipment, funding, and communications while strengthening ties with other extremist organizations active in the Sahel.

The G5 Sahel Joint Force is uniquely placed to help in the border regions as well as provide a platform to coordinate and reinforce regional security collaboration. The G5 Sahel and the national armed forces of Mali, Niger, and Burkina Faso should consider developing rapid deployment forces or other nontraditional units capable of responding to threats that emanate from expansive land areas and across country borders. Governments will need to consider restructuring their armed forces to better meet the challenges presented by asymmetric warfare and highly mobile adversaries.¹³ This will require improved cross-border coordination and collaboration, including intelligence sharing.

Bolster government engagement with local communities. A consistent lesson from NGOs in Niger and Burkina Faso is that engaged governmental presence in local communities can allow governments to regain support from communities where their authority has been challenged by militant Islamist groups. This means that in Mali and Burkina Faso, improving relations between civilians and security forces must be a priority, and in Niger these relations should be deepened. Supporting a more professional armed forces directly contributes to the success of military operations on the ground and the trust that local communities place in the defense and security forces.¹⁴

By responding to FLM, ISGS, and Ansaroul Islam in ways that have sometimes violated human rights and abused local populations, Malian, Burkinabe – and to a lesser extent, Nigerien – armed forces may have pushed some vulnerable individuals to join these groups for protection or revenge. To prevent the reiteration of such damaging actions, it is critical that security responses be implemented in ways where armed forces show the highest level of professionalism and where civilian authorities ensure a constant and close oversight of the security forces' engagement. Similarly, for

any peacebuilding initiative to be effective, security forces must be trusted to ensure the safety of actors involved in peace and intercommunal talks.

Improve the capacity of authorities to deliver justice. Reinforcing the perception that justice is possible will help to restore trust between communities and their governments. Effective and equitable application of justice signals to citizens that violent extremist groups will face repercussions for the instability that they have caused in society. Justice also entails accountability for corrupt government officials and security actors who commit human rights abuses (even if in the name of combatting terrorism).

Very few of the massacres committed in central Sahel have been thoroughly investigated. Even fewer perpetrators have been brought to justice. In different ways, FLM, ISGS, and Ansaroul Islam have leveraged this narrative to convince some individuals that the best solution is to exact justice on their own terms. Strengthening the investigative capacities of the judiciary and security forces in Mali, Burkina Faso, and Niger is therefore crucial. Injustice and the state's alleged lack of impartiality are essential aspects of the narratives promoting violent extremism. Delivering justice through proper sentences and legal decisions will reduce support for militant groups.

Creating a gendarmerie prévôtale (military judicial police) or equivalent service would establish the authority for enforcing judicial processes within the armed forces deployed in conflict-affected zones. The gendarmerie and police should be equipped with the necessary staff and resources to address complaints of human rights violations. Performing these functions will strengthen institutional legitimacy and provide evidence of governments' commitment to rule of law. Specified troops might be designated "human rights referents," prior to and during any operation. Such a designation would provide those troops with the responsibility of ensuring that the provisions of armed conflict and international humanitarian law are observed.

Members of the gendarmerie prévôtale should also be responsible for gathering evidence and pursuing the investigation of suspects, including those arrested on terrorism charges by the armed forces. This would help guarantee that suspected individuals face due process and, if necessary, proper sentencing and thus limit the chance that terrorists go free due to lack of incriminating evidence.

Counter radical narratives that exacerbate social tensions.

FLM, ISGS, and Ansaroul Islam have used various media platforms to promote a radical discourse and to spread an extremist interpretation of Islam that advocates for violence. Amadou Koufa is believed to have been radicalized by the Pakistani Dawa sect, a group which funded mosques and madrasas in Mali during the 2000s and adheres to an anachronistic-vision of Islam.

To tackle the ideological component of militant Islamists' approach, therefore, will require working with religious leaders to establish and implement guidelines regulating the funding of religious education and activities. This should be complemented by efforts to amplify voices of nonviolence, which have long been the norm in the Sahel.

Tracking external funding and, where necessary, banning funding that supports groups, schools, or religious institutes that promote violence would help prevent the diffusion of extremist narratives. Such actions would help convey messages of peaceful coexistence within and across religious communities and prevent disaffected members of society from feeling that violence is their best means of expression.

NOTES

- ¹ Pauline Le Roux, "Confronting Central Mali's Extremist Threat," *Spotlight*, Africa Center for Strategic Studies, February 22, 2019.
- ² Pauline Le Roux, "Exploiting Borders in the Sahel: The Islamic State in the Greater Sahara," *Spotlight*, Africa Center for Strategic Studies, June 10, 2019.
- ³ Pauline Le Roux, "Ansaroul Islam: The Rise and Decline of a Militant Islamist Group in the Sahel," *Spotlight*, Africa Center for Strategic Studies, July 29, 2019.

- ⁴ This brief focuses on violent extremism in the central Sahel and thus excludes violence around the Lake Chad Basin in southeast Niger or western Chad.
- ⁵ Interview with the Association des éleveurs peuls du Tillabéri in Niamey.
- ⁶ "A Review of Major Regional Security Efforts in the Sahel," Infographic, Africa Center for Strategic Studies, March 4, 2019.
- ⁷ Interview with the Haute autorité pour la consolidation de la paix (HACP) in Niamey.
- ⁸ Interview with the Centre de suivi et d'analyses citoyens des politiques publiques (CDCAP) in Ouagadougou.
- ⁹ Fransje Molenaar, Jonathan Tossell, Anna Schmauder, Rahmane Idrissa, and Rida Lyammouri, "The Status Quo Defied: The Legitimacy of Traditional Authorities in Areas of Limited Statehood in Mali, Niger and Libya," *CRUI Report* (The Hague: Clingendael Netherlands Institute of International Relations, 2019).
- ¹⁰ Ernest Uwazie, "Alternative Dispute Resolution in Africa: Preventing Conflict and Enhancing Stability," *Africa Security Brief No. 16* (Washington, DC: Africa Center for Strategic Studies, 2011).
- ¹¹ Interview with Cercle d'études de recherches et de formation islamique (CERFI) in Ouagadougou.
- ¹² Wendy Williams, "Shifting Borders: Africa's Displacement Crisis and Its Security Implications," *Research Paper No. 8* (Washington, DC: Africa Center for Strategic Studies, 2019).
- ¹³ Helmoed Heitman, "Optimizing Africa's Security Force Structures," *Africa Security Brief No. 13* (Washington, DC: Africa Center for Strategic Studies, 2011).
- ¹⁴ Mathurin C. Hounnikpo, "Africa's Militaries: A Missing Link in Democratic Transitions," *Africa Security Brief No. 17* (Washington, DC: Africa Center for Strategic Studies, 2012).



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AVOID DEHYDRATION

Maintaining hydration is critical in Niger; this may be difficult if there is severe vomiting or diarrhea. Frequent small sips are usually sufficient to prevent the need for IV rehydration.

-Mild cases can use water or diluted fruit juices— do not use gatorade.

-Those with >10 bowel movements/day, or evidence of dehydration such as light-headedness or fainting, must replace fluids and electrolytes and notify the health unit.

Glass 1

-orange, apple or other fruit juice (8 oz or 250 mL or ¼ liter)

-honey or corn syrup (½ tsp or 2.5 mL)

-table salt (1 pinch)

Glass 2

-water (bottled or boiled tap) (8 oz or 250mL or ¼ liter)

-baking soda (sodium bicarb) (1 pinch)

-Alternate drinking from each glass. (May supplement with bottled water or carbonated beverages.)

Additionally, a local equivalent to Pedialyte (Adiaril) is sold in all pharmacies.

Malaria Pills

Mefloquine (*Lariam*)- 1 tab **weekly**, start 2 weeks before malaria area continue 4 **weeks** after return.

Doxycycline- 1 cap **daily** start 1 day before malaria area continue daily for 4 **weeks** after return.

Atovaquone/Proguanil (*Malarone*)- 1 tablet **daily** start 2 days before malaria area continue daily for 7 **days** after return .

After Hours **emergencies**:

Call: 99 49 90 05

Local ambulance SAMU Dial 15

Hours of Operation

8 a.m. — Noon Monday through Friday

1 p.m.—5 pm Monday through Thursday

HU is CLOSED 12 noon until 1 p.m.

For your safety we do not do house calls.

Your medical record and all of our diagnostic tools are in the Health Unit.

MOH & Contractor Resource:

Magori Polyclinic: +(227) 20-74-12-91

Important Notice

The Embassy Health Unit is not equipped as an emergency room or trauma center. Primary Care is our specialty. If you develop a serious illness or injury you will be evacuated. Medical evacuation insurance is a requirement at this post. Check with your agency regarding medical evacuation authorization, payment, and procedures. Please make sure your clearance is up to date and your passport , immunizations, and medical documents are available. Dealing with these issues during an emergency can seriously compromise your care.



Phone: 20 72 26 61 Ext 4116 or 88-70-14-14

E-mail: NiameyMEDStaff@state.gov

TDY Health Information Embassy Niamey

**Don't let your mission get sabotaged
by malaria or food-borne illness**



Mosquitoes transmit malaria, dengue, yellow fever, chikungunya, West Nile Virus, and potentially other diseases including Zika.

POST ONE: (+227) 99-49-90-33

Health Unit Appointments: Ext 4116 or 88-70-14-14

E-mail: NiameyMEDStaff@state.gov



Stay Well in Niger While on TDY

Illness Can Compromise Your Mission



Malaria

The malaria parasite is transmitted by mosquitoes and it is the most serious common parasitic infection acquired by travelers. Malaria prevention is based upon avoiding mosquito bites and using antimalarial medication. Malaria can have serious and unpredictable complications including ruptured spleen, hemorrhage, and death in the time it takes to be evacuated to a higher level of care.

Remember, **mosquitoes also transmit dengue, yellow fever, chikungunya, West Nile Virus and potentially Zika**. Other biting insects such as ticks and flies also transmit diseases, so repellents and other personal protective measures protect you from far more than just malaria.

Prevent insect bites by:

1. Wearing long sleeves and long pants during the time of highest risk for mosquito bites (dusk to dawn) and pretreat pants, jackets, etc with permethrin to repel and kill all insects;
2. Use of repellant with **20-30% DEET** (i.e. *Deep Woods Off, Cutter, Ultrathon, etc*) or **Picardin 20%**;
3. Spray inside room (especially under beds, in closets and bathrooms) with bug spray upon arrival and once a day if you see any insects in your room;
4. Use mosquito netting.

Numerous effective medications are available to prevent malaria but none of the prophylactic regimens is 100% effective. *You should seek medical attention for unexplained fever occurring during your trip or after your return (1 year)*. Keep in mind, counterfeit antimalarials are common and in some areas >80% of local malaria drugs in Niamey are bogus.

Diarrhea Prevention

“Boil it, peel it, cook it, or forget it!!”

Despite conventional wisdom about bad water, most diarrhea while traveling is from food.

Lots of illnesses come from the traveler not washing their hands before eating.

Recommendations

Safer Foods:

Well-cooked meat, fish, rice, and vegetables (eat while hot i.e. >160°F)

Fresh baked goods—breads, rolls, unfilled pastries only if handled properly

Raw fruit, vegetables, and nuts with the skins and shells can be made safer by peeling yourself or soaking in solution of ½ tsp chlorine bleach/liter of water for 15 minutes then air dry on a clean surface.

Safer Beverages:

Bottled/canned beverages - soft drinks, juices, beer, wine, mineral water (break the seal yourself) and wipe the bottle off with a napkin for glass soda bottles. Tea and coffee (if made from water that has been boiling).

Local water purified by you or that you know has been adequately chlorinated or iodinated

Potentially Risky Foods:

Salads—lettuce, spinach, or fruit (ok at Embassy)

Raw fruits and vegetables improperly cleaned

Dairy products from unpasteurized milk

Raw, undercooked meat—including fish, shellfish

Street vendor food—poorly cooked, poor hand sanitization, perfect temperature for bacterial growth.

Food at room temperature—Buffets, Steam tables, salsas and garnishes, rice dishes, cold meal platters, custards, filled pastries.¹⁸⁷

Potentially Risky Beverages:

Tap water

Ice cubes made with tap water (ok at Embassy-distilled water source)

Drinks in a glass (glass washed in dirty water)

Unpasteurized milk products

Warm drinks (coffee, tea) if water is not boiled

Tooth Brushing:

Some controversy here, to be absolutely safe use only bottled water for brushing and washing out toothbrush. The reality is that most hotel tap water is clean enough for rinsing a toothbrush and your mouth, just ensure spitting and not swallowing, dousing your mouth and toothbrush with mouthwash (like *Listerine*) will also kill microbial contaminants.

Preventive Medication:

We do not recommend prophylactic antibiotics (i.e. to prevent diarrhea), early treatment with a short-course of antibiotics is preferred.

Those who want prophylactic meds may take *Pepto-Bismol* 2 tabs every 6 hours, although not an antibiotic it does prevent some diarrheal infections. It will turn your stool a dark color and cause slight constipation.

Additional Preventive Measures

Accident Prevention: Buckle up and pay attention to transportation used (i.e. rental vehicles, bikes, car seats for children/and or infants, helmets)

Swimming: avoid swimming alone and avoid contact with rivers and ponds; avoid walking barefoot due to parasites that can penetrate your feet. Avoid swimming or wading in freshwater lakes or streams to prevent exposure to schistosomiasis.

Approved bottled water: (Only the following brands)

Belvie, Cristalline, Evian and Contrex.

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Senegal

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U.S. Embassy in Senegal

Ambassador Tulinabo S. Mushingi

Tulinabo S. Mushingi, Ph.D., was nominated by President Trump on February 28, 2017 and confirmed by the U.S. Senate on May 18, 2017 to serve as Ambassador to Senegal and Guinea-Bissau. Prior to this appointment, Dr. Mushingi served as Ambassador to Burkina Faso from 2013-2016. Ambassador Mushingi served as Deputy Executive Secretary in the Executive Secretariat and Executive Director of the Executive Office of the Secretary of State from 2011 to 2013. He served as Deputy Chief of Mission at the U.S. Embassy in Ethiopia from 2009 to 2011.

Ambassador Mushingi also served in Kuala Lumpur, Malaysia; Maputo, Mozambique; Casablanca, Morocco; Dar es Salam, Tanzania; the Bureau of Intelligence and Research; the Bureau of International Organization Affairs and the Bureau of Human Resources. He is the recipient of numerous awards for outstanding leadership.

At the Foreign Service Institute from 1989 to 1991, Dr. Mushingi co-supervised one of the largest FSI language sections. He worked for the U.S. Peace Corps in Papua New Guinea, DR Congo, Niger, and the Central African Republic, was a visiting lecturer at Dartmouth College and taught at Howard University.

Ambassador Mushingi received a Ph.D. from Georgetown University and a M.A. from Howard University.

This is the official website of the U.S. Embassy in Senegal. External links to other Internet sites should not be construed as an endorsement of the views or privacy policies contained therein.



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[←](#) SENEGAL

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U.S. Relations With Senegal

BILATERAL RELATIONS FACT SHEET

BUREAU OF AFRICAN AFFAIRS

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More information about Senegal is available on the Senegal Page and from other Department of State publications and other sources listed at the end of this fact sheet.

U.S.-SENEGAL RELATIONS

The United States established diplomatic relations with Senegal in 1960, following its independence from France and the dissolution of the Mali Federation. Senegal has had four presidents in its history, with power transferred peacefully between each administration. The country's fourth and current president, Macky Sall, was elected in 2012.

Senegal is an important partner of the United States in promoting peace and security in Africa. The country shares many fundamental values and international goals with the United States, and it has set an example of democratic rule as well as ethnic and religious tolerance. Senegal is also a major contributor to regional peacekeeping operations. The main challenge Senegal faces is accelerating economic growth in order to create more opportunity for young people, who are the majority of the population.

U.S. Assistance to Senegal

U.S. assistance to Senegal seeks to increase agricultural productivity, improve health care, expand infrastructure, reform and modernize the energy sector, and strengthen basic education. Bilateral military cooperation bolsters the professionalism and capacity of the Senegalese Armed Forces.

Bilateral Economic Relations

The top three U.S. exports to Senegal are motor vehicles, agricultural products (primarily cereals), and petroleum products. Senegal is eligible for trade preferences under the African Growth and Opportunity Act. In 2017, Senegal's top exports to the United States are agricultural products, minerals, and synthetic hair. The two countries have signed a bilateral investment treaty. The United States also has a trade and investment framework agreement with the Economic Community of West African States, of which Senegal is a member.

Public Diplomacy Environment

Overall, the Senegalese public has a positive view of the United States and of Americans, although favorable perceptions have decreased in recent years. Senegalese media operate freely and many international press outlets have offices here. U.S. public diplomacy resources promote and strengthen a positive view of the United States and U.S. foreign policy, highlight awareness of U.S. assistance to Senegal, and empower marginalized groups, particularly youth and women. The nearly 1,000 Senegalese alumni of USG exchange programs include ministers, governors, top academics, and business leaders.

Senegal's Membership in International Organizations

Senegal and the United States belong to a number of the same international organizations, including the United Nations, International Monetary Fund, World Bank, and World Trade Organization.

Bilateral Representation

The U.S. Ambassador to Senegal is Tulinabo Salama Mushingi; other principal embassy officials are listed in the Department's Key Officers List.

Senegal maintains an embassy in the United States at 2215 M St NW, Washington, DC (tel. (202) 234-0540).

More information about Senegal is available from the Department of State and other sources, some of which are listed here:

[CIA World Factbook Senegal Page](#)

[U.S. Embassy](#)

[USAID Senegal Page](#)

[History of U.S. Relations With Senegal](#)

[Office of the U.S. Trade Representative Country Page](#)

[U.S. Census Bureau Foreign Trade Statistics](#)

[Export.gov International Offices Page](#)

[Millennium Challenge Corporation: Senegal](#)

[Travel Information](#)

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Senegal

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Country Report

Senegal

Generated on January 22nd 2020

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London E14 4QW
United Kingdom

The Economist Intelligence Unit

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Symbols for tables

"0 or 0.0" means nil or negligible; "n/a" means not available; "-" means not applicable

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Briefing sheet

Editor: **Vipra Bhutani**

Forecast Closing Date: **December 19, 2019**

Political and economic outlook

- Political stability is likely to be maintained by Senegal's strong democratic institutions in 2020-24, but risks are on the downside, given tensions over high poverty rates, official corruption, a weak judicial system and the presence of terrorist groups in the region.
- The fiscal deficit will narrow from an estimated 3.9% of GDP in 2019 to 2.7% of GDP in 2021, and widen slightly to 2.8% of GDP in 2022 owing to election-related spending. The shortfall will then narrow steeply, to 0.7% of GDP in 2024, as oil receipts grow strongly.
- Real GDP growth will remain robust, at an average of 7% a year in 2020-21, supported by infrastructure investment and rising industrial and agricultural output. In 2022-24 the rate of growth will accelerate to an annual average of 10% as oil production starts.
- Deflation estimated at 0.2% in 2019 will give way to inflation of 0.1% in 2020, as falling oil prices are offset by rising food prices. In 2022-24 The Economist Intelligence Unit expects inflation to pick up as robust economic activity increases demand-side pressures.
- The current-account deficit will stay large, averaging 8.2% in 2020-21, owing to high capital imports related to the development of the oil industry, before narrowing rapidly, to 4.3% of GDP in 2024, as oil exports start towards the end of our 2020-24 forecast period.

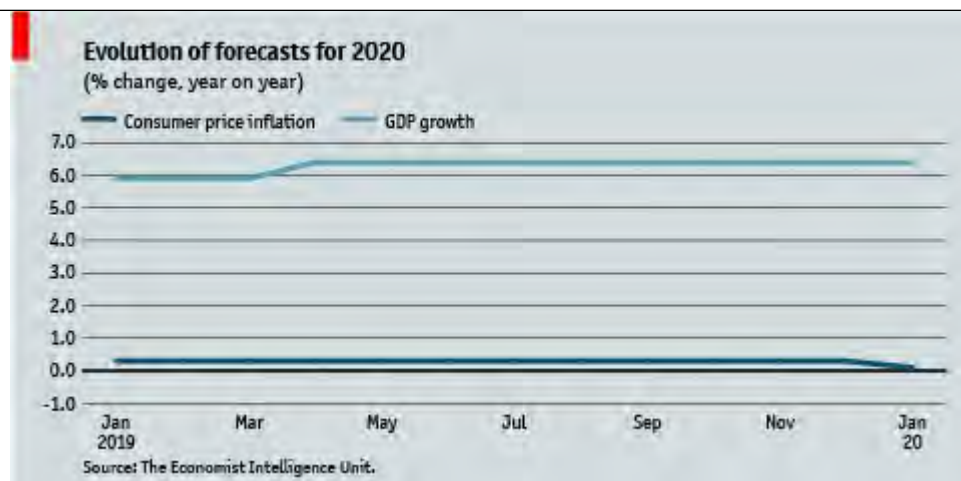
Key indicators

	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Real GDP growth (%)	6.6	6.4	7.6	9.8	10.2	10.1
Consumer price inflation (av; %)	-0.2	0.1	1.0	2.3	2.8	3.0
Government balance (% of GDP)	-3.9	-2.9	-2.7	-2.8	-1.1	-0.7
Current-account balance (% of GDP)	-8.7	-8.4	-8.0	-7.7	-4.9	-4.3
Money market rate (av; %)	2.5	2.5	2.5	3.0	3.2	3.3
Exchange rate CFAfr:US\$ (av)	585.5	583.1	566.7	544.4	530.1	529.0

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts.

Market opportunities





Key changes since September 27th

- Owing to high levels of deflation in July-September, according to IMF data, we have revised down our inflation estimate for 2019 and now expect annual average deflation of 0.2% in the year (from inflation of 0.3% previously).
- We now expect oil production to begin in 2023 (instead of 2022 previously) owing to a delay in exploration of the two deposits of the offshore Sangomar oil block.
- In line with the delay in oil production, we have revised down our export revenue projections for 2022. This has led to a wider current-account deficit, at 7.7% of GDP in the year, from 5% of GDP previously.

The quarter ahead

- **March—Monetary policy committee (MPC) meeting:** We expect the MPC of the Banque Centrale des États de l'Afrique de l'Ouest (BCEAO, the regional central bank) to keep its policy rate on hold at 2.5%, reflecting the accommodative monetary policy stance of the European Central Bank (ECB). The BCEAO is influenced by the ECB, owing to the CFA franc's peg to the euro.

Major risks to our forecast

Scenarios, Q4 2019	Probability	Impact	Intensity
Senegal is targeted by Islamist terrorist groups	Very High	Moderate	15
Adverse weather conditions cause a sharp slowdown in economic growth	High	Moderate	12
Foreign investment inflows in the oil industry fail to materialise	Moderate	High	12
Operations are adversely affected by a shortage of skilled labour	Moderate	High	12
Power cuts are an impediment to private-sector development	Moderate	High	12

Note: Scenarios and scores are taken from our Risk Briefing product. Risk scenarios are potential developments that might substantially change the business operating environment over the coming two years. Risk intensity is a product of probability and impact, on a 25-point scale.

Source: The Economist Intelligence Unit.

Outlook for 2020-24

Political stability

We expect the political landscape to remain broadly stable during the forecast period, supported by well-entrenched democratic institutions. However, popular frustration is on the rise, as the government has been slow to deliver on promises made to improve the wellbeing of lower-income Senegalese and as income inequality is rising. Perceived official corruption is also high, and tensions have heightened in the country, which led to protests in mid-2019 in the capital, Dakar. Notwithstanding these complications, the administration retains a respectable level of popular support, partly because of strong infrastructure improvements in recent years. Any protests that do occur will be sporadic and low-level, as the president, Macky Sall, retains significant support, especially in rural areas.

Mr Sall was re-elected for a second presidential term in February 2019 and retained significant backing in Dakar. The rate of participation in the election was high, and Mr Sall's outright victory will give him the opportunity to pursue his infrastructure plans, pro-market reforms and a liberal economic policy agenda. However, the result has also emboldened Mr Sall to push ahead with more controversial political plans that will widen rifts with the formal opposition. For example, the executive signed a decree abolishing the post of the prime minister in May 2019, which will inevitably result in a concentration of power with the president. Mr Sall and his government also face the challenge of restoring public trust in the judiciary, owing to accusations that they used the justice system to exclude rivals before the presidential election. Moreover, in August the government postponed to 2020 local elections scheduled for December. Elections for local councils can substantially influence the national political outlook. This sparked anger among opposition parties, and we believe that there is a risk of weakening of political pluralism in Senegal. However, with the public demonstrably behind Mr Sall, budding risks to the strength of Senegal's democracy do not translate clearly into a threat to overall stability.

Senegal has so far been sheltered from the spread of regional Islamist militancy in West Africa, but the threat from terrorism remains high, as security conditions in the Sahel have been worsening, and the risk of violence spreading to neighbouring countries has increased. A jihadi group, al-Qaida in the Islamic Maghreb, has put the country on its target list because of the government's close ties to France. Domestically, tensions related to the 30-year insurgency by separatist rebels from the Casamance region will persist, but will not pose a major political or security risk as Mr Sall's willingness to negotiate with rebels and promote the region's economy is achieving some success in encouraging reconciliation.

Election watch

The presidential election took place in February 2019. Mr Sall secured an outright victory in the first round, with 58.3% of the votes. The election was marked by high voter turnout (66.2%) and declared free and fair by international observers. The Benno Bokk Yakaar coalition, which includes the president's Alliance pour la république, won a parliamentary majority in the legislative election held in mid-2017. It holds 125 of the 150 seats in the National Assembly. The next legislative election is scheduled for 2022, and we expect the ruling coalition to remain in office, as economic growth will be robust until then.

Local elections, originally scheduled for December, have been postponed by the government to 2020. This was the second postponement of the local polls and sparked anger among the opposition, particularly the Parti démocratique sénégalais. We expect the ruling party to secure a majority in these elections as well.

International relations

With the threat of extremism persisting, the Senegalese government will strengthen military co-ordination with its regional partners. In October the leaders of the Economic Community of West African States (ECOWAS) met in Dakar to review the security situation of the region, which is dire. For the same reason, ties with France will remain close. Senegal is also co-operating with the US through a defence agreement.

On the economic front, the authorities will continue to strengthen relations with China, which has become a key source of foreign direct investment (FDI) and is now Senegal's second-largest trading partner behind France. We also expect Senegal to continue its efforts to build stronger relations with the Arab Gulf states as it seeks to forge new economic partnerships and attract foreign capital. Senegal's co-operation with its neighbour The Gambia will continue to deepen following the first democratic transfer of power in that country, which should result in increased trade and economic activity in both countries.

Policy trends

Policy will be guided by the government's development plan for the country (the Plan Sénégal Emergent (PSE), adopted in 2014 and implemented in two phases: 2014-18 and 2019-23). The PSE includes structural reforms to support private investment and increase economic diversification. Over the past year, progress on foreign-funded infrastructure projects—particularly on power-plant upgrades and on major transport projects for an industrial hub near Dakar—has accelerated. Phase two of the PSE will focus on improving productivity, enhancing basic social services and reducing poverty, together with rural road construction and the electrification of villages. As the forecast period progresses, we expect the government to focus on implementing reforms aimed at developing the country's financial sector and improving the flow of credit to small and medium-sized enterprises (SMEs) to allow the private sector to drive economic growth. Wherever public investment is required, we expect the government to be able to raise pledges from international donors.

Senegal was under a three-year policy support instrument during 2015-18, which was granted an extension to mid-2019 and was broadly successful. The country is currently participating in discussions for a new three-year policy co-ordination instrument with the Fund. We expect the IMF to approve this by early 2020, as the previous programme was successful. The programme will be unfunded and be geared around supporting the implementation of the second phase of PSE, focusing on macroeconomic reform by maintaining fiscal sustainability and prudent debt management. A Fund-backed programme acting as a policy anchor will boost the government's policy credibility.

Fiscal policy

Fiscal policy will focus on achieving fiscal consolidation and restoring external sustainability. The fiscal deficit is estimated to have widened in 2019, to 3.9% of GDP, as spending surged ahead of the presidential election in February. In 2020-24 as economic growth quickens and output gaps narrow, the government will have the opportunity to cut current spending. Consequently, we expect the expenditure as a share of GDP to fall in 2020-21. It will rise again in 2022 ahead of legislative elections in the year; and narrow again thereafter in 2023-24.

On the revenue side, the government will push ahead with plans to broaden the tax base and operationalise tax payments via mobile phones. Moreover, a growing formal sector will also drive an increase in revenue as a share of GDP early in the forecast period. Revenue will be strengthened by the start of oil production around 2023. In 2023-24 revenue will fall slightly as a share of GDP as the growth in GDP outpaces growth in revenue, but the nominal trend will be strong and upwards.

Overall, we expect the fiscal deficit to narrow in the short term and reach 2.7% of GDP in 2021. In 2022 it will widen slightly to 2.8% of GDP owing to election-related spending. It will then narrow sharply to 0.7% of GDP in 2024. Much of the deficit will be covered by external borrowing, and the government will continue to rely heavily on the regional financial markets. We expect the public debt/GDP ratio to fall, from an estimated 60.2% at end-2019 to 46.2% at end-2024 as financing needs ease and economic growth accelerates. Senegal's debt strategy will, therefore, pay off, reflecting the productive use of funds.

Monetary policy

Monetary policy is determined by the regional central bank, the Banque centrale des Etats de l'Afrique de l'ouest (BCEAO), which prioritises inflation-targeting and maintaining the CFA franc's peg to the euro. Policy is, therefore, influenced heavily by that of the European Central Bank (ECB). The ECB is pursuing an exceptionally accommodative monetary policy, with policy interest rates at or below zero, as action against rising deflation risk and a deteriorating economic outlook in the euro zone. In September 2019 the ECB announced a small cut to the deposit rate and another round of quantitative easing (QE), which started in November. As part of this policy, the reference rate will be left unchanged, and we expect the BCEAO—which kept its policy rate unchanged at 2.5% at its last meeting in December—to mirror the stance of the ECB by keeping its main policy rate unchanged in 2020-21. From 2022 we expect gradual rate hikes as global liquidity conditions tighten. Oil prices and economic growth will also begin to quicken.

International assumptions

	2019	2020	2021	2022	2023	2024
Economic growth (%)						
US GDP	2.3	1.7	1.8	2.0	1.8	2.2
OECD GDP	1.6	1.5	1.8	1.9	1.8	2.0
World GDP	2.3	2.4	2.8	2.9	2.8	2.9
World trade	1.5	2.3	3.6	3.7	3.7	3.8
Inflation indicators (% unless otherwise indicated)						
US CPI	1.8	1.6	1.9	2.1	1.8	1.8
OECD CPI	1.9	1.8	2.0	2.2	2.1	2.0
Manufactures (measured in US\$)	-0.1	1.9	4.0	4.1	3.5	3.1
Oil (Brent; US\$/b)	64.0	63.0	67.0	71.0	73.8	71.0
Non-oil commodities (measured in US\$)	-6.6	0.8	3.9	1.8	0.9	2.5
Financial variables						
US\$ 3-month commercial paper rate (av; %)	2.2	1.5	1.5	1.8	2.2	2.3
US\$:€ (av)	1.12	1.13	1.16	1.21	1.24	1.24
¥:US\$	108.48	106.03	104.73	100.85	97.63	95.43

Economic growth

Real GDP growth will be strong throughout the 2020-24 forecast period. High private investment, particularly in oil, energy, transport infrastructure, tourism, textiles and information technology, will continue to underpin economic expansion. The government is also launching projects such as the use of artificial intelligence (AI) in agriculture to boost production. Investments in the power sector in recent years and increasingly reliable power supply (including from renewable resources) will also support activity in commerce and industry.

Fixed investment in developing the oil industry and the start of hydrocarbons production from 2023 (initially planned for 2022, but delayed in November 2019), as facilities come on stream, will support steady industrial growth throughout the forecast period. Together with positive geological findings, the political environment is also buoying investor sentiment. The operators of the Sangomar and Sangomar Deep offshore blocks (including British-based Cairn Energy and Australian-based Woodside Petroleum) expect production of 75,000-125,000 barrels/day (b/d). Given our expectation of stable global oil prices (which we expect to average US\$69.2/barrel during 2020-24, well above the break-even price of US\$35/b for these fields), we expect rapid development work on these blocks to support economic growth. We tentatively expect some modest production to come on stream from 2023 onwards. However, given that it is a new frontier, oil-related infrastructure will need to be built from scratch, and the government also lacks the experience of managing an oil industry. There is, therefore, a significant downside risk that oil production might be delayed beyond 2023. Exploration activity elsewhere will also accelerate in light of the award of an offshore exploration licence to Total (France) in mid-2017 and the prospect of further offshore drilling by Kosmos (US) and BP (UK) on their offshore gas finds (with a view to producing and exporting gas in 2021).

Services growth in 2020-24 will be led by banking and telecommunications, as well as the expanded air and sea logistics capacity of Dakar. Donor pledges to support the government's development strategy will also encourage steady FDI inflows. Overall, we forecast that real GDP growth will moderate from an estimated 6.6% in 2019 and average 6.4% in 2020, owing to slowing economic performance in the US and the EU. Growth will pick up again in 2021, to 7.6%, as global confidence improves, and to an annual average of 10% in 2022-24 as oil production comes on stream.

Economic growth

%	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
GDP	6.6	6.4	7.6	9.8	10.2	10.1
Private consumption	5.9	6.5	7.1	8.0	8.5	8.8
Government consumption	7.2	7.5	7.0	7.0	7.5	7.8
Gross fixed investment	9.7	6.5	8.0	9.0	10.5	9.6
Exports of goods & services	5.5	3.8	6.0	12.4	9.0	10.0
Imports of goods & services	7.0	4.0	4.2	4.0	5.0	6.0
Domestic demand	7.1	6.1	6.7	7.5	8.8	8.9
Agriculture	7.4	9.0	9.7	10.0	9.0	9.4
Industry	6.1	6.1	7.2	12.6	13.0	13.6
Services	6.6	5.7	7.0	8.4	9.2	8.7

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts.

Inflation

We estimate an annual average deflation of 0.2% in 2019 owing to above-average cereal output in 2018, with high stocks causing domestic food prices to decline. In 2020 we expect consumer prices to start rising and inflation to average 0.1% as regional food prices increase (owing to more normal harvest), offsetting the impact of falling global oil prices. In 2021 we expect increasing global commodity prices to lead to higher inflation, averaging 1%. Consumer prices in Senegal will not increase beyond that for the year, owing to appreciation of the CFA franc. Over 2022-24 we expect a more meaningful increase in inflation, to an annual average of 2.7%, as robust economic activity increases demand-side inflationary pressures. Local weather-related food shortages have the potential to trigger short periods of upward pressure on inflation throughout the forecast period, although with subsidies and price caps on staple goods, the government will seek to minimise the impact of any supply-side shock.

Exchange rates

The CFA franc is pegged to the euro at CFAfr655.97:€1 and therefore fluctuates in line with euro-US dollar movements. After weakening in 2019, owing to uncertainty around Brexit and the continued threat of US trade tariffs on automated exports, the euro will strengthen slightly against the dollar in 2020. The strengthening of the euro in that year will be supported by a slowdown in US economic growth as businesses continue to face higher input costs (as a result of higher import tariffs and rising labour costs), weaker export competitiveness and uncertainty over future trade policy. Moreover, as the Federal Reserve (the US central bank) embarks on a QE cycle, the US dollar will lose value against the euro. In 2021-23 the euro will strengthen on a sustained basis against the US dollar supported by improving macroeconomic fundamentals in the euro zone and a monetary tightening by the ECB, before the currency stabilises in 2024 as the US economy builds similar momentum. Tracking these dynamics, we expect the CFA franc to strengthen slightly from an estimated CFAfr585.5:US\$1 in 2019 to CFAfr583.1:US\$1 in 2020. The CFA franc will then recover to an average of CFAfr542.6:US\$1 in 2021-24.

External sector

Senegal has a large structural deficit on its trade account, reflecting the country's continued reliance on imports of energy and capital goods. Throughout 2020-24 high capital investment (including in oil exploration) will continue to suck in capital imports. On the export side, higher gold production and global prices in 2020 will drive an uptick in goods earnings, supported by increased exports of fish and crustaceans, owing to an increase in capacity recently. In 2021-24 an economic recovery in developed economies and higher gold prices in 2022-24 will push up exports further, and the start of oil production in 2023 will drive a steep rise in earnings. Overall, we expect the trade deficit as a percentage of GDP to narrow slightly in 2020-22, before declining more steeply in 2023-24 as oil exports begin.

On the non-merchandise account, tourism receipts are expected to increase throughout 2020-24, supported by an improvement in aviation infrastructure. The services account will switch to a surplus averaging 0.1% of GDP in 2020-24. The primary income deficit will narrow from an estimated 2.4% of GDP in 2019 to an average of 2.1% of GDP in 2020-21, before widening again to an average of 2.2% in 2022-24 with an uptick in profit repatriation towards the end of the forecast period as oil production begins. The secondary income surplus (which includes foreign transfers and workers' remittances) will edge down as a proportion of GDP during the forecast period, owing to modest growth in the euro zone in 2020-21, as well as lower growth in China, dampening inflows. Overall, the current-account deficit will narrow, from an estimated 8.7% of GDP in 2019 to an average of 8% of GDP in 2020-22 as export earnings increase. It will then narrow sharply, to 4.3% of GDP in 2024, as oil exports begin from 2023. The deficit will be financed primarily by external borrowing and FDI inflows.

Forecast summary

Forecast summary

(% unless otherwise indicated)

	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Real GDP growth	6.6	6.4	7.6	9.8	10.2	10.1
Industrial production growth	6.1	6.1	7.2	12.6	13.0	13.6
Gross agricultural production growth	7.4	9.0	9.7	10.0	9.0	9.4
Consumer price inflation (av)	-0.2	0.1	1.0	2.3	2.8	3.0
Lending rate	5.3	5.3	5.3	5.6	5.8	6.2
Government balance (% of GDP)	-3.9	-2.9	-2.7	-2.8	-1.1	-0.7
Exports of goods fob (US\$ m)	3,466	3,560	3,818	4,423	5,734	6,187
Imports of goods fob (US\$ m)	-7,013	-7,206	-7,804	-8,630	-9,422	-9,850
Current-account balance (US\$ m)	-2,132	-2,188	-2,306	-2,566	-1,919	-1,857
Current-account balance (% of GDP)	-8.7	-8.4	-8.0	-7.7	-4.9	-4.3
External debt (year-end; US\$ m)	14,122	16,029	17,447	18,081	18,690	18,857
Exchange rate CFAfr:US\$ (av)	585.5	583.1	566.7	544.4	530.1	529.0
Exchange rate CFAfr:¥100 (av)	539.8	549.9	541.1	539.8	543.0	554.4
Exchange rate CFAfr:€ (end-period)	655.97	655.97	655.97	655.97	655.96	655.96
Exchange rate CFAfr:SDR (end-period)	812.4	805.5	784.5	767.8	766.8	771.6

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts.

