Executive Summary: Israel and Africa – A New Push and Turn?

‘The biggest impediment to Israel-Africa relations,’ says Yossi Klafter, President of Tel-Aviv University, ‘is that we first have to start it.’

The question is how do we start this relationship -- or re-start it – in a sustainable and mutually productive way? The Africa-Israel Forum held at Tel Aviv University on 13th December 2017 was an early small step in this renewed journey.

Israel is in the midst of a big, contemporary Africa push. Not for the first time in its history. Prime Minister Benjamin Netanyahu said on 4 July 2016 that ‘Israel is coming back to Africa; Africa is coming back to Israel’. Despite the postponement of the Africa-Israel summit this year, the prime minister has made three visits to the continent in the last 18 months.

In some respects Israel has never left.

In the 1950s and 1960s, Israel’s technical assistance in agriculture, youth training, medical infrastructure and industry to Africa led Newsweek to describe the relationships as ‘one of the strangest unofficial alliances in the world.’ Julius Nyerere dubbed Gold Meir the ‘mother of Africa’. The Israeli prime minister identified deeply with the continent: ‘I am prouder,’ she said of the country’s international relations cooperation programme, ‘of the technical aid we gave to the people of Africa than I am of any other single project we have ever undertaken.’ She explained that it ‘was not because it was just a policy of enlightened self-interest ... but because it was a continuation of our most valued traditions.’

As a state that had quickly emerged from the ashes of the Second World War, and made rapid progress in spite of minimal resources, Israel had resonance with the decolonisation trend and African ambitions. Israel has, since 1960, more than quadrupled its average income per capita (in real terms) to nearly $34,000. Sub-Saharan Africans have increased their average wealth just 1.5 times over the same period to just over $1600.

Then, in the aftermath of the October 1973 Yom Kippur War, the continent became a diplomatic battlefield between Arab states and Israel. Most sub-Saharan countries severed diplomatic ties with the Jewish state.

Things have changed since then as generations and interests have waxed and waned. Now there are official Israeli diplomatic ties with 37 of 49 countries south of the Sahara.

As delegates noted, there are two main motives behind Netanyahu’s push.

First, Israel is keen to diversify its pattern of trade. Currently there is a lot of upside in relations with Africa, given Israel’s total trade with the continent is less than that it enjoys with Vietnam alone. And, second, for Israel, better relations with Africa offer diplomatic protection and votes, especially at the United Nations.

There’s plenty of common interest.

- As the ‘Start-Up Nation’, Israel has a special expertise in high-tech, and in other technologies such as drip-feed irrigation and intensive agriculture which can benefit Africa.
- The venture capital environment that gave rise to the tech industry also offers a useful model for African countries attempting to fund and scale up good ideas.
- Israeli universities offer related reservoirs of appropriate knowledge and means of African capacity building.
As Africa doubles its population over the next generation, its demands in the areas of food security, electricity provision, and logistics management will quickly ramp up.

Africa also has the fastest growing Christian population world-wide, an important and increasingly influential constituency.

There are shared climatic challenges, as hinted at by Israel’s terrestrial link with the continent. And as African cities expand to house the majority of this growing population, they will demand smarter, digital responses, including the identification and mining of big data and smart urban security.

The mutual benefit is obvious. For example, Israel achieves a rate of grain spoilage at just 0.5% compared to a global figure at least 20 times greater. Israeli cows produce 13,000 litres of milk annually, compared to 9,000 in the US and 6,000 worldwide. Israel is the site, today, of the R&D centres of more than 200 global high-tech companies.

Israel’s stand-out quality is resilience in the face of adversity. Yet there is much more to Israel’s success and getting things done than simple nationalist bloody-mindedness. Its ‘start-up’ success is a lesson for Africa in how to attract global business, through a combination of bright minds, government subsidies and private sector funding.

Take the example of Waze, the preferred route app for many today. It a metaphor for what Israel technology has become for the rest of the world. The environment that gave rise to these and myriad similar tech ideas was nourished by military expenditure in R&D and the freeing up of young conscript minds to innovate, and then, the building of ten venture capital funds in the early 1990s. This has provided what Israelis like to refer to as an ‘eco-system’ for high-tech.

What’s the ‘eco-system’ for a more productive African-Israeli relationship?

It’s fairly straightforward to understand the likely nature of Israeli offerings from agro-technology to digitised government services, off-grid renewable energy solutions and skills, and the African advantages which would flow as a result.

Less clear is the necessary narrative around which the relationship can be explained and grown. There will need to be a political tailwind. And that must be harnessed in the best interest of both sides.

Some African governments will understandably find it difficult to get beyond the ritualism of the Arab-Israeli relationship. Trust with Africa will have to be built, in part through the structuring of a system of mutual benefit, of joint learning that goes beyond simply technological exchange into the political arena, where the dialogue can include the Israeli-Palestinian impasse.

In particular, Israel will have to take care to sit on the right side of African history in terms of prioritising relations with democratic regimes, not least since it holds these attributes dear. Israel must endeavour to be an ally and friend of Africans, which all Africa should reciprocate in full.

The State of Israel was constructed around an idea, a sense of community among people. The future of the African-Israel relations will depend on fostering a similar sense of community between peoples and not just between personalities and regimes.

Objectives of the Forum highlighted by participants:

- Increase the involvement of Israel and the Israeli companies and scholars in the development of the African continent and African companies and scholars in the development of Israel.
- To amplify the opportunities on both sides.
- To create a curiosity.
- To help overcome complexity. Delegates recognized that building a bi-lateral process was complex as the African continent is a collection of different countries, with considerable diversity is terms of the economies, politics and ways of doing business.
To build bridges. Universities are great bridge creators and TAU and its leadership are committed to facilitating – as it has done with China and India. Draw lessons, where appropriate, from the existing India-Israel and China-Israel Forums. It was agreed that forum should “find the few things that we can do right and then widen and deepen them over a course of time, if this is to be a worthwhile venture in that regard.”

Notes from Session One: Perceptions of Africa in Israel and Israel in Africa

Eytan Stibbe:
- There is much Israel can learn from Africa about human solidarity.
- African governments resolve conflicts in ways that we Israelis have never thought of doing.
- We Israelis can learn a lot about how people with different cultures and perceptions, can change and operate, for success of their people.
- One of the biggest contributions from Africa to the world is in the fields of art and music, it has tremendous potential.
- We tend to focus on technology transfer from Israel to Africa, but there is a lot in the area of humanities that we Israelis can learn from African countries.

Luisa Dias Diogo:
- We need to start by debating and exchanging ideas to achieve a common understanding about the issues.
- Cooperation between African countries and Israel is all about innovating. Trying to do things differently.
- You don’t solve a country’s development problem just by giving money, providing technical assistance. A much better approach is bring new ways of doing things, by innovating.

Erastus Mwencha:
- How does Africa view Israel? Two angles: historical, the present realities, and the future.
  - Historical. Africa's is half Christian and half Muslim. For the Christian half there is a lot of common ground. For the Muslim half the Palestinian issue very much resonates. As long as this issue is not resolved it will weigh upon Africa-Israel ties.
  - The present. The reality is that many African countries, with varying degrees of overtness, want to develop relations with Israel. This driven by a recognition of the strengths of Israel, in a number of areas: technology, education, agriculture and security. Security is a major preoccupation in Africa, especially given issues across the continent with terrorism, and radicalization and extremism.

Sever Plocker:
- Prime Minister Netanyahu's recent meetings with African leaders, marks an entirely new chapter in the Afro-Israeli story. He is the first Israeli leader to visit West Africa since the 60s. He is the first ever non-African leader, an ECOWAS audience, last June, and he organized an African-Israeli summit in Congo.
- What is driving Israeli interest in Africa?
  - Israel is now looking to expand its portfolio of trading partners, and expand the list of friends of Israel all over the world.
  - Not only is defense trade on the increase, Netanyahu is hoping to diversify the scope of Israeli-African trade to other sectors and go beyond defense.
  - One good example is that Israel has joined the US led Power Africa scheme. Being part of the program we enable Israeli energy firms to promote electricity generation projects on the continent, and to lead to billions of dollars of bills for Israeli firms.
- This initiative results from Prime Minister Netanyahu's policy, to leverage Israel’s high-tech, to start diplomatic ties with many more countries.
• A report by the Israel Export Institute just a year ago, found that Israel's exports to West Africa, represented only 1.6% of total Israeli civilian exports, but imports represented only 0.5% of total Israeli imports.