Data and charts

Annual data and forecast

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^b	2020 ^c	2021 ^c
GDP							
Nominal GDP (US\$ m)	17,767.7	19,027.2	21,084.0	24,130.4	24,480.7	26,071.4	28,852.4
Nominal GDP (CFAfr bn)	10,509	11,283	12,272	13,409	14,334	15,202	16,351
Real GDP growth (%)	6.4	6.4	7.1	6.8	6.6	6.4	7.6
Expenditure on GDP (% real change)							
Private consumption	4.4	5.3	8.3	8.0	5.9	6.5	7.1
Government consumption	5.7	4.3	9.3	5.1	7.2	7.5	7.0
Gross fixed investment	5.9	15.3	7.5	12.5	9.7	6.5	8.0
Exports of goods & services	9.4	4.1	8.1	7.2	5.5	3.8	6.0
Imports of goods & services	7.7	6.7	8.5	10.6	7.0	4.0	4.2
Origin of GDP (% real change)							
Agriculture	10.6	5.4	13.0	7.7	7.4	9.0	9.7
Industry	9.8	3.6	5.9	6.0	6.1	6.1	7.2
Services	3.3	7.6	5.6	6.7	6.6	5.7	7.0
Population and income							
Population (m)	14.6	15.0	15.4	15.9	16.3	16.7	17.1
GDP per head (US\$ at PPP)	3,206	3,352	3,556	3,784	4,016	4,235	4,553
Fiscal indicators (% of GDP)							
Central government revenue	19.3	20.7	19.4	18.1	18.5	19.1	19.3
Central government expenditure	23.0	24.0	22.3	21.7	22.3	22.1	22.0
Central government balance	-3.7	-3.3	-2.9	-3.6	-3.9	-2.9	-2.7
Net public debt	44.1	48.0	51.5	53.5	59.8	63.3	62.2
Prices and financial indicators							
Exchange rate CFAfr:US\$ (av)	591.45	593.01	582.03	555.70	585.52	583.07	566.70
Exchange rate CFAfr:€ (av)	655.96	655.96	655.96	655.96	655.96	655.96	655.96
Consumer prices (end-period; %)	0.4	2.1	-0.7	0.5	0.1	0.3	1.1
Stock of money M1 (% change)	22.2	16.9	11.4 ^b	5.0 ^b	6.6	3.0	1.0
Stock of money M2 (% change)	19.3	13.7	7.0 ^b	7.2 ^b	7.4	1.2	2.5
Lending interest rate (av; %)	5.2	5.3	5.3 ^b	5.3 ^b	5.3	5.3	5.3
Current account (US\$ m)							
Trade balance	-2,155	-1,964	-2,695	-4,042 ^b	-3,547	-3,646	-3,986
Goods: exports fob	2,822	2,873	3,278	3,005 ^b	3,466	3,560	3,818
Goods: imports fob	-4,977	-4,837	-5,973	-7,047 ^b	-7,013	-7,206	-7,804
Services balance	-116	-121	-204	-77 ^b	-12	-21	61
Primary income balance	-391	-498	-586	-579 ^b	-576	-578	-579
Secondary income balance	1,717	1,788	1,962	1,910 ^b	2,003	2,057	2,198
Current-account balance	-945	-795	-1,523	-2,789 ^b	-2,132	-2,188	-2,306
External debt (US\$ m)							
Debt stock	5,905	6,690	8,898	12,273	14,122	16,029	17,447
Debt service paid	377	398	661	721	1,131	1,297	1,492
Principal repayments	227	242	363	417	549	630	729
Interest	150	156	298	304	581	667	763
International reserves (US\$ m)							
Total international reserves	1,988	1,554	1,945	2,406	2,599	2,677	2,709

^a Actual. ^b Economist Intelligence Unit estimates. ^c Economist Intelligence Unit forecasts.

Source: IMF, International Financial Statistics.

Quarterly data

	2017	2018			2019			
	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr
Prices								
Consumer prices (2005=100)	107.8	107.4	105.4	108.2	108.5	107.9	104.6	106.8
Consumer prices (% change, year on year)	0.0	0.7	0.2	0.3	0.6	0.5	-0.7	-1.2
Financial indicators								
Exchange rate CFAfr:US\$ (av)	557.0	533.6	550.4	564.0	574.8	577.6	583.7	590.1
Exchange rate CFAfr:US\$ (end-period)	547.0	532.4	562.7	566.7	572.9	583.9	576.4	602.4
Foreign trade (CFAfr bn)								
Exports fob	324	384	433	396	457	555	477	470
Imports cif	-941	-943	-955	-971	-1,047	-965	-1,018	-1,113
Trade balance	-617	-558	-523	-575	-591	-410	-541	-643
Foreign reserves (US\$ m)								
Reserves (end-period)	1,945	3,847	3,268	2,838	2,474	2,490	2,538	2,542

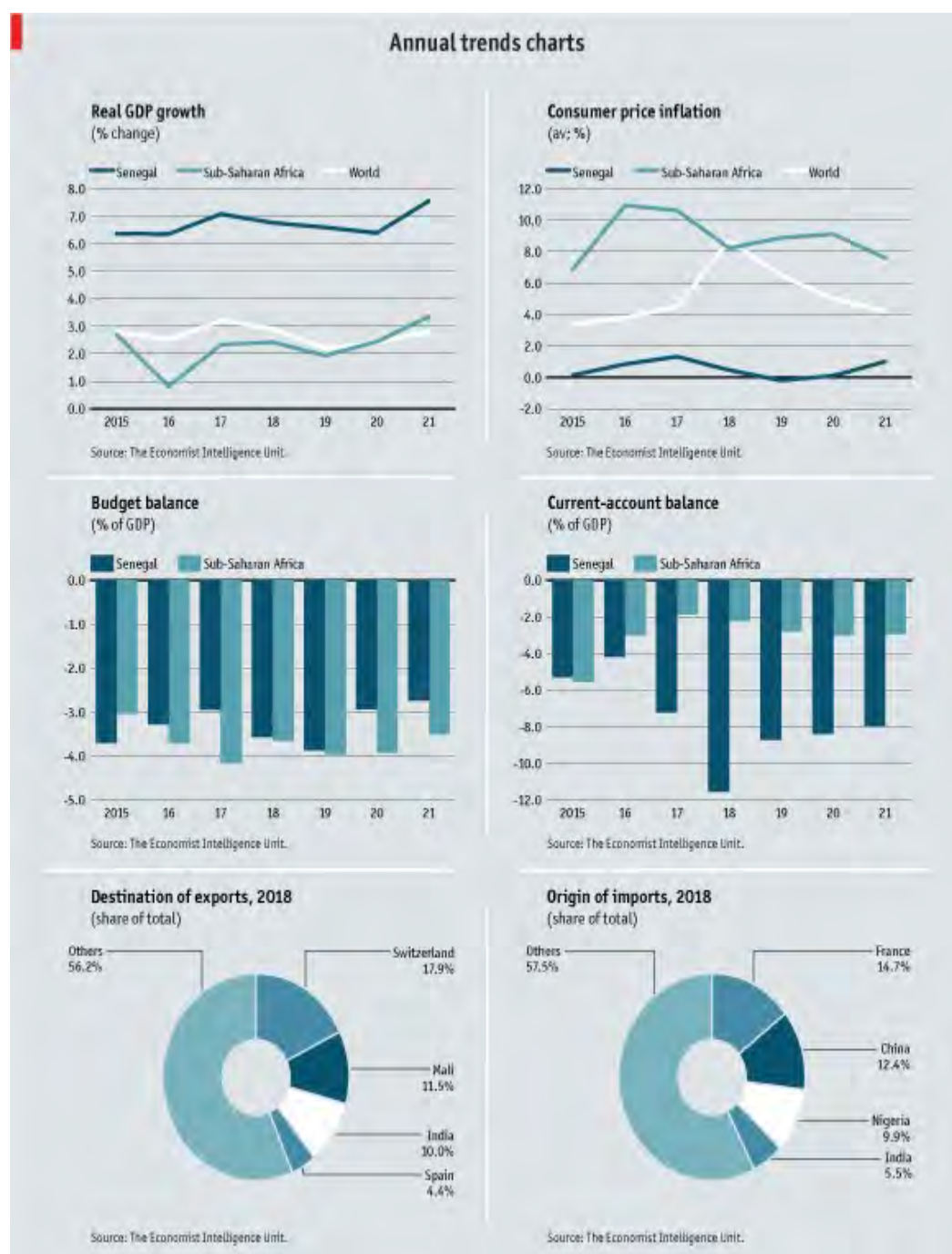
Sources: IMF, International Financial Statistics; Ministry of Economy and Finance.

Monthly data

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Exchange rate CFAfr:US\$ (av)												
2017	618.0	616.4	613.9	611.8	593.2	584.1	569.9	555.6	550.6	558.0	558.8	554.2
2018	537.7	531.2	531.7	534.3	555.3	561.7	561.3	568.0	562.6	571.2	577.1	576.2
2019	574.6	577.9	580.4	583.7	586.5	580.8	584.7	589.6	596.1	593.5	593.6	n/a
Exchange rate CFAfr:US\$ (end-period)												
2017	609.9	619.0	613.6	600.1	584.6	574.8	559.4	554.7	555.6	563.6	553.6	547.0
2018	526.6	537.1	532.4	543.1	560.7	562.7	558.9	563.0	566.7	579.6	577.5	572.9
2019	571.0	574.6	583.9	584.7	588.3	576.4	588.3	594.4	602.4	588.1	597.3	n/a
M1 (% change, year on year)												
2017	16.5	16.2	12.0	10.1	13.5	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2018	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2019	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M2 (% change, year on year)												
2017	13.6	13.9	10.1	8.5	10.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2018	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2019	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Deposit rate (av; %)												
2017	6.4	6.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2018	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2019	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Money market rate (av; %)												
2017	2.5	2.5	2.5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2018	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2019	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Discount rate (end-period; %)												
2017	2.5	2.5	2.5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2018	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2019	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Consumer prices (av; % change, year on year)												
2017	1.8	2.0	2.4	2.1	1.8	1.4	2.0	1.9	0.6	0.4	0.2	-0.7
2018	0.4	1.5	0.1	1.1	0.4	-0.9	-0.3	0.3	0.9	0.1	0.5	1.3
2019	0.7	-0.1	0.9	-2.0	-0.8	0.7	-1.1	-1.4	-1.3	n/a	n/a	n/a
Foreign-exchange reserves excl gold (US\$ m)												
2017	1,502	1,457	1,576	1,774	2,572	103	104	103	106	107	104	87
2018	89	87	89	88	85	66	67	66	72	83	82	67
2019	67	66	70	69	88	73	73	72	71	74	n/a	n/a

Sources: Agence nationale de la statistique et de la démographie; IMF, International Financial Statistics; Haver Analytics.

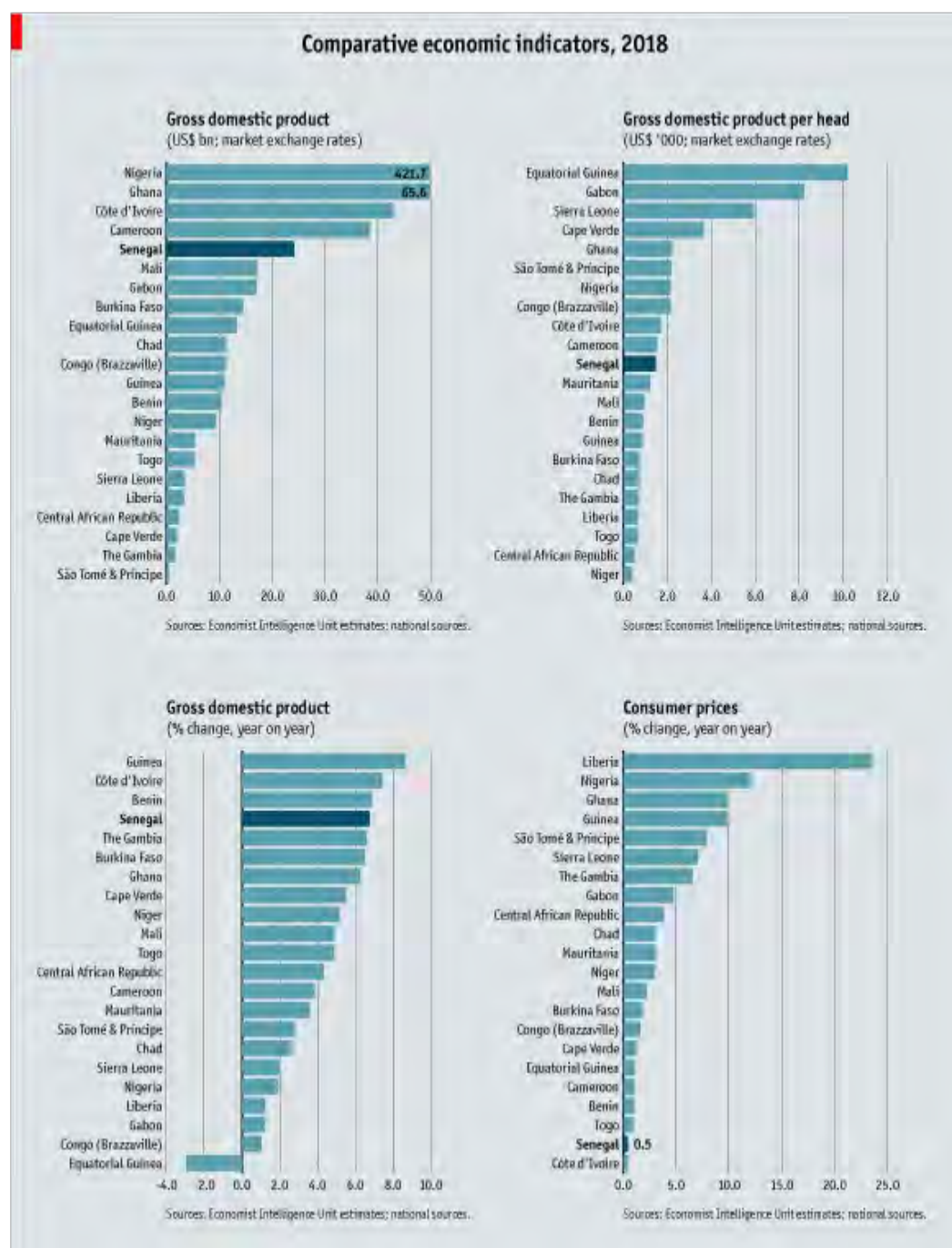
Annual trends charts



Monthly trends charts



Comparative economic indicators



Basic data

Total area

197,161 sq km

Population

15.85m (2018, IMF actual)

Main towns

Population in '000 (World Gazetteer estimates, 2013)

Dakar (capital): 2,732

Thiès: 286

Mbour: 243

Saint-Louis: 187

Kaolack: 182

Ziguinchor: 170

Climate

Tropical

Weather in Dakar (altitude 40 metres)

Hottest months, September-October, 24-32°C; coldest month, January, 18-26°C; driest months, April-May, 1 mm average rainfall; wettest month, August, 254 mm average rainfall

Languages

French, Wolof, other local languages

Measures

Metric system

Currency

CFA franc (CFAfr), fixed to the euro, backed by a guarantee from the Banque de France; it was devalued from CFAfr50:FFr1 to CFAfr100:FFr1 in 1994 and has been pegged at CFAfr655.96:€1 since France adopted the euro in 1999. CFAfr555.72:US\$1 (2018 average)

Time

GMT

Public holidays

January 1st; April 4th (Independence Day); May 1st; Christian holidays of Christmas, All Saints' Day, Assumption. Variable dates for Easter Monday and Ascension Day; all Islamic holidays are observed in accordance with the lunar calendar, and so have variable dates: Eid al-Fitr (end of Ramadan); Eid al-Adha (Feast of the Sacrifice); Islamic New Year; Tamkharit (Ashura); Mawlid al-Nabi (the birthday of the Prophet)



Political structure

Official name

République du Sénégal

Form of state

Unitary republic

Legal system

Based on the Napoleonic Code and the constitution of January 2001

National legislature

National Assembly, with 150 members elected for five years by universal suffrage in a mixed system of first-past-the-post and proportional representation

Head of state

President, elected by universal suffrage, currently serves a seven-year term and may stand for re-election once; presidential terms will be shortened to five years from 2019

National elections

February 2019 (presidential); July 2012 (legislative); next elections due in July 2022 (legislative)

National government

The president and his Council of Ministers

Main political parties

Benno Bokk Yakaar coalition, including the president's Alliance pour la république (APR), Alliance des forces de progrès (AFP), Parti socialiste (PS) and Union pour le renouveau démocratique (URD); Coalition Gagnante Wattu Senegaal, including Rewmi and Grand parti; Mankoo Taxawa Senegaal, including And-Jëf/Parti africain pour la démocratie et le socialisme (AJ/PADS), Parti démocratique sénégalais (PDS), Union nationale patriotique/Tekki and Bokk Giss coalition; Mouvement citoyen pour la refondation nationale (MCRN); Mouvement républicain pour le socialisme et la démocratie; Parti de la vérité pour le développement

President: Macky Sall

Prime minister: Mahammed Dionne

Selected ministers of state

Agriculture & rural equipment: Moussa Baldé

Armed forces: Sidiki Kaba

Community development and social & territorial equity: Mansour Faye

Culture & communication: Abdoulaye Diop

Digital economy & telecommunications: Ndèye Diké Ndiaye Diop

Economy, planning & co-operation: Amadou Hott

Environment & sustainable development: Abdou Karim Sall

Finance and the budget: Abdoulaye Daouda Diallo

Fisheries & maritime economy: Aminata Mbengue Ndiaye

Foreign affairs & Senegalese diaspora: Amadou Bâ

Health & social action: Abdoulaye Diouf Sarr

Higher education, research & innovations: Cheikh Oumar Hann

Infrastructure, land transport & isolated regions: Oumar Youm

Interior: Aly Ngouye Ndiaye

Justice: Malick Sall

Livestock and animal production: Samba Ndiobène Kâ

Mines & geology: Aissatou Sophie Gladima Siby

National education: Mamadou Talla

Petroleum & renewable energy: Mouhamadou Makhtar Cissé

Tourism & air transport: Alioune Sarr

Trade & SMEs: Aminata Assome Diatta

Urban planning, housing & public hygiene: Abdou Karim Fofana

Water & sanitation: Serigne Mbaye Thiam

Governor of the regional central bank (BCEAO)

Koné Tiémoko Meyliet

Recent analysis

Generated on January 22nd 2020

The following articles were published on our website in the period between our previous forecast and this one, and serve here as a review of the developments that shaped our outlook.

Politics

Forecast updates

WAEMU leaders review security situation

October 15, 2019: Political stability

Event

On October 3rd Benin's president, Patrice Talon, joined eight other leaders from the member states of the West African Economic and Monetary Union (WAEMU) in the Senegalese capital, Dakar, to review the security situation within the economic bloc's member states.

Analysis

WAEMU, whose membership comprises Benin, Burkina Faso, Ivory Coast, Guinea-Bissau, Mali, Niger, Senegal and Togo, is designed to create a borderless economic space for Francophone countries using the West African CFA franc. However, although West Africa is, according to the Banque Centrale des États de l'Afrique de l'Ouest (the regional central bank), one of Sub-Saharan Africa's fastest-growing regions, most WAEMU members are also net oil importers and potentially politically unstable. Local trade flows remain extremely dependent on commodities like cocoa (Côte d'Ivoire), cotton (Burkina Faso, Benin), gold (Mali and Burkina Faso), uranium (Niger) and phosphates (Togo). This economic dependency upon one or two export goods means that WAEMU members are highly exposed to both trade shocks from international price shifts and external shocks from events like terrorism or natural disasters; this has left countries underdeveloped and therefore vulnerable to [penetration](#) by outside extremist groups.

Speaking at the WAEMU summit, Mr Talon warned that political instability has become a growing threat to growth in West Africa. Coming shortly after a summit of the Economic Community of West African States (ECOWAS) held in Burkina Faso's capital, Ouagadougou, during which regional leaders [pledged to raise US\\$1bn](#) to combat terrorism during 2020-24, the Beninese president announced that WAEMU states had pledged US\$500m to tackle regional extremist groups. It is unclear whether this sum will be a new tranche of financing from the WAEMU governments on top of the earlier ECOWAS announcement in September, or part of it. Either way, security initiatives to fight terrorism in West Africa have long suffered from a [gross lack of financing](#)—even when donors have made subsequent pledges to rectify the situation. We remain sceptical that the measures in the latest announcement will be implemented any faster or more completely than those seen in its predecessors.

Impact on the forecast

Any economic projection in West Africa should be balanced against political risks and its implications in terms of regional and national instability. These risks should be closely monitored, and high prudence in terms of investment is recommended in the short term. Our forecast for continued political instability and poor security conditions across the region in 2020-21 remains unchanged.

WTO's dispute-settlement mechanism collapses

December 11, 2019: International relations

Event

On December 10th two of the three remaining judges on the appellate body of the World Trade Organisation (WTO)—the main dispute-settlement body of that institution—retired from service. As a minimum quorum of three judges is required for the appellate body to function, the event effectively marked the collapse of the WTO's dispute-settlement mechanism.

Analysis

The US has had long-standing grievances with the appellate body (and the WTO more generally), even in the face of several WTO cases that it has [won recently](#). These objections also predated the administration of Donald Trump, the current US president.

US concerns over the role of the appellate body—including allegations that it had overstepped its jurisdiction—arose during the presidency of George W Bush (2000-08), whose administration took issue with the body's findings that the US methodology for calculating anti-dumping and countervailing duties (a controversial practice known as "zeroing") were not WTO-compliant. This attitude hardened under the presidency of Barack Obama (2008-12), who blocked the reappointment of two appellate body judges (and obstructed consensus over the appointment of a third) during his time in office.

Mr Trump has since maintained this strategy of blocking appointments. The Economist Intelligence Unit had expected this outcome because of the president's long-harboured hostility towards the WTO. However, the collapse of the dispute-settlement mechanism will not immediately spell doom for either the WTO itself or the future of global commerce. We continue to expect global trade growth (by volume) to rebound modestly into positive territory in 2020, as the world acclimatises to the "new normal" of US-China economic tension and trade demand stabilises across major markets.

Nevertheless, the dissolution of the WTO's main dispute-settlement mechanism will erode important constraints on protectionist bad behaviour. There is now a growing risk that the lack of an international arbiter will allow both existing and future trade disputes to escalate more quickly. This will be particularly critical as the US-China trade war persists into 2020, while emerging disputes elsewhere—such as between [South Korea and Japan](#), [France and the US](#) and [the EU and Malaysia](#)—weigh on the prospects of trade liberalisation more generally. Without the appellate body, these and other potential trade conflicts will continue to cast a shadow over world trade next year.

Impact on the forecast

We had anticipated that the WTO appellate body would cease to function by December, and have already built this event into our forecasts from 2020 onwards.

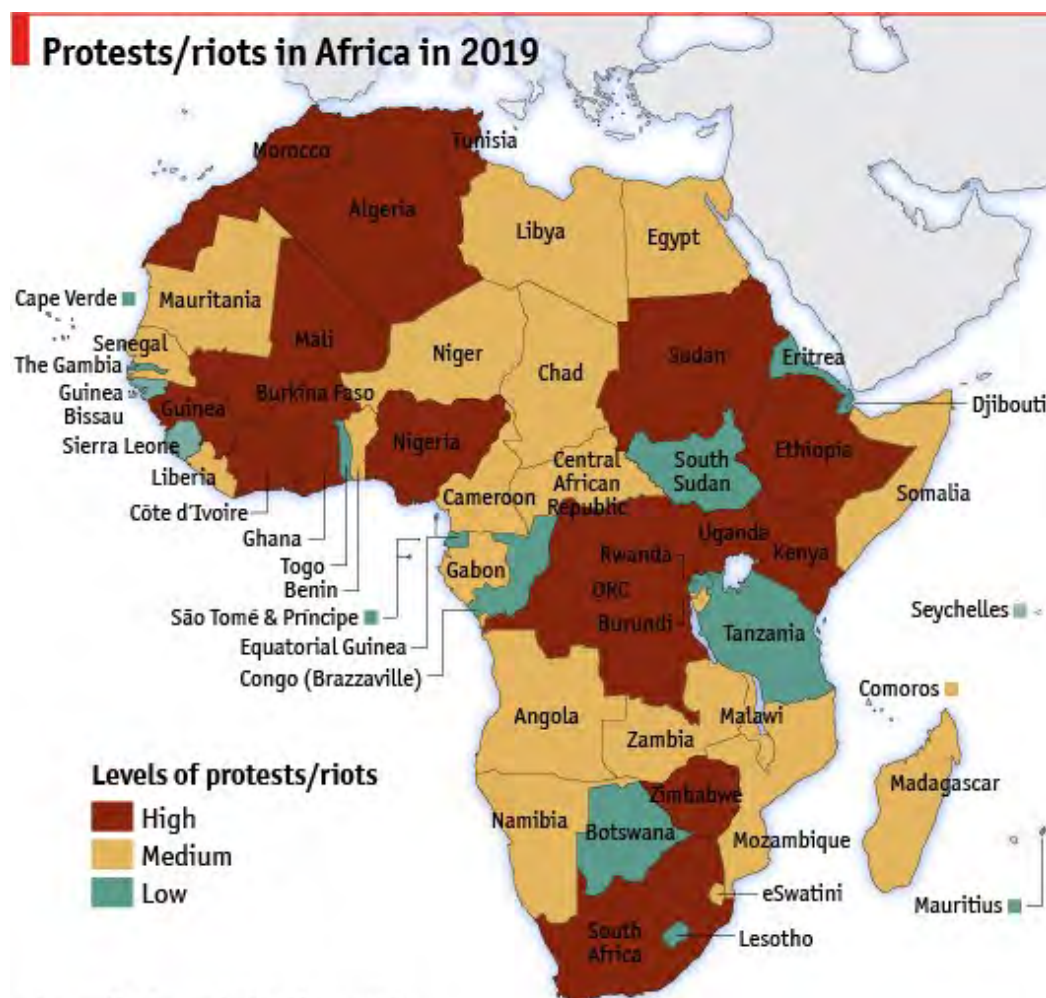
Analysis

Protests in Sub-Saharan Africa

December 31, 2019

Sub-Saharan Africa has experienced its fair share of the mass protests that have erupted across the world in 2019. The affected countries vary considerably in terms of their economic structure and stage of development, political set-up and social fabric. Large mobilisations have occurred in Sudan, South Sudan, Ethiopia, Kenya, the Democratic Republic of Congo (DRC), South Africa, Cameroon and Nigeria, to name a few. The protests have been triggered by highly localised events and have differed from place to place in their participants, methods and goals. Despite these differences, there are some common underlying causes that unite the protests and present serious challenges for incumbent African leaders and their administrations as we head into 2020.

Various highly localised factors have triggered uprisings in Sub-Saharan Africa in 2019, which include rapidly rising bread prices in Sudan, planned redundancies and xenophobia in South Africa, disputed election results in Mozambique, attacks by armed militias in the DRC and the attempted arrest of activists in Ethiopia. In most cases, these triggers have been a tipping point whereby localised single-issue demonstrations have escalated into much larger and broader anti-government protests. Protests in many countries have reflected a view that governments are self-serving institutions that have been either unable or unwilling to tackle sensitive issues relating to economic need and opportunity, political oppression and freedoms, as well as poor governance and corruption. These concerns have been on clear display during the protests witnessed in Sub-Saharan Africa during 2019.

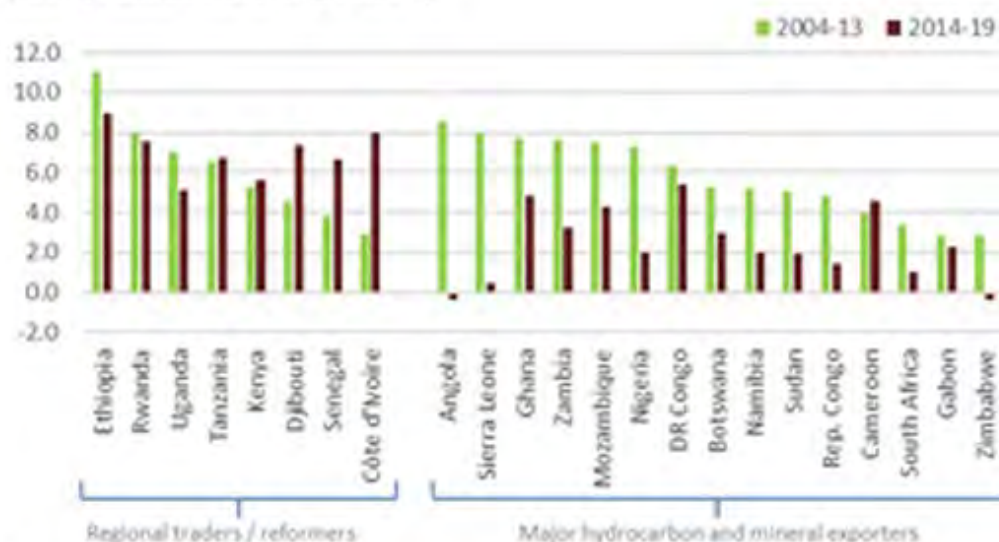


Source: The Economist Intelligence Unit.

Economic need and opportunity represent an over-riding yet multi-faceted driver of anti-government sentiment and mass protests across Sub-Saharan Africa. The region boasts some of the fastest-growing economies in the world, abundant and lucrative natural resources, enormous and youthful populations, an expanding urban middle class, strengthening trade linkages and strong inflows of foreign capital. However, many countries in Sub-Saharan Africa retain severe income inequality, widespread poverty, high levels of unemployment (particularly among youths) and informal and insecure employment and often inadequate social safety net programmes.

Growth after the commodities boom

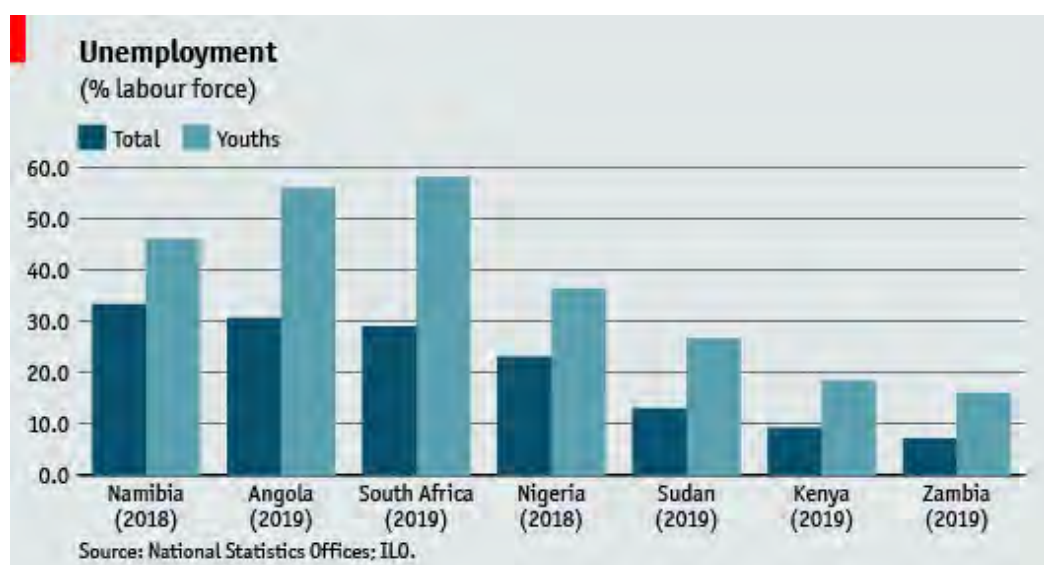
(Average annual real GDP growth %)



Source: The Economist Intelligence Unit.

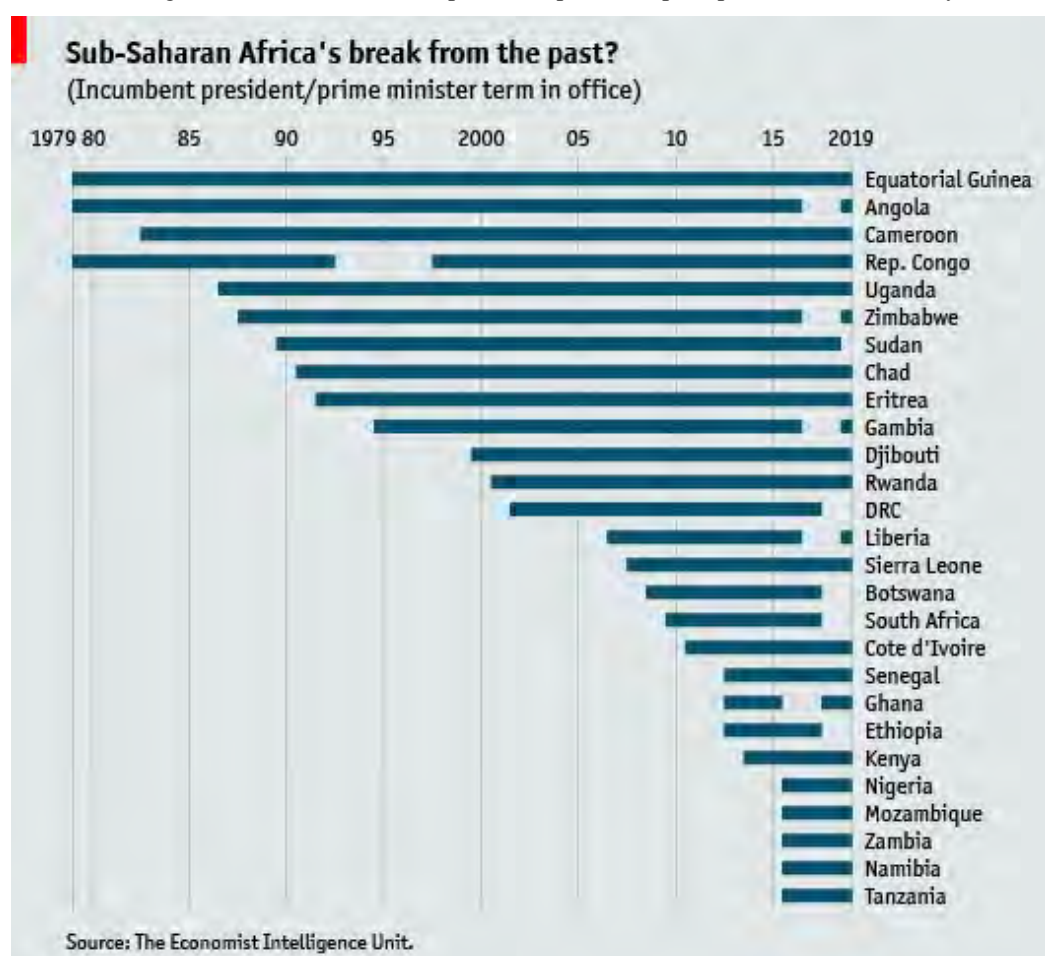
Many countries (especially the region's major oil, gas and mining nations such as South Africa, Nigeria, Angola, Zambia, Mozambique, the DRC and Sierra Leone) have struggled to cope with the downturn in commodity prices since 2014. The pre-2014 boom years have given way to more subdued growth rates in many parts of Sub-Saharan Africa, large fiscal and current-account deficits, rising debt levels, weak currencies and rapidly rising living costs. These developments have restricted the room for manoeuvre for some governments, led to a shift towards fiscal austerity, compounded poor public service provision and undermined job creation.

A toxic combination of high unemployment, the threat of job losses and the prevalence of insecure employment is an incendiary mix that has fuelled a wave of protests across Sub-Saharan Africa. Job-creation and household income stimulus programmes have been on the front burner for some time, but the region remains plagued by very high levels of general unemployment and much higher unemployment rates among the region's youths in the 15-24-year-old bracket. Meeting the demands of a rapidly increasing supply of youthful, urban, better educated and aspirational labour is proving to be a major headache for many governments. In addition to job creation, an additional and equally important problem is posed by the type of jobs on offer. A large majority of jobs in Sub-Saharan Africa (whether these are in the formal sector or much larger informal sector) provide insecure employment that entails low levels of pay, little to no job security and limited access to social protections.

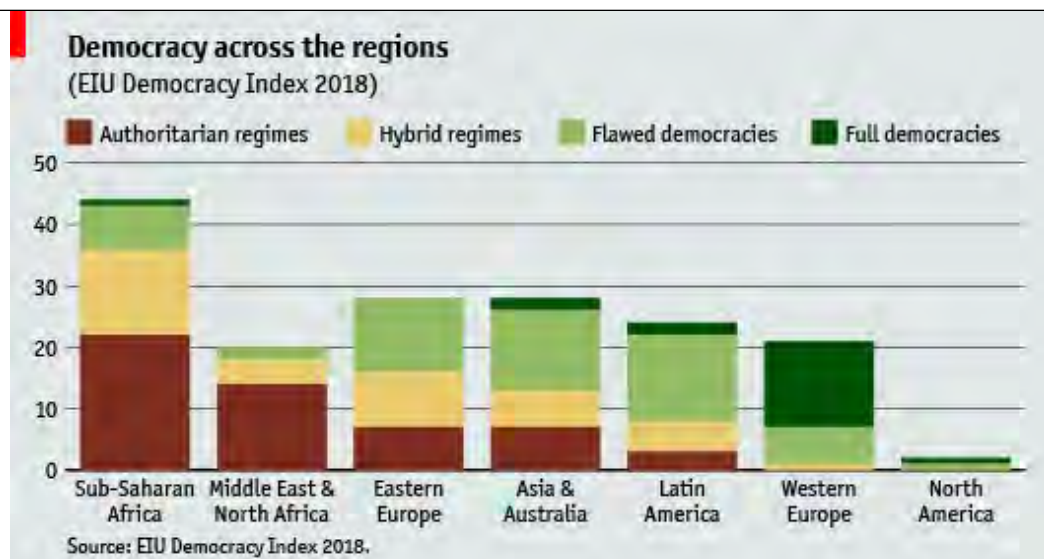


Another facet of economic need that has unsettled citizens and brought them out on to the streets

relates to widespread poverty, extreme income inequality and in some cases a long history of economic marginalisation. The UN reported that ten of the world's 19 most unequal countries measured on income distribution were found in Sub-Saharan Africa in 2017, and this regional profile is unlikely to have changed much in the subsequent two years. South Africa, the region's most developed economy, was ranked as the world's most unequal country in 2017, and Namibia, Zambia, the Central African Republic, Lesotho, Mozambique, Botswana, eSwatini, Guinea-Bissau and the Republic of Congo were also among the top 20 most income unequal nations worldwide. Concerns about income inequality and its drivers, as well as economic marginalisation, have proved highly contentious issues. For instance, mass protests by the Oromo and Amhara people of Ethiopia and the anglophone communities of western Cameroon are linked to a combination of low living standards, economic marginalisation and political exclusion. Similarly, the demonstrations that led to the removal of the long-standing president of Sudan, Omar al-Bashir, in April have close links to many years of economic woes, extreme poverty and unequal opportunity in wealth creation and political influence. Even in South Africa, the region's most diverse economy, large-scale protests have been driven by major societal inequalities and the demands for better living standards, as well as rampant corruption and poor public service delivery.



Political oppression and the lack of political freedoms have played a central role in driving angry anti-government protests in Sub-Saharan Africa during 2019. Major political grievances relate to disillusionment with long-standing, difficult to displace incumbent national leaders and their political parties. Elections have become more common across Sub-Saharan Africa over the past decade, but the region has some of the world's longest-serving heads of state and governing political parties, as well as the highest number of authoritarian and hybrid regimes of any major region in the world.



Public protests have contributed to a change in national leader in countries such as South Africa, Angola, Ethiopia, the DRC and Sudan over the past 12 months, but the dominant political party retains a tight grip on power. Political inertia and concentrated political power and influence remain major sources of public discontent and social unrest. Rapidly growing internet coverage and mobile networks in particular in Sub-Saharan Africa have facilitated the spread of information within countries and across borders. This evolving infrastructure, together with the quick uptake of social media and 24-hour news coverage, has helped mobilisations in one location to feed discontent and unrest elsewhere. Some African governments are fully aware of the threat posed by uncontrolled media outlets and have taken steps to reassert their grip on available information and key messaging. Some governments have clamped down on press freedoms, curtailed internet access and outlawed opposition groups. An international digital rights advocacy organisation, Access Now, has reported that there were 13 nationwide internet shutdowns across Africa in 2018, and this has been followed by new or continued shutdowns in Algeria, Ethiopia, Chad, Liberia, Malawi, Sudan and Zimbabwe in 2019. In addition to this, some governments are levying internet usage or social media taxes that have the (probably intended) consequence of in effect restricting access to or dissemination of information online. These tactics often run in parallel with state-sponsored media plans that push favoured lines and information or disinformation as claimed by some opposition groups. The success of these tactics tends to be short-lived and do little to quell the lingering feelings of resentment among activists and the wider population. Indeed, restricted freedom of speech and a lack of accountability among national governments have often served to incite further unrest and demonstrations.

Steady emergence of new leaders brings hope for change

A new group of national leaders has recently taken up office in some of the region's major economies, including Abiy Ahmed in Ethiopia, João Lourenço in Angola, Cyril Ramaphosa in South Africa, Félix Tshisekedi in the DRC and Muhammadu Buhari in Nigeria. These leaders represent a break from the past and have come to power on a platform of economic and social reforms, promises to tackle corruption and commitments to resolve local conflicts. Long-standing political parties remain in place, but there are some positive early signs of change. For instance, Mr Ahmed is shaking up the political landscape in Ethiopia and received the Nobel Peace Prize 2019 for his efforts to resolve the long-running border dispute with Eritrea. Mr Lourenço has moved quickly to dismantle the power base of his predecessor, Mr Ramaphosa is pushing hard with his economic and social reform agenda, and Mr Buhari is making some tentative steps towards tackling insecurity and corruption.

However, expectations are running high, and any faltering in the speed or direction of progress could quickly herald a new bout of disruptive protests and demonstrations. There is no doubt that African leaders will continue to be confronted by the thorny issues of income inequality, widespread poverty, high youth unemployment, job insecurity, poor public services, corruption and cronyism, entrenched political systems and restricted civil freedoms, not to mention the brutal

effects of climate change. Anti-government mass protests will most certainly continue into 2020, given the challenges that remain and the growing demands posed by youthful, better educated and urbanised populations. The ride could easily become much bumpier in 2020.

Economy

Forecast updates

New offshore gas discovered

October 9, 2019: Economic growth

Event

In late September Kosmos Energy, a US-based firm, announced positive results from its second appraisal well—Yakaar-2—on the Yakaar-Teranga offshore gas prospect. It also indicated that production for the domestic market will be a priority for what is set to become Senegal's second major offshore gas project.

Analysis

Results from Yakaar-2 confirmed the southern extension of the major gas find uncovered when Kosmos drilled a first well—Yakaar-1—about 9 km to the north. The field lies mostly in the Cayar Deep block, north-west of Dakar, the capital, and the company estimates that it may contain as much as 20trn cu ft of gas. Kosmos describes this as "world scale" and sufficient both to supply natural gas to the Senegalese domestic market and, eventually, to support the production of liquefied natural gas (LNG) for export.

Kosmos and its partners, BP (a UK-based firm) and Petrosen, Senegal's national hydrocarbons company, are already developing the [Greater Tortue Ahmeyim](#) (GTA) gas project in the waters astride the Senegalese-Mauritanian maritime border. That scheme will mainly produce LNG for the international market, albeit with natural gas potentially reserved for local needs. As a result, Yakaar-Teranga's initial focus on supplying Senegal's domestic markets will be particularly helpful for the president's development strategy, [Plan Sénégal Emergent](#). Much of the gas is likely to be used for power generation. For many years inadequate power supply was a constraint on economic growth and household living standards. Although the past years have seen a sustained effort to expand [wind](#), solar and thermal generating capacity, demand continues to rise—and the trend is set to accelerate as the economy diversifies and more homes are connected to the grid.

A final decision on going ahead with Yakaar-Teranga will depend on talks with the Senegalese government on terms for the supply of gas. As a result, the government needs to reach a view on Senegal's likely domestic requirements—an issue that was not a priority consideration for the GTA project, given its export focus—and how much should come from Yakaar-Teranga. We expect the Yakaar-Teranga project to become operational by the end of our 2020-24 forecast period and to support robust economic growth in the country.

Impact on the forecast

This is in line with our expectation that the development of the gas sector is expected to contribute to robust growth in the medium term, supporting our forecast that economic growth will accelerate to an annual average of 10% in 2022-24.

US rate cuts will encourage more African Eurobond launches

October 25, 2019: International assumptions

Event

During a presentation to Zambia's financial asset investors given on the side-lines of the annual meetings of the World Bank and the IMF on October 20th, Zambia's finance minister, Bwalya Ng'andu, stated that a Eurobond re-financing strategy was in the process of acquiring cabinet approval and would shortly be published.

Analysis

We are currently forecasting that the Federal Reserve (Fed, the US central bank) will adopt a dovish stance into 2020, with two more 25-basis-point cuts ahead, in December and March 2020. With the Fed currently in a policy-easing cycle, sovereign bond financing will continue to represent a popular way for African states to raise funding. For example, Angola announced in October that it would be returning to the sovereign debt market to help finance its budget for 2020, while, in late September, South Africa raised US\$5bn with a new Eurobond sale to help with its fiscal challenges. However, there remains very little transparency around how the proceeds of these Eurobonds are intended to be spent.

Moreover, experience since the G8 Summit at Gleneagles in Scotland (which symbolised an earlier era of debt forgiveness for developing countries) has shown that governance and debt-management issues [remain](#) prominent in many African countries. In September Mozambique's scandal-plagued government [announced](#) that, following years of negotiations, it would finally be restructuring its US\$727m Eurobond. Meanwhile, Zambia has had to set up a sinking fund to help it repay over US\$3bn in debt from foreign capital markets secured in three Eurobonds (due in 2022, 2024 and 2027, respectively). Although Eurobonds represent just one method by which state actors can secure large sums, it seems likely that an over-reliance on bonds for budget financing will aggravate the debt-repayment problems building up in many African countries, some of which are already struggling with weak finances as the trade war between the US and China hurts the export earnings of commodity-dependent countries supplying the Chinese manufacturing sector.

Impact on the forecast

We expect the dovish stance of the Fed in 2020 to support continued sovereign borrowing from private markets, as it is currently marked by fewer conditions than loans from traditional multilateral lenders, such as the World Bank or the IMF. However, the growing [reliance](#) on debt-fuelled budget financing in many (although not all) African countries represents a downside risk to the positive growth prospects that lower global interest rates are offering to Africa's more developed economies.

Nigeria to re-open its borders

November 18, 2019: Economic growth

Event

On November 14th Ghana's deputy minister for foreign affairs and regional integration, Mohammad Habibu Tijani, announced that Nigeria had agreed to re-open its borders.

Analysis

The Ghanaian government had previously [managed](#) to negotiate an agreement in October with their Nigerian counterparts, allowing a temporary corridor for Ghanaian goods to enter Nigeria. Mr Tijani's announcement seems credible, therefore, although no official announcement by the Nigerian government has yet been made. Nigeria initiated the crisis in August when it partially [closed](#) its western border with Benin, citing concerns over smuggling and insecurity. Matters escalated in October, when the Nigerian national customs agency [announced](#) the indefinite closure of all the country's borders to foreign goods. While the closure seems to have been temporary, as we had forecast (and therefore not warranting any major changes to our regional outlook in 2020), the incident is likely to stall further momentum towards regional integration, amid widespread anger among Nigeria's neighbours (and the wider region) at its heavy-handed protectionist stance.

The months-long border closures reinforce our view that Nigeria will continue to operate a protectionist agricultural policy, despite having agreed to sign up to the region-wide African Continental Free-Trade Agreement. With the country unlikely to open its agriculture sector up to foreign competition, the smuggling of rice and other food stuffs, which sparked the original border closure with Benin in August, is likely to resume, whatever mechanism is ultimately agreed upon between Nigeria and its neighbours to improve scrutiny of cross-border trade. Even if the authorities of neighbouring countries wished to comply (and, in the case of Benin, whose economy received a significant boost from the illicit rice trade with Nigeria, this is doubtful), other local states such as Niger or Cameroon, who are battling several different insurgencies on their territories, simply lack the security or the spare resources to enforce border security properly in the way Nigeria would like. Tensions could, therefore, re-appear later in the forecast period, further damaging moves towards regional integration in West Africa.

Impact on the forecast

The end of the border closure reinforces our forecast that the Nigerian government's high-handed move will have no lasting impact on the macroeconomic fundamentals of ECOWAS and neighbouring countries in 2020. The term of Nigeria's current (and deeply protectionist) president, Muhammadu Buhari, expires only in 2023, however, and we see little chance of progress towards ECOWAS integration where this conflicts with his Nigeria's national interests as Mr Buhari perceives them.

Trade deficit narrows

November 20, 2019: External sector

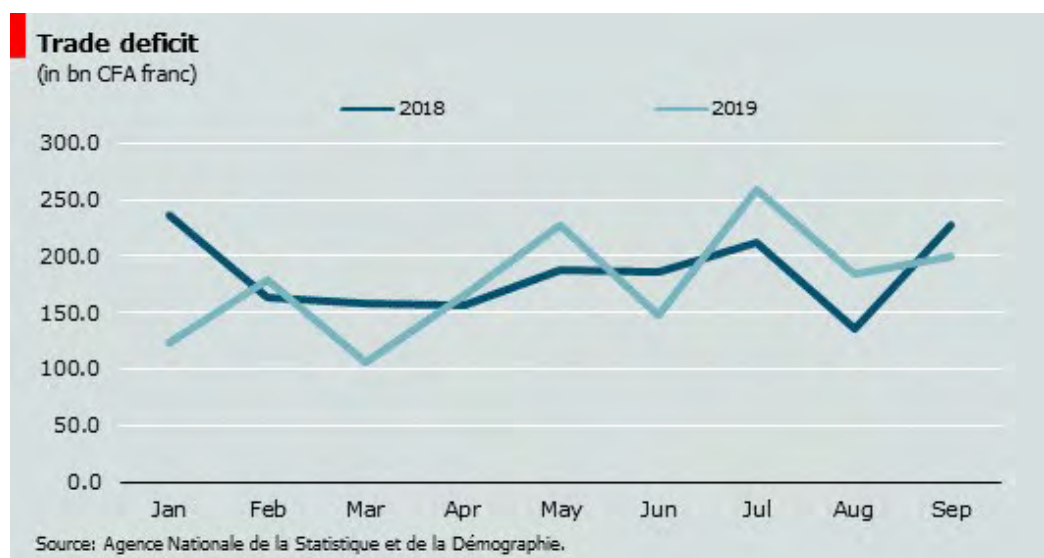
Event

On November 18th the state statistical agency, Agence Nationale de la Statistique et de la Démographie (ANSD), released preliminary data showing that Senegal recorded a trade deficit of CFAfr1.6trn (US\$2.7bn) in the January-September period—a fall of 3.7% during the same period of 2018.

Analysis

Total exports grew by 23.8% in the January-September period, compared with the corresponding period of 2018, amounting to CFAfr1.5trn. The breakdown revealed that this is attributable mainly to an increase in exports of industrial gold, which recorded growth of 62.8% year on year; and animal and vegetable raw materials, which recorded growth of 111.4% year on year (albeit from a low base).

Total imports grew by 7.9% year on year in the period, and totalled CFAfr3.1bn. This was owing to an increase in the imports of machinery and equipment, which grew by 18.8% year on year, and petroleum products, which grew by 14.4% year on year. The increase in import bill was mitigated by a fall in cereal imports, which fell by about 50% year on year, and finished products for agriculture, which fell by 26.9% year on year. Lower global oil prices also contributed to this trend.



The trade deficit narrowed as exports grew faster than imports in the January-September period. We expect this trend to continue in the fourth quarter of 2019 and into 2020, as higher gold production and global gold prices drive an uptick in goods export earnings, supported by increased exports of seafood produce (mainly fish and crustaceans). High capital investment will continue to suck in capital imports. However, low international oil and food prices in 2020 will prevent the import bill from rising higher.

Impact on the forecast

The recent data are in line with our forecast of a narrowing trade deficit in 2019. We also expect the trade deficit as a proportion of GDP to narrow further in 2020. Our forecast is consequently unchanged.

Debate begins on draft finance law for 2020

December 2, 2019: Fiscal policy outlook

Event

In mid-November the National Assembly started discussions on the draft finance law for 2020, which introduces a major overhaul of expenditure management.

Analysis

The draft finance law includes the government budget for 2020, which projects spending in the year to be CFAfr3,258bn (US\$5.5bn), and revenue is projected at CFAfr3,709bn—based on a forecast of real GDP growth of 6.8% (compared with 6% in 2019). Consequently, the government is planning a budget deficit of CFAfr451bn, equivalent to about 3% of GDP—a prudent stance that keeps Senegal in line with the expected convergence criteria set for participation in the planned new West African currency, [the eco](#).

However, the most significant feature of the 2020 draft finance law is not only its revenue and expenditure projections, but its radical reform of budget strategy: instead of simply allocating an envelope of funding to each ministry, the government will move to a programme budgeting system. Each ministry will be allocated funds to carry out a number of programmes—such as basic education for children and adults or the provision of drinking water. The decisions on the expenditure required to deliver the necessary services and to develop projects will now be decentralised to the individual ministries; each minister will be entrusted with ordering the release of the funds required for the tasks for which their department is responsible.

The aim is to encourage a much greater focus on delivery and results, fostering a culture of action and accountability. Ministers will be required to appoint an individual senior civil servant to head each programme and oversee its implementation. Decisions on the collection of revenue will remain with the Ministry of Finance, which aims to bolster revenue equivalent to 20% of GDP by the end of 2023.

The new system should help to foster a culture in which public-sector entities exist to perform specific tasks rather than simply perpetuate their own existence. However, the reform also prepares Senegal for the moment when substantial revenue starts to flow from oil and gas in 2021–22 to maximise the government's capacity to use these additional resources effectively and limit wastage. We expect the finance law to be passed by parliament.

Impact on the forecast

The government's projection of a budget deficit equivalent to 3% of GDP in 2020 is in line with our current forecast. Moreover, we also expect a boost to revenue, albeit at a slower pace than envisaged by the government. Our fiscal outlook is thus unchanged.

BP hails successful drilling year

December 19, 2019: External sector

Event

A three-well drilling campaign this year off the coasts of Mauritania and Senegal confirmed the existence of a "world-scale gas resource" and suggested the possibility of a new upstream development project, BP, a UK oil major, announced on December 16th.

Analysis

Kosmos Energy, a US company and BP's junior partner in both countries, had announced the trio of positive results individually during the year, but confirmation by the heavyweight operator lent added credibility to the optimism then professed. Gas was found at all nine zones targeted, BP said—with the results of the Orca-1 well, completed in November in Mauritania's Block C8, deemed of particular significance, identifying [deeper reservoirs](#) than previously thought and potentially underpinning a new development project in the BirAllah area. The gas found by the well drilled in Senegal's Cayar Profond block was also said to suggest a possible commercial development. BP's statement did not quantify the resources, but Kosmos claimed in October that up to 50 trn cu ft of gas-initially-in-place had been de-risked in the BirAllah area—and that this was "more than sufficient ... to support a world-scale LNG [liquefied natural gas] project".

BP, Kosmos and the two countries' state oil companies took the final investment decision in December 2018 on the first phase of the Greater Tortue Ahmeyim (GTA) development project, which calls for the exploitation of gasfields straddling the maritime border containing an estimated 15trn cu ft of recoverable reserves to produce 2.5m tonnes/year (t/y) of LNG—with a plan to increase this in stages to 10m t/y—and to provide gas to each country for domestic purposes. Completion is scheduled for 2022, and the long-awaited approval for the project swiftly triggered the award of key construction contracts: TechnipFMC, a UK-based company, and Saipem, an Italian firm, were selected in March to build the main offshore and onshore facilities respectively.

The initial project and the newly mooted future developments will enable both Mauritania and Senegal to expand exports—improving the balance of payments and increasing government revenue. Senegal also has a plan in place to reap wider domestic economic benefits by becoming a regional hydrocarbons hub, while Mauritania thus far appears less well prepared to capture such opportunities.

Impact on the forecast

New developments based on the latest drilling results are unlikely to enter production within the forecast period for either Mauritania (2020-21) or Senegal (2020-24). Our expectation remains that the GTA project will improve both countries' external and fiscal positions from 2022.

New Dakar Consensus emerges

December 19, 2019: Policy trends

Event

In early December Senegal, the IMF, the UN and a French think-tank, the Cercle des économistes, organised a sustainable development conference in Dakar (the Senegalese capital), at which the heads of state of six West African countries—Senegal, Niger, Benin, Togo, Burkina Faso and Côte d'Ivoire—raised grievances with the IMF.

Analysis

The presidents expressed resentment at the tough financial criteria imposed by the Fund on West African countries, with Benin's president, Patrice Talon, citing the fiscal deficit target of 3% of GDP as an example, while Senegal's president, Macky Sall, pointed out that the region's debt levels were far below the global average. Côte d'Ivoire's president, Alassane Ouattara, argued that the deficits of African economies should be assessed in a more flexible manner because investments in Sub-Saharan African countries take longer to produce an economic impact. The presidents of Niger and Burkina, Mahamadou Issoufou and Roch Marc Christian Kaboré respectively, pointed to the heavy security costs their governments face.

Mr Sall presented this critique as the new Dakar Consensus—in contrast to the long-established Washington Consensus that advocates financial discipline and the market economy. But in reality it represents a revision rather than a radical alternative. None of the African leaders present were proposing the abandonment of fiscal discipline. They want two main things: more flexibility in IMF assessments of their capacity to take on debt and greater understanding of the development and security challenges they face. They know that the IMF's stance can influence perceptions among international credit rating agencies—and thus the real cost of funds when either foreign investors or West African governments seek to raise money for new projects.

The IMF has agreed to better reflect and integrate the impact of external economic shocks into its analysis and to do more to dispel perceptions of Africa as an inevitably high risk environment for investors. However, the position of other international institutions is unlikely to change significantly, and the region's leaders still face the reality that perceptions of poor governance remain a powerful influence. For instance, the [jailing of Khalifa Sall](#), which prevented him from running in Senegal's presidential election, did serious damage to the country's international reputation for stable democratic governance.

Impact on the forecast

We do not expect any significant revisions to the IMF targets that these West African countries have adopted under various programmes with the Fund in the short term. Our 2020-21 policy trends forecast is thus unchanged.

Analysis

Is Africa open for business?

November 5, 2019

The October releases of *Doing Business 2020* from the World Bank and the *Global Competitiveness Report 2019* from the World Economic Forum (WEF) offer a fresh chance to assess the relative standing of Sub-Saharan Africa (SSA). Both convey the message that SSA is improving in absolute terms but making slower progress in relative terms because other regions are reforming at a similar or faster pace. Within this broad context, some SSA countries are rising up the rankings while others are falling, underlining the region's diversity. A notable feature of the various league tables now published—including Transparency International's Corruption Perceptions Index and The Economist Intelligence Unit's Democracy Index—is the leading position held by a select group of countries that regularly appear in the top 10 of several indices: Botswana, Cabo Verde, Ghana, Mauritius, Namibia, Rwanda, Seychelles, Senegal and South Africa. This is hardly surprising, given the obvious correlations between

governance, corruption, economic performance and policy coherence.

No single index can capture the complexities of a country's business environment, as each takes a different perspective. The Doing Business index, covering 190 countries, focuses on the regulatory framework, using objective measures such as the time needed to start a business, making it simple to understand and explaining its appeal to policymakers. It also has flaws (as do all the indices), as many aspects of the business climate are not included, such as corruption and infrastructure. The Doing Business index also applies solely to mid-sized local firms, overlooking small enterprises and multinationals, which typically encounter different rules. The WEF's competitiveness index takes a much broader perspective, assessing factors such as institutions, skills and innovation, but many parameters are subjective and country coverage is smaller (at about 140). Additionally, some pillars, such as health and the macro-economy, are based on just one or two underlying indicators. Regular changes in methodology in both indices make comparisons over time less reliable. Our business environment rankings cover just four African countries: Nigeria, Angola, South Africa, and Kenya. The scores for these countries typically suffer from weak corporate governance and regulation, as well as poorly trained labour forces and, in countries such as Angola and Nigeria, an over-reliance on hydrocarbons. Nevertheless, despite the problems of operating in the region, rates of return can be high for those firms that can master the complicated political environment and regulatory climate.

Doing business in SSA

In the WB Doing Business league, Mauritius tops the regional rankings by a large margin—coming first in five of the ten components—and stands 13th globally. Tarnishing this impressive performance is its reputation for facilitating tax evasion. Rwanda ranks second regionally (out of 48 countries), despite dropping nine places globally to 38th. Kenya, third regionally, made a strong advance globally, rising five places to 56th, to mark a fifth consecutive year of improvement. Kenya undertook several reforms in the year to end-May (the cut-off point), making it easier to deal with construction permits, secure an electricity supply, obtain credit, pay taxes and resolve insolvency, although registering property became harder. Illustrating potential flaws in the index, however, Kenya ranks first globally for protecting minority investors, which seems far-fetched. South Africa, fourth in the region, dipped two places globally to 84th, despite facilitating contract enforcement and, in contrast with Kenya, is sliding over time. Zambia, Botswana, Togo, Seychelles, Namibia and Malawi complete the SSA top ten. Nigeria's regional (17th) and global (133rd) rankings are much poorer, although the World Bank named the country as one of the top ten global reformers this year, alongside Togo. Last year, in contrast, SSA claimed five of the top ten spots: Djibouti, Togo, Kenya, Cote d'Ivoire, and Rwanda.

Competitiveness is a relative concept

Several of the best Doing Business locations in SSA also feature in the regional top 10 in the WEF's competitiveness index. Mauritius claims top spot (out of 34 countries), to lie 52nd globally, followed by South Africa, which posted a seven-place global rise to 60th, on the back of a strong improvement in its underlying score, especially in the institutions category. Seychelles came third, Botswana fourth, Namibia fifth, Kenya sixth and Rwanda seventh, with both Namibia and Rwanda, like South Africa, registering solid advances. Ghana, Cabo Verde and Senegal (114th globally) rounded off the top 10. A large majority of SSA countries posted higher scores in the 2019 WEF index, but only nine made ranking gains and, by extension, competitiveness gains.

List-topping countries

Given the close links between good governance and economic performance, it comes as no surprise that SSA's top-ranked states in the CPI and the Democracy index feature many of the same names. Seychelles leads the corruption rankings, followed by Botswana, Cabo Verde, Rwanda, Namibia, Mauritius, Senegal and South Africa. In terms of democracy, Mauritius leads from Cabo Verde, Botswana, South Africa, Lesotho, Ghana, Namibia and Senegal, with other countries falling below the threshold for being rated as democratic. Yet another league, the Fragile States Index, is similar, with the least fragile SSA countries being Mauritius, Seychelles, Botswana, Ghana, Namibia, Cabo Verde, Gabon and South Africa.

From a broad perspective, the countries that appear in the top 10 in all five indices—Botswana, Mauritius, Namibia and South Africa—can be seen as the most favourable business locations.

South Africa's orbit extends to the other three, to varying degrees. Cabo Verde, Ghana and Seychelles (with four top tens), Rwanda and Senegal (with three) and Benin, Kenya, Lesotho and Zambia (with two apiece) all hold promise but each has particular challenges. Kenya, for example, ranks well on regulations and competitiveness, but falls down on corruption and democracy. Senegal's main weakness is excessive regulation, while Rwanda's primary flaw is a democratic deficit.

The various indices highlight two main factors. SSA is advancing in absolute terms, by cutting red tape for example, but is failing to make gains compared to other regions. Second, regional gains are concentrated in a select group of countries, while others risk lagging behind. In the medium term, SSA will start making gains vis-à-vis other regions, as they reach the limits of improvement, although divergences and disparities within SSA will be more persistent. SSA is clearly open for business but the indices can provide no more than a snapshot, sometimes fuzzy, of the operating environment in the region's diverse markets.

Inauspicious timing for 2020 launch of "eco" currency

November 12, 2019

Leaders from the Economic Community of West African States (ECOWAS) have decided that their long-planned common currency will be called the eco and will be launched in 2020. France has reaffirmed its openness to reform of the CFA franc, which eight members of ECOWAS, as part of the Union économique et monétaire ouest-africaine (UEOMA), currently use. The currency is pegged to the euro and is guaranteed by France, but the French government has now reconfirmed that it will back reform if African leaders want it. But the immediate value of switching currency will be lost if UEOMA countries cannot convince others in ECOWAS to sign up.

ECOWAS states collaborate closely on political and security matters, but economic integration has lagged behind. The bloc first adopted the goal of a common currency as far back as 2000, but until recently it was a distant aspiration. The project is now establishing a basis in concrete monetary proposals, but there remain serious obstacles, both practical and political.

- There are sharp contrasts, for example, between the needs of Nigeria, as a large oil exporter looking to diversify its economy using import controls, and those of its smaller neighbours reliant on agriculture and mining.
- A lack of consensus on monetary policy. UEMOA maintains tight monetary discipline, imposed by its common central bank based in Senegal and required by the peg to the euro. By contrast, Ghana and Guinea have taken a more relaxed monetary approach, with bouts of higher inflation. Nigeria uses monetary policy to support an overvalued official exchange rate.
- Difficult questions also exist over political authority and sovereignty. For the CFA franc countries, which in the past 60 years have only devalued once (in 1994), it would mean exchanging their currency anchor for governance by a central bank influenced by other countries proposing a more relaxed monetary stance. And in reality the monetary union could easily translate into de facto Nigerian control. This is if Nigeria could be persuaded to join, and abandon an economic system propped up by protectionism.

Nevertheless, over the past 20 years West African leaders gradually crystallised their commitment to the notion of a common currency, and there have been numerous intervening steps towards such integration. These include a Common External Tariff (2015), a market and regulator for crossborder electricity trade (2018) and the African Continental Free Trade Area (2019). Practical realities have, however, revealed an element of romantic idealism in the plans. In October Nigeria closed all its land borders with neighbouring countries. Ostensibly this was aimed at stopping smuggling (which reflected efforts to bypass import bans), but a desire to support the country's trade balance and the overvalued naira is also likely to have influenced the decision. It is hurting the economies of its neighbours, and casts serious doubt over Nigeria's commitment to pan-African trade.

Pressure for change for some

Despite serious challenges, political pressure to ditch the CFA franc, especially from urban youth and radical intellectuals, has gradually altered the mood across UEMOA, and that bloc is leading calls for the new currency. Critics of the CFA franc regard it as a hangover from French colonial

rule and a tool for perpetuating French influence. They resent the fact that member states place part of their foreign-exchange reserves in deposit accounts at the French Treasury, as part of an arrangement to underpin the latter's guarantee of the CFA franc's peg to the euro, at CFA655.957:€1. Although the reserves system is essentially a technical procedure, the notional transfer of savings to the region's former metropole has become a totemic issue. Clearly this is a UEMOA-specific complication, and for the rest of ECOWAS, much of which is anglophone with no historical ties to France, there is less of the same political pressure for a new monetary system. It is asking a lot of these countries to risk sudden revaluation or devaluation of their currencies and to give up monetary independence without there being the same background reasons for doing so.

Obstacles removed

On its own, a shift in the political weather might not have been sufficient to push the UEMOA states towards change. But other factors have altered too, leading the bloc to look more favourably on the idea of the eco. Most notably, France is open to change. On a visit to Burkina Faso in 2017 the French president, Emmanuel Macron, said that if countries using the CFA franc opted to change their currency arrangement then his government would oblige. In October 2019 his finance minister, Bruno Le Maire, reaffirmed the message, albeit in more nuanced terms by stressing that the decision was one for African governments.

Converging step by step

The decision at a June 2019 ECOWAS summit to impose convergence criteria for membership of the eco was an essential step towards a new currency, mirroring what European countries did in launching the euro. But it also laid the diplomatic groundwork. States can adopt the eco at different times, but the currency could be launched as soon as a core of member states was ready to take part. Stated differently, countries not using the CFA franc like Nigeria need not hold up the launch. The benefits of a single currency rapidly diminish, however, if the region's biggest market is not a part of it.

UEMOA states are the first movers

The eight CFA franc countries later met for a summit on July 12th and the Ivorian president, Alassane Ouattara, then announced that the group would become the initial adopters of the eco. A phased strategy has been envisaged.

- In 2020 the UEMOA states will replace the CFA franc with the eco. Instead of being kept in French accounts, the "overseas" slice of foreign-exchange reserves will be divided among deposit accounts at the central banks of major trading partners. Initially they will maintain the fixed rate to the euro but de facto the rules and institutions of UEMOA will become the start-up structure for the new currency. The intention to retain the existing peg reflects past experience; devaluation of the CFA franc in 1994 was met with furious protests from urban populations angry about the rise in the price of imported basics such as rice, meat and wheat flour.
- Over subsequent years the technical ground will be prepared for an eventual move to a new exchange rate based on a basket of the currencies of major trading partners—which will therefore have a hefty US dollar component, alongside the euro.
- Other countries will join the eco when they are ready and once the currency is based on the basket valuation.

The eco could simply be the CFA franc rebranded

The biggest political obstacles to the first stage of the reform and the initial creation of the eco among UEMOA states—which are best prepared for it—now seem to have been largely overcome, but completing the phased introduction of a floating currency remains a multi-year and possibly decades-long undertaking. Moving away from the French guarantee invites severe levels of currency risk at a time when the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO, the UEMOA bloc's central bank) has declining foreign reserves with which to support a new currency that breaks from France. A slowing global economy, which has consequences for the price of oil—a key export among members of UEMOA—means that the timing of a 2020 launch is inauspicious. It would appear that there is no rush judging by official comments either. Benin's president, Patrice Talon, has said that leaders in UEMOA want foreign reserves transferred from

France to the BCEAO to afford it more monetary control, but he refused to put a timeframe on when it would happen.

There may also be a desire to wait until Nigeria changes its insular approach to national development, if indeed that ever happens. Currently the government there protects agriculture and manufacturing through a ban on hard currency being used for imports. If all regional trading partners used the eco, then the tools currently being used for protectionism would be completely undermined. Without a shift on this, the eco just becomes a cosmetic rebranding of the CFA franc minus the guarantees that currently make the peg a credible foreign-exchange regime. Unless Nigeria can be persuaded to join, the eco will provide little in the way of economic benefit, and could even result in a loss in investment. It may be that the eco remains on the shelf for several years (or more) to come.

Remittances surpass FDI flows into Sub-Saharan Africa

December 13, 2019

Remittance flows into Sub-Saharan Africa (SSA) increased by 10.3% to US\$46.2bn in 2018, and provisionally rose again in 2019, according to updated World Bank figures in October. The sum comfortably surpassed foreign direct investment (FDI) inflows of US\$31.6bn in 2018—based on the latest *World Investment Report* from the UN Conference on Trade and Development (UNCTAD)—highlighting the importance of remittances to the balance of payments and the wider economy. FDI may be more valuable on a per dollar basis than remittances, of which a significant portion is used for consumption or for investment in less productive assets (such as real estate)—and sometimes for political party funding—but FDI is more volatile, is often focused on minerals and oil (which have limited employment potential) and can be withdrawn. Diaspora remittances will continue to make a vital contribution to several SSA economies, facilitated by information and communications technology (ICT), although, as with FDI, not all countries are benefitting.

Certain conditions need to be met for a country to receive a high level of remittances. Key requirements are a sizeable expatriate population (preferably skilled and living in richer countries), a functioning banking system (both to facilitate and to measure financial flows) and, increasingly, an accommodating ICT environment, to speed up transfers and reduce their costs, which remain high in most parts of SSA. Countries with close links to the former leading colonial powers, the UK and France, are well represented in the remittance league.

The leading remittance recipients

Topping the SSA remittance stakes is Nigeria, by a large margin, with inflows rising by 11% to US\$24.4bn in 2018—dwarfing FDI of US\$2bn—and accounting for more than half of the regional total. Nigeria's dominant position stems from having the largest population in SSA (191m) and high levels of remittances per head. Ghana lies second on the list (with US\$3.5bn in 2018), followed by Kenya (US\$2.7bn), Senegal (US\$2.4bn), the Democratic Republic of the Congo (DRC; US\$1.8bn), Zimbabwe (US\$1.7bn), Uganda (US\$1.2bn), Mali (US\$0.9bn), South Africa (US\$0.9bn) and Togo (US\$0.5bn).

In per capita terms, a slightly different picture emerges. Excluding four small island states (Cabo Verde, Comoros, São Tomé and Príncipe and Seychelles), the leading per capita recipient is Lesotho—on US\$201 per head—because of large flows of migrant workers to South Africa. For the same reason eSwatini lies sixth in the per capita list (on US\$106). As a result, South African remittance flows are negative on a net basis, unusually for SSA. Senegal comes second (on US\$156 per head), followed by Nigeria (US\$133), Ghana (US\$128), the Gambia (US\$112), eSwatini, Zimbabwe (US\$104), Liberia (US\$82), Togo (US\$64) and Djibouti (US\$61). Kenya lies in 11th place on US\$58 per head. The top 10 countries in terms of remittances as a proportion of GDP are very similar, but South Sudan and Mali enter the list at the expense of Djibouti and eSwatini.

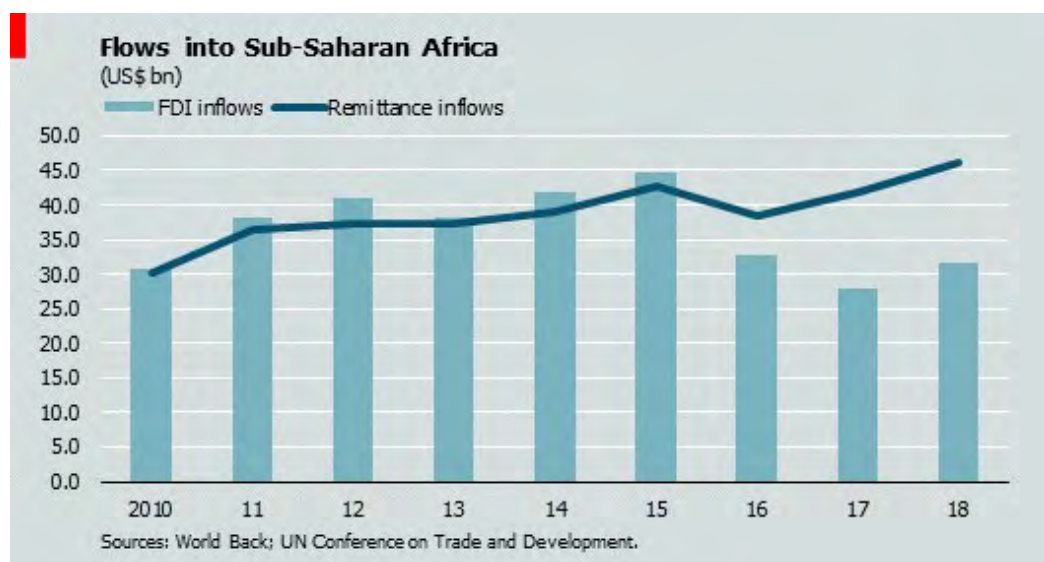
Remittances and stability

The evidence is not clear cut as to whether more stable countries, both in political and in economic terms—such as Ghana, Senegal and South Africa—tend to attract higher remittance flows. Strong remittance flows to Nigeria (which is less stable) and especially to the DRC and Zimbabwe (which are both unstable) show that remittances are driven as much by necessity, as

by opportunity. In Zimbabwe's case, remittances are a lifesaver for many households. The question of whether currency stability facilitates inflows is similarly uncertain. Senegal, Mali and Togo no doubt benefit from their mutual currency's fixed link to the euro, which gives greater certainty to senders and recipients of funds. The rand monetary zone (including eSwatini, Lesotho and Namibia) similarly benefits flows in southern Africa, despite the South African currency's volatility vis-à-vis the US dollar. From another perspective, strong flows to countries such as Nigeria and Ghana suggest that currency weakness is not always a major impediment to remittances, and can sometimes boost flows, because recipients gain more in local currency.