• Another explicit purpose for Netanyahu's trips to Africa, is to create African support for Israel in the United Nations.

• Ethiopia has a special relationship with Israel: there is the historical / military dimension and this large country borders our Arab neighbors. Moreover, approximately 150,000 Ethiopians live in Israel, the two states have mutual interest in cultivating good relations.

• Even South Africa, while condemning Israel in many international forums, has strong trading with Israel. Despite numerous post-apartheid initiatives to boycott Israel, South Africa remains Israel’s biggest trading partner in Africa.

• On the other hand, when Netanyahu was invited to the last ECOWAS summit, the leaders of Nigeria, Benin, Niger and Morocco chose not to attend.

• Summing up, there are three main reasons for Netanyahu’s initiative in Africa.
  o To find an alternative for unfriendly trends amongst Israel’s historical allies in Europe.
  o To present Israel as a perfect partner to solve some of Africa’s pressing economic and social problems.
  o To change the automatic anti-Israeli majority international organizations, such as the United Nations.

• To quote here a few sentences from a critical article, by Neomi Chazan, former member of the Knesset. "The present Israeli leadership, seems to believe in the power of barter agreements with African states, economic and security support from Israel in exchange for African votes in international forums. Such an approach", writes Chazan, "is more manipulative than cooperative. Actually, while African governments do not explicitly dismiss Israeli request for diplomatic support, they will have to balance these demands with local and regional commitments to populations that are much more critical for Israel. Still, from a political, domestic and international perspective, Prime Minister Netanyahu may well present Israel’s return to Africa as his personal success."

Maurice Nguesso:

• The forum should aim to intensify the relationships between universities in Africa and those in Israel. Culture is always transferred through universities.

• In particular we need encourage Israel to intensify your relationships with French speaking countries in Africa, like Congo.

• We should focus on the transfer of culture and technology.

Yehuda Lancry:

• When Africa emerged to its era of independence, the continent became quite a diplomatic battlefield between Arab states and Israel.

• In the late 50s and the early 60s, under the sterling leadership of Golda Meir, then Prime Minister, Israel was able to establish diplomatic ties with many African countries. Israel fostered those ties with cooperation and assistance in a wide range of fields.

• We can say that until 1973, Israel and African states experienced a sort of golden age.

• The turning point in Israel-African relations occurred during the Yom Kippur crisis in 1973, when some African countries decided to step back from relations with Israel.

• The renewal of diplomatic relations began in the mid 80s, after the signing of the peace treaty between Israel and Egypt.

• One of the motivations for the efforts made by Prime Minister Netanyahu to renew relationships with African countries is to cultivate more support for Israel in the General Assembly.

• 2018 will be the year when Israel could contend for a seat in the Security Council. Such an election will be extremely difficult without Africa.

Raanan Rein:
• Agree with the need for cultural diplomacy and for people-to-people communication. Universities can be important instruments.
• Through various programs here at this university we have been able to attract increasing numbers of African students. The graduates become important ambassadors for Israel in their respective countries.
• One of the goals of this forum should be to explore how to bring a larger number of students from Africa to attend courses or complete degree programs here. Human capability will be key to developing Africa.