Correlations with FDI

A degree of correlation exists between the leading recipients of remittances and FDI but there are also outliers. Six countries feature in the top 10 for both remittances and FDI inflows—Nigeria, Ghana, Senegal, South Africa, Kenya and Uganda—and in all cases, except South Africa and Uganda, remittances exceeded FDI in 2018. Stronger in FDI but weaker in remittances are Congo, Mozambique, Tanzania and Ethiopia, with the latter suffering from weak, state-run banks and ICT firms. Planned reforms in Ethiopia, including the opening of closed sectors to private firms, could give a major boost to remittances, given its large expatriate population, especially in the US. Conversely, Mali, Senegal, Togo and Zimbabwe are weaker on FDI but stronger on remittances. As a qualification, however, measuring flows of both FDI and remittances in SSA is difficult and the data are subject to frequent revision.



To maximise the benefits, SSA governments should make efforts to facilitate remittances, in line with longer-standing policies to promote FDI. Action to boost remittances can be indirect, such as nurturing the emergence of a dependable and efficient financial and ICT framework, and also direct, as illustrated as Kenya's now-expired amnesty for repatriated funds, which gave a significant boost to remittance inflows in 2018. Senegal's decision to create parliamentary seats for the diaspora in the 2017 legislative election is also a potential remittance-booster, by giving expatriates a direct political stake in their home country. Remittance flows also face threats, especially tougher policies towards migrant workers in the key US market (the main source of remittances for Kenya, for example) and in some EU countries, such as Italy. Possible links between remittances and money-laundering are under-researched, but could cause problems in future. Despite some challenges, remittances will remain a key source of funding in SSA, bolstered by digital innovation.

Senegal profile - Timeline

14 May 2018



A chronology of key events:

8th century - Present-day Senegal is part of the Kingdom of Ghana.

11th century - Tukulor people occupy lower Senegal valley.

12-14th centuries - Rise of the Jolof empire.

1440s - Portuguese traders reach Senegal river estuary.

1588 - Dutch establish slave port on island of Goree.

1659 - French found St-Louis at the mouth of the Senegal river; it becomes a key slave-trading port.

1677 - French take over island of Goree from the Dutch.

1756-63 - Seven Years' War: Britain takes over French posts in Senegal, forms colony of Senegambia. France regains its holdings during American Revolutionary War of 1775-83.

1816 - Britain returns French holdings captured during Napoleonic Wars.

Late 1800s - France extends its influence, gains control of all the territory of Senegal.

1895 - Senegal becomes part of French West Africa.

1914 - Blaise Diagne elected as Senegal's first African deputy to French parliament.

1946 - Senegal becomes part of the French Union.

1956 - National Assembly established.

1958 - Becomes an autonomous republic, as part of the French Community.

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Independence

1960 June - Senegal becomes independent, as part of Mali Federation.

1960 August - Senegal pulls out of Mali Federation, becomes separate republic with Leopold Senghor as president.

1962 - Attempted coup led by Prime Minister Mamadou Dia.

1963 - First constitution drawn-up.

1966 - Senghor's Senegalese Progressive Union becomes country's sole political party.

1978 - Three-party political system introduced.

1981 - Leopold Senghor steps down; Abdou Diouf becomes president in 1981.

1982 - Senegambian Confederation formed; Senegal and neighbouring Gambia aim to combine military and security forces. Dissolved in 1989.

1982 - Separatists in southern province of Casamance form Casamance Movement of Democratic Forces.

Political change

2000 March - Opposition leader Abdoulaye Wade wins second round of presidential elections, ending 40 years of Socialist Party rule.

2001 January - Voters back new constitution which shortens presidential term, limits holder to two terms, and gives president power to dissolve parliament.

2001 March - Government signs peace accord with separatist rebels in Casamance. But there is little follow-up as separatists go through splits and leadership changes.

2001 April - Abdoulaye Wade's Senegalese Democratic Party wins an overwhelming majority in parliamentary elections.

2004 December - Casamance Movement of Democratic Forces and government sign pact aimed at ending secessionist struggle in province of Casamance.

Tariff row

2005 October - Dispute with neighbouring Gambia over ferry tariffs on the border leads to a transport blockade. The economies of both countries suffer. Nigerian President Olusegun Obasanjo brokers talks to resolve the issue.

2006 August - The army launches an offensive against rebels from a holdout faction of the Casamance Movement of Democratic Forces.

2006 December - Spain and Senegal agree a series of measures to curb illegal migration to the Canary Islands. Spain is to give 4,000 Senegalese temporary work permits over the next two years.

2007 June - President Wade's ruling coalition increases its parliamentary majority in elections boycotted by the opposition.

Habre trial moves

2008 April - Senegal's national assembly amends the country's constitution to allow the trial of Chad's ex-leader Hissene Habre, who is accused of human rights abuses during his eight years in power.

2009 March - Opposition parties win control of several cities in local elections, including Dakar, formerly a stronghold of President Wade.

2009 April - Belgium starts proceedings at the International Court of Justice in The Hague to try to force Senegal to bring former Chadian President Hissene Habre to trial for alleged human rights abuses during his time in power.

2009 May - UN court accepts Senegal's pledge to keep Hissene Habre in the country ahead of trial for rights abuses.

2009 September-October - Clashes between troops and rebels in the province of Casamance.

2010 April - France gives up its military bases in the country.

Change of leader

2012 March - Macky Sall wins presidential elections, and his coalition wins July parliamentary elections.

2012 September - MPs abolish the upper house, the Senate, and the post of vice president in an effort to save money for flood relief. Critics say the aim is to weaken the opposition.

2013 July - The Senegalese authorities arrest former Chadian President Hissene Habre in Dakar and put him on trial for crimes against humanity committed in Chad under his rule.

2014 April - Rebel leader Salif Sadio, who had been fighting for the independence of the Casamance region, declares a unilateral ceasefire.

2015 January - Senegal expels leading Gambian opposition figure Cheikh Sidya Bayo to France, accusing him of being a threat to public order.

2015 March - Karim Wade, the son of former President Abdoulaye Wade, is jailed for six years for illicit enrichment while serving as a minister under his father, in what critics say is a politically motivated case. He is pardoned in June 2016 and leaves the country.

2016 March - Voters in a referendum approve a proposal to reduce the presidential term from seven years to five.

2016 May - Former leader of Chad Hissene Habre is found guilty of crimes against humanity and sentenced to life in prison by an African Union-backed court in Senegal.

2016 October - France drops long-standing warning against travel to Casamance region, in a move likely to boost the important tourism sector.

2017 January - Senegalese troops gather on Gambian border ready to enforce transfer of power under ECOWAS regional mandate after President Jammeh refuses to step down on losing presidential election.

2017 April - Thousands protest in the capital Dakar against the president, demanding the release of several of his political opponents.

2017 August - Parliamentary elections. President Sall's coalition wins more than two-thirds of the seats.

2018 March - Khalifa Sall, the mayor of Dakar and potential rival of the current president in next year's election, is convicted and jailed for corruption.

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Africa

Hilary Matfess

In Sub-Saharan Africa, the movement of populations, proliferation of violent, nonstate actors, expansion of criminal networks, and continued weakness of governance indicators all present serious challenges in the short, medium, and long term. Reevaluating American partnerships on the continent and reinstating the principle of first doing no harm are critical if the United States is to achieve its objectives in the region and strengthen multilateral partnerships to advance our global security agenda.

Though often relegated to the back burner of American foreign policy deliberations, developments in Sub-Saharan Africa have garnered increased attention in recent years. The *U.S. Strategy Toward Sub-Saharan Africa* identified four “strategic pillars” that American policy would strive toward on the continent: “the strengthening of democratic institutions, spurring economic growth, trade, and investment, advancing peace and security and promoting opportunity and development.”¹ The assumption underlying all of these objectives is that progress will be enabled by strong partnerships with countries and regional blocs across the continent.

The majority of these strategic priorities are economic; one could also argue that some of the most publicized American initiatives toward Sub-Saharan Africa are focused on catalyzing economic growth. Power Africa’s goal of bringing electricity to 60 million new people across Africa has been marketed as necessary for industrialization and development.² The African Growth and Opportunity Act, passed in 2000 and subsequently renewed, abides by the logic that expanding preferential trade policies to African countries will result in the sort of growth necessary for human development and peace-building.³

As the dependence on strategic partnerships and emphasis on economic goals suggest, Africa is a low priority for America’s national securi-

ty agenda, despite increased attention over recent decades. The threats to American security and prosperity emanating from the region are largely indirect, and the overarching American strategy toward Africa has been to maintain a minimal presence. Troubling developments in Sub-Saharan Africa have been overshadowed by events elsewhere. The creation of U.S. Africa Command (USAFRICOM) in 2007, however, signaled the growing recognition that these indirect threats demand some sort of security-oriented response.

Unfortunately, certain aspects of American policy in the region have proved counterproductive to our efforts to stabilize the region and promote democratic state-building. “Strategic partners” is all too often a euphemism. American alliances and capacity-building initiatives have often endowed us with strange bedfellows, including governments that harass their own populations and sponsor rebel groups across borders. As Stephen Watts reflected, the “strategic implications of failed [Sub-Saharan Africa] policies extend beyond the direct and immediate consequences in the partner nation. Perhaps most obviously, the United States risks being ‘tarred by the brush’ of partner governments who act abusively toward their own populations.”⁴

Often, the nature of the aid extended by the United States to African counterparts is given more consideration than the host-nation system it enters. This generally reflects the lack of institutional expertise concerning Sub-Saharan African countries and their politics in the U.S. Government, but it is also a by-product of recipient countries’ manipulation of this bureaucratic blind spot. Just as it is unhelpful to conceive of spaces as being “ungoverned,” disregarding the agency of African counterparts undermines the pursuit of U.S. objectives. If these objectives are to be realized on the continent, more attention must be paid to the local contexts in which operations occur and to the characteristics of the institutions with which the United States partners. A light footprint cannot be synonymous with insubstantial local knowledge.

American policymakers must focus on cultivating effective partnerships to achieve the strategic objectives laid out by recent U.S. Presidents regarding the institutionalization of rule of law, democratization, and economic growth. Given current social, political, and economic patterns, the coming years herald dramatic change throughout Sub-Saharan Africa; if America is to maintain a light footprint on the continent, plans must be crafted and implemented today to help African partners ameliorate current problems and prepare for coming climatological, demographic, and ideological shifts. This will require a broader conceptualization of “security,” as a number of the challenges African countries face do not fall within the traditional security realm. A holistic approach to security will

require interagency harmonization rather than merely an expansion of USAFRICOM's mandate. If handled properly, partnerships with African countries could enhance the prospects for peace and economic growth, as well as further American strategic and normative objectives globally. Cultivating partnerships with the 48 countries in Sub-Saharan Africa can also translate into more support for American positions in multilateral forums such as the United Nations (UN).

A Continent on the Move

Contradicting long-held tropes about the static nature of its cultures and societies, Africa is a continent in flux. Seasonal migration, often related to pastoralism and agricultural schedules, has long been a characteristic of communities in Africa. This migration often crosses borders, creating issues of cooperation for neighboring African states. Compounding these flows are the proliferation and movement of displaced populations across the continent. The adjustments made to accommodate transient, displaced, or seasonal populations have at times placed a measure of stress on host populations; this has resulted in low-intensity violence in a number of regions across the continent, as groups compete over land and other scarce resources.

There are two emerging patterns of migration in Africa that have significant consequences for the stability and security of the continent: climate change–related displacement and urbanization. Both of these phenomena strain legal, agricultural, and social systems across the sub-continent and show signs of increasing in size and speed in coming years.

Climate change will radically alter the productive capacity of a number of agricultural regions across Africa, primarily through shifting precipitation patterns. Considering that an estimated 70 percent of Africans are employed by rain-fed agriculture (which constitutes an estimated 30 percent of the continent-wide gross domestic product), the effects of even a small change in rainfall patterns could be enormous. There is a looming possibility of a food crisis as agricultural productivity is depressed amid booming African demographics. The result of these patterns, according to Calestous Juma, is that Africans “already see climate change and security through the same lens.”⁵ The U.S. analytical framework must catch up to that of our regional counterparts. Numerous studies have suggested a link between food prices and civil unrest; given the profound disconnect between many African heads of state and their young populations (to be discussed later in this chapter), a rise in food prices could kick off the sort of ill-fated political revolutions that characterized the Arab Spring.

The conflict in Darfur illustrates the potential scale of instability related to climate change. The conflict, which claimed an estimated 400,000 lives and displaced millions, has been described as the first “modern climate-change conflict” by Jeffrey Mazo, due to the role that prolonged drought played in fomenting violence.⁶ Just as the tragedy in Darfur foreshadows the coming conflicts from climate change, it illustrates the shortcomings of the existing mechanisms to respond to such violence.⁷ Though then-President George W. Bush and Secretary of State Condoleezza Rice both traveled to the region and described the conflict as genocide, the United States failed to “put any real pressure on the Sudanese regime.”⁸ The result was not only a humanitarian disaster but also a geopolitical crisis for neighboring countries attempting to absorb refugees.

Along with climate change, urbanization poses a particular and daunting set of challenges to policymakers. The rapidity and lethality with which Ebola spread through West Africa in 2014–2015 were, in part, due to the disease entering urban areas for the first time.⁹ The lack of state capacity to engage in proactive urban planning exacerbates the complications inherent to urbanization, as nearly all of the growth in urban populations is more accurately described as an increase in slum-dwelling populations. With less access to state services, less security, and fewer resources, slums act as incubators for violence and criminality.

One of the most obvious weaknesses of African states has been their inability to secure a monopoly of the legitimate use of force within their borders. The number and influence of armed groups in the region can be attributed both to the weak institutions of the state as well as to a huge surplus of small arms and light weapons circulating throughout the continent. The UN Office on Drugs and Crime (UNODC) notes, “Given the number of weapons still circulating from past conflicts in the region, there is very little need to import large numbers of weapons into West Africa.”¹⁰ Urbanization will entail not only increased population concentration but also a concentration of the small arms and light weapons that they bring with them. If improperly managed, urbanization in African may give rise to new waves of violent instability.

The Rise of Islamist Terrorism and Militia Groups

Perhaps the most obvious militia-related development in Sub-Saharan Africa in recent years—and the one that most directly affects American security interests—has been the rise of Islamic terrorism. While Islam has long been a critical part of African societies and political economies, violent mobilization around Salafist jihadism is relatively new. Prior to 2001, there were no designated foreign terrorist organizations in Sub-Sa-

haran Africa.¹¹ Today Nigeria (and the broader Lake Chad region) is struggling with Boko Haram, Kenya and Somalia are still grappling with al Shabaab, and the Sahel is afflicted by al Qaeda in the Maghreb and Ansar al Dine. Though these groups have sworn allegiance to global jihadist movements, they all arose out of specific socioeconomic contexts and political systems; they evolved from campaigning on local grievances to broader issues. Countering Islamist terrorism in Sub-Saharan Africa will require not only identifying the international ties of these groups but also recognizing the domestic roots of their discontent.¹² These armed groups have taken advantage of not only the weakness of African states but also the rising criminality across the continent (addressed below) and the popular discontent of much of the population.¹³ With such low trust in the state's security sector and political orientation, it is no surprise that antigovernment movements have generated significant support. Civilian support for antigovernment groups has made it difficult to counter them. Furthermore, given porous borders, transnational kinship networks, and displacement patterns that characterize the region, domestic armed groups frequently have regional consequences.

Though these groups are motivated by domestic grievances, they often have foreign sponsors. The foreign dimension of domestic rebel groups threatens regional stability, as governments often engage in tit-for-tat sponsorship of antigovernment militias.¹⁴ The states sponsoring these militias typically benefit (politically and/or financially) from the development of a "war economy" in their neighboring states; the incentives are thus perverted for regional peace efforts, as some of the actors at the table may not be earnestly interested in brokering peace. The vested interest of some countries in fomenting instability limits the capacity of the United States to cultivate effective partnerships on the continent; this is compounded in instances where the U.S. Government lacks subject matter expertise regarding intracontinental geopolitics.

The proliferation of vigilante and pro-government militia groups highlights the weak position and lack of capacity of African states; security has been decentralized to unofficial community levels. This "democratization," however, is not accompanied by the development of accountability mechanisms, creating the conditions for impunity.¹⁵ Some recent troubling research has suggested that "informal ties to militias [are] a deliberate government strategy to avoid accountability" and has correlated weak democracy and foreign aid to such ties.¹⁶ Even following the cessation of conflict, the existence of such groups complicates the peace-building process. These groups at times "feel a sense of entitlement for some reward or recognition for their contribution to the government's 'victory.'"¹⁷

Transnational Criminal Groups

Civil governance in Sub-Saharan Africa is also challenged by highly organized and often transnational criminal groups. Criminal actors have made use of the improved infrastructure and economic profile of a number of African communities, while exploiting the gaps in governance and capacity to operate criminally.¹⁸ Development projects in Africa overseeing the expansion and legitimization of state authority have unwittingly empowered criminal actors.

Criminal networks have become a central feature of a number of African economies, and the region is rising in importance to global criminal networks. Andre Le Sage has described Africa as a “‘duty free’ port for organized crime.”¹⁹ The World Bank estimated in 2009 that organized crime in Sub-Saharan Africa brought \$1.3 trillion to the region, and UN-ODC research suggests that 7 to 10 percent of illicit global trade is linked in some way to Sub-Saharan Africa.²⁰ Since transnational criminal flows often manifest in distinctly domestic crime (such as robbery, murder, and extortion), there has been insufficient regional attention paid to the effects of criminality in favor of treating the domestic symptoms.²¹

The scope of criminal activity in Sub-Saharan Africa is nearly as astounding as its scale. The drug trade, human trafficking, arms and wildlife trafficking, and cyber crime are all major criminal activities that show signs of expanding and entrenching their networks. The convergence and mutually reinforcing relationship between criminal syndicates and other destabilizing forces pose a daunting challenge to African governments.

For example, both coasts on the continent are critical transit points in the international drug trade: cocaine in West Africa and heroin in East Africa. These narcotics flows appear to be on the rise. It is estimated that two-thirds of the cocaine consumed in Europe has passed through West Africa; the UN estimates that the region is a corridor for \$1.25 billion worth of cocaine every year.²² Human trafficking also afflicts the continent; in East Africa, many people are trafficked to the Middle East, while many from West Africa and the Sahel cross the Sahara desert to reach Europe. In Western and Central Africa, women and children have been especially susceptible to trafficking for sexual exploitation and forced labor in Europe and other places.²³

As mentioned, a significant number of arms circulates throughout the continent, frequently through criminal networks. Wildlife trafficking has gained international attention in recent years, as emerging markets’ taste for luxury goods like ivory has driven a rise in elephant poaching. Internationally, illegal wildlife trade is valued at \$7 billion to \$23 billion annually.²⁴ This places it as the fourth most profitable illicit sector, behind drug trafficking, human trafficking, and counterfeiting. African

wilderness areas, prized for their exoticism, are particularly affected by the rise in this trade.²⁵

Counterfeit goods, including electronics, apparel, and medicine, populate markets across the continent. It has been estimated that counterfeit anti-malarial pills generate over \$400 million annually in revenue. Such a trade not only empowers criminal networks but also undermines public health initiatives and exacts a tragic human toll.²⁶

Africa is also the fastest growing region in the world for cyber crime. Experts estimate that 8 in 10 personal computers on the continent are infected.²⁷ While that threat may seem like merely a drag on African growth and development, the rise and spread of cyber crime in Sub-Saharan Africa represents one of the most tangible threats to American national security. Infected computers can be manipulated, from a central hub and without owners' knowledge, to pass along information regarding transmissions.

The proliferation of criminal trades and networks helps set the stage for further criminality; thus they constitute a threat through their immediately destabilizing effects and their secondary effects of institutionalizing networks of criminality. The Global Initiative Against Transnational Organized Crime notes that as "networks of corruption and collusion [are] established, they [are] well placed to adapt to flows of other illicit goods, assuming that the price [is] right."²⁸ As the National Intelligence Council noted in 2011, "Terrorists and insurgents increasingly will turn to crime to generate funding and will acquire logistical support from criminals."²⁹ Already the lucrative practice of kidnapping for ransom is a tactic shared by terrorist groups and criminals from the Niger Delta to the coast of Somalia. Though claims that all criminal activity has coalesced into a single network are overblown, it is undeniable that there has been convergence between illicit networks seeking to circumvent the state and armed groups seeking to undermine it. As Erik Alda and Joseph Sala note:

cooperation between terrorists and criminal networks takes place when each group determines that their inherent fear of contact outweighs the risks. While collaboration might deliver some mutual benefits and/or satisfy some organizational necessity, there are common disincentives to affecting such partnerships including increased and unwanted attention and surveillance, fear of compromising internal security through infiltration and the heightened prospect of capture. Such contact routinely takes the form of "pay-as-you-go" operations, one-off instances of customer-service provider relationships.³⁰

The potentially destabilizing nature of these partnerships was highlighted in 2012, when al Qaeda in the Maghreb and Ansar al Dine, both of which are Salafist jihadi sects, partnered with Tuareg separatist groups, which have robust historical connections to illicit trade networks, and declared the independence of northern Mali. Moreover, the development of criminal networks across northern Mali has weakened the already anemic state presence in the region, making it all the more difficult to counter radical armed groups there. The situation in Mali became so dire in 2012 that France was compelled to intervene to restore order and maintain the country's territorial integrity; the expansion of criminality and the deepening of the crime-terror nexus could advance to a stage where the United States is also forced into a similar intervention, if preventive measures are not taken.³¹

Even more troubling than the convergence of terrorism and criminality across Africa are the instances in which the state is complicit. Guinea-Bissau is a frequently cited example of a "criminal state" in which the highest rungs of the government's leadership have been drawn into criminality. Clearly such complete criminalization represents a challenge to American security as it reduces the number of eligible partners in the region. Furthermore, even the incorporation of lower levels of government into criminal networks (whether they participate directly in criminal networks or merely accept bribes to allow for the functioning of these groups) undermines the rule of law, erodes citizens' trust in their governments, and increases the odds that the area will be a source of instability and grievances.³²

Governance Challenges

Africa is a young continent. The median age of its population is in the teens. Development economists speculate that the demographic characteristics of the region could result in a "demographic dividend" that could jumpstart economic growth. Unfortunately, however, the sort of economic infrastructure (from jobs and emerging industrial sectors to educational opportunities and technical training) necessary to absorb this youth bulge does not exist. Given a UN survey that found 40 percent of those who joined rebel movements did so because of a lack of jobs, this youth bulge seems poised to contribute to instability and violence rather than economic development.³³ The events of the Arab Spring could very well be repeated in Sub-Saharan Africa if disaffected youth also take to the streets.

In general, African youth feel distant from their political systems, which have often been stagnant for generations. The table gives the

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Table. Africa's 10 Longest Serving Leaders: Median Age and Length of Current Term in Office (in Years)		
Country	Median Age of Population	Leader's Term in Office
Cameroon	18.3	40
Equatorial Guinea	19.4	36
Angola	17.9	36
Zimbabwe	20.2	35
Uganda	15.5	29
Sudan	19.1	26
Chad	17.2	24
Eritrea	19.1	24
The Gambia	20.2	21
Republic of the Congo	19.8	18

median age and length of the current term in office of Africa's 10 longest-serving leaders. The lack of economic opportunities, coupled with unresponsive, static political systems, could contribute to an increase in rebel movements and violent conflict. Recent reversals in term-limit restrictions, particularly in the Great Lakes region and East Africa, could further such destructive dynamics.

Another troubling pattern that aggravates discontent is security forces' violence against civilians. This pattern has extended beyond the high-profile incidences of state-sponsored killings and genocides that the world witnessed in Rwanda, the Sudans, and eastern Democratic Republic of the Congo to the point that low-grade predation by security forces is routine in many African countries. Transparency International found that the police are perceived as the most corrupt institution in Sub-Saharan Africa; according to a recent Afrobarometer report, "On average, 42% of citizens say 'most' or 'all' police are corrupt."³⁴ Obviously, a corrupt and ineffective police force reduces security by hampering states' ability to respond to challenges. As the Center for Strategic and International Studies report on police reform in Sub-Saharan Africa noted, "Many of Africa's current and emerging security challenges are more appropriately addressed in the first instance by competent and professional police forces than by military forces." The report suggests that because the police's "interface with the public is far wider than that of the military, effective police forces can play a critical role in public safety, civilian protection, and conflict protection."³⁵ The lack of confidence in African police incentivizes the aforementioned troubling trends of community policing and vigilantism. Reports of rampant torture, corruption, and violence against civilians suggest that security-sector reform, aimed at improving the professionalism not only of African militaries but also of

their police services, must be central to American policy in the region. Such reforms could imbue citizens with greater trust in their governments and ameliorate some of the insecurity in the region.

Refocusing and Improving U.S. Policy in Sub-Saharan Africa

U.S. objectives in Sub-Saharan Africa center on creating an environment in which direct intervention to mitigate conflict and alleviate humanitarian disasters is unnecessary. A corollary to this objective is American interest in preventing criminality and destabilizing factors from expanding beyond Africa's borders. Though African issues are usually on the policy back burner, sound and effective regional policies can reduce the chance that the problems and challenges discussed above will metastasize into direct threats to core U.S. interests. Many have noted that, in the absence of robust American commitment, other countries have expanded their investment activities.

The People's Republic of China, for example, is now Africa's largest trading partner and is deeply engaged in trade, banking, energy, and infrastructure projects. Some 800 Chinese corporations are active in Africa. Chinese-African trade approached \$300 billion in 2015, far more than traditional investors such as France and the United States. Though actual direct foreign investment from China lags behind the West, there is an undeniable increase in China's presence on the continent. The nature of this increasing influence is worth consideration. Direct Chinese contributions to authoritarian regimes, including debt forgiveness, is a genuine concern for those seeking to promote democracy and the rule of law. While Chinese military interest in the continent appears to be low, China's economic engagement with Africa provides useful political as well as economic advantages, especially in the UN, where dozens of African countries are represented. China's rising profile in Africa may not pose an immediate security concern, but these trends are worth consideration within the broader international balance of power and normative system.³⁶

Though the establishment of a combatant command represents a significant shift in American policy toward engagement in African conflicts, USAFRICOM is not designed to act as a frequent or rapid responder to crises. Additionally, it is unclear if it is well-suited to address the softer realms of security that mitigating conflict in Africa will require. The command should make a point of cultivating regional expertise in African affairs. Annual military exercises with African security partners (such as Operation *Flintlock*) should become more frequent and should be complemented by greater bilateral contact. Recognizing African coun-

tries' importance to American national security and developing effective policies in the region require a greater understanding of national and subnational African politics than currently exists generally within the Department of Defense.

The current policy of relying on a handful of strategic partners is not strategically untenable; however, the current choice of partners in the region is ultimately counterproductive to American policy objectives. Many of our partnerships are dependent upon individual leaders; their countries' trajectories following their departure from power (due to natural causes, coups, or term limits) are uncertain. U.S. objectives in the region can benefit greatly from legitimate institutions. Fortunately, the United States is in a position to help cultivate legitimacy for regional bodies and institutionalize good governance in individual states. This recognition leads us to the first two steps in reforming and improving American policy in Sub-Saharan Africa. First, we should empower regional efforts through increased support to the African Union (AU) and pan-regional security endeavors, improving security sector reform programing and establishing multiyear funding authorities for such programs. Second, we should recommit to democracy promotion, in particular through a rethinking of our current strategic partnerships and enhanced funding for civil society groups and political party training.

An obvious imperative is closer engagement with the African Union.³⁷ The recent Ebola crisis demonstrated AU capacity to use a security lens when considering the impacts of soft threats to human security, yet it remains unclear as to how the continent will cope with the next pandemic.³⁸ Identifying how and why certain countries were able to stymie the spread of Ebola, as well as coordinating continental public health policies and responses, is critical if we are to develop effective responses to future public health concerns. The AU is well positioned to take on such responsibility. Additionally, the African Union could play a valuable role as a partner in addressing the threats stemming from climate change-related displacement and urbanization. The challenge is moving the AU from a normative body to one that produces tangible policy outputs.³⁹ Additionally, engagement with the African Union requires that the institutionalized impunity for sitting heads of state be revoked and that the United States work with the AU to promote good governance and accountability at the multinational level as a priority.

An improved working relationship with and stronger support of the UN Department of Peacekeeping Operations, the African Union, and other regional organizations might also strengthen the many different peacekeeping and peace enforcement missions currently active in Africa. Through 2015, more than 100,000 peacekeepers were deployed on the

continent, including 80,000 in nine different UN missions (principally in the Democratic Republic of the Congo, Darfur, South Sudan, and Mali), 22,000 deployed under AU auspices in Somalia, and a smaller mission in Guinea-Bissau run by the Economic Community of West African States.⁴⁰ This is far more than a generation ago; despite the increase, there is still some ambiguity as to which countries should bear the burden of arranging and maintaining peacekeeping operations. Given the continent's horrific experiences with genocide and violent conflict, stronger regional organizations backed up by U.S. trainers and enablers make sense as one way to help prevent future recurrences.

Synchronizing U.S. objectives and priorities among agencies will strengthen the efficiency of American partnerships at the bilateral and multilateral levels. At present, interagency communication is lacking; rather than expanding the mandate of military institutions to include developmental objectives (and vice versa), interagency lines of communication should be improved.

Regional interventions to strengthen security systems and promote postconflict reconciliation show particular promise; especially with American support, these efforts could mend relations between governments and their populations.⁴¹ Reforming African police forces in particular has the potential to reap governmental dividends.⁴² These reforms would not only engender greater civilian trust in their military but also facilitate security objectives in general. William Rosenau of RAND, echoing counterinsurgency doctrine, argues that "service-oriented, community policing, intended to protect the public from serious crime, can itself be a powerful counterinsurgency tool by fostering a climate in which the public freely provides the police with information about security threats."⁴³

Security-sector reform, in general, is outside of the mandate of institutions such as the World Bank, despite their endorsement of the results and objectives of such reforms. As a result, American partnerships in the region must promote holistic security-sector reform to cultivate civilian trust and regional stability. At present, Section 660 of the Foreign Assistance Act requires a waiver for the United States to engage in police training; while it is not an arduous process to obtain such a waiver, even a small hurdle is a disincentive.⁴⁴

Military training and education, bilaterally, regionally, and in pan-continental endeavors, should emphasize respect for the rule of law and ways of cultivating effective civil-security partnerships rather than merely focusing on enhancing the tactical capacity of the units in training. This may require a modification of the current Leahy Law "vetting process." At present, the requirement that military units receiving Ameri-

can training and support have not committed human rights violations is unevenly applied and frequently waived. As RAND notes, these requirements do not apply to “most drug enforcement and non–Defense Department counterterrorism assistance” or to Federal Bureau of Investigation assistance.⁴⁵ RAND concludes that the “U.S. government needs to improve its vetting practices by making them more consistent across programs and agencies and standardizing them across different types of assistance.” Through this process of review, the definition of military *unit* should be reconsidered, as should the withholding of training in cases of human rights abuses. Training that emphasizes improved civil-military relations and respect for human rights should be considered in instances where strategically important partner nations violate human rights principles.⁴⁶ Revamping American legal restrictions on foreign assistance to improve capacity-building objectives should be a congressional priority.

In addition to rethinking the content of our training programs, we must reconsider their funding. The lack of multiyear funding authorities calls into question American commitment to building partner capacity. Establishing long-term, clearly funded programs telegraphs American commitment more appropriately than episodic engagements. The United States should recalibrate its continental policy to reemphasize the importance of security-sector reform enshrining the rule of law through a revamping of our security assistance programming’s legislative regulation, operational content, and partnering bodies.

While pan-regional efforts deserve more attention than they currently receive, bilateral relationships must also be reformed to promote good governance; American understanding of the political, social, and cultural relationships that contribute to governance patterns across the continent needs significant bolstering. This dearth of information has incentivized one-size-fits-all strategies and has allowed events hundreds of miles away (and often decades later) to dictate contemporary policies.

Reform requires catalyzing change from our regional partners and rethinking our assistance paradigm. Too frequently U.S. assistance (military, humanitarian, and developmental) is co-opted by undemocratic governments to serve their interests and bolster their regimes. Evidence suggests that the assistance levied to the Ethiopian government to ease the suffering from the 1984–1985 famine was used to further the government’s war effort; multiple sources found that “relief supplies were used to pay soldiers and militia and to lure people into locations where they were recruited into the military or subjected to forcible resettlement.”⁴⁷ Natural disasters, famines, and droughts are all too frequently used to deflect attention from the failures of governance that have allowed suffering to be so widespread. International assistance to crises in

Sudan and Rwanda has also been used to bolster oppressive regimes. As David Bayley wrote for the National Institute of Justice, “The question is not whether assistance is political—it all is—but what its likely consequences are for American objectives.”⁴⁸

Reforming our assistance paradigm requires recognition of the distinct political economies of countries with whom we partner. This will require cultivating expertise that is currently lacking within American policy circles. Too frequently Africa is treated as a homogenous bloc and vessel through which American aid can be implemented without being affected by the specific characteristics of partnering governments. Increasing American institutional knowledge about specific African political economies in all sectors of government is critical; increasing the number of American military advisors in the region, bolstering ties between American and domestic development agencies, and enhancing the duration and frequency of training programs (for civil servants and the security sector) are all important for advancing overarching American security interests in the region. As the Overseas Development Institute notes:

*It is useful to draw a distinction between fragile and conflict-affected states that are willing but unable, and those that are unwilling and unable to reduce the vulnerability of populations to disaster risks and impacts. Disaster risk management tends to assume a positive state-society “social contract” exists where the state adopts the management of risk as a public good. But in some states disaster risk management is treated as a benefit available to political supporters. Intervention strategies . . . therefore need to be tailored to suit the context.*⁴⁹

Imposing homogeneity on African states serves no interest other than expediency. American assistance must first abide by the principle to do no harm. This will require a closer examination of how current assistance programs and partnerships have empowered undemocratic actors and oppressive regimes.

Additionally, U.S. assistance to political parties and civil society groups should be considered a means of fostering long-term stability. Democracy and governance programs cannot be disregarded as “soft” politics; improving the political climate and increasing the legitimacy of the political process in African countries are vital for long-term peace in the region.

Ultimately, much of the insecurity and instability in Sub-Saharan Africa is a result of poor relations between African governments and their populations. In order to successfully utilize the “strategic partnerships”

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model of dealing with security threats in Sub-Saharan Africa, American policies will have to strengthen and improve upon the governance patterns of African countries. Too often, strengthening government capacity and bolstering the power of the ruling party have been confused with state-building efforts. Institutionalizing accountability mechanisms and revamping the civilian/ government/military contract are critical to managing African security now and in coming decades.

In short, African stability is threatened by the lack of institutional capacity to manage the threats stemming from migratory patterns and the rise of violent nonstate and criminal actors. Revamping the relationship between African governments and their populations is critical to enabling successful strategic partnerships between the United States and African counterparts. Revising our assistance paradigms and ensuring that our strategic partners share our values and objectives can best achieve American objectives on the continent, but they require rethinking our political assistance and general objectives for promoting democracy, enhancing support to civil society, and considering lending assistance to political parties.

Sub-Saharan Africa will not rise in importance to American national security priorities to match Europe, the Asia-Pacific, or the Middle East in the near term, but the region's size, population, resources, and many challenges will engage U.S. policymakers in important ways. Much can be done to improve the conditions and prospects of its millions of inhabitants without massive increases in development assistance. Already the largest single donor nation, the United States can lead the international community in a sustained effort toward better governance, improved economic performance, and better security for all Africans. These efforts will benefit not only Africa, but also the international community as a whole and U.S. interests particularly.

Notes

¹ U.S. Strategy Toward Sub-Saharan Africa (Washington, DC: The White House, June 2012).

² U.S. Agency for International Development, "Power Africa Info Sheet," available at <www.usaid.gov/powerafrica>.

³ The African Growth and Opportunity Act, "About AGOA," available at <<http://agoa/about-agoa.html>>.

⁴ Stephen Watts, *Identifying and Mitigating Risks in Security Sector Assistance for Africa's Fragile States* (Washington, DC: RAND, 2015).

⁵ Michael Werz and Laura Conley, *Climate Change, Migration, and Conflict in Northwest Africa: Rising Dangers and Policy Options Across the Arc of Tension* (Washington, DC: Center for American Progress, April 2012).

⁶ Jeffrey Mazo, *Climate Conflict: How Global Warming Threatens Security and What to Do About It* (London: International Institute for Strategic Studies, 2009), chapter 3.

⁷ International Crisis Group (ICG), *Darfur: The International Community's Failure to Protect* (Washington, DC: ICG, 2006).

⁸ Ibid.

⁹ World Health Organization, "A Fast-moving Ebola Epidemic Full of Tragic Surprises," available at <www.who.int/csr/disease/ebola/ebola-6-months/surprises/en/>.

¹⁰ The fall of Muammar Qadhafi in 2012 led to an outpouring of weapons across the Sahel as Libyan armories were looted and fighters returned to their home countries.

¹¹ Ryan Miller, "The Rise of Terrorist Groups in Sub-Saharan Africa," *Boren Magazine*, May 19, 2014.

¹² There is an interesting interplay between local grievances and aspirations to a global brand at play among African jihadists. Jakkie Cilliers observes that "violent jihadism is increasingly regionalized . . . the ability of either the Islamic State or al-Qaeda to manage a terror network with affiliates in Africa, Asia and the Middle East is limited. The schisms and infighting within and between these groups reflect this reality, which should not detract from the motivational impact of local groups seeking to associate themselves with a global brand." See *Violent Islamist Extremism and Terror in Africa*, ISS Paper 286 (Pretoria: Institute for Security Studies, October 2015), available at <www.issafrica.org/uploads/Paper%20286%20_v3.pdf>.

¹³ Andre Le Sage, *Africa's Irregular Security Threats*, INSS Strategic Forum 255 (Washington, DC: NDU Press, May 2010).

¹⁴ British Broadcasting Corporation, "DR Congo Country Profile," October 2, 2016.

¹⁵ "Who Are the Anti-balaka of CAR?" *IRIN News*, February 12, 2014.

¹⁶ Neil Mitchell, Sabine Carey, and Chris Butler, "The Impact of Pro-Government Militias on Human Rights Violations," *International Interactions* 40, no. 5 (October 2014).

¹⁷ Eric Y. Shibuya, *Demobilizing Irregular Forces* (Cambridge: Polity, 2012).

¹⁸ The South Africa-based Institute for Security Studies notes that the expansion of criminality in Sub-Saharan Africa can be partially explained by "a more sustainable state-building path." The group explains that the "weak capacity for governance in state institutions and their inability to provide stable regulatory frameworks and deliver services to marginalized populations mean that Africa's economic growth in the last decade has often occurred despite the state." See Mark Shaw and Tuesday Reitano, *The Evolution of Organised Crime in Africa: Towards a New Response*, ISS Paper 244 (Pretoria: Institute for Security Studies, April 2013), available at <www.issafrica.org/uploads/Paper244.pdf>.

¹⁹ Le Sage.

²⁰ Shaw and Reitano.

²¹ United Nations Office on Drugs and Crime (UNODC), *Transnational Organized Crime in West Africa: A Threat Assessment* (Brussels: UNODC, 2013).

²² *Global Initiative Against Transnational Organized Crime, Fixing a Fractured State* (Brussels: Global Initiative Against Transnational Organized Crime, 2015). Legal drugs too, such as tobacco, are smuggled in West Africa and generate an estimate \$775 million per year. According to the UNODC, in 2010 a "series of larger seizures were made indicating that large volumes of Afghan heroin were entering the region by sea from Iran and Pakistan. Between 2010 and 2012, more heroin was seized than in the previous 20 years. . . . It was not that the number of seizures were increasing, but those that were being made were far larger than ever before." The drug trade has fundamentally transformed the political economies of the regions in which they operate, particularly in countries such as Guinea-Bissau, where the state has become complicit with (and may even benefit from) the drug trade.

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Enhancing drug policies globally will do little if African states remain a weak link in the system aimed at stemming the flow of drugs.

²³ Not all trafficking funnels people out of the continent. The UN notes that “general trends within the Economic Community of West African States . . . include trafficking from rural to urban and industrial areas for employment and sexual exploitation.” *UN Global Initiative to Fight Human Trafficking, Human Trafficking: An Overview* (New York: UN Office on Drugs and Crime, 2008).

²⁴ Tom Maguire and Cathy Haenlein, *An Illusion of Complicity: Terrorism and the Illegal Ivory Trade in East Africa* (London: Royal United Services Institute, 2015).

²⁵ Ibid.

²⁶ Le Sage.

²⁷ Shaw and Reitano; Franz Stefan-Gady, “Africa’s Cyber WMD,” *Foreign Policy*, March 24, 2012., Cameroon, Ghana, Nigeria have become major hubs for cyber crime and the global revenue derived from such activity is estimated to near \$600 million.

²⁸ *Global Initiative Against Transnational Organized Crime*.

²⁹ James Clapper, Director of National Intelligence, “Statement for the Record: Threat Assessment,” available at <www.dni.gov/index.php/newsroom/testimonies/194-congressional-testimonies-2013/816-statement-for-the-record-worldwide-threat-assessment-of-the-u-s-intelligence-community>.

³⁰ Erik Alda and Joseph L. Sala, “Links Between Terrorism, Organized Crime and Crime: The Case of the Sahel Region,” *Stability: International Journal of Security and Development* 3, no. 1 (September 2014).

³¹ Research has demonstrated that though criminal networks and narcotics trade may not necessarily catalyze new conflicts, these activities are connected to the elongation of conflicts. In Sub-Saharan Africa, this has particular significance as the continuation of existing conflicts would preclude the sort of infrastructural and human development projects necessary for sustainable growth, development, and peace-building. American national security policy in Africa must recognize the development of mutually beneficial relationships between criminal networks and terrorist groups. Cooperation between these groups weakens the rule of law and problematizes the cultivation of effective strategic partnerships in the region. See Francesco Strazzari, “Captured or Capturing? Narcotics and Political Instability along the ‘African Route’ to Europe,” *The European Review of Organised Crime* 1, no. 2 (2014), 5–34, available at <http://sgocnet.org/site/wp-content/uploads/2014/06/Strazzari_2_5-34.pdf>.

³² Le Sage.

³³ Kingsley Ighobor, “Africa’s Youth: A ‘Ticking Time Bomb’ or an Opportunity?” *Africa Renewal*, May 2013.

³⁴ Pauline M. Wambua, “Police Corruption in Africa Undermines Trust, but Support for Law Enforcement Remains Strong,” *Dispatch #56*, Afrobarometer, 2015.

³⁵ Richard Downie and Jennifer Cooke, *Policy Reform in Africa* (Washington, DC: Center for Strategic and International Studies, 2011).

³⁶ See Hilary Matfess, “Should You Worry about China’s Investments in Africa?” *Washington Post*, September 9, 2015; Deborah Brautigam, “5 Myths about Chinese Investment in Africa,” *Foreign Policy*, December 4, 2015.

³⁷ One of the most obvious mechanisms to support this initiative is through the provision of funding. It has been estimated that \$1 billion is needed to make the force operational.

³⁸ The mobilization of a Military-Civil Humanitarian Mission, led by the African Union and consisting of medical and military personnel and coordinating domestic,

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regional, and international volunteers and donations, suggests that partnerships are possible to plan for similar disasters.

³⁹ John L. Hirsch, “Africa’s Challenges and the Role of the African Union: Q&A with Aisha Abdullahi,” IPI Global Observatory, October 7, 2014.

⁴⁰ Danielle Renwick, “Peace Operations in Africa,” Council on Foreign Relations Backgrounder, May 15, 2015.

⁴¹ William Rosenau, *Low-Cost Trigger-Pullers: The Politics of Policing in the Context of Contemporary “State Building” and Counterinsurgency* (Washington, DC: RAND, 2008).

⁴² Ibid. Rosenau argues that many African police forces have been drawn into a military role as “low-cost ‘trigger pullers,’” rather than serving their primary purpose of “protecting the public from serious crime.”

⁴³ Ibid.

⁴⁴ Downie and Cooke.

⁴⁵ Seth G. Jones et al., *Securing Tyrants or Fostering Reform? U.S. Internal Security Assistance to Repressive and Transitioning Regimes* (Washington, DC: RAND, 2007).

⁴⁶ Ibid.

⁴⁷ Katie Harris, David Keen, and Tom Mitchell, *When Disasters and Conflicts Collide: Improving Links between Disaster Resilience and Conflict Prevention* (London: Overseas Development Institute, 2013).

⁴⁸ David H. Bayley, *Democratizing the Police Abroad: What to Do and How to Do It* (Washington, DC: Department of Justice, 2001).

⁴⁹ Harris, Keen, and Mitchell.



China's Global Influence: Perspectives and Recommendations



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7

China in Africa: Opportunities, Challenges, and Options

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¹ The views and recommendations expressed in this chapter are those of the authors and do not necessarily reflect the policy or position of the Africa Center for Strategic Studies, US Department of Defense, or US Government.

INTRODUCTION

The People's Republic of China's (PRC) diplomatic, economic, and security engagements with Africa have deepened since the turn of this century. The PRC and private Chinese firms, many of them backed by central and local governments, are visiting Africa more frequently, while foreign direct investment (FDI) and development assistance are trending upward.² In addition, growing People's Liberation Army (PLA) engagement with African countries and regional institutions is evidenced by increased security assistance, consistent support for peacekeeping initiatives, and a growing military footprint. Understanding the geo-strategic implications of these developments requires a careful analysis of four key questions. Does the recent acceleration constitute a trend? How much influence does the PRC derive from these engagements? How do African countries perceive recent developments? How do Beijing's interventions compare to those of Africa's other external partners?

This chapter starts with a strategic analysis of the evolution of China-Africa relations to unpack the drivers of this relationship. While it is true that China has had a long-standing relationship with Africa and tends to play the long game, the historical overview also highlights important transactional dimensions. Chinese officials often make short-term decisions based on their national self-interest or policy adjustments. Meanwhile, African governments are becoming more selective and circumspect as pressure grows from African civil society, academics, and private sector leaders for more equitable deals with the Chinese that enhance transparency, eliminate corruption, and avoid unsustainable debt.

While many African countries acknowledge China's role in critical areas, like infrastructure development and peacekeeping operations, some have become wary of potential downsides of dependency, dumping, security arrangements that compromise human rights, and onerous debt. Increasingly, Chinese involvement is being evaluated within the context of the roles, activities, and relative costs of opportunities provided by other development partners. Consequently, in Africa, any analysis of the implications of Chinese engagements must include a broader discussion of other external partners.

² For purposes of this chapter the terms People's Republic of China (PRC) and China are used interchangeably.

EVOLVING HISTORICAL TRENDS

Historical records of China-Africa relations date back fourteen centuries to the early years of the Tang dynasty when merchants from China and Eastern Africa traded in porcelain, silk fabric, ivory, gold, silver, and wildlife among other commodities.³ Vibrant trade was established along the ancient Silk Road that eventually led to the establishment of formal diplomatic relations with ancient Egyptian, Ethiopian, and Somali kingdoms in the 7th and 8th centuries.⁴

The China-Africa relationship evolved in many significant ways (as documented in Table 1 on page 108) but three things have remained constant in recent decades. First, the relationship has always been driven by internal political dynamics in China. Records show that China-Africa relations expanded during periods of prosperity and stability in China and declined during periods of domestic turmoil.⁵ Second, China, has long sought alliances with African countries for economic, security, and diplomatic reasons. African diplomatic support has been crucial to China because African states hold the most votes as a single bloc at United Nations (UN) institutions and other multilateral bodies. Third, the goal of the “Great Rejuvenation of the Chinese Nation” (*zhōnghuá mínzú wěidà fùxīng*; 中华民族伟大复兴) is a defining feature of the PRC’s accelerated Africa engagement. Africa in recent years has emerged as an important node in China’s One Belt, One Road initiative (OBOR; 一带一路), an ambitious program to develop strategic trade corridors and infrastructure globally.⁶

3 John Shen, “New Thoughts on the Use of Chinese Documents in the Reconstruction of Early Swahili History,” *History in Africa* 22 (January 1995): 349-358.

4 Xinru Liu, *The Silk Road in World History* (London: Oxford University Press, 2010).

5 Christopher Alden and Ana Cristina Alves, “History and Identity in the Construction of China’s Africa Policy,” *Review of African Political Economy* 35, no. 115 (2008): 43-58.

6 The editors have chosen to conform to the “One Belt, One Road” formulation of the initiative as initially propagated and as it is still discussed in Chinese language documents. For a complete explanation of this decision, see the introduction to this volume, p. 9.

Table 1. A Brief Historical Overview of China-Africa Relations

Year(s)	Activity	Implications
618-907	Trade during Tang dynasty.	Commercial relations established. Egypt, Ethiopia, and Somalia had envoys in China.
960-1644	Trade expansion from the early-Song through the mid-Ming dynasties.	China is the preeminent global maritime power. Maritime contacts expanded to modern-day Kenya, Tanzania and Mozambique.
1405-1433	Seven voyages by Ming Admiral Zheng He.	Recurrent visits to Kilwa, Lamu, Malindi, Mogadishu, Mombasa, and Zanzibar.
1628-1644	Internal strife within the Ming Court.	Maritime fleet dismantled. Foreign expansionism and trade decreased. Africa contacts dwindled progressively. China turns inward.
1912	Collapse of the Qing dynasty leads to civil war.	China's self-isolation from the world continues. Africa contacts minimal.
1949	People's Republic of China founded.	Diplomatic and trade relations renewed. Africa contacts slowly revived.
1955	Bandung Conference is inaugurated.	Maoist struggle for the global South initiated. Contemporary China-Africa diplomacy launched.
1955-1980	Active support for Africa's independence and anti-apartheid struggles.	Over USD150 million in military aid is provided. Attendance at Afro-Asia People's Solidarity Conferences rose from 6 to 50 African countries. Contemporary China-Africa military diplomacy launched.
1970	Financed USD150 million Tanzania-Zambia railway.	China's first mega-project. Symbolic South-South cooperation. Contemporary China-Africa infrastructure diplomacy launched.

1990s	Deng Xiaoping “Reform and Opening Up” breaks with Maoist tradition.	Economic reforms and regime security promoted. Contemporary China-Africa commercial diplomacy launched.
1999	Jiang Zemin sanctions the “Go Out” policy.	China’s foreign engagements accelerate and intensify, including in Africa. Regime “stability” becomes an important hedging strategy.
2000	Forum for China Africa Cooperation (FOCAC) is launched.	China institutionalized a revamped Africa policy. Commercial diplomacy intensifies.
2015	Decision to commit 8,000 troops to a UN Standby Force and USD100 million in military assistance to the African Union over five years.	China broadens its engagement in Africa. Deployments deepen ties with regional and continental organizations, and support China’s expanding foreign policy interests.

China’s strategy in Africa during the 1960s and 1970s was also shaped to a significant degree by the Sino-Soviet conflict. Clashes between Chinese and Soviet-backed African movements were common and continued long after independence. Nevertheless by 1985 China had firmly established itself as an important player in Africa’s anti-colonial and anti-apartheid struggles becoming an ideological mentor to many newly independent African states.

Following his consolidation of power in 1978, Deng Xiaoping adopted a more market-determined economic growth model and launched an aggressive drive to develop a strong middle class society. Known as “Reform and Opening Up” (*Gǎigé kāifàng*, 改革开放), this policy saw the PRC move away from “leading the developing world and fighting Western imperialism” to building pragmatic relationships with the West.⁷ Africa decreased in importance to Chinese foreign policy as

7 Despite increasingly common usage in the literature, the editors have encouraged the authors not to use the term “state-capitalism” to describe the PRC’s economic system. For the editors’ explanation of why this term should not be used, please see the Introduction, p 10. The authors of this chapter encourage a full exploration of the issue and direct the reader to Joshua Kurlantzick, *State Capitalism: How the Return of Statism Is Transforming the World* (New York: Oxford University Press, 2016).

Beijing turned its attention to securing Western FDI and advanced technologies, none of which the continent could provide.

The international backlash over the PLA's crackdown on student protestors in Tiananmen Square, coupled with an acute sense of threat within the Chinese Communist Party (CCP) following the collapse of the Soviet Union quelled Beijing's international leadership ambitions. The United States (US) froze all military and technological contact with China and imposed sanctions.⁸ Sensing China's vulnerabilities, Deng adopted the doctrine of *tāoguāng yǎnghuì* (韬光养晦) which required China to "keep a low profile, bide our time, and never claim leadership."⁹ This policy demanded the continued economic reforms at home, a non-confrontational approach abroad, and deterring hostile coalitions from outside that could destabilize or even overthrow the CCP. With this in mind Deng refused several invitations by African countries to reassert China's leadership of Global South causes. The impact on China-Africa relations was immediate. China's exports to Africa fell sharply, aid levels plummeted, and diplomatic overtures waned.

From 1999, however, the China-Africa relationship returned to an upward trajectory when President Jiang Zemin issued a directive known as "Go Out" (*Zōuchūqū Zhànlüè*; 走出去战略) to encourage Chinese companies to exploit opportunities in emerging and developed markets. Africa received increased attention because it was seen as a "high dividend, high risk" market with minimal competition from other powers.

In establishing themselves in Africa, Chinese companies cultivated relationships with local politicians and elites through personal ties, favors, and informal hierarchies. This is known in Chinese culture as *guānxi* (关系), which is essentially the Chinese version of the idiom "you scratch my back and I'll scratch yours."¹⁰ The practice has allowed Chinese state-backed industrialists and entrepreneurs to make inroads in the largely under-regulated African political and business environment where personal ties often trump regulations and accountability.¹¹

8 David Skidmore and William Gates, "After Tiananmen: The Struggle over US Policy toward China in the Bush Administration," *Presidential Studies Quarterly* 27, no. 3, The Presidency in the World (Summer 1997): 514-539.

9 Qingmin Zhang, "Taoguang Yanghui or Not? China's Discourse on Foreign Policy Strategy," *China Files*, 26 April 2011, <http://www.china-files.com/thinkinchina/sixth.html>.

10 Chao C. Chen, Xiao-Ping Chen, and Shengsheng Huang, "Chinese *Guanxi*: An Integrative Review and New Directions for Future Research," *Management and Organization Review* 9, no. 1 (March 2013): 167-207.

11 J.R. Mailey, "The Anatomy of the Resource Curse: Predatory Investment in Africa's Extractive Industries," Africa Center for Strategic Studies, Special Report no. 3, 31 May 2015, <https://>

RECENT ECONOMIC AND INVESTMENT TRENDS

China's recent economic and investment in Africa are directed towards supporting OBOR infrastructure projects. Unlike the 1980s and 1990s when Chinese firms sought exclusive control of their investments (particularly hydrocarbons), recent years have seen a move towards partnerships.¹² Increasingly, the search for partners appears to be a risk-pooling strategy (particularly by the Chinese private sector). Some partnerships have been the result of new laws and regulations in African countries, that seek to loosen investment regulations to attract more FDI. These include tax exemptions, holidays and breaks, matching funds, and enhanced processing of visas and permits, among other incentives.

Another noteworthy transition is that the Chinese investment portfolio in Africa is no longer dominated by natural resources. Estimates in 2017 suggest that manufacturing (31%), services (25%), trade (22%), and infrastructure (15%) were most important.¹³ China increasingly views Africa as a growing market for Chinese goods and services. There has been a gradual shift from a predominantly extractive, natural resource-driven trading relationship.

The role of the Chinese private sector is also growing. According to a 2017 study by McKinsey, only 16 percent of Chinese investments in Africa were by state-owned enterprises; the vast majority were by private Chinese firms.¹⁴ Although most Chinese firms source financing from state-owned banks and export credit agencies, the increased private sector involvement suggests a trend towards more nuanced commercial diplomacy, a greater focus on profitability, and less risk tolerance in the future. Questions however remain about the nature of the Chinese private sector and how it interacts with the government and ruling party.

africacenter.org/publication/the-anatomy-of-the-resource-curse-predatory-investment-in-african-extractive-industries/.

12 Richard Schiere, "China and Africa: An Emerging Partnership for Development?— An Overview of Issues," African Development Bank Group, *Working Paper Series*, no. 125, May 2011, <https://www.afdb.org/en/documents/document/working-paper-125-china-and-africa-an-emerging-partnership-for-development-an-overview-of-issues-23693>.

13 David G. Landry, "Comparing the Determinants of Western and Chinese Development Finance Flows to Africa," China Africa Research Initiative, Policy Brief no. 29, 2018, <https://static1.squarespace.com/static/5652847de4b033f56d2bdc29/t/5c117edd758d4648f78db670/1544650461960/PB29-Landry-DevelopmentFinance.pdf>.

14 Kartik Jayaram, Omid Kassiri, and Irene Yuan Sun, "The Closest Look Yet at Chinese Economic Engagement in Africa," McKinsey and Company report, June 2017, <https://www.mckinsey.com/featured-insights/middle-east-and-africa/the-closest-look-yet-at-chinese-economic-engagement-in-africa>.

In the late 1990s the CCP issued regulations calling upon private enterprises with three or more party members to establish a branch (*dǎng zǔhìbù*, 党支部) within their corporate and decision-making structures.¹⁵ This push accelerated after OBOR got underway in 2013 in line with CCP requests for “comprehensive party building in the private sector,” including foreign companies operating in the PRC. By 2016, the ratio of private enterprises that had CCP branches had risen to almost 70 percent.¹⁶ This has blurred the lines between private and public sector decisions, making it increasingly difficult to distinguish between public and private Chinese investments with any degree of accuracy.

The McKinsey report also suggests local labor is being increasingly integrated into value chains related to Chinese investment. It found that there were more than 10,000 Chinese enterprises in Africa and 89 percent of their workers were local hires (the figure drops to around 40 percent at the managerial level). The report implies that Chinese firms are increasingly complying with domestic regulations and responding to some African concerns, such as participation of the domestic labor force, technology and skills transfers, and adherence to internationally-recognized labor standards.

These investments are part of broader bilateral packages and do not always benefit from rigorous project assessments and oversight that meet African and international standards. When deals lack rigorous oversight and public engagement, loan quality is badly affected and the likelihood of a default greatly increased.¹⁷ A number of other risks (political turmoil, foreign currency fluctuation, commodity price volatility, and violent unrest) could also hinder the African countries’ ability to service their Chinese loans.

EXTERNAL DEBT

Africa’s total external debt (public and private) is around USD415 billion. With an estimated debt stock of USD132 billion in official and commercial loans, China is Africa’s single largest creditor na-

15 Catherine Tai, “China’s Private Sector Is under Siege,” *Diplomat*, 22 December 2018, <https://thediplomat.com/2018/12/chinas-private-sector-is-under-siege/>.

16 Zhang Lin, “Chinese Communist Party Needs to Curtail Its Presence in Private Businesses,” *South China Morning Post*, 25 November 2018, <https://www.scmp.com/economy/china-economy/article/2174811/chinese-communist-party-needs-curtail-its-presence-private>.

17 Lynsey Chutel, “No, China Is Not Taking over Zambia’s National Electricity Supplier. Not Yet, Anyway,” *Quartz Africa*, 18 September 2018, <https://qz.com/africa/1391111/zambia-china-debt-crisis-tests-china-in-africa-relationship/>.

tion.¹⁸ Approximately, 32 percent of external African government debt is owed to China. However, 35 percent of Africa's total debt is owed to multilateral institutions such as the World Bank and another 32 percent to private lenders, including Chinese ones.¹⁹ According to the United Kingdom-based Jubilee Debt Campaign, 55 percent of all interest payments go to private firms compared to only 17 percent to Chinese government lenders. Of greater concern than who holds the loans is debt vulnerability, defined as national debt greater than 50 percent of Gross Domestic Product (GDP). Of the 17 African nations considered under debt stress or at risk of such stress by the International Monetary Fund (IMF) in January 2019, Chinese debt is a factor in only three: Djibouti, Zambia, and Cameroon.²⁰ Even in African countries where China is the largest single creditor, the majority of Africa's debt is held by multilateral and commercial creditors.

Does Chinese debt pose a systemic risk to African countries? Continentally, the answer is not yet. However, it is almost a foregone conclusion that more Chinese debt will be taken on as more and more OBOR projects come on line. If African governments continue avoiding public accountability in their dealings with the PRC and private Chinese corporations, and if deals continue to be signed on unfavorable terms, then Chinese debt could become a major issue.

There is some indication that some Chinese investors are likely to seek contractual or market-based redress. In 2018 the China Export and Credit Insurance Corporation (the financiers of the Ethiopia-Djibouti railway) decided to sell its debt to the Hong Kong Mortgage Corporation, who would eventually securitize or repackage them for sale to investors.²¹ If successful, this Corporation will be used to buy a diverse portfolio of infrastructure debts in Africa. This market-based approach is different from the past, when Chinese state-owned or state institutions assumed responsibility for the debt and subsequently undertook endless

18 Elvis Mboya, "Rethinking Africa's \$124 Billion Debt to China, Ahead of Beijing's September Summit," *Investigative Africa*, 26 August 2018, <http://iaafrica.com/rethinking-africas-120-billion-debt-to-china-ahead-of-beijings-september-summit/>.

19 Peter Fabricius, "Indebted Africa Returns to the International Monetary Fund," *ISS Today*, 20 September 2018, <https://issafrica.org/iss-today/indebted-africa-returns-to-the-international-monetary-fund>.

20 Larry Madowo, "Should Africa Be Wary of Chinese Debt?" *BBC News*, 3 September 2018, <https://www.bbc.com/news/world-africa-45368092>.

21 Allan Olingo, "China Plans to Sell off Its African Infrastructure Debt to Investors," *Daily Nation*, 5 November 2018, <https://www.nation.co.ke/news/world/China-plans-to-sell-off-its-African-infrastructure-debt/1068-4837516-g5f4j3/index.html>.

rounds of rescheduling. The inexorably slowing Chinese economy suggests the Chinese government is less likely to underwrite the full value of private sector liabilities, as it did in the past. However, there are fears that the securitization of debt could increase African countries' indebtedness as it would encourage them to borrow more.

Loans extended by the Chinese government are likely to be treated differently. They will likely be forgiven in exchange for diplomatic and security assurances from debtors, as China has done in the past. The upside is that China has been much more selective in its choice of projects than it has been in the past. Provided that African countries can follow prudent policies, investments in some countries are likely to succeed and contribute to enhanced economic productivity.

Africa's citizens are also voicing concern about the dearth of transparency and opaqueness of Chinese loans to various governments as recent media revelations in Kenya and Zambia have shown. Beijing should be concerned about the debt sustainability of its African partners, especially as the pace of its economic growth slows and world commodity prices slide downward due to reduced global demand.

FORUM ON CHINESE AFRICAN COOPERATION

Established in 2000 the Forum for China Africa Cooperation (FOCAC) has provided greater focus to China's relationship with Africa. In between its triennial summits, around 33 agencies oversee the implementation of decisions. Several committees, from working level to ministerial level, discuss initiatives ranging from trade and investments to institution building and security assistance. The seventh FOCAC hosted in Beijing in 2018, was attended by more Africa heads of state and government than attended the UN general assembly that year. From relatively humble beginnings, FOCAC has grown to become an important gathering of African heads of state; second only to the African Union. Presided over by the Chinese president, FOCAC affords African countries an opportunity to discuss, not just requests for support, but contemporary foreign policy and global challenges. Most FOCAC attendees report that they feel valued and listened to, and generally come away from the discussions with tangible and timely commitments.

Table 2. Recent Evolution of FOCAC Declarations²²

	2000	2015	2018
Word Count	Approx. 1,700	Approx. 2,700	Approx. 2,900
Ideology	Five Principles of Peaceful Coexistence	Five Pillars	Five Nos ²³
Development-Security Nexus	Millennium Development Goals not mentioned	Sustainable Development Goals mentioned	Sustainable Development Goals are central
Diplomacy	Veiled reference to international diplomacy	Explicit reference to One China policy and desired reform of international diplomacy (UNSC)	African support for One China policy, China reunification and China's efforts to solve maritime disputes
Development Themes	Vague reference to economic development	Mention climate change, industrialization and Ebola pandemic	Mention climate change, industrialization and migration
Global Ambitions	Not mentioned	Explore China-Africa synergies with Silk Road initiative	OBOR is central to China-Africa relations
Trade	Vague mention	Oppose protectionism. Reform International finance	Call for WTO-centered multilateralism; support for Africa Continental Free Trade Agreement
Security Cooperation	Not mentioned	Support for peace-keeping missions and collective security mechanisms in Africa	Support predictable UN funding for peace support operations; support the operationalization of the African Standby Force

²² Information for this table is culled from the respective FOCAC declarations, which could be found here: https://www.focac.org/eng/ljhy_1/dyjbzjhy_1/CI12009/.

²³ The Five Nos, which represent a repudiation of Western principles, partnerships and strategy

African Protocols	Not mentioned	Support for African Union's Agenda 2063	Support for African Union's Agenda 2063; strong synergies between OBOR and continental goals and agreements
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As Table 2 (above) shows, China has used FOCAC as an effective economic, foreign policy, and signaling tool. Not only have the FOCAC communiqués become more substantive and less perfunctory, they have gradually included themes that resonate in African capitals (principally, the Sustainable Development Goals, and peacekeeping operations) as well as in Beijing (the One China policy). FOCAC has also been the venue where China signals trends in its development and security assistance to Africa.

Until 2018, there had been a tradition of significantly increasing Chinese development assistance and investment.²⁴ Many eyebrows were therefore raised when the 2018 overall envelope of USD60 billion over three years was the same as the 2015 pledge (researchers at Johns Hopkins University suggest that the real figure for 2015 is USD50 billion).²⁵ This represents China's gradual shift from offering grants and concessional loans, to providing loans on commercial terms. Another noticeable trend has been the shift from emphasizing China's principles of international engagement, to the 2018 communiqué which was a thinly veiled repudiation of Western values (as intimated in Table 2). China purports to offer African countries an alternative philosophy.

DIPLOMATIC AND INTERNATIONAL RELATIONS

From a global perspective, Africa does not occupy the same level of importance in China's foreign policy priorities as Southeast Asia, Latin America, or the US. Through much of the second half of the 20th Century, the Chinese foreign policy outlook on Africa focused on gaining

are explained here: http://www.xinhuanet.com/english/2018-09/06/c_137447556.htm.

24 Paul Nantulya, "Grand Strategy and China's Soft Power Push in Africa," Africa Center for Strategic Studies, Spotlight, 30 August 2018, <https://africacenter.org/spotlight/grand-strategy-and-chinas-soft-power-push-in-africa/>.

25 Deborah Brautigam, "China's FOCAC Financial Package for Africa 2018: Four Facts," blog, China Africa Research Initiative, 3 September 2018, <http://www.chinaafricarealistory.com/2018/09/chinas-focac-financial-package-for.html>.

international recognition. Joining the post-independence, anti-colonialist movement in Africa of the 1960s, Beijing cast itself as a partner in the “South-South” dialogue and the Non-Aligned Movement. Chinese aid in this context was leveraged to support its “One China” policy and gain broader international recognition. Success was due not only to traditional “checkbook diplomacy,” but by the attractiveness of trade. Minimal Western (read US) concern was another contributory factor. Today, only one African country, Eswatini (formerly Swaziland), maintains formal diplomatic relations with Taiwan.

Whereas the focus of the past was to widen the PRC’s international legitimacy, the focus today is on leveraging all elements of national power to support strategic objectives, what Chinese leaders refer to as Comprehensive National Power (*zōnghé guó lì*, 综合国力).²⁶ Therefore, Chinese diplomacy is focused on supporting economic, military, and commercial interests across the continent. China’s high economic growth rates and rising personal incomes have dramatically increased its resource requirements. Africa has become China’s second largest source of petroleum with Angola, the Republic of the Congo, and Sudan as principal suppliers of African crude. Similar demand for African copper, iron, steel, and other minerals have spurred a rapid increase in exports to China. Supporting this growth in commodity exports has been a dramatic increase in Chinese investment. Only ten of Africa’s 54 countries make up the bulk of Chinese investment and trade: Ethiopia, Kenya, Angola, Sudan, South Sudan, Djibouti, South Africa, Algeria, Nigeria, Cote d’Ivoire, and the Republic of the Congo.²⁷ In each of these countries the purpose of Chinese engagement is different. For example, while Ethiopia, Algeria, South Africa, and Nigeria offer growing markets for Chinese exports and manufacturing investment, China’s relationships with Angola, Zambia, Sudan, and Congo reflect its need to source essential commodities (oil and copper).

The USD200 billion AU headquarters in Addis Ababa, built and fully funded by China as a “gift” to Africa, is emblematic of China’s adeptness at employing grand gestures to generate political support. In May 2017, China signed an agreement with the Economic Community of West African States (ECOWAS) to build its new headquarters in Abuja, Nigeria. In September, construction of a logistics depot for the

26 Ni Lexiong, *Zhāngzhēng yu wénhuà chuāntóng: duì lǐshǐ de líng yì zhōng guānchá* [War and Cultural Tradition: Another Perspective on History], (Shanghai: Guji Chubanshe, 2000).

27 “Data: Chinese Investment in Africa,” China Africa Research Initiative, data report, May 2017, <http://www.sais-cari.org/chinese-investment-in-africa>.

Southern African Development Community Standby Force got underway with Chinese funding and expertise.

China has also used “soft tools” to promote positive views among African communities. Africa hosts about 70 “Confucius Institutes” spread across 40 countries, China’s answer to the US State Department’s “American Corners.”²⁸ These institutes have popularized the learning of Chinese language and culture on the continent and quadrupled the number of Africans studying in China. In 2017 China surpassed the US and United Kingdom as the top destination for Anglophone African students.²⁹

SECURITY COOPERATION TRENDS

The PLA’s military and security activities in Africa follow the larger shift in Chinese policy from ideologically rooted relations to pragmatic engagement. During the 1960s and 1970s Beijing limited its security assistance to countries governed by former liberation movements and socialist governments. Today, it has security and military relationships with countries of all ideological stripes, including those with deep ties to the US such as Kenya, Senegal, Botswana, and Liberia.

The most visible aspect of China’s security and military profile is arms sales. Data from the Stockholm International Peace Research Institute shows that China is now the top supplier of weapons to sub-Saharan Africa, accounting for 27 percent of the region’s imports between 2013 and 2017.³⁰ This represents a 55 percent increase between 2008 and 2012. Algeria, Angola, Gabon, Mozambique, Nigeria, South Sudan, and Uganda are among the 22 African countries that have imported Chinese weapons in recent years. China has also diversified from sales in small arms and light weapons to tanks, armored personnel carriers, maritime patrol craft, aircraft, missiles, unmanned aerial vehicles, and artillery systems. Beijing is also building defense institutional capabilities. China’s State Administration for Science, Technology, and Industry for National Defense (SASTIND), for instance, has bilateral agreements with 45 African countries covering the sharing of defense technologies and build-

28 Abhishek G. Bhaya, “Confucius Institutes a Bedrock of China’s Growing Cultural Ties with Africa,” *CGTN Report*, 22 August 2018, https://news.cgtn.com/news/3d3d514f346b544e79457a6333566d54/share_p.html.

29 Paul Nantulya, “Grand Strategy and China’s Soft Power Push in Africa.”

30 Salem Solomon, “Deepening Military Ties Solidify China’s Ambitions in Africa,” *Voice of America*, 15 July 2018, <https://www.voanews.com/a/deepening-military-ties-solidify-china-ambitions-in-africa/4483010.html>.

ing defense industries.³¹ Sudan, Uganda, and, more recently, Kenya have been enthusiastic customers of this type of Chinese assistance.

The 2019-2021 China-Africa Action Plan (CAAP) sets the broad policy framework for China's military and security activities in Africa.³² Three new mechanisms, the China Africa Defense Forum, the China Africa Law Enforcement and Security Forum, and the China Africa Peace and Security Forum provide avenues for regular consultation between Chinese and African security sector leaders to identify priorities for implementation. Since 2018, about 50 new security assistance programs have been established, in part to build local capacity among China's African security partners and address growing security risks to Chinese investments and personnel.³³ Beijing's central concern is that the rapid expansion of investments and commercial activity around the world is exposing Chinese citizens and assets to the threats of transnational terrorism, civil unrest, and anti-Chinese sentiment.

In 2015 the PRC issued a new Defense White Paper and a Counterterrorism Law (Order No. 36 of the President of the PRC) that allows, for the first time, the overseas deployment of the PLA and its Special Operations Forces, the PLA Navy (PLAN), and the People's Armed Police (PAP).³⁴ Under this law the PLA opened its first overseas military base in Djibouti in 2017, which primarily supports China's naval deployments in support of peacekeeping operations in Mali, Sudan, and South Sudan, humanitarian assistance in the Horn of Africa, and international counterpiracy patrols in the Gulf of Aden.

During the first half of 2018, the PLAN's 27th and 28th anti-piracy task forces made port calls to Cameroon, Gabon, Ghana, and Nigeria in what appear to be efforts to more closely align China's military activities to the expansion of the OBOR to the West African coast.³⁵ The

31 Jon Grevatt, "China Deepens Defense Engagement in Africa," *Jane's Defense Weekly*, 3 July 2018, <https://www.janes.com/article/81483/china-deepens-defence-engagement-in-africa>.

32 Paul Nantulya, "Chinese Hard Power Supports Its Growing Strategic Interests in Africa," Africa Center for Strategic Studies, Spotlight, 17 January 2019, <https://africacenter.org/spotlight/chinese-hard-power-supports-its-growing-strategic-interests-in-africa/>.

33 Helena Legarda and Meia Nouwens, "Guardians of the One Belt One Road: The Internationalization of China's Private Security Companies," Mercator Institute for China Studies, China Monitor, 16 August 2018, <https://www.merics.org/en/china-monitor/guardians-of-belt-and-road>.

34 Joel Wuthnow, "China's Overseas Basing: Will the PLA Follow the Renminbi?" *National Interest*, 17 February 2018, <https://nationalinterest.org/feature/chinas-overseas-basing-will-the-pla-follow-the-renminbi-24551>.

35 Michael Kovrig, "China Expands Its Peace and Security Footprint in Africa," *International Crisis Group*, 24 October 2018, <https://www.crisisgroup.org/asia/north-east-asia/china/china-expands-its-peace-and-security-footprint-africa>.

China Harbor Engineering Company signed an agreement in 2018 with Nigeria to construct its first deep water port in Lekki.³⁶ In September an additional agreement was signed that will see the Guangzhou Port Authority work with its Nigerian counterpart to build the capacity of Nigeria's ports in management, logistics, and port operations. Chinese firms are also building ports in Ghana and Cameroon.³⁷

China has stepped up its engagements with the African Union and Africa's regional economic communities. Its strategy in this regard prioritizes the operationalization of the African Standby Force (ASF) and the African Capacity for Immediate Response to Crises (ACIRC). In 2017, the China-Africa Peace and Security Fund committed USD100 million towards building the ASF and developing African states' capabilities to deploy it to crisis situations. In February 2018, the fund disbursed USD25 million to the ASF's logistics base in Cameroon and a further USD30 million was extended to Tanzania's Chinese-funded military training center which is expected to play a role in capacity building for the East African Standby Force.³⁸

AFRICAN PERSPECTIVES

China's growing role in Africa has largely been welcomed across the continent. A 2015 attitudes survey by the Pew Research Center found Africans more favorably disposed toward the PRC than any other continent, with majorities in all African countries surveyed expressing a positive view of China.³⁹ Seven in ten in Ghana, Ethiopia, Tanzania, Burkina Faso, Nigeria, Senegal, and Kenya hold favorable views of Beijing. A 2016 Afrobarometer survey conducted in 36 African countries found that 63 percent of respondents thought China's economic and political influence was positive.

Two main factors explain China's generally positive reputation in Africa. First, Chinese investment in infrastructure resonates well with Africans because it is a core priority for virtually all African countries as spelt out in the China-AU Strategic Compact and the AU's Agenda 2063.

36 Zhou Pingjian, "China, Nigeria to Boost Bilateral Win-Win Cooperation," *People's Daily*, 7 September 2018, <http://en.people.cn/n3/2018/0907/c90000-9498465.html>.

37 Pauline Bax, "Chinese-Built Port Evokes Dreams of El Dorado in Cameroon," *Bloomberg*, 29 August 2018, <https://www.bloomberg.com/news/features/2018-08-29/china-stakes-its-claim-on-west-africa>.

38 Michael Kovrig, "China Expands Its Peace and Security Footprint in Africa."

39 "Global Indicators Database," *Pew Research Center*, <http://www.pewglobal.org/database/indicator/24/group/5/>.

China has capitalized on this by presenting OBOR as a boon for both sides. Second, African countries are far-removed from China's periphery and have not experienced or witnessed Chinese military aggression against an African nation.

Unsurprisingly, positive views about China in Africa are highest among governments and regional organizations such as the AU and its security communities. China's engagements with African leaders and officials are highly personalized and do not demand adherence to established norms and values, such as accountability and respect for human rights. It also provides them with an "alternative" to Western lenders, which is a highly popular narrative among African leaders.

However, opinions about the PRC are not uniform on the continent. Views about China among private sector leaders are more nuanced. These ties have been weak as Beijing prefers to secure business opportunities directly with host governments through relationships beyond the reach of public and private sector accountability. Chinese companies also enjoy preferential access to government decision-makers which allows them to win lucrative contracts at the expense of suitably-qualified local firms. This sometimes leads to **conflicts between African and Chinese contractors**, with the former pushing their governments for greater accountability in awarding contracts.

African private sector leaders have begun to use their influence to draw attention to Africa's growing indebtedness to Chinese lenders. Industrialists like Jimnah Mbaru (former director of the Nairobi Stock Exchange), Aly Khan Satchu (founder of Rich Management Group and a leading Kenyan investment banker), Diana Layfield (chief executive officer of South Africa's Standard Bank), Ramathan Ggoobi (a Kampala-based financial analyst), and many others, have added their voices to the call for greater public awareness of Chinese investment practices.

African civil society and grassroots organizations are perhaps the least enthusiastic about China's engagements in Africa. Beijing has historically viewed African civil society with suspicion, and shares the dominant view propounded by African governments that civil society organizations are a front for Western interests, destabilization, and even regime change. China's civil society engagements therefore tend to be restricted to institutions linked to ruling parties (such as trade unions, youth and women's leagues, and state media).

The ability of civil society organizations to mobilize public awareness and influence policy changes on China-Africa relations varies across the continent. In South Africa, the powerful Congress of South

African Trade Unions (COSATU), a partner of the ruling African National Congress (ANC) alliance championed the adoption of anti-dumping legislation to protect local textile workers from the impact of cheap Chinese textiles. In Zambia, the Civil Society Initiative, a coalition of local civil society organizations, initiated an awareness campaign in the media and through protests that forced the National Assembly to hold a debate on Zambia's debt burden to China. This activism was prompted by rumors that Zambia had surrendered control of its power utility to China after defaulting on a loan. In Ghana, a coalition of environmental activists has organized several petitions against a multi-million dollar deal that would see a Chinese company mining bauxite in an environmentally sensitive region.

SOME POLICY CONSIDERATIONS

Over the next few decades, Africa's population will double to over 2 billion people.⁴⁰ By the year 2050, one in four human beings living on the planet will be African. The majority of Africans will be urbanized. From an economic growth perspective, a young, urbanized population is an important ingredient for higher levels of economic growth, provided investments in infrastructure, human capital, and social services move in parallel with these demographic changes. To meet the demands of a population seeking employment, education, and services, African countries will need to invest significantly over the next 10 years.⁴¹ This is Africa's existential challenge. Supporting African countries as they seek to address these challenges will require careful consideration of the following:

- **External assistance must augment, and not supplement domestic African resources.** While domestic resources will meet some of these requirements, external assistance and foreign investment will be required. This offers an opportunity for closer engagement between Africa and its international partners, not least the US and PRC. At the same time, Africa's investment gaps create opportunities for strategic synergies with other complementary projects.

40 Gilles Pison, "There's a Strong Chance a Third of All People on Earth Will Be African by 2100," *Quartz Africa*, 10 October 2017, <https://qz.com/africa/1099546/population-growth-africans-will-be-a-third-of-all-people-on-earth-by-2100/>.

41 Rene Vollgraaff and Ntando Thukwana, "Africa Development Bank Seeks to Plug Africa \$170 Billion Infrastructure Needs," *Bloomberg*, 8 May 2018, <https://www.bloomberg.com/news/articles/2018-05-08/afdb-seeks-funds-to-plug-africa-170-billion-infrastructure-gap>.

- **FDI and development assistance must be mutually supportive.** There are opportunities for the US to support such initiatives as part of its Africa policy to ensure that investment and assistance flows can be complementary and mutually supportive. The US can also look to bolstering international financial institutions to ensure that their activities reinforce investment climates that attract and sustain private-sector led growth, while ensuring debt sustainability. A US-China strategic dialogue on sustainable and accountable investments and economic development could be one way through which the US might influence the PRC's investment practices to make them compatible with international standards.
- **Leverage the continent to build great power cooperation.** Beyond the economic and commercial, Africa is a region where strategic rivalry and competition between China and the US is at its lowest. This could be turned into an opportunity for closer diplomatic, development, and security cooperation aimed at addressing Africa's challenges in ways that enhance human and citizen security, promote political stability, and even good governance. Part of this discussion will undoubtedly involve efforts to understand differences in approach and how these might impact US and Chinese policy priorities in Africa.
- **Create opportunities for strategic cooperative dialogue.** Such a dialogue, co-chaired by the US, PRC and African Union, could address issues that underpin institutional resilience and accountable development in Africa. The US and China both have a strategic long-term interest in African countries that are democratic and accountable and pursue inclusive development with justice.
- **Pursue synergy, coordination and collaboration with multilateral organizations and initiatives.** Multinational institutions could support the longer-term investments African countries need by providing technical assistance and concessional finance. These institutions also subscribe to international debt sustainability mechanisms, which could help allay fears of unsustainable debt burdens in the future. Other multilateral infrastructure connectivity initiatives such as the Asia-Africa Growth Corridor, created by the AU and the governments of Japan and India, could be beneficial.

These economic, diplomatic, developmental, and security recommendations are not based on altruism or some naïve view of US-Chinese relations. They are posited to address the hard reality that, if left unaddressed, Africa's existential challenges of today will continue to hamstring development and prove catastrophic not only for the people of Africa, but for the individual and shared national interests of the US and China in the second half of this century.

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NATIONAL SECURITY STRATEGY

of the United States of America

DECEMBER 2017





THE WHITE HOUSE

WASHINGTON, DC

My fellow Americans:

The American people elected me to make America great again. I promised that my Administration would put the safety, interests, and well-being of our citizens first. I pledged that we would revitalize the American economy, rebuild our military, defend our borders, protect our sovereignty, and advance our values.

During my first year in office, you have witnessed my America First foreign policy in action. We are prioritizing the interests of our citizens and protecting our sovereign rights as a nation. America is leading again on the world stage. We are not hiding from the challenges we face. We are confronting them head-on and pursuing opportunities to promote the security and prosperity of all Americans.

The United States faces an extraordinarily dangerous world, filled with a wide range of threats that have intensified in recent years. When I came into office, rogue regimes were developing nuclear weapons and missiles to threaten the entire planet. Radical Islamist terror groups were flourishing. Terrorists had taken control of vast swaths of the Middle East. Rival powers were aggressively undermining American interests around the globe. At home, porous borders and unenforced immigration laws had created a host of vulnerabilities. Criminal cartels were bringing drugs and danger into our communities. Unfair trade practices had weakened our economy and exported our jobs overseas. Unfair burden-sharing with our allies and inadequate investment in our own defense had invited danger from those who wish us harm. Too many Americans had lost trust in our government, faith in our future, and confidence in our values.

Nearly one year later, although serious challenges remain, we are charting a new and very different course.

We are rallying the world against the rogue regime in North Korea and confronting the danger posed by the dictatorship in Iran, which those determined to pursue a flawed nuclear deal had neglected. We have renewed our friendships in the Middle East and partnered with regional leaders to help drive out terrorists and extremists, cut off their financing, and discredit their wicked ideology. We crushed Islamic State of Iraq and Syria (ISIS) terrorists on the battlefields of Syria and Iraq, and will continue pursuing them until they are destroyed. America's allies are now contributing more to our common defense, strengthening even our strongest alliances. We have also continued to make clear that the United States will no longer tolerate economic aggression or unfair trading practices.

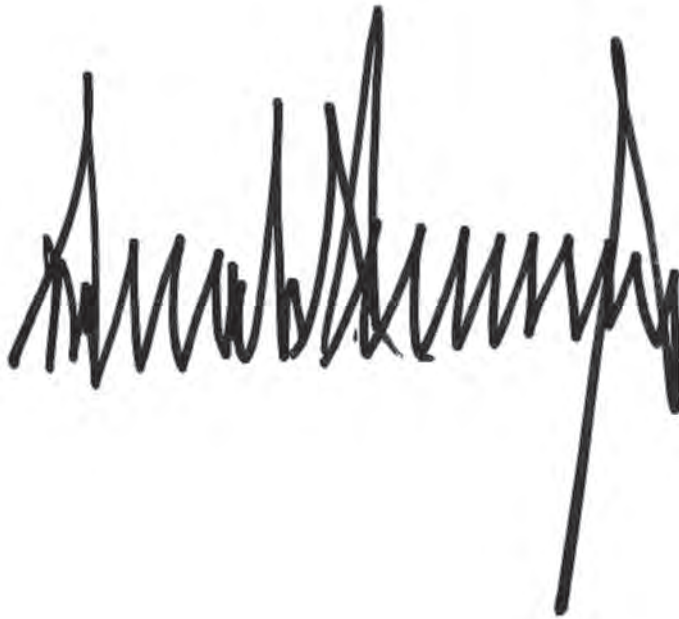
At home, we have restored confidence in America's purpose. We have recommitted ourselves to our founding principles and to the values that have made our families, communities, and society so successful. Jobs are coming back and our economy is growing. We are making historic investments in the United States military. We are enforcing our borders, building trade relationships based on fairness and reciprocity, and defending America's sovereignty without apology.

The whole world is lifted by America's renewal and the reemergence of American leadership. After one year, the world knows that America is prosperous, America is secure, and America is strong. We will bring about the better future we seek for our people and the world, by confronting the challenges and dangers posed by those who seek to destabilize the world and threaten America's people and interests.

My Administration's National Security Strategy lays out a strategic vision for protecting the American people and preserving our way of life, promoting our prosperity, preserving peace through strength, and advancing American influence in the world. We will pursue this beautiful vision—a world of strong, sovereign, and independent nations, each with its own cultures and dreams, thriving side-by-side in prosperity, freedom, and peace—throughout the upcoming year.

In pursuit of that future, we will look at the world with clear eyes and fresh thinking. We will promote a balance of power that favors the United States, our allies, and our partners. We will never lose sight of our values and their capacity to inspire, uplift, and renew.

Most of all, we will serve the American people and uphold their right to a government that prioritizes their security, their prosperity, and their interests. This National Security Strategy puts America First.

A large, bold, handwritten signature in black ink, characteristic of Donald Trump's signature style, featuring multiple sharp peaks and a long, sweeping underline.

President Donald J. Trump

The White House
December 2017



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INTRODUCTION

An America that is safe, prosperous, and free at home is an America with the strength, confidence, and will to lead abroad. It is an America that can preserve peace, uphold liberty, and create enduring advantages for the American people. Putting America first is the duty of our government and the foundation for U.S. leadership in the world.

A strong America is in the vital interests of not only the American people, but also those around the world who want to partner with the United States in pursuit of shared interests, values, and aspirations.

This National Security Strategy puts America first.

An America First National Security Strategy is based on American principles, a clear-eyed assessment of U.S. interests, and a determination to tackle the challenges that we face. It is a strategy of principled realism that is guided by outcomes, not ideology. It is based upon the view that peace, security, and prosperity depend on strong, sovereign nations that respect their citizens at home and cooperate to advance peace abroad. And it is grounded in the realization that American principles are a lasting force for good in the world.

“We the People” is America’s source of strength.

The United States was born of a desire for life, liberty, and the pursuit of happiness—and a conviction that unaccountable political power is tyranny. For these reasons, our Founders crafted and ratified the Constitution, establishing the republican form of government we enjoy today. The Constitution grants our national government not only specified powers necessary to protect our God-given rights and liberties but also safeguards them by limiting the government’s size and scope,

separating Federal powers, and protecting the rights of individuals through the rule of law. All political power is ultimately delegated from, and accountable to, the people.

We protect American sovereignty by defending these institutions, traditions, and principles that have allowed us to live in freedom, to build the nation that we love. And we prize our national heritage, for the rare and fragile institutions of republican government can only endure if they are sustained by a culture that cherishes those institutions.

Liberty and independence have given us the flourishing society Americans enjoy today—a vibrant and confident Nation, welcoming of disagreement and differences, but united by the bonds of history, culture, beliefs, and principles that define who we are.

We are proud of our roots and honor the wisdom of the past. We are committed to protecting the rights and dignity of every citizen. And we are a nation of laws, because the rule of law is the shield that protects the individual from government corruption

and abuse of power, allows families to live without fear, and permits markets to thrive.

Our founding principles have made the United States of America among the greatest forces for good in history. But we are also aware that we must protect and build upon our accomplishments, always conscious of the fact that the interests of the American people constitute our true North Star.

America's achievements and standing in the world were neither inevitable nor accidental. On many occasions, Americans have had to compete with adversarial forces to preserve and advance our security, prosperity, and the principles we hold dear. At home, we fought the Civil War to end slavery and preserve our Union in the long struggle to extend equal rights for all Americans. In the course of the bloodiest century in human history, millions of Americans fought, and hundreds of thousands lost their lives, to defend liberty in two World Wars and the Cold War. America, with our allies and partners, defeated fascism, imperialism, and Soviet communism and eliminated any doubts about the power and durability of republican democracy when it is sustained by a free, proud, and unified people.

The United States consolidated its military victories with political and economic triumphs built on market economies and fair trade, democratic principles, and shared security partnerships. American political, business, and military leaders worked together with their counterparts in Europe and Asia to shape the post-war order through the United Nations, the Marshall Plan, the North Atlantic Treaty Organization (NATO), and other institutions designed to advance our shared interests of security, freedom, and peace. We recognize the invaluable advantages that our strong relationships with allies and partners deliver.

Following the remarkable victory of free nations in the Cold War, America emerged as the lone super-

power with enormous advantages and momentum in the world. Success, however, bred complacency. A belief emerged, among many, that American power would be unchallenged and self-sustaining. The United States began to drift. We experienced a crisis of confidence and surrendered our advantages in key areas. As we took our political, economic, and military advantages for granted, other actors steadily implemented their long-term plans to challenge America and to advance agendas opposed to the United States, our allies, and our partners.

We stood by while countries exploited the international institutions we helped to build. They subsidized their industries, forced technology transfers, and distorted markets. These and other actions challenged America's economic security. At home, excessive regulations and high taxes stifled growth and weakened free enterprise—history's greatest antidote to poverty. Each time government encroached on the productive activities of private commerce, it threatened not only our prosperity but also the spirit of creation and innovation that has been key to our national greatness.

A Competitive World

The United States will respond to the growing political, economic, and military competitions we face around the world.

China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity. They are determined to make economies less free and less fair, to grow their militaries, and to control information and data to repress their societies and expand their influence. At the same time, the dictatorships of the Democratic People's Republic of Korea and the Islamic Republic of Iran are determined to destabilize regions, threaten Americans and our allies, and brutalize their own people. Transnational

threat groups, from jihadist terrorists to transnational criminal organizations, are actively trying to harm Americans. While these challenges differ in nature and magnitude, they are fundamentally contests between those who value human dignity and freedom and those who oppress individuals and enforce uniformity.

These competitions require the United States to rethink the policies of the past two decades—policies based on the assumption that engagement with rivals and their inclusion in international institutions and global commerce would turn them into benign actors and trustworthy partners. For the most part, this premise turned out to be false.

Rival actors use propaganda and other means to try to discredit democracy. They advance anti-Western views and spread false information to create divisions among ourselves, our allies, and our partners. In addition, jihadist terrorists such as ISIS and al-Qa'ida continue to spread a barbaric ideology that calls for the violent destruction of governments and innocents they consider to be apostates. These jihadist terrorists attempt to force those under their influence to submit to Sharia law.

America's military remains the strongest in the world. However, U.S. advantages are shrinking as rival states modernize and build up their conventional and nuclear forces. Many actors can now field a broad arsenal of advanced missiles, including variants that can reach the American homeland. Access to technology empowers and emboldens otherwise weak states. North Korea—a country that starves its own people—has spent hundreds of millions of dollars on nuclear, chemical, and biological weapons that could threaten our homeland. In addition, many actors have become skilled at operating below the threshold of military conflict—challenging the United States, our allies, and our partners with hostile actions cloaked in deniability. Our task is to ensure that American military superiority endures, and

in combination with other elements of national power, is ready to protect Americans against sophisticated challenges to national security.

The contest over information accelerates these political, economic, and military competitions. Data, like energy, will shape U.S. economic prosperity and our future strategic position in the world. The ability to harness the power of data is fundamental to the continuing growth of America's economy, prevailing against hostile ideologies, and building and deploying the most effective military in the world.

We learned the difficult lesson that when America does not lead, malign actors fill the void to the disadvantage of the United States. When America does lead, however, from a position of strength and confidence and in accordance with our interests and values, all benefit.

Competition does not always mean hostility, nor does it inevitably lead to conflict—although none should doubt our commitment to defend our interests. An America that successfully competes is the best way to prevent conflict. Just as American weakness invites challenge, American strength and confidence deters war and promotes peace.

An America First National Security Strategy

The competitions and rivalries facing the United States are not passing trends or momentary problems. They are intertwined, long-term challenges that demand our sustained national attention and commitment.

America possesses unmatched political, economic, military, and technological advantages. But to maintain these advantages, build upon our strengths, and unleash the talents of the American people, we must protect four vital national interests in this competitive world.

First, our fundamental responsibility is to **protect the American people, the homeland, and the American way of life**. We will strengthen control of our borders and reform our immigration system. We will protect our critical infrastructure and go after malicious cyber actors. A layered missile defense system will defend our homeland against missile attacks. And we will pursue threats to their source, so that jihadist terrorists are stopped before they ever reach our borders.

Second, we will **promote American prosperity**. We will rejuvenate the American economy for the benefit of American workers and companies. We will insist upon fair and reciprocal economic relationships to address trade imbalances. The United States must preserve our lead in research and technology and protect our economy from competitors who unfairly acquire our intellectual property. And we will embrace America's energy dominance because unleashing abundant energy resources stimulates our economy.

Third, we will **preserve peace through strength** by rebuilding our military so that it remains pre-eminent, deters our adversaries, and if necessary, is able to fight and win. We will compete with all tools of national power to ensure that regions of the world are not dominated by one power. We will strengthen America's capabilities—including in space and cyberspace—and revitalize others that have been neglected. Allies and partners magnify our power. We expect them to shoulder a fair share of the burden of responsibility to protect against common threats.

Fourth, we will **advance American influence** because a world that supports American interests and reflects our values makes America more secure and prosperous. We will compete and lead in multilateral organizations so that American interests and principles are protected. America's commitment to liberty, democracy, and the rule of law serves as an inspiration for those living under

tyranny. We can play a catalytic role in promoting private-sector-led economic growth, helping aspiring partners become future trading and security partners. And we will remain a generous nation, even as we expect others to share responsibility.

Strengthening our sovereignty—the first duty of a government is to serve the interests of its own people—is a necessary condition for protecting these four national interests. And as we strengthen our sovereignty we will renew confidence in ourselves as a nation. We are proud of our history, optimistic about America's future, and confident of the positive example the United States offers to the world. We are also realistic and understand that the American way of life cannot be imposed upon others, nor is it the inevitable culmination of progress. Together with our allies, partners, and aspiring partners, the United States will pursue cooperation with reciprocity. Cooperation means sharing responsibilities and burdens. In trade, fair and reciprocal relationships benefit all with equal levels of market access and opportunities for economic growth. An America First National Security Strategy appreciates that America will catalyze conditions to unleash economic success for America and the world.

In the United States, free men and women have created the most just and prosperous nation in history. Our generation of Americans is now charged with preserving and defending that precious inheritance. This National Security Strategy shows the way.



PILLAR I

PROTECT THE AMERICAN PEOPLE, THE HOMELAND, AND THE AMERICAN WAY OF LIFE

*“We will defend our country, protect our communities,
and put the safety of the American people first.”*

PRESIDENT DONALD J. TRUMP | JULY 2017

This National Security Strategy begins with the determination to protect the American people, the American way of life, and American interests. Americans have long recognized the benefits of an interconnected world, where information and commerce flow freely. Engaging with the world, however, does not mean the United States should abandon its rights and duties as a sovereign state or compromise its security. Openness also imposes costs, since adversaries exploit our free and democratic system to harm the United States.

North Korea seeks the capability to kill millions of Americans with nuclear weapons. Iran supports terrorist groups and openly calls for our destruction. Jihadist terrorist organizations such as ISIS and al-Qa’ida are determined to attack the United States and radicalize Americans with their hateful ideology. Non-state actors undermine social order through drug and human trafficking networks, which they use to commit violent crimes and kill thousands of Americans each year.

Adversaries target sources of American strength, including our democratic system and our econ-

omy. They steal and exploit our intellectual property and personal data, interfere in our political processes, target our aviation and maritime sectors, and hold our critical infrastructure at risk. All of these actions threaten the foundations of the American way of life. Reestablishing lawful control of our borders is a first step toward protecting the American homeland and strengthening American sovereignty.

We must prevent nuclear, chemical, radiological, and biological attacks, block terrorists from reaching our homeland, reduce drug and human trafficking, and protect our critical infrastructure. We must also deter, disrupt, and defeat potential threats before they reach the United States. We will target jihadist terrorists and transnational criminal organizations at their source and dismantle their networks of support.

We must also take steps to respond quickly to meet the needs of the American people in the event of natural disaster or attack on our homeland. We must build a culture of preparedness and resilience across our governmental functions, critical infrastructure, and economic and political systems.

Secure U.S. Borders and Territory

State and non-state actors place the safety of the American people and the Nation's economic vitality at risk by exploiting vulnerabilities across the land, air, maritime, space, and cyber-space domains. Adversaries constantly evolve their methods to threaten the United States and our citizens. We must be agile and adaptable.

Defend Against Weapons of Mass Destruction (WMD)

The danger from hostile state and non-state actors who are trying to acquire nuclear, chemical, radiological, and biological weapons is increasing. The Syrian regime's use of chemical weapons against its own citizens undermines international norms against these heinous weapons, which may encourage more actors to pursue and use them. ISIS has used chemical weapons in Iraq and Syria. Terrorist groups continue to pursue WMD-related materials. We would face grave danger if terrorists obtained inadequately secured nuclear, radiological, or biological material.

As missiles grow in numbers, types, and effectiveness, to include those with greater ranges, they are the most likely means for states like North Korea to use a nuclear weapon against the United States. North Korea is also pursuing chemical and biological weapons which could also be delivered by missile. China and Russia are developing advanced weapons and capabilities that could threaten our critical infrastructure and our command and control architecture.

Priority Actions

ENHANCE MISSILE DEFENSE: The United States is deploying a layered missile defense system focused on North Korea and Iran to defend our homeland against missile attacks. This system will include the ability to defeat missile threats prior to launch. Enhanced missile defense is not intended to undermine strategic stability or disrupt longstanding strategic relationships with Russia or China.

DETECT AND DISRUPT WEAPONS OF MASS DESTRUCTION: At our borders and within our territory, we will bolster efforts to detect nuclear, chemical, radiological, and biological agents and keep them from being used against us. We will also better integrate intelligence, law enforcement, and emergency management operations to ensure that frontline defenders have the right information and capabilities to respond to WMD threats from state and non-state actors.

ENHANCE COUNTERPROLIFERATION MEASURES: Building on decades of initiatives, we will augment measures to secure, eliminate, and prevent the spread of WMD and related materials, their delivery systems, technologies, and knowledge to reduce the chance that they might fall into the hands of hostile actors. We will hold state and non-state actors accountable for the use of WMD.

TARGET WMD TERRORISTS: We will direct counterterrorism operations against terrorist WMD specialists, financiers, administrators, and facilitators. We will work with allies and partners to detect and disrupt plots.

Strengthening control over our borders and immigration system is central to national security, economic prosperity, and the rule of law.

Combat Biothreats and Pandemics

Biological incidents have the potential to cause catastrophic loss of life. Biological threats to the U.S. homeland—whether as the result of deliberate attack, accident, or a natural outbreak—are growing and require actions to address them at their source.

Naturally emerging outbreaks of viruses such as Ebola and SARS, as well as the deliberate 2001 anthrax attacks in the United States, demonstrated the impact of biological threats on national security by taking lives, generating economic losses, and contributing to a loss of confidence in government institutions.

Advancements in life sciences that benefit our health, economy, and society also open up new avenues to actors who want to cause harm. Dedicated state actors are likely to develop more advanced bioweapons, and these capabilities may become available to malicious non-state actors as well.

Priority Actions

DETECT AND CONTAIN BIOTHRREATS AT THEIR SOURCE:

We will work with other countries to detect and mitigate outbreaks early to prevent the spread of disease. We will encourage other countries to invest in basic health care systems and to strengthen global health security across the intersection of human and animal health to prevent infectious disease outbreaks. And we will work with partners to ensure that laboratories that handle dangerous pathogens have in place safety and security measures.

SUPPORT BIOMEDICAL INNOVATION: We will protect and support advancements in biomedical innovation by strengthening the intellectual property system that is the foundation of the biomedical industry.

IMPROVE EMERGENCY RESPONSE: At home, we will strengthen our emergency response and uni-

fied coordination systems to rapidly characterize outbreaks, implement public health containment measures to limit the spread of disease, and provide surge medical care—including life-saving treatments.

Strengthen Border Control and Immigration Policy

Strengthening control over our borders and immigration system is central to national security, economic prosperity, and the rule of law. Terrorists, drug traffickers, and criminal cartels exploit porous borders and threaten U.S. security and public safety. These actors adapt quickly to outpace our defenses.

The United States affirms our sovereign right to determine who should enter our country and under what circumstances. The United States understands the contributions immigrants have made to our Nation throughout its history. Illegal immigration, however, burdens the economy, hurts American workers, presents public safety risks, and enriches smugglers and other criminals.

The United States recognizes that decisions about who to legally admit for residency, citizenship, or otherwise are among the most important a country has to make. The United States will continue to welcome lawful immigrants who do not pose a security threat and whose entry is consistent with the national interest, while at the same time enhancing the screening and vetting of travelers, closing dangerous loopholes, revising outdated laws, and eliminating easily exploited vulnerabilities. We will also reform our current immigration system, which, contrary to our national interest and national security, allows for randomized entry and extended-family chain migration. Residency and citizenship determinations should be based on individuals' merits and their ability to positively contribute to U.S. society, rather than chance or extended family connections.

Priority Actions

ENHANCE BORDER SECURITY: We will secure our borders through the construction of a border wall, the use of multilayered defenses and advanced technology, the employment of additional personnel, and other measures. The U.S. Government will work with foreign partners to deter, detect, and disrupt suspicious individuals well before they enter the United States.

ENHANCE VETTING: The U.S. Government will enhance vetting of prospective immigrants, refugees, and other foreign visitors to identify individuals who might pose a risk to national security or public safety. We will set higher security standards to ensure that we keep dangerous people out of the United States and enhance our information collection and analysis to identify those who may already be within our borders.

ENFORCE IMMIGRATION LAWS: We will enforce immigration laws, both at the border and in the interior, to provide an effective deterrent to illegal immigration. The apprehension and swift removal of illegal aliens at the border is critical to an effective border security strategy. We must also increase efforts to identify and counter fraud in the immigration process, which undermines the integrity of our immigration system, exploits vulnerable individuals, and creates national security risks.

BOLSTER TRANSPORTATION SECURITY: We will improve information sharing across our government and with foreign partners to enhance the security of the pathways through which people and goods enter the country. We will invest in technology to counter emerging threats to our aviation, surface, and maritime transportation sectors. We will also work with international and industry partners to raise security standards.

Pursue Threats to Their Source

There is no perfect defense against the range of threats facing our homeland. That is why America must, alongside allies and partners, stay on the offensive against those violent non-state groups that target the United States and our allies.

The primary transnational threats Americans face are from jihadist terrorists and transnational criminal organizations. Although their objectives differ, these actors pose some common challenges. First, they exploit our open society. Second, they often operate in loose confederations and adapt rapidly. Third, they rely on encrypted communication and the dark web to evade detection as they plot, recruit, finance, and execute their operations. Fourth, they thrive under conditions of state weakness and prey on the vulnerable as they accelerate the breakdown of rules to create havens from which to plan and launch attacks on the United States, our allies, and our partners. Fifth, some are sheltered and supported by states and do their bidding.

Defeat Jihadist Terrorists

Jihadist terrorist organizations present the most dangerous terrorist threat to the Nation. America, alongside our allies and partners, is fighting a long war against these fanatics who advance a totalitarian vision for a global Islamist caliphate that justifies murder and slavery, promotes repression, and seeks to undermine the American way of life. Jihadist terrorists use virtual and physical networks around the world to radicalize isolated individuals, exploit vulnerable populations, and inspire and direct plots.

Even after the territorial defeat of ISIS and al-Qa'ida in Syria and Iraq, the threat from jihadist terrorists will persist. They have used battlefields as test beds of terror and have exported tools and tactics to their followers. Many of these jihadist terror-

ists are likely to return to their home countries, from which they can continue to plot and launch attacks on the United States and our allies.

The United States also works with allies and partners to deter and disrupt other foreign terrorist groups that threaten the homeland—including Iranian-backed groups such as Lebanese Hizballah.

Priority Actions

DISRUPT TERROR PLOTS: We will enhance intelligence sharing domestically and with foreign partners. We will give our frontline defenders—including homeland security, law enforcement, and intelligence professionals—the tools, authorities, and resources to stop terrorist acts before they take place.

TAKE DIRECT ACTION: The U.S. military and other operating agencies will take direct action against terrorist networks and pursue terrorists who threaten the homeland and U.S. citizens regardless of where they are. The campaigns against ISIS and al-Qa’ida and their affiliates demonstrate that the United States will enable partners and sustain direct action campaigns to destroy terrorists and their sources of support, making it harder for them to plot against us.

ELIMINATE TERRORIST SAFE HAVENS: Time and territory allow jihadist terrorists to plot, so we will act against sanctuaries and prevent their reemergence, before they can threaten the U.S. homeland. We will go after their digital networks and work with private industry to confront the challenge of terrorists and criminals “going dark” and using secure platforms to evade detection.

SEVER SOURCES OF STRENGTH: We will disrupt the financial, materiel, and personnel supply chains of terrorist organizations. We will sever their financing and protect the U.S. and international financial systems from abuse. We will degrade their ability

to message and attract potential recruits. This includes combating the evil ideology of jihadists by exposing its falsehoods, promoting counter-narratives, and amplifying credible voices.

SHARE RESPONSIBILITY: Our allies and partners, who are also targets of terrorism, will continue to share responsibility in fighting these barbaric groups. We will help our partners develop and responsibly employ the capacity to

degrade and maintain persistent pressure against terrorists and will encourage partners to work independently of U.S. assistance.

COMBAT RADICALIZATION AND RECRUITMENT IN COMMUNITIES: The United States rejects bigotry and oppression and seeks a future built on our values as one American people. We will deny violent ideologies the space to take root by improving trust among law enforcement, the private sector, and American citizens. U.S. intelligence and homeland security experts will work with law enforcement and civic leaders on terrorism prevention and provide accurate and actionable information about radicalization in their communities.

Dismantle Transnational Criminal Organizations

The United States must devote greater resources to dismantle transnational criminal organizations (TCOs) and their subsidiary networks. Some have established global supply chains that are

We will give our frontline defenders—including homeland security, law enforcement, and intelligence professionals—the tools, authorities, and resources to stop terrorist acts before they take place.

comparable to Fortune 500 corporations. Every day they deliver drugs to American communities, fuel gang violence, and engage in cybercrime. The illicit opioid epidemic, fed by drug cartels as well as Chinese fentanyl traffickers, kills tens of thousands of Americans each year. These organizations weaken our allies and partners too, by corrupting and undermining democratic institutions. TCOs are motivated by profit, power, and political influence. They exploit weak governance and enable other national security threats, including terrorist organizations. In addition, some state adversaries use TCOs as instruments of national power, offering them territorial sanctuary where they are free to conduct unattributable cyber intrusions, sabotage, theft, and political subversion.

Priority Actions

IMPROVE STRATEGIC PLANNING AND INTELLIGENCE:

We will establish national-level strategic intelligence and planning capabilities to improve the ability of agencies to work together to combat TCOs at home and abroad.

DEFEND COMMUNITIES: We will deny TCOs the ability to harm Americans. We will support public health efforts to halt the growth of illicit drug use in the United States, expand national and community-based prevention efforts, increase access to evidenced-based treatment for addiction, improve prescription drug monitoring, and provide training on substance use disorders for medical personnel.

DEFEND IN DEPTH: U.S. agencies and foreign partners will target TCO leaders and their support infrastructure. We will assist countries, particularly in the Western Hemisphere, to break the power of these organizations and networks.

COUNTER CYBER CRIMINALS: We will use sophisticated investigative tools to disrupt the ability of criminals to use online marketplaces, cryptocurrencies, and other tools for illicit activities. The United States will hold countries accountable for harboring these criminals.

Keep America Safe in the Cyber Era

America's response to the challenges and opportunities of the cyber era will determine our future prosperity and security. For most of our history, the United States has been able to protect the homeland by controlling its land, air, space, and maritime domains. Today, cyberspace offers state and non-state actors the ability to wage campaigns against American political, economic, and security interests without ever physically crossing our borders. Cyberattacks offer adversaries low-

cost and deniable opportunities to seriously damage or disrupt critical infrastructure, cripple American businesses, weaken our Federal networks, and attack the tools and devices that Americans use every day to communicate and conduct business.

Critical infrastructure keeps our food fresh, our houses warm, our trade flowing, and our citizens productive and safe. The vulnerability of U.S. critical infrastructure to cyber, physical, and electromagnetic attacks means that adversaries could disrupt military command and control, banking and financial operations, the electrical grid, and means of communication.

Federal networks also face threats. These networks allow government agencies to carry out vital functions and provide services to the American people.

America's response to the challenges and opportunities of the cyber era will determine our future prosperity and security.

ple. The government must do a better job of protecting data to safeguard information and the privacy of the American people. Our Federal networks must be modernized and updated.

In addition, the daily lives of most Americans rely on computer-driven and interconnected technologies. As our reliance on computers and connectivity increases, we become increasingly vulnerable to cyberattacks. Businesses and individuals must be able to operate securely in cyberspace.

Security was not a major consideration when the Internet was designed and launched. As it evolves, the government and private sector must design systems that incorporate prevention, protection, and resiliency from the start, not as an afterthought. We must do so in a way that respects free markets, private competition, and the limited but important role of government in enforcing the rule of law. As we build the next generation of digital infrastructure, we have an opportunity to put our experience into practice.

The Internet is an American invention, and it should reflect our values as it continues to transform the future for all nations and all generations. A strong, defensible cyber infrastructure fosters economic growth, protects our liberties, and advances our national security.

Priority Actions

IDENTIFY AND PRIORITIZE RISK: To improve the security and resilience of our critical infrastructure, we will assess risk across six key areas: national security, energy and power, banking and finance, health and safety, communications, and transportation. We will assess where cyberattacks could have catastrophic or cascading consequences and prioritize our protective efforts, capabilities, and defenses accordingly.

BUILD DEFENSIBLE GOVERNMENT NETWORKS: We will use the latest commercial capabilities, shared services, and best practices to modernize our Federal information technology. We will improve our ability to provide uninterrupted and secure communications and services under all conditions.

DETER AND DISRUPT MALICIOUS CYBER ACTORS: The Federal Government will ensure that those charged with securing critical infrastructure have the necessary authorities, information, and capabilities to prevent attacks before they affect or hold at risk U.S. critical infrastructure. The United States will impose swift and costly consequences on foreign governments, criminals, and other actors who undertake significant malicious cyber activities. We will work with allies and friends to expand our awareness of malicious activities. A stronger and more resilient critical infrastructure will strengthen deterrence by creating doubt in our adversaries that they can achieve their objectives.

IMPROVE INFORMATION SHARING AND SENSING: The U.S. Government will work with our critical infrastructure partners to assess their informational needs and to reduce the barriers to information sharing, such as speed and classification levels. We will also invest in capabilities that improve the ability of the United States to attribute cyberattacks. In accordance with the protection of civil liberties and privacy, the U.S. Government will expand collaboration with the private sector so that we can better detect and attribute attacks.

DEPLOY LAYERED DEFENSES: Since threats transit globally, passing through communications backbones without challenge, the U.S. Government will work with the private sector to remediate known bad activities at the network level to improve the security of all customers. Malicious activity must be defeated within a network and not be passed on to its destination whenever possible.

Promote American Resilience

Despite our best efforts, our government cannot prevent all dangers to the American people. We can, however, help Americans remain resilient in the face of adversity. Resilience includes the ability to withstand and recover rapidly from deliberate attacks, accidents, natural disasters, as well as unconventional stresses, shocks, and threats to our economy and democratic system. In the event of a disaster, Federal, state, and local agencies must perform essential functions and have plans in place to ensure the continuation of our constitutional form of government.

Reducing risk and building more resilient communities are the best ways to protect people, property, and taxpayer dollars from loss and disruption. Through risk-informed investments, we will build resilient communities and infrastructure to protect and benefit future generations.

Should tragedy strike, the U.S. Government will help communities recover and rebuild. Citizens must be confident in our government, but also recognize that response and recovery begins with individuals and local communities. In difficult times, the true character of the American people emerges: their strength, their love, and their resolve. Our first responders selflessly run toward danger, and volunteers rally to the aid of neighbors when disaster strikes.

A democracy is only as resilient as its people. An informed and engaged citizenry is the fundamental requirement for a free and resilient nation. For generations, our society has protected free press, free speech, and free thought. Today, actors such as Russia are using information tools in an attempt to undermine the legitimacy of democracies. Adversaries target media, political processes, financial networks, and personal data. The American public and private sectors must recognize this and

work together to defend our way of life. No external threat can be allowed to shake our shared commitment to our values, undermine our system of government, or divide our Nation.

Priority Actions

IMPROVE RISK MANAGEMENT: The United States will improve its ability to assess the threats and hazards that pose the greatest risks to Americans and will prioritize resources based on the highest risks.

BUILD A CULTURE OF PREPAREDNESS: This Administration will take steps to build a culture of preparedness, informing and empowering communities and individuals to obtain the skills and take the preparatory actions necessary to become more resilient against the threats and hazards that Americans face.

IMPROVE PLANNING: State and local governments must conduct realistic exercises that test existing plans to make sure that they are sound and can be executed. Agencies from all levels of government must coordinate better and apply lessons learned from exercises to pinpoint the areas and capabilities that require improvement.

INCENTIVIZE INFORMATION SHARING: To improve the coordination among the private sector and all levels of government that is needed to improve resilience, we must make a stronger commitment to protecting sensitive information so that all partners actively identify and share vulnerabilities and work collaboratively to reduce them.



PILLAR II

PROMOTE AMERICAN PROSPERITY

“Economic security is national security.”

PRESIDENT DONALD J. TRUMP | NOVEMBER 2017

A strong economy protects the American people, supports our way of life, and sustains American power. American workers thrive when they are free to innovate, develop and access our abundant natural resources, and operate in markets free from excessive regulations and unfair foreign trade practices. A growing and innovative economy allows the United States to maintain the world's most powerful military and protect our homeland.

We must rebuild our economic strength and restore confidence in the American economic model. Over decades, American factories, companies, and jobs moved overseas. After the 2008 global financial crisis, doubt replaced confidence. Risk-aversion and regulations replaced investment and entrepreneurship. The recovery produced anemic growth in real earnings for American workers. The U.S. trade deficit grew as a result of several factors, including unfair trading practices.

For 70 years, the United States has embraced a strategy premised on the belief that leadership of a stable international economic system rooted in American principles of reciprocity, free markets, and free trade served our economic and security interests. Working with our allies and partners, the United States led the creation of a group of financial institutions and other economic forums that established equitable rules and built instruments to stabilize the interna-

tional economy and remove the points of friction that had contributed to two world wars.

That economic system continues to serve our interests, but it must be reformed to help American workers prosper, protect our innovation, and reflect the principles upon which that system was founded. Trading partners and international institutions can do more to address trade imbalances and adhere to and enforce the rules of the order.

Today, American prosperity and security are challenged by an economic competition playing out in a broader strategic context. The United States helped expand the liberal economic trading system to countries that did not share our values, in the hopes that these states would liberalize their economic and political practices and provide commensurate benefits to the United States. Experience shows that these countries distorted and undermined key economic institutions without undertaking significant reform of their economies or politics. They espouse free trade rhetoric and exploit its benefits, but only adhere selectively to the rules and agreements.

We welcome all economic relationships rooted in fairness, reciprocity, and faithful adherence to the rules. Those who join this pursuit will be our closest economic partners. But the United States will no longer turn a blind eye to violations, cheating, or economic aggression. We must work with like-

minded allies and partners to ensure our principles prevail and the rules are enforced so that our economies prosper.

The United States will pursue an economic strategy that rejuvenates the domestic economy, benefits the American worker, revitalizes the U.S. manufacturing base, creates middle-class jobs, encourages innovation, preserves technological advantage, safeguards the environment, and achieves energy dominance. Rebuilding economic strength at home and preserving a fair and reciprocal international economic system will enhance our security and advance prosperity and peace in the world.

Rejuvenate the Domestic Economy

Economic challenges at home demand that we understand economic prosperity as a pillar of national security. Despite low unemployment rates and stock market gains, overall economic growth has, until recently, been anemic since the 2008 recession. In the past five years, gross domestic product (GDP) growth hovered barely above two percent, and wages stagnated. Taxes increased, and health insurance and prescription drug costs continued to rise, albeit at a slower pace. Education costs climbed at rates far above inflation, increasing student debt. Productivity growth fell to levels not seen in decades.

Significant government intrusion in the economy slowed growth and job creation. Regulatory and corporate tax policies incentivized businesses to invest overseas and disadvantaged American companies against foreign competitors. Excessive reg-

ulation burdened small businesses. Banking regulations squelched new bank formation and caused hundreds of small banks to close. Regulation

decreased credit availability to consumers and decreased product choice. Excessive environmental and infrastructure regulations impeded American energy trade and the development of new infrastructure projects.

Moreover, the poor state of our physical infrastructure stultified the economy, reduced the profitability of American small businesses, and slowed the productivity of American workers. America's digital infrastructure also fell behind. Improvements

in bandwidth, better broadband connectivity, and protection from persistent cyberattacks are needed to support America's future growth. Economic and personal transactions are dependent upon the ".com world," and wealth creation depends on a reliable, secure Internet.

The Administration is dedicated to rejuvenating the U.S. economy, unleashing the potential of all Americans, and restoring confidence in our free market system. Promoting American prosperity makes America more secure and advances American influence in the world.

Priority Actions

REDUCE REGULATORY BURDENS: Departments and agencies will eliminate unnecessary regulations that stifle growth, drive up costs for American businesses, impede research and development, discourage hiring, and incentivize domestic businesses to move overseas. We will balance our reduction in regulations with adequate protections and oversight.

Rebuilding economic strength at home and preserving a fair and reciprocal international economic system will enhance our security and advance prosperity and peace in the world.

PROMOTE TAX REFORM: This Administration will work with the Congress to create a simpler, fairer, and pro-growth tax code that encourages the creation of higher wage jobs and gives middle-income families tax relief. Reduced business tax rates and a territorial system for foreign subsidiary earnings will improve the competitiveness of American companies and encourage their return to the United States.

IMPROVE AMERICAN INFRASTRUCTURE: Federal, state, and local governments will work together with private industry to improve our airports, seaports and waterways, roads and railways, transit systems, and telecommunications. The United States will use our strategic advantage as a leading natural gas producer to transform transportation and manufacturing. We will improve America's digital infrastructure by deploying a secure 5G Internet capability nationwide. These improvements will increase national competitiveness, benefit the environment, and improve our quality of life.

REDUCE THE DEBT THROUGH FISCAL RESPONSIBILITY: The national debt, now over \$20 trillion, presents a grave threat to America's long-term prosperity and, by extension, our national security. By restraining Federal spending, making government more efficient, and by modernizing our tax system and making our businesses globally competitive, our economy will grow and make the existing debt more serviceable.

SUPPORT EDUCATION AND APPRENTICESHIP PROGRAMS:

We will support apprenticeships and workforce development programs that prepare American workers for high-wage manufacturing and science, technology, engineering, and mathematics (STEM) jobs of the 21st century.

Promote Free, Fair, and Reciprocal Economic Relationships

For decades, the United States has allowed unfair trading practices to grow. Other countries have used dumping, discriminatory non-tariff barriers, forced technology transfers, non-economic capacity, industrial subsidies, and other support from governments and state-owned enterprises to gain economic advantages.

Today we must meet the challenge. We will address persistent trade imbalances, break down trade barriers, and provide Americans new opportunities to increase their exports. The United States will expand trade that is fairer so that U.S. workers and industries have more opportunities to compete for business. We oppose closed mercantilist trading blocks. By strengthening the international trading system and incentivizing other

countries to embrace market-friendly policies, we can enhance our prosperity.

The United States distinguishes between economic competition with countries that follow fair and free market principles and competition with those that act with little regard for those principles. We will compete with like-minded states in the economic domain—particularly where trade imbalances exist—while recognizing that competition is healthy when nations

share values and build fair and reciprocal relationships. The United States will pursue enforcement actions when countries violate the rules to gain unfair advantage. The United States will engage industrialized democracies and other like-minded states to defend against economic aggres-

The Administration is dedicated to rejuvenating the U.S. economy, unleashing the potential of all Americans, and restoring confidence in our free market system.

sion, in all its forms, that threatens our common prosperity and security.

Priority Actions

ADOPT NEW TRADE AND INVESTMENT AGREEMENTS AND MODERNIZE EXISTING ONES: The United States will pursue bilateral trade and investment agreements with countries that commit to fair and reciprocal trade and will modernize existing agreements to ensure they are consistent with those principles. Agreements must adhere to high standards in intellectual property, digital trade, agriculture, labor, and the environment.

COUNTER UNFAIR TRADE PRACTICES: The United States will counter all unfair trade practices that distort markets using all appropriate means, from dialogue to enforcement tools.

COUNTER FOREIGN CORRUPTION: Using our economic and diplomatic tools, the United States will continue to target corrupt foreign officials and work with countries to improve their ability to fight corruption so U.S. companies can compete fairly in transparent business climates.

WORK WITH LIKE-MINDED PARTNERS: The United States will work with like-minded partners to preserve and modernize the rules of a fair and reciprocal economic order. Together we will emphasize fair trade enforcement actions when necessary, as well as multinational efforts to ensure transparency and adherence to international standards within trade and investment projects.

FACILITATE NEW MARKET OPPORTUNITIES: The United States will partner with countries as they build their export markets, promote free market competition, and incentivize private sector growth. We will expand U.S. trade and investment opportunities and increase the market base for U.S. goods and services.

Lead in Research, Technology, Invention, and Innovation

The United States will build on the ingenuity that has launched industries, created jobs, and improved the quality of life at home and abroad. To maintain our competitive advantage, the United States will prioritize emerging technologies critical to economic growth and security, such as data science, encryption, autonomous technologies, gene editing, new materials, nanotechnology, advanced computing technologies, and artificial intelligence. From self-driving cars to autonomous weapons, the field of artificial intelligence, in particular, is progressing rapidly.

The United States must continue to attract the innovative and the inventive, the brilliant and the bold. We will encourage scientists in government, academia, and the private sector to achieve advancements across the full spectrum of discovery, from incremental improvements to game-changing breakthroughs. We will nurture a healthy innovation economy that collaborates with allies and partners, improves STEM education, draws on an advanced technical workforce, and invests in early-stage research and development (R&D).

Priority Actions

UNDERSTAND WORLDWIDE SCIENCE AND TECHNOLOGY (S&T) TRENDS: To retain U.S. advantages over our competitors, U.S. Government agencies must improve their understanding of worldwide S&T trends and how they are likely to influence—or undermine—American strategies and programs.

ATTRACT AND RETAIN INVENTORS AND INNOVATORS: The U.S. Government must improve our collaboration with industry and academia and our recruitment of technical talent. We will remove barriers to the full use of talent across Federal agencies, and increase incentives for hiring and retaining Federal STEM employees. Initiatives

will include rapid hiring, swift adjudication of national security clearances, and offers of competitive salaries. We must create easier paths for the flow of scientists, engineers, and technologists into and out of public service.

LEVERAGE PRIVATE CAPITAL AND EXPERTISE TO BUILD AND INNOVATE: The U.S. Government will use private sector technical expertise and R&D capabilities more effectively. Private industry owns many of the technologies that the government relies upon for critical national security missions. The Department of Defense and other agencies will establish strategic partnerships with U.S. companies to help align private sector R&D resources to priority national security applications.

RAPIDLY FIELD INVENTIONS AND INNOVATIONS: The United States must regain the element of surprise and field new technologies at the pace of modern industry. Government agencies must shift from an archaic R&D process to an approach that rewards rapid fielding and risk taking.

Promote and Protect the U.S. National Security Innovation Base

America's business climate and legal and regulatory systems encourage risk taking. We are a nation of people who work hard, dream big, and never give up. Not every country shares these characteristics. Some instead steal or illicitly acquire America's hard-earned intellectual property and proprietary information to compensate for their own systemic weaknesses.

Every year, competitors such as China steal U.S. intellectual property valued at hundreds of billions of dollars. Stealing proprietary technology and early-stage ideas allows competitors to unfairly tap into the innovation of free societies. Over the years, rivals have used sophisticated

means to weaken our businesses and our economy as facets of cyber-enabled economic warfare and other malicious activities. In addition to these illegal means, some actors use largely legitimate, legal transfers and relationships to gain access to fields, experts, and trusted foundries that fill their capability gaps and erode America's long-term competitive advantages.

We must defend our National Security Innovation Base (NSIB) against competitors. The NSIB is the American network of knowledge, capabilities, and people—including academia, National Laboratories, and the private sector—that turns ideas into innovations, transforms discoveries into successful commercial products and companies, and protects and enhances the American way of life. The genius of creative Americans, and the free system that enables them, is critical to American security and prosperity.

Protecting the NSIB requires a domestic and international response beyond the scope of any individual company, industry, university, or government agency. The landscape of innovation does not divide neatly into sectors. Technologies that are part of most weapon systems often originate in diverse businesses as well as in universities and colleges. Losing our innovation and technological edge would have far-reaching negative implications for American prosperity and power.

Priority Actions

UNDERSTAND THE CHALLENGES: The U.S. Government will develop a capability to integrate, monitor, and better understand the national security implications of unfair industry trends and the actions of our rivals. We will explore new ways to share this information with the private sector and academia so they better understand their responsibilities in curtailing activities that undercut America's NSIB.

PROTECT INTELLECTUAL PROPERTY: The United States will reduce the illicit appropriation of U.S. pub-

lic and private sector technology and technical knowledge by hostile foreign competitors. While maintaining an investor-friendly climate, this Administration will work with the Congress to strengthen the Committee on Foreign Investment in the United States (CFIUS) to ensure it addresses current and future national security risks. The United States will prioritize counterintelligence and law enforcement activities to curtail intellectual property theft by all sources and will explore new legal and regulatory mechanisms to prevent and prosecute violations.

For the first time in generations, the United States will be an energy-dominant nation.

TIGHTEN VISA PROCEDURES:

The United States will review visa procedures to reduce economic theft by non-traditional intelligence collectors. We will consider restrictions on foreign STEM students from designated countries to ensure that intellectual property is not transferred to our competitors, while acknowledging the importance of recruiting the most advanced technical workforce to the United States.

PROTECT DATA AND UNDERLYING INFRASTRUCTURE:

The United States will expand our focus beyond protecting networks to protecting the data on those networks so that it remains secure—both at rest and in transit. To do this, the U.S. Government will encourage practices across companies and universities to defeat espionage and theft.

Embrace Energy Dominance

For the first time in generations, the United States will be an energy-dominant nation. Energy dominance—America’s central position in the global energy system as a leading producer, consumer, and innovator—ensures that markets are free and U.S. infrastructure is resilient and secure. It ensures

that access to energy is diversified, and recognizes the importance of environmental stewardship.

Access to domestic sources of clean, affordable, and reliable energy underpins a prosperous, secure, and powerful America for decades to come.

Unleashing these abundant energy resources—coal, natural gas, petroleum, renewables, and nuclear—stimulates the economy and builds a foundation for future growth. Our Nation must take advantage of our wealth in domestic resources and energy efficiency to promote competitiveness across our industries.

The United States also anchors the North American energy system, which is one of the most highly integrated in the world. Our vibrant cross-border energy trade and investment are vital for a robust and resilient U.S. economy and energy market. We are committed to supporting energy initiatives that will attract investments, safeguard the environment, strengthen our energy security, and unlock the enormous potential of our shared region.

Climate policies will continue to shape the global energy system. U.S. leadership is indispensable to countering an anti-growth energy agenda that is detrimental to U.S. economic and energy security interests. Given future global energy demand, much of the developing world will require fossil fuels, as well as other forms of energy, to power their economies and lift their people out of poverty. The United States will continue to advance an approach that balances energy security, economic development, and environmental protection. The United States will remain a global leader in reducing traditional pollution, as well as greenhouse gases, while expanding our economy. This achievement, which can serve as a model to other countries, flows from innovation, technology breakthroughs, and energy efficiency gains, not from onerous regulation.

As a growing supplier of energy resources, technologies, and services around the world, the United States will help our allies and partners become more resilient against those that use energy to coerce. America's role as an energy exporter will also require an assessment of our vulnerabilities and a resilient American infrastructure.

Finally, the Nation's long-term energy security future rests with our people. We must invest in our future by supporting innovation and R&D, including through the National Laboratories.

Priority Actions

REDUCE BARRIERS: The United States will promote clean and safe development of our energy resources, while limiting regulatory burdens that encumber energy production and constrain economic growth. We will streamline the Federal regulatory approval processes for energy infrastructure, from pipeline and export terminals to container shipments and gathering lines, while also ensuring responsible environmental stewardship.

PROMOTE EXPORTS: The United States will promote exports of our energy resources, technologies, and services, which helps our allies and partners diversify their energy sources and brings economic gains back home. We will expand our export capacity through the continued support of private sector development of coastal terminals, allowing increased market access and a greater competitive edge for U.S. industries.

ENSURE ENERGY SECURITY: The United States will work with allies and partners to protect global energy infrastructure from cyber and physical threats. The United States will support the diversification of energy sources, supplies, and routes at home and abroad. We will modernize our strategic petroleum stocks and encourage other countries to develop their own—consistent with their national energy security needs.

ATTAIN UNIVERSAL ENERGY ACCESS: The United States will seek to ensure universal access to affordable, reliable energy, including highly efficient fossil fuels, nuclear, and renewables, to help reduce poverty, foster economic growth, and promote prosperity.

FURTHER AMERICA'S TECHNOLOGICAL EDGE: We will improve America's technological edge in energy, including nuclear technology, next-generation nuclear reactors, better batteries, advanced computing, carbon-capture technologies, and opportunities at the energy-water nexus. The United States will continue to lead in innovative and efficient energy technologies, recognizing the economic and environmental benefits to end users.



PILLAR III

PRESERVE PEACE THROUGH STRENGTH

“As long as I am President, the servicemen and women who defend our Nation will have the equipment, the resources, and the funding they need to secure our homeland, to respond to our enemies quickly and decisively, and, when necessary, to fight, to overpower, and to always, always, always win.”

PRESIDENT DONALD J. TRUMP | DECEMBER 2017

A central continuity in history is the contest for power. The present time period is no different. Three main sets of challengers—the revisionist powers of China and Russia, the rogue states of Iran and North Korea, and transnational threat organizations, particularly jihadist terrorist groups—are actively competing against the United States and our allies and partners. Although differing in nature and magnitude, these rivals compete across political, economic, and military arenas, and use technology and information to accelerate these contests in order to shift regional balances of power in their favor. These are fundamentally political contests between those who favor repressive systems and those who favor free societies.

China and Russia want to shape a world antithetical to U.S. values and interests. China seeks to displace the United States in the Indo-Pacific region, expand the reaches of its state-driven economic model, and reorder the region in its favor. Russia seeks to restore its great power status and establish spheres of influence near its borders. The intentions of both nations are not necessarily fixed. The United

States stands ready to cooperate across areas of mutual interest with both countries.

For decades, U.S. policy was rooted in the belief that support for China’s rise and for its integration into the post-war international order would liberalize China. Contrary to our hopes, China expanded its power at the expense of the sovereignty of others. China gathers and exploits data on an unrivaled scale and spreads features of its authoritarian system, including corruption and the use of surveillance. It is building the most capable and well-funded military in the world, after our own. Its nuclear arsenal is growing and diversifying. Part of China’s military modernization and economic expansion is due to its access to the U.S. innovation economy, including America’s world-class universities.

Russia aims to weaken U.S. influence in the world and divide us from our allies and partners. Russia views the North Atlantic Treaty Organization (NATO) and European Union (EU) as threats. Russia is investing in new military capabilities, including nuclear systems that remain the most significant existential threat to the United States, and in

destabilizing cyber capabilities. Through modernized forms of subversive tactics, Russia interferes in the domestic political affairs of countries around the world. The combination of Russian ambition and growing military capabilities creates an unstable frontier in Eurasia, where the risk of conflict due to Russian miscalculation is growing.

The scourge of the world today is a small group of rogue regimes that violate all principles of free and civilized states. The Iranian regime sponsors terrorism around the world. It is developing more capable ballistic missiles and has the potential to resume its work on nuclear weapons that could threaten the United States and our partners. North Korea is ruled as a ruthless dictatorship without regard for human dignity. For more than 25 years, it has pursued nuclear weapons and ballistic missiles in defiance of every commitment it has made. Today, these missiles and weapons threaten the United States and our allies. The longer we ignore threats from countries determined to proliferate and develop weapons of mass destruction, the worse such threats become, and the fewer defensive options we have.

The United States continues to wage a long war against jihadist terrorist groups such as ISIS and al-Qa'ida. These groups are linked by a common radical Islamist ideology that encourages violence against the United States and our partners and produces misery for those under their control. Although the United States and our partners have inflicted defeats on ISIS and al-Qa'ida in Syria and Iraq, these organizations maintain global reach with established branches in strategic locations. The threat from jihadist terrorists will persist, even as we intensify efforts to prevent attacks on Americans, our allies, and our partners.

Protecting American interests requires that we compete continuously within and across these contests, which are being played out in regions around the world. The outcome of these con-

tests will influence the political, economic, and military strength of the United States and our allies and partners.

To prevail, we must integrate all elements of America's national power—political, economic, and military. Our allies and partners must also contribute the capabilities, and demonstrate the will, to confront shared threats. Experience suggests that the willingness of rivals to abandon or forgo aggression depends on their perception of U.S. strength and the vitality of our alliances.

The United States will seek areas of cooperation with competitors from a position of strength, foremost by ensuring our military power is second to none and fully integrated with our allies and all of our instruments of power. A strong military ensures that our diplomats are able to operate from a position of strength. In this way we can, together with our allies and partners, deter and if necessary, defeat aggression against U.S. interests and increase the likelihood of managing competitions without violent conflict and preserving peace.

Renew America's Competitive Advantages

The United States must consider what is enduring about the problems we face, and what is new. The contests over influence are timeless. They have existed in varying degrees and levels of intensity, for millennia. Geopolitics is the interplay of these contests across the globe. But some conditions are new, and have changed how these competitions are unfolding. We face simultaneous threats from different actors across multiple arenas—all accelerated by technology. The United States must develop new concepts and capabilities to protect our homeland, advance our prosperity, and preserve peace.

Since the 1990s, the United States displayed a great degree of strategic complacency. We assumed that our military superiority was guaranteed and that a democratic peace was inevitable. We believed that liberal-democratic enlargement and inclusion would fundamentally alter the nature of international relations and that competition would give way to peaceful cooperation.

Instead of building military capacity, as threats to our national security increased, the United States dramatically cut the size of our military to the lowest levels since 1940. Instead of developing important capabilities, the Joint Force entered a nearly decade long “procurement holiday” during which the acquisition of new weapon systems was severely limited. The breakdown of the Nation’s annual Federal budgeting process, exemplified by sequestration and repeated continuing resolutions, further contributed to the erosion of America’s military dominance during a time of increasing threats.

Despite decades of efforts to reform the way that the United States develops and procures new weapons, our acquisition system remained sclerotic. The Joint Force did not keep pace with emerging threats or technologies. We got less for our defense dollars, shortchanging American taxpayers and warfighters.

We also incorrectly believed that technology could compensate for our reduced capacity—for the ability to field enough forces to prevail militarily, consolidate our gains, and achieve our desired political ends. We convinced ourselves that all wars would be fought and won quickly, from stand-off distances and with minimal casualties.

In addition, after being dismissed as a phenomenon of an earlier century, great power competition returned. China and Russia began to reassert their influence regionally and globally. Today, they are fielding military capabilities designed to deny

America access in times of crisis and to contest our ability to operate freely in critical commercial zones during peacetime. In short, they are contesting our geopolitical advantages and trying to change the international order in their favor.

Moreover, deterrence today is significantly more complex to achieve than during the Cold War. Adversaries studied the American way of war and began investing in capabilities that targeted our strengths and sought to exploit perceived weaknesses. The spread of accurate and inexpensive weapons

and the use of cyber tools have allowed state and non-state competitors to harm the United States across various domains. Such capabilities contest what was until recently U.S. dominance across the land, air, maritime, space, and cyberspace domains. They also enable adversaries to attempt strategic attacks against the United States—without resorting to nuclear weapons—in ways that could cripple our economy and our ability to deploy our military forces. Deterrence must be extended across all of these domains and must address all possible strategic attacks.

In addition, adversaries and competitors became adept at operating below the threshold of open military conflict and at the edges of international law. Repressive, closed states and organizations, although brittle in many ways, are often more agile and faster at integrating economic, military, and especially informational

The United States will seek areas of cooperation with competitors from a position of strength, foremost by ensuring our military power is second to none and fully integrated with our allies and all of our instruments of power.

means to achieve their goals. They are unencumbered by truth, by the rules and protections of privacy inherent in democracies, and by the law of armed conflict. They employ sophisticated political, economic, and military campaigns that combine discrete actions. They are patient and content to accrue strategic gains over time—making it harder for the United States and our allies to respond. Such actions are calculated to achieve maximum effect without provoking a direct military response from the United States. And as these incremental gains are realized, over time, a new status quo emerges.

The United States must prepare for this type of competition. China, Russia, and other state and non-state actors recognize that the United States often views the world in binary terms, with states being either “at peace” or “at war,” when it is actually an arena of continuous competition. Our adversaries will not fight us on our terms. We will raise our competitive game to meet that challenge, to protect American interests, and to advance our values.

Our diplomatic, intelligence, military, and economic agencies have not kept pace with the changes in the character of competition. America’s military must be prepared to operate across a full spectrum of conflict, across multiple domains at once. To meet these challenges we must also upgrade our political and economic instruments to operate across these environments.

Bureaucratic inertia is powerful. But so is the talent, creativity, and dedication of Americans. By aligning our public and private sector efforts we can field a Joint Force that is unmatched. New advances in computing, autonomy, and manufacturing are already transforming the way we fight. When coupled with the strength of our allies and partners, this advantage grows. The future that we face is ours to win or lose. History suggests that Americans will rise to the occasion and that we can shift trends back in favor of the United States, our allies, and our partners.

Renew Capabilities

Given the new features of the geopolitical environment, the United States must renew key capabilities to address the challenges we face.

Military

U.S. military strength remains a vital component of the competition for influence. The Joint Force demonstrates U.S. resolve and commitment and provides us with the ability to fight and win across any plausible conflict that threatens U.S. vital interests.

The United States must retain overmatch—the combination of capabilities in sufficient scale to prevent enemy success and to ensure that America’s sons and daughters will never be in a fair fight. Overmatch strengthens our diplomacy and permits us to shape the international environment to protect our interests. To retain military overmatch the United States must restore our ability to produce innovative capabilities, restore the readiness of our forces for major war, and grow the size of the force so that it is capable of operating at sufficient scale and for ample duration to win across a range of scenarios.

We must convince adversaries that we can and will defeat them—not just punish them if they attack the United States. We must ensure the ability to deter potential enemies by denial, convincing them that they cannot accomplish objectives through the use of force or other forms of aggression. We need our allies to do the same—to modernize, acquire necessary capabilities, improve readiness, expand the size of their forces, and affirm the political will to win.

Priority Actions

MODERNIZATION: Ensuring that the U.S. military can defeat our adversaries requires weapon systems that clearly overmatch theirs in lethality. Where possible, we must improve existing systems to maximize returns on prior investments. In other areas we should seek new capabilities that create clear advantages for our military while posing costly dilemmas for our adversaries. We must eliminate bureaucratic impediments to innovation and embrace less expensive and time-intensive commercial off-the-shelf solutions. Departments and agencies must work with industry to experiment, prototype, and rapidly field new capabilities that can be easily upgraded as new technologies come online.

ACQUISITION: The United States will pursue new approaches to acquisition to make better deals on behalf of the American people that avoid cost overruns, eliminate bloated bureaucracies, and stop unnecessary delays so that we can put the right equipment into the hands of our forces. We must harness innovative technologies that are being developed outside of the traditional defense industrial base.

CAPACITY: The size of our force matters. To deter conflict and, if deterrence fails, to win in war, the Nation must be able to field forces capable of operating in sufficient scale and for ample duration to defeat enemies, consolidate military gains, and achieve sustainable outcomes that protect the American people and our vital interests. The United States must reverse recent decisions to reduce the size of the Joint Force and grow the force while modernizing and ensuring readiness.

Support for a vibrant domestic manufacturing sector, a solid defense industrial base, and resilient supply chains is a national priority.

IMPROVE READINESS: The United States must retain a ready force that is capable of protecting the homeland while defending U.S. interests. Readiness requires a renewed focus on training, logistics, and maintenance. We must be able to get to a theater in time to shape events quickly. This will require a resilient forward posture and agile global mobility forces.

RETAIN A FULL-SPECTRUM FORCE: The Joint Force must remain capable of deterring and defeating the full range of threats to the United States. The Department of Defense must develop new operational concepts and capabilities to win without assured dominance in air, maritime, land, space, and cyberspace domains, including against those operating below the level of conventional military conflict.

We must sustain our competence in irregular warfare, which requires planning for a long-term, rather than ad hoc, fight against terrorist networks and other irregular threats.

Defense Industrial Base

A healthy defense industrial base is a critical element of U.S. power and the National Security Innovation Base. The ability of the military to surge in response to an emergency depends on our Nation's ability to produce needed parts and systems, healthy and secure supply chains, and a skilled U.S. workforce. The erosion of American manufacturing over the last two decades, however, has had a negative impact on these capabilities and threatens to undermine the ability of U.S. manufacturers to meet national security requirements. Today, we rely on single domestic sources for some products and foreign supply chains for others, and we face the possibility of not being able to produce specialized components for

the military at home. As America's manufacturing base has weakened, so too have critical workforce skills ranging from industrial welding, to high-technology skills for cybersecurity and aerospace. Support for a vibrant domestic manufacturing sector, a solid defense industrial base, and resilient supply chains is a national priority.

Priority Actions

UNDERSTAND THE PROBLEM: We will evaluate the strengths and weaknesses of our defense industrial base, including the identification of materials essential to national security, contingencies that could affect supply chains, and technologies that are likely to be critical for the future.

ENCOURAGE HOMELAND INVESTMENT: The United States will promote policies and incentives that return key national security industries to American shores. Where possible, the U.S. Government will work with industry partners to strengthen U.S. competitiveness in key technologies and manufacturing capabilities. In addition, we will reform regulations and processes to facilitate the export of U.S. military equipment.

PROTECT AND GROW CRITICAL SKILLS: The United States must maintain and develop skilled trades and high-technology skills through increased support for technical college and apprenticeship programs. We will support STEM efforts, at the Federal and state levels, and target national security technology areas.

Nuclear Forces

Nuclear weapons have served a vital purpose in America's National Security Strategy for the past 70 years. They are the foundation of our strategy to preserve peace and stability by deterring aggression against the United States, our allies, and our partners. While nuclear deterrence strategies cannot prevent all conflict, they are essen-

tial to prevent nuclear attack, non-nuclear strategic attacks, and large-scale conventional aggression. In addition, the extension of the U.S. nuclear deterrent to more than 30 allies and partners helps to assure their security, and reduces their need to possess their own nuclear capabilities.

Following the Cold War, the United States reduced investments in our nuclear enterprise and reduced the role of nuclear weapons in our strategy. Some parts of America's strategic nuclear Triad of bombers, sea-based missiles, and land-based missiles are over 30 years old, and much of our nuclear infrastructure dates to the World War II era. At the same time, however, nuclear-armed adversaries have expanded their arsenals and range of delivery systems. The United States must maintain the credible deterrence and assurance capabilities provided by our nuclear Triad and by U.S. theater nuclear capabilities deployed abroad. Significant investment is needed to maintain a U.S. nuclear arsenal and infrastructure that is able to meet national security threats over the coming decades.

Priority Actions

SUSTAIN U.S. NUCLEAR WEAPONS: The United States will sustain a nuclear force structure that meets our current needs and addresses unanticipated risks. The United States does not need to match the nuclear arsenals of other powers, but we must sustain a stockpile that can deter adversaries, assure allies and partners, and achieve U.S. objectives if deterrence fails.

MODERNIZE U.S. NUCLEAR FORCES AND INFRASTRUCTURE: We will modernize our nuclear enterprise to ensure that we have the scientific, engineering, and manufacturing capabilities necessary to retain an effective and safe nuclear Triad and respond to future national security threats. Modernization and sustainment require investing in our aging command and control system and maintaining and growing

the highly skilled workforce needed to develop, manufacture, and deploy nuclear weapons.

MAINTAIN STABLE DETERRENCE: To avoid miscalculation, the United States will conduct discussions with other states to build predictable relationships and reduce nuclear risks. We will consider new arms control arrangements if they contribute to strategic stability and if they are verifiable. We will not allow adversaries to use threats of nuclear escalation or other irresponsible nuclear behaviors to coerce the United States, our allies, and our partners. Fear of escalation will not prevent the United States from defending our vital interests and those of our allies and partners.

Space

The United States must maintain our leadership and freedom of action in space. Communications and financial networks, military and intelligence systems, weather monitoring, navigation, and more have components in the space domain. As U.S. dependence on space has increased, other actors have gained access to space-based systems and information. Governments and private sector firms have the ability to launch satellites into space at increasingly lower costs. The fusion of data from imagery, communications, and geolocation services allows motivated actors to access previously unavailable information. This “democratization of space” has an impact on military operations and on America’s ability to prevail in conflict.

Many countries are purchasing satellites to support their own strategic military activities. Others believe that the ability to attack space assets offers an asymmetric advantage and as a result, are pursuing a range of anti-satellite (ASAT) weapons. The United States considers unfettered access to and freedom to operate in space to be a vital interest. Any harmful interference with or an attack upon critical components of our space architecture that directly affects this vital U.S. inter-

est will be met with a deliberate response at a time, place, manner, and domain of our choosing.

Priority Actions

ADVANCE SPACE AS A PRIORITY DOMAIN: America’s newly re-established National Space Council, chaired by the Vice President, will review America’s long-range space goals and develop a strategy that integrates all space sectors to support innovation and American leadership in space.

PROMOTE SPACE COMMERCE: The United States will simplify and update regulations for commercial space activity to strengthen competitiveness. As the U.S. Government partners with U.S. commercial space capabilities to improve the resiliency of our space architecture, we will also consider extending national security protections to our private sector partners as needed.

MAINTAIN LEAD IN EXPLORATION: To enable human exploration across the solar system and to bring back to Earth new knowledge and opportunities, we will increase public-private partnerships and promote ventures beyond low Earth orbit with allies and friends.

Cyberspace

Malicious state and non-state actors use cyberattacks for extortion, information warfare, disinformation, and more. Such attacks have the capability to harm large numbers of people and institutions with comparatively minimal investment and a troubling degree of deniability. These attacks can undermine faith and confidence in democratic institutions and the global economic system.

Many countries now view cyber capabilities as tools for projecting influence, and some use cyber tools to protect and extend their autocratic regimes. Cyberattacks have become a key feature of modern conflict. The United States will deter,

defend, and when necessary defeat malicious actors who use cyberspace capabilities against the United States. When faced with the opportunity to take action against malicious actors in cyberspace, the United States will be risk informed, but not risk averse, in considering our options.

Priority Actions

IMPROVE ATTRIBUTION, ACCOUNTABILITY, AND RESPONSE: We will invest in capabilities to support and improve our ability to attribute cyberattacks, to allow for rapid response.

ENHANCE CYBER TOOLS AND EXPERTISE: We will improve our cyber tools across the spectrum of conflict to protect U.S. Government assets and U.S. critical infrastructure, and to protect the integrity of data and information. U.S. departments and agencies will recruit, train, and retain a workforce capable of operating across this spectrum of activity.

IMPROVE INTEGRATION AND AGILITY: We will improve the integration of authorities and procedures across the U.S. Government so that cyber operations against adversaries can be conducted as required. We will work with the Congress to address the challenges that continue to hinder timely intelligence and information sharing, planning and operations, and the development of necessary cyber tools.

Intelligence

America's ability to identify and respond to geostrategic and regional shifts and their political, economic, military, and security implications requires that the U.S. Intelligence Community (IC) gather, analyze, discern, and operationalize information. In this information-dominant era, the IC must continuously pursue strategic intelligence to anticipate geostrategic shifts, as well as shorter-term intelligence so that the United States can respond to the actions and provocations of rivals.

The ability of the United States to modernize our military forces to overmatch our adversaries requires intelligence support. Intelligence is needed to understand and anticipate foreign doctrine and the intent of foreign leaders, prevent tactical and operational surprise, and ensure that U.S. capabilities are not compromised before they are fielded. In addition, virtually all modern weapon systems depend upon data derived from scientific and technical intelligence.

The IC, as well as the law enforcement community, offer unique abilities to defend against and mitigate threat actors operating below the threshold of open conflict. Both communities have exceptionally strong liaison relationships throughout the world, allowing the United States to cooperate with allies and partners to protect against adversaries.

Priority Actions

IMPROVE UNDERSTANDING: To prevent the theft of sensitive and proprietary information and maintain supply chain integrity, the United States must increase our understanding of the economic policy priorities of our adversaries and improve our ability to detect and defeat their attempts to commit economic espionage.

HARNESS ALL INFORMATION AT OUR DISPOSAL: The United States will, in concert with allies and partners, use the information-rich open-source environment to deny the ability of state and non-state actors to attack our citizens, conduct offensive intelligence activities, and degrade America's democratic institutions.

FUSE INFORMATION AND ANALYSIS: The United States will fuse our analysis of information derived from the diplomatic, information, military, and economic domains to compete more effectively on the geopolitical stage.

Diplomacy and Statecraft

Competitive Diplomacy

Across the competitive landscape, America's diplomats are our forward-deployed political capability, advancing and defending America's interests abroad. Diplomacy catalyzes the political, economic, and societal connections that create America's enduring alignments and that build positive networks of relationships with partners. Diplomacy sustains dialogue and fosters areas of cooperation with competitors. It reduces the risk of costly miscommunication.

Diplomacy is indispensable to identify and implement solutions to conflicts in unstable regions of the world short of military involvement. It helps to galvanize allies for action and marshal the collective resources of like-minded nations and organizations to address shared problems. Authoritarian states are eager to replace the United States where the United States withdraws our diplomats and closes our outposts.

We must upgrade our diplomatic capabilities to compete in the current environment and to embrace a competitive mindset. Effective diplomacy requires the efficient use of limited resources, a professional diplomatic corps, modern and safe facilities, and secure methods to communicate and engage with local populations.

Diplomacy is indispensable to identify and implement solutions to conflicts in unstable regions of the world short of military involvement. It helps to galvanize allies for action and marshal the collective resources of like-minded nations and organizations to address shared problems.

Priority Actions

PRESERVE A FORWARD DIPLOMATIC PRESENCE: Our diplomats must be able to build and sustain relationships where U.S. interests are at stake. Face-to-face diplomacy cannot be replaced by technology. Relationships, developed over time, create trust and shared understanding that the United States calls upon when confronting security threats, responding to crises, and encouraging others to share the

burden for tackling the world's challenges. We must enable forward-deployed field work beyond the confines of diplomatic facilities, including partnering with military colleagues in conflict-affected states.

ADVANCE AMERICAN INTERESTS: In the ongoing contests for power, our diplomats must build and lead coalitions that advance shared interests and articulate America's vision in international forums, in bilateral

relationships, and at local levels within states. Our diplomats need additional flexibility to operate in complex conflict-affected areas.

CATALYZE OPPORTUNITIES: Diplomats must identify opportunities for commerce and cooperation, and facilitate the cultural, educational, and people-to-people exchanges that create the networks of current and future political, civil society, and educational leaders who will extend a free and prosperous world.

Tools of Economic Diplomacy

Retaining our position as the world's preeminent economic actor strengthens our ability to use the tools of economic diplomacy for the good of Americans and others. Maintaining America's central role in international financial forums enhances our security and prosperity by expanding a community of free market economies, defending against threats from state-led economies, and protecting the U.S. and international economy from abuse by illicit actors.

We want to create wealth for Americans and our allies and partners. Prosperous states are stronger security partners who are able to share the burden of confronting common threats. Fair and reciprocal trade, investments, and exchanges of knowledge deepen our alliances and partnerships, which are necessary to succeed in today's competitive geopolitical environment. Trade, export promotion, targeted use of foreign assistance, and modernized development finance tools can promote stability, prosperity, and political reform, and build new partnerships based on the principle of reciprocity.

Economic tools—including sanctions, anti-money-laundering and anti-corruption measures, and enforcement actions—can be important parts of broader strategies to deter, coerce, and constrain adversaries. We will work with like-minded partners to build support for tools of economic diplomacy against shared threats. Multilateral economic pressure is often more effective because it limits the ability of targeted states to circumvent measures and conveys united resolve.

America's competitors weaponize information to attack the values and institutions that underpin free societies, while shielding themselves from outside information.

Priority Actions

REINFORCE ECONOMIC TIES WITH ALLIES AND PARTNERS: We will strengthen economic ties as a core aspect of our relationships with like-minded states and use our economic expertise, markets, and resources to bolster states threatened by our competitors.

DEPLOY ECONOMIC PRESSURE ON SECURITY THREATS: We will use existing and pursue new economic authorities and mobilize international actors to increase pressure on threats to peace and security in order to resolve confrontations short of military action.

SEVER SOURCES OF FUNDING: We will deny revenue to terrorists, WMD proliferators, and other illicit actors in order to constrain their ability to use and move funds to support hostile acts and operations.

Information Statecraft

America's competitors weaponize information to attack the values and institutions that underpin free societies, while shielding themselves from outside information. They exploit marketing techniques to target individuals based upon their activities, interests,

opinions, and values. They disseminate misinformation and propaganda.

Risks to U.S. national security will grow as competitors integrate information derived from personal and commercial sources with intelligence collection and data analytic capabilities based on Artificial Intelligence (AI) and machine learning. Breaches of U.S. commercial and government organizations also provide adversaries with data and insights into their target audiences.

China, for example, combines data and the use of AI to rate the loyalty of its citizens to the state and uses these ratings to determine jobs and more. Jihadist terrorist groups continue to wage ideological information campaigns to establish and legitimize their narrative of hate, using sophisticated communications tools to attract recruits and encourage attacks against Americans and our partners.

Russia uses information operations as part of its offensive cyber efforts to influence public opinion across the globe. Its influence campaigns blend covert intelligence operations and false online personas with state-funded media, third-party intermediaries, and paid social media users or “trolls.”

U.S. efforts to counter the exploitation of information by rivals have been tepid and fragmented. U.S. efforts have lacked a sustained focus and have been hampered by the lack of properly trained professionals. The American private sector has a direct interest in supporting and amplifying voices that stand for tolerance, openness, and freedom.

ACTIVATE LOCAL NETWORKS: Local voices are most compelling and effective in ideological competitions. We must amplify credible voices and partner with them to advance alternatives to violent and hateful messages. Since media and Internet companies are the platforms through which messages are transported, the private sector should lend its creativity and resources to promoting the values that inspire and grow a community of civilized groups and individuals.

SHARE RESPONSIBILITY: The United States will urge states where radicalism thrives to take greater responsibility for countering violent messaging and promoting tolerant and pluralistic worldviews.

UPGRADE, TAILOR, AND INNOVATE: We will reexamine legacy delivery platforms for communicating U.S. messages overseas. We must consider more cost-effective and efficient ways to deliver and evaluate content consistent with U.S. national security interests.

Priority Actions

PRIORITIZE THE COMPETITION: We will improve our understanding of how adversaries gain informational and psychological advantages across all policies. The United States must empower a true public diplomacy capability to compete effectively in this arena.

DRIVE EFFECTIVE COMMUNICATIONS: We will craft and direct coherent communications campaigns to advance American influence and counter challenges from the ideological threats that emanate from radical Islamist groups and competitor nations. These campaigns will adhere to American values and expose adversary propaganda and disinformation.



PILLAR IV

ADVANCE AMERICAN INFLUENCE

*“Above all, we value the dignity of every human life,
protect the rights of every person, and share the hope of every soul
to live in freedom. That is who we are.”*

PRESIDENT DONALD J. TRUMP | JULY 2017

Our America First foreign policy celebrates America’s influence in the world as a positive force that can help set the conditions for peace and prosperity and for developing successful societies.

There is no arc of history that ensures that America’s free political and economic system will automatically prevail. Success or failure depends upon our actions. This Administration has the confidence to compete to protect our values and interests and the fundamental principles that underpin them.

During the Cold War, a totalitarian threat from the Soviet Union motivated the free world to create coalitions in defense of liberty. Today’s challenges to free societies are just as serious, but more diverse. State and non-state actors project influence and advance their objectives by exploiting information, democratic media freedoms, and international institutions. Repressive leaders often collaborate to subvert free societies and corrupt multilateral organizations.

Around the world, nations and individuals admire what America stands for. We treat people equally and value and uphold the rule of law. We have a democratic system that allows the best ideas to flourish. We know how to grow economies so that individuals can achieve prosperity. These

qualities have made America the richest country on earth—rich in culture, talent, opportunities, and material wealth.

The United States offers partnership to those who share our aspirations for freedom and prosperity. We lead by example. “The world has its eye upon America,” Alexander Hamilton once observed. “The noble struggle we have made in the cause of liberty, has occasioned a kind of revolution in human sentiment. The influence of our example has penetrated the gloomy regions of despotism.”

We are not going to impose our values on others. Our alliances, partnerships, and coalitions are built on free will and shared interests. When the United States partners with other states, we develop policies that enable us to achieve our goals while our partners achieve theirs.

Allies and partners are a great strength of the United States. They add directly to U.S. political, economic, military, intelligence, and other capabilities. Together, the United States and our allies and partners represent well over half of the global GDP. None of our adversaries have comparable coalitions.

We encourage those who want to join our community of like-minded democratic states and

improve the condition of their peoples. By modernizing U.S. instruments of diplomacy and development, we will catalyze conditions to help them achieve that goal. These aspiring partners include states that are fragile, recovering from conflict, and seeking a path forward to sustainable security and economic growth. Stable, prosperous, and friendly states enhance American security and boost U.S. economic opportunities.

We will continue to champion American values and offer encouragement to those struggling for human dignity in their societies. There can be no moral equivalency between nations that uphold the rule of law, empower women, and respect individual rights and those that brutalize and suppress their people. Through our words and deeds, America demonstrates a positive alternative to political and religious despotism.

Encourage Aspiring Partners

Some of the greatest triumphs of American statecraft resulted from helping fragile and developing countries become successful societies. These successes, in turn, created profitable markets for American businesses, allies to help achieve favorable regional balances of power, and coalition partners to share burdens and address a variety of problems around the world. Over time, the United States has helped create a network of states that advance our common interests and values.

This historical record is unprecedented and exceptional. American support to aspiring partners enabled the recovery of the countries of Western Europe under the Marshall Plan, as well as the

ongoing integration of Central and Eastern Europe into Western institutions after the Cold War. In Asia, the United States worked with South Korea and Japan, countries ravaged by war, to help them become successful democracies and among the most prosperous economies in the world.

There is no arc of history that ensures that America's free political and economic system will automatically prevail. Success or failure depends upon our actions.

These achievements were products of patient partnerships with those who aspired to build prosperous societies and join the community of democratic states. They resulted in mutually beneficial relationships in which the United States helped states mobilize their own resources to achieve transitions to growth and stability. Working with these countries made the United States wealthier and

more competitive. This progress illustrates how effective foreign assistance programs should reach their natural endpoint.

Today, the United States must compete for positive relationships around the world. China and Russia target their investments in the developing world to expand influence and gain competitive advantages against the United States. China is investing billions of dollars in infrastructure across the globe. Russia, too, projects its influence economically, through the control of key energy and other infrastructure throughout parts of Europe and Central Asia. The United States provides an alternative to state-directed investments, which often leave developing countries worse off. The United States pursues economic ties not only for market access but also to create enduring relationships to advance common political and security interests.

The United States will promote a development model that partners with countries that want progress, consistent with their culture, based on free market principles, fair and reciprocal trade, private

sector activity, and rule of law. The United States will shift away from a reliance on assistance based on grants to approaches that attract private capital and catalyze private sector activity. We will emphasize reforms that unlock the economic potential of citizens, such as the promotion of formal property rights, entrepreneurial reforms, and infrastructure improvements—projects that help people earn their livelihood and have the added benefit of helping U.S. businesses. By mobilizing both public and private resources, the United States can help maximize returns and outcomes and reduce the burden on U.S. Government resources. Unlike the state-directed mercantilism of some competitors that can disadvantage recipient nations and promote dependency, the purpose of U.S. foreign assistance should be to end the need for it. The United States seeks strong partners, not weak ones.

U.S. development assistance must support America's national interests. We will prioritize collaboration with aspiring partners that are aligned with U.S. interests. We will focus on development investments where we can have the most impact—where local reformers are committed to tackling their economic and political challenges.

Within this framework, the United States will also assist fragile states to prevent threats to the U.S. homeland. Transnational threat organizations, such as jihadist terrorists and organized crime, often operate freely from fragile states and undermine sovereign governments. Failing states can destabilize entire regions.

Across Africa, Latin America, and Asia, states are eager for investments and financing to develop their infrastructure and propel growth. The United States and its partners have opportunities to work with countries to help them realize their potential as prosperous and sovereign states that are accountable to their people. Such states can become trading partners that buy more American-made goods and create more predictable business environments that benefit American

companies. American-led investments represent the most sustainable and responsible approach to development and offer a stark contrast to the corrupt, opaque, exploitive, and low-quality deals offered by authoritarian states.

Priority Actions: Developing Countries

MOBILIZE RESOURCES: The United States will modernize its development finance tools so that U.S. companies have incentives to capitalize on opportunities in developing countries. With these changes, the United States will not be left behind as other states use investment and project finance to extend their influence. In addition, the U.S. Government must not be an obstacle to U.S. companies that want to conduct business in the developing world.

CAPITALIZE ON NEW TECHNOLOGIES: We will incorporate innovative technologies in our diplomatic and development programs. For example, digital technologies enable millions to access financial services through their cell phones and can connect farmers to markets. Such technologies can reduce corruption, increase transparency, and help ensure that money reaches its intended destination.

INCENTIVIZE REFORMS: The United States will use diplomacy and assistance to encourage states to make choices that improve governance, rule of law, and sustainable development. We already do this through the Millennium Challenge Corporation, which selects countries that are committed to reform and then monitors and evaluates their projects.

Priority Actions: Fragile States

COMMIT SELECTIVELY: We will give priority to strengthening states where state weaknesses or failure would magnify threats to the American

homeland. For instance, engagement in Afghanistan seeks to prevent the reemergence of terrorist safe havens.

WORK WITH REFORMERS: Political problems are at the root of most state fragility. The United States will prioritize programs that empower reform-minded governments, people, and civil society. As the United States designs its efforts, inputs from local actors improve the likelihood of enduring solutions, reduce costs, and increase accountability to the American taxpayer.

SYNCHRONIZE ACTIONS: The United States must use its diplomatic, economic, and military tools simultaneously when assisting aspiring partners. We will place a priority on economic support that achieves local and macroeconomic stability, helps build capable security forces, and strengthens the rule of law.

Achieve Better Outcomes in Multilateral Forums

The United States must lead and engage in the multinational arrangements that shape many of the rules that affect U.S. interests and values. A competition for influence exists in these institutions. As we participate in them, we must protect American sovereignty and advance American interests and values.

A range of international institutions establishes the rules for how states, businesses, and individuals interact with each other, across land and sea, the Arctic, outer space, and the digital realm. It is vital to U.S. prosperity and security that these institutions uphold the rules that help keep these common domains open and free. Free access to the seas remains a central principle of national security and economic prosperity, and exploration of sea and space provides opportunities for commercial gain and scientific breakthroughs. The flow of data

and an open, interoperable Internet are inseparable from the success of the U.S. economy.

Authoritarian actors have long recognized the power of multilateral bodies and have used them to advance their interests and limit the freedom of their own citizens. If the United States cedes leadership of these bodies to adversaries, opportunities to shape developments that are positive for the United States will be lost. All institutions are not equal, however. The United States will prioritize its efforts in those organizations that serve American interests, to ensure that they are strengthened and supportive of the United States, our allies, and our partners. Where existing institutions and rules need modernizing, the United States will lead to update them. At the same time, it should be clear that the United States will not cede sovereignty to those that claim authority over American citizens and are in conflict with our constitutional framework.

Priority Actions

EXERCISE LEADERSHIP IN POLITICAL AND SECURITY

BODIES: The United States will strive for outcomes in political and security forums that are consistent with U.S. interests and values—values which are shared by our allies and partners. The United Nations can help contribute to solving many of the complex problems in the world, but it must be reformed and recommit to its founding principles. We will require accountability and emphasize shared responsibility among members. If the United States is asked to provide a disproportionate level of support for an institution, we will expect a commensurate degree of influence over the direction and efforts of that institution.

SHAPE AND REFORM INTERNATIONAL FINANCIAL AND

TRADE INSTITUTIONS: The United States will continue to play a leading role in institutions such as the International Monetary Fund (IMF), World Bank, and World Trade Organization (WTO), but will

improve their performance through reforms. These reforms include encouraging multilateral development banks to invest in high-quality infrastructure projects that promote economic growth. We will press to make the WTO a more effective forum to adjudicate unfair trade practices.

ENSURE COMMON DOMAINS

REMAIN FREE: The United States will provide leadership and technology to shape and govern common domains—space, cyberspace, air, and maritime—within the framework of international law. The United States supports the peaceful resolution of disputes under international law but will use all of its instruments of power to defend U.S. interests and to ensure common domains remain free.

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We will remain a beacon
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around the world.*

PROTECT A FREE AND OPEN

INTERNET: The United States will advocate for open, interoperable communications, with minimal barriers to the global exchange of information and services. The United States will promote the free flow of data and protect its interests through active engagement in key organizations, such as the Internet Corporation for Assigned Names and Numbers (ICANN), the Internet Governance Forum (IGF), the UN, and the International Telecommunication Union (ITU).

the law. America's core principles, enshrined in the Declaration of Independence, are secured by the Bill of Rights, which proclaims our respect for fundamental individual liberties beginning with the freedoms of religion, speech, the press, and assembly. Liberty, free enterprise, equal justice under the law, and the dignity of every

human life are central to who we are as a people.

These principles form the foundation of our most enduring alliances, and the United States will continue to champion them. Governments that respect the rights of their citizens remain the best vehicle for prosperity, human happiness, and peace. In contrast, governments that routinely abuse the rights of their citizens do not play constructive roles in the world. For example, governments that fail to treat women equally do not allow

their societies to reach their potential.

No nation can unilaterally alleviate all human suffering, but just because we cannot help everyone does not mean that we should stop trying to help anyone. For much of the world, America's liberties are inspirational, and the United States will always stand with those who seek freedom. We will remain a beacon of liberty and opportunity around the world.

The United States also remains committed to supporting and advancing religious freedom—America's first freedom. Our Founders understood religious freedom not as the state's creation, but as the gift of God to every person and a fundamental right for our flourishing society.

And it is part of our culture, as well as in America's interest, to help those in need and those trying to

Champion American Values

The extraordinary trajectory of the United States from a group of colonies to a thriving, industrialized, sovereign republic—the world's lone superpower—is a testimony to the strength of the idea on which our Nation is founded, namely that each of our citizens is born free and equal under

build a better future for their families. We aid others judiciously, aligning our means to our objectives, but with a firm belief that we can improve the lives of others while establishing conditions for a more secure and prosperous world.

Priority Actions

SUPPORT THE DIGNITY OF INDIVIDUALS: We support, with our words and actions, those who live under oppressive regimes and who seek freedom, individual dignity, and the rule of law. We are under no obligation to offer the benefits of our free and prosperous community to repressive regimes and human rights abusers. We may use diplomacy, sanctions, and other tools to isolate states and leaders who threaten our interests and whose actions run contrary to our values. We will not remain silent in the face of evil. We will hold perpetrators of genocide and mass atrocities accountable.

DEFEAT TRANSNATIONAL TERRORIST ORGANIZATIONS: There can be no greater action to advance the rights of individuals than to defeat jihadist terrorists and other groups that foment hatred and use violence to advance their supremacist Islamist ideologies. We will continue to join with other states to defeat this scourge of all civilized peoples.

EMPOWER WOMEN AND YOUTH: Societies that empower women to participate fully in civic and economic life are more prosperous and peaceful. We will support efforts to advance women's equality, protect the rights of women and girls, and promote women and youth empowerment programs.

PROTECT RELIGIOUS FREEDOM AND RELIGIOUS MINORITIES: We will advocate on behalf of religious freedom and threatened minorities. Religious minorities continue to be victims of violence. We will place a priority on protecting these groups and will continue working with regional partners to protect minority communities from attacks and to preserve their cultural heritage.

REDUCE HUMAN SUFFERING: The United States will continue to lead the world in humanitarian assistance. Even as we expect others to share responsibility, the United States will continue to catalyze international responses to man-made and natural disasters and provide our expertise and capabilities to those in need. We will support food security and health programs that save lives and address the root cause of hunger and disease. We will support displaced people close to their homes to help meet their needs until they can safely and voluntarily return home.



THE STRATEGY IN A REGIONAL CONTEXT

The United States must tailor our approaches to different regions of the world to protect U.S. national interests. We require integrated regional strategies that appreciate the nature and magnitude of threats, the intensity of competitions, and the promise of available opportunities, all in the context of local political, economic, social, and historical realities.

Changes in a regional balance of power can have global consequences and threaten U.S. interests. Markets, raw materials, lines of communication, and human capital are located within, or move among, key regions of the world. China and Russia aspire to project power worldwide, but they interact most with their neighbors. North Korea and Iran also pose the greatest menace to those closest to them. But, as destructive weapons proliferate and regions become more interconnected, threats become more difficult to contain. And regional balances that shift against the United States could combine to threaten our security.

The United States must marshal the will and capabilities to compete and prevent unfavorable shifts in the Indo-Pacific, Europe, and the Middle East. Sustaining favorable balances of power will require a strong commitment and close cooperation with allies and partners because allies and partners magnify U.S. power and extend U.S. influence. They share our interests and responsibility for resisting authoritarian trends, contesting radical ideologies, and deterring aggression.

In other regions of the world, instability and weak governance threaten U.S. interests. Some governments are unable to maintain security and meet the basic needs of their people, making their country and citizens vulnerable to preda-

tors. Terrorists and criminals thrive where governments are weak, corruption is rampant, and faith in government institutions is low. Strategic competitors often exploit rather than discourage corruption and state weakness to extract resources and exploit their populations.

Regions afflicted by instability and weak governments also offer opportunities to improve security, promote prosperity, and restore hope. Aspiring partner states across the developing world want to improve their societies, build transparent and effective governments, confront non-state threats, and strengthen their sovereignty. Many recognize the opportunities offered by market economies and political liberties and are eager for partnership with the United States and our allies. The United States will encourage aspiring partners as they undertake reforms and pursue their aspirations. States that prosper and nations that transition from recipients of development assistance to trading partners offer economic opportunities for American businesses. And stability reduces threats that target Americans at home.

Indo-Pacific

A geopolitical competition between free and repressive visions of world order is taking place in the Indo-Pacific region. The region, which stretches

from the west coast of India to the western shores of the United States, represents the most populous and economically dynamic part of the world. The U.S. interest in a free and open Indo-Pacific extends back to the earliest days of our republic.

Although the United States seeks to continue to cooperate with China, China is using economic inducements and penalties, influence operations, and implied military threats to persuade other states to heed its political and security agenda. China's infrastructure investments and trade strategies reinforce its geopolitical aspirations. Its efforts to build and militarize outposts in the South China Sea endanger the free flow of trade, threaten the sovereignty of other nations, and undermine regional stability. China has mounted a rapid military modernization campaign designed to limit U.S. access to the region and provide China a freer hand there. China presents its ambitions as mutually beneficial, but Chinese dominance risks diminishing the sovereignty of many states in the Indo-Pacific. States throughout the region are calling for sustained U.S. leadership in a collective response that upholds a regional order respectful of sovereignty and independence.

In Northeast Asia, the North Korean regime is rapidly accelerating its cyber, nuclear, and ballistic missile programs. North Korea's pursuit of these weapons poses a global threat that requires a global response. Continued provocations by North Korea will prompt neighboring countries and the United States to further strengthen security bonds and take additional measures to protect themselves. And a nuclear-armed North Korea could lead to the prolif-

eration of the world's most destructive weapons across the Indo-Pacific region and beyond.

U.S. allies are critical to responding to mutual threats, such as North Korea, and preserving our mutual interests in the Indo-Pacific region. Our alliance and friendship with South Korea, forged

by the trials of history, is stronger than ever. We welcome and support the strong leadership role of our critical ally, Japan. Australia has fought alongside us in every significant conflict since World War I, and continues to reinforce economic and security arrangements that support our shared interests and safeguard democratic values across the region. New Zealand is a key U.S. partner contributing to peace and security across the region. We welcome

India's emergence as a leading global power and stronger strategic and defense partner. We will seek to increase quadrilateral cooperation with Japan, Australia, and India.

In Southeast Asia, the Philippines and Thailand remain important allies and markets for Americans. Vietnam, Indonesia, Malaysia, and Singapore are growing security and economic partners of the United States. The Association of Southeast Asian Nations (ASEAN) and Asia-Pacific Economic Cooperation (APEC) remain centerpieces of the Indo-Pacific's regional architecture and platforms for promoting an order based on freedom.

Priority Actions

POLITICAL: Our vision for the Indo-Pacific excludes no nation. We will redouble our commitment to established alliances and partnerships, while expanding and deepening relationships with new

Sustaining favorable balances of power will require a strong commitment and close cooperation with allies and partners because allies and partners magnify U.S. power and extend U.S. influence.

partners that share respect for sovereignty, fair and reciprocal trade, and the rule of law. We will reinforce our commitment to freedom of the seas and the peaceful resolution of territorial and maritime disputes in accordance with international law. We will work with allies and partners to achieve complete, verifiable, and irreversible denuclearization on the Korean Peninsula and preserve the non-proliferation regime in Northeast Asia.

ECONOMIC: The United States will encourage regional cooperation to maintain free and open seaways, transparent infrastructure financing practices, unimpeded commerce, and the peaceful resolution of disputes. We will pursue bilateral trade agreements on a fair and reciprocal basis. We will seek equal and reliable access for American exports. We will work with partners to build a network of states dedicated to free markets and protected from forces that would subvert their sovereignty. We will strengthen cooperation with allies on high-quality infrastructure. Working with Australia and New Zealand, we will shore up fragile partner states in the Pacific Islands region to reduce their vulnerability to economic fluctuations and natural disasters.

MILITARY AND SECURITY: We will maintain a forward military presence capable of deterring and, if necessary, defeating any adversary. We will strengthen our long-standing military relationships and encourage the development of a strong defense network with our allies and partners. For example, we will cooperate on missile defense with Japan and South Korea to move toward an area defense capability. We remain ready to respond with overwhelming force to North Korean aggression and will improve options to compel denuclearization of the peninsula. We will improve law enforcement, defense, and intelligence cooperation with Southeast Asian partners to address the growing terrorist threat. We will maintain our strong ties with Taiwan in accordance with our “One China” policy, including our commitments under the

Taiwan Relations Act to provide for Taiwan’s legitimate defense needs and deter coercion. We will expand our defense and security cooperation with India, a Major Defense Partner of the United States, and support India’s growing relationships throughout the region. We will re-energize our alliances with the Philippines and Thailand and strengthen our partnerships with Singapore, Vietnam, Indonesia, Malaysia, and others to help them become cooperative maritime partners.

Europe

A strong and free Europe is of vital importance to the United States. We are bound together by our shared commitment to the principles of democracy, individual liberty, and the rule of law. Together, we rebuilt Western Europe after World War II and created institutions that produced stability and wealth on both sides of the Atlantic. Today, Europe is one of the most prosperous regions in the world and our most significant trading partner.

Although the menace of Soviet communism is gone, new threats test our will. Russia is using subversive measures to weaken the credibility of America’s commitment to Europe, undermine transatlantic unity, and weaken European institutions and governments. With its invasions of Georgia and Ukraine, Russia demonstrated its willingness to violate the sovereignty of states in the region. Russia continues to intimidate its neighbors with threatening behavior, such as nuclear posturing and the forward deployment of offensive capabilities.

China is gaining a strategic foothold in Europe by expanding its unfair trade practices and investing in key industries, sensitive technologies, and infrastructure. Europe also faces immediate threats from violent Islamist extremists. Attacks by ISIS and other jihadist groups in Spain, France, Germany, Belgium, the United Kingdom, and

other countries show that our European partners continue to face serious threats. Instability in the Middle East and Africa has triggered the movement of millions of migrants and refugees into Europe, exacerbating instability and tensions in the region.

The United States is safer when Europe is prosperous and stable, and can help defend our shared interests and ideals. The United States remains firmly committed to our European allies and partners. The NATO alliance of free and sovereign states is one of our great advantages over our competitors, and the United States remains committed to Article V of the Washington Treaty.

European allies and partners increase our strategic reach and provide access to forward basing and overflight rights for global operations. Together we confront shared threats. European nations are contributing thousands of troops to help fight jihadist terrorists in Afghanistan, stabilize Iraq, and fight terrorist organizations across Africa and the greater Middle East.

The NATO alliance will become stronger when all members assume greater responsibility for and pay their fair share to protect our mutual interests, sovereignty, and values.

Priority Actions

POLITICAL: The United States will deepen collaboration with our European allies and partners to confront forces threatening to undermine our common values, security interests, and shared vision. The United States and Europe will work together to counter Russian subversion and aggression, and the threats posed by North Korea and Iran. We will continue to advance our shared principles and interests in international forums.

ECONOMIC: The United States will work with the European Union, and bilaterally with the United Kingdom and other states, to ensure fair and reciprocal trade practices and eliminate barriers to

growth. We will encourage European foreign direct investment in the United States to create jobs. We will work with our allies and partners to diversify European energy sources to ensure the energy security of European countries. We will work with our partners to contest China's unfair trade and economic practices and restrict its acquisition of sensitive technologies.

MILITARY AND SECURITY: The United States fulfills our defense responsibilities and expects others to do the same. We expect our European allies to increase defense spending to 2 percent of gross domestic product by 2024, with 20 percent of this spending devoted to increasing military capabilities. On NATO's eastern flank we will continue to strengthen deterrence and defense, and catalyze frontline allies and partners' efforts to better defend themselves. We will work with NATO to improve its integrated air and missile defense capabilities to counter existing and projected ballistic and cruise missile threats, particularly from Iran. We will increase counterterrorism and cybersecurity cooperation.

Middle East

The United States seeks a Middle East that is not a safe haven or breeding ground for jihadist terrorists, not dominated by any power hostile to the United States, and that contributes to a stable global energy market.

For years, the interconnected problems of Iranian expansion, state collapse, jihadist ideology, socio-economic stagnation, and regional rivalries have convulsed the Middle East. The United States has learned that neither aspirations for democratic transformation nor disengagement can insulate us from the region's problems. We must be realistic about our expectations for the region without allowing pessimism to obscure our interests or vision for a modern Middle East.

The region remains home to the world's most dangerous terrorist organizations. ISIS and al-Qa'ida thrive on instability and export violent jihad. Iran, the world's leading state sponsor of terrorism, has taken advantage of instability to expand its influence through partners and proxies, weapon proliferation, and funding. It continues to develop more capable ballistic missiles and intelligence capabilities, and it undertakes malicious cyber activities. These activities have continued unabated since the 2015 nuclear deal. Iran continues to perpetuate the cycle of violence in the region, causing grievous harm to civilian populations. Rival states are filling vacuums created by state collapse and prolonged regional conflict.

Despite these challenges, there are emerging opportunities to advance American interests in the Middle East. Some of our partners are working together to reject radical ideologies, and key leaders are calling for a rejection of Islamist extremism and violence. Encouraging political stability and sustainable prosperity would contribute to dampening the conditions that fuel sectarian grievances.

For generations the conflict between Israel and the Palestinians has been understood as the prime irritant preventing peace and prosperity in the region. Today, the threats from jihadist terrorist organizations and the threat from Iran are creating the realization that Israel is not the cause of the region's problems. States have increasingly found common interests with Israel in confronting common threats.

Today, the United States has the opportunity to catalyze greater economic and political cooperation that will expand prosperity for those who want to partner with us. By revitalizing partnerships with reform-minded nations and encour-

aging cooperation among partners in the region, the United States can promote stability and a balance of power that favors U.S. interests.

Priority Actions

POLITICAL: We will strengthen partnerships, and form new ones, to help advance security through stability. Whenever possible, we will encourage gradual reforms. We will support efforts to counter violent ideologies and increase respect for the dignity of individuals. We remain committed to helping our partners achieve a stable and prosperous region, including through a strong and integrated Gulf Cooperation Council. We will strengthen our long-term strategic partnership with Iraq as an independent state. We will seek a settlement to the Syrian civil war that sets the conditions for refugees to return home and rebuild their lives in safety. We will work with partners to deny the Iranian

regime all paths to a nuclear weapon and neutralize Iranian malign influence. We remain committed to helping facilitate a comprehensive peace agreement that is acceptable to both Israelis and Palestinians.

ECONOMIC: The United States will support the reforms underway that begin to address core inequities that jihadist terrorists exploit. We will encourage states in the region, including

Egypt and Saudi Arabia, to continue modernizing their economies. We will play a role in catalyzing positive developments by engaging economically, supporting reformers, and championing the benefits of open markets and societies.

MILITARY AND SECURITY: We will retain the necessary American military presence in the region to protect the United States and our allies from terrorist attacks and preserve a favorable regional

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balance of power. We will assist regional partners in strengthening their institutions and capabilities, including in law enforcement, to conduct counterterrorism and counterinsurgency efforts. We will help partners procure interoperable missile defense and other capabilities to better defend against active missile threats. We will work with partners to neutralize Iran's malign activities in the region.

South and Central Asia

With over a quarter of the world's population, a fifth of all U.S.-designated terrorist groups, several fast-growing economies, and two nuclear-armed states, South and Central Asia present some of the most complicated national security challenges and opportunities. The region spans the terrorist threats emanating from the Middle East and the competition for power unfolding in Europe and the Indo-Pacific. The United States continues to face threats from transnational terrorists and militants operating from within Pakistan. The prospect for an Indo-Pakistani military conflict that could lead to a nuclear exchange remains a key concern requiring consistent diplomatic attention.

U.S. interests in the region include countering terrorist threats that impact the security of the U.S. homeland and our allies, preventing cross-border terrorism that raises the prospect of military and nuclear tensions, and preventing nuclear weapons, technology, and materials from falling into the hands of terrorists. We seek an American presence in the region proportionate to threats to the homeland and our allies. We seek a Pakistan that is not engaged in destabilizing behavior and a stable and self-reliant Afghanistan. And we seek Central Asian states that are resilient against domination by rival powers, are resistant to becoming jihadist safe havens, and prioritize reforms.

Priority Actions

POLITICAL: We will deepen our strategic partnership with India and support its leadership role in Indian Ocean security and throughout the broader region. We will press Pakistan to intensify its counterterrorism efforts, since no partnership can survive a country's support for militants and terrorists who target a partner's own service members and officials. The United States will also encourage Pakistan to continue demonstrating that it is a responsible steward of its nuclear assets. We will continue to partner with Afghanistan to promote peace and security in the region. We will continue to promote anti-corruption reform in Afghanistan to increase the legitimacy of its government and reduce the appeal of violent extremist organizations. We will help South Asian nations maintain their sovereignty as China increases its influence in the region.

ECONOMIC: We will encourage the economic integration of Central and South Asia to promote prosperity and economic linkages that will bolster connectivity and trade. And we will encourage India to increase its economic assistance in the region. In Pakistan, we will build trade and investment ties as security improves and as Pakistan demonstrates that it will assist the United States in our counterterrorism goals.

MILITARY AND SECURITY: We are committed to supporting the Afghan government and security forces in their fight against the Taliban, al-Qa'ida, ISIS, and other terrorists. We will bolster the fighting strength of the Afghan security forces to convince the Taliban that they cannot win on the battlefield and to set the conditions for diplomatic efforts to achieve enduring peace. We will insist that Pakistan take decisive action against militant and terrorist groups operating from its soil. We will work with the Central Asian states to guarantee access to the region to support our counterterrorism efforts.

Western Hemisphere

Stable, friendly, and prosperous states in the Western Hemisphere enhance our security and benefit our economy. Democratic states connected by shared values and economic interests will reduce the violence, drug trafficking, and illegal immigration that threaten our common security, and will limit opportunities for adversaries to operate from areas of close proximity to us.

In the last half century, parts of this hemisphere were marred by dictatorships and insurgencies that killed tens of thousands of people. Today, this region stands on the cusp of prosperity and peace, built upon democracy and the rule of law. U.S. trade in the region is thriving and market opportunities for American goods and services, energy and infrastructure projects, and foreign direct investment continue to expand.

Challenges remain, however. Transnational criminal organizations—including gangs and cartels—perpetuate violence and corruption, and threaten the stability of Central American states including Guatemala, Honduras, and El Salvador. In Venezuela and Cuba, governments cling to anachronistic leftist authoritarian models that continue to fail their people. Competitors have found operating space in the hemisphere.

China seeks to pull the region into its orbit through state-led investments and loans. Russia continues its failed politics of the Cold War by bolstering its radical Cuban allies as Cuba continues to repress its citizens. Both China and Russia support the dictatorship in Venezuela and are seeking to expand military linkages and arms sales across the region. The hemisphere's democratic states have a shared interest in confronting threats to their sovereignty.

Canada and the United States share a unique strategic and defense partnership. The United States also has important and deepening rela-

tions with key countries in the region. Together, we will build a stable and peaceful hemisphere that increases economic opportunities for all, improves governance, reduces the power of criminal organizations, and limits the malign influence of non-hemispheric forces.

Priority Actions

POLITICAL: We will catalyze regional efforts to build security and prosperity through strong diplomatic engagement. We will isolate governments that refuse to act as responsible partners in advancing hemispheric peace and prosperity. We look forward to the day when the people of Cuba and Venezuela can enjoy freedom and the benefits of shared prosperity, and we encourage other free states in the hemisphere to support this shared endeavor.

ECONOMIC: We will modernize our trade agreements and deepen our economic ties with the region and ensure that trade is fair and reciprocal. We will encourage further market-based economic reforms and encourage transparency to create conditions for sustained prosperity. We will ensure the U.S. financial system does not serve as a haven or transit point for criminal proceeds.

MILITARY AND SECURITY: We will build upon local efforts and encourage cultures of lawfulness to reduce crime and corruption, including by supporting local efforts to professionalize police and other security forces; strengthen the rule of law and undertake judicial reform; and improve information sharing to target criminals and corrupt leaders and disrupt illicit trafficking.

Africa

Africa remains a continent of promise and enduring challenges. Africa contains many of the world's fastest growing economies, which represent potential new markets for U.S. goods and services. Aspiring partners across the continent are eager to build market-based economies and enhance stability. The demand for quality American exports is high and will likely grow as Africa's population and prosperity increase. People across the continent are demanding government accountability and less corruption, and are opposing autocratic trends. The number of stable African nations has grown since the independence era as numerous countries have emerged from devastating conflicts and undergone democratic transitions.

Despite this progress, many states face political turbulence and instability that spills into other regions. Corruption and weak governance threaten to undermine the political benefits that should emerge from new economic opportunities. Many African states are battlegrounds for violent extremism and jihadist terrorists. ISIS, al-Qa'ida, and their affiliates operate on the continent and have increased the lethality of their attacks, expanded into new areas, and targeted U.S. citizens and interests. African nations and regional organizations have demonstrated a commitment to confront the threat from jihadist terrorist organizations, but their security capabilities remain weak.

China is expanding its economic and military presence in Africa, growing from a small investor in the continent two decades ago into Africa's largest trading partner today. Some Chinese prac-

tices undermine Africa's long-term development by corrupting elites, dominating extractive industries, and locking countries into unsustainable and opaque debts and commitments.

The United States seeks sovereign African states that are integrated into the world economy, able to provide for their citizens' needs, and capable of managing threats to peace and security. Improved governance in these states supports economic development and opportunities, diminishes the attraction of illegal migration, and reduces vulnerability to extremists, thereby reducing instability.

Priority Actions

POLITICAL: The United States will partner with governments, civil society, and regional organizations to end long-running, violent conflicts. We will encourage reform, working with promising nations to promote effective governance,

improve the rule of law, and develop institutions accountable and responsive to citizens. We will continue to respond to humanitarian needs while also working with committed governments and regional organizations to address the root causes of human suffering. If necessary, we are prepared to sanction government officials and institutions that prey on their citizens and commit atrocities. When there is

no alternative, we will suspend aid rather than see it exploited by corrupt elites.

ECONOMIC: We will expand trade and commercial ties to create jobs and build wealth for Americans and Africans. We will work with reform-oriented governments to help establish conditions that can transform them into trading partners and improve

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their business environment. We will support economic integration among African states. We will work with nations that seek to move beyond assistance to partnerships that promote prosperity. We will offer American goods and services, both because it is profitable for us and because it serves as an alternative to China's often extractive economic footprint on the continent.

MILITARY AND SECURITY: We will continue to work with partners to improve the ability of their security services to counter terrorism, human trafficking, and the illegal trade in arms and natural resources. We will work with partners to defeat terrorist organizations and others who threaten U.S. citizens and the homeland.



CONCLUSION

This National Security Strategy sets a positive strategic direction for the United States that is meant to reassert America's advantages on the world stage and to build upon our country's great strengths. During the Trump Administration, the American people can be confident that their security and prosperity will always come first. A secure, prosperous, and free America will be strong and ready to lead abroad to protect our interests and our way of life.

America's renewed strategic confidence is anchored in our recommitment to the principles inscribed in our founding documents. The National Security Strategy celebrates and protects what we hold dear—individual liberty, the rule of law, a democratic system of government, tolerance, and opportunity for all. By knowing ourselves and what we stand for, we clarify what we must defend and we establish guiding principles for our actions.

This strategy is guided by principled realism. It is realist because it acknowledges the central role of power in international politics, affirms that sovereign states are the best hope for a peaceful world, and clearly defines our national interests. It is principled because it is grounded in the knowledge that advancing

American principles spreads peace and prosperity around the globe. We are guided by our values and disciplined by our interests.

This Administration has a bright vision of America's future. America's values and influence, underwritten by American power, make the world more free, secure, and prosperous.

Our Nation derives its strength from the American people. Every American has a role to play in this grand, national effort to implement this America First National Security Strategy. Together, our task is to strengthen our families, to build up our communities, to serve our citizens, and to celebrate American greatness as a shining example to the world. We will leave our children and grandchildren a Nation that is stronger, better, freer, prouder, and greater than ever before.

Notes