Notes Session Two: An Africa-Israel Roadmap

Greg Mills:

• Dr Mills gave the forum a short presentation on the book ‘Making Africa Work’. He highlighted the following:
  o Africa’s population in going from one billion to two billion people over the next generation.
  o 80% of this increase is going to occur in African cities, they are going to increase by about 800 million people over the next 35 years.
  o About 90% of Africans are un- or underemployed currently. Those who are employed, are disproportionately employed in civil services, relative to other regions of the world.
  o While Africa will have a very youthful population as the rest of the world is getting older.
  o Africa has had a tremendous transformation, many more children today complete primary school education, but there remain big challenges with completion and mastery.
  o The positives:
    ▪ But relatively small improvements in capital and labor can provide a high degree of growth.
    ▪ Africa has a very strong commodity base, sometimes a blessing, sometimes a curse.
    ▪ Africa is on a central time zone
    ▪ English, French and Portuguese are widely spoken these are the lingua franca of the business world.
  o Weaknesses and challenges:
    ▪ Lack of electricity is a major constraint and infrastructure is weak.
    ▪ The dilemma: we are expensive because we are poor and we are poor because we are expensive.
    ▪ Governance is generally opaque.
    ▪ Still are a largely boom and bust economy in Africa.
    ▪ Small, elite driven, elite centered polities and economies.
    ▪ The lack of value addition.
    ▪ Climate change, particularly in the Sahel.
    ▪ Lack of US engagement on Africa.
  o Some more general points:
    ▪ Democracies need to be supported.
    ▪ Governments need to see the private sectors as the prism of actions and they don’t, largely.
    ▪ Macro-economic hygiene and adherence to constitutions and rule of law are vital preconditions for success.
    ▪ Predictability in policy is essential. The greatest impediment to any investment is the changing the rules of the road.
• Dr Mills then connected the points from the book presentation to wider Israeli-African relations.
  o African has the fastest growing Christian population, that provokes a certain emotional resonance and ideological resonance.
o Security and intelligence cooperation is needed but needs to be seen in its wider context.
o The real positives are in: Israel’s position as a start-up nation, the digitization of government services, the whole ability to leapfrog some of the previously ordained development processes.
o Improving Africa-Israel ties is too important to be left to politicians alone
o Who is going to pay for it? Is a big question. Is this a Chinese model, to get aid money from elsewhere and then spend it through different agencies? How is it going to work?
o Very great care has to be taken to remain the right side of history. Particularly if you are going to accord with your values and not simply chase the short term buck and the transactional buck in terms of working with some repressive African governments.
o Initially engagement needs to be focused on a number of key themes or a small number of countries
o Tech and agro are the obvious ones, the most interesting story is the tech story, which answers the financing question in Africa. How you did your VC financing is one possible area for sustainable cooperation.
o The return for Israel is in part diplomatic credibility, not just votes in the UN General Assembly, but in a more nuanced African understanding of the peace process.

Amit Segev:

• Africa needs to improve its infrastructure, but it is not alone on this issue; most of the countries in the world share this problem.
• Currently, infrastructure in Africa is primarily financed by multi- or bilateral financing, normally very long, bureaucratic and limited.
• Harnessing cheap capital to finance infrastructure in Africa, can create the difference. This can be done by creating the right model / structure to lure or to get commercial money into Africa.
• In Israel the government succeeded in getting capital for infrastructure by adopting a Private Public Partnerships (PPP) approach along with the Build Operate and Transfer (BOT) methodology.
• Initially as our government did not understand much about this approach they took international advisors to advise on the financial, legal, engineering, and any other aspects. The first major project was the Cross-Israel project which we built together with Canadian partners. Since then many projects have been completed.
• This model is not at the expense of the multilateral money, but in parallel. I suggest that we approach the Ministry of Finance in Israel and maybe working with ASHRA (The Israel Foreign Trade Risks Assurance Corporation Limited) to try to devise some sort of a model in which African governments will be interested.

Dickie Davis:

• Israel’s relationship with Ghana is thought provoking. Ghana was the first country with which Israel established diplomatic relations, with a consulate in Accra in 1956. There was a break in relations after the Yom Kippur crisis with full relations restored in 2011.
• In 1956, Ghana had a population of about 6 million. Today Ghana has a population in the mid 20s of millions, and is heading for in 2050 a population of just under 50 million.
• In the 60s and 70s many Israeli projects in water, agriculture, infrastructure, the same areas that need to be engaged with today. But now the challenge is in a different scale.
• In Making Africa Work we make an argument for very focused engagements, at scale.
• If you look at how a new Israeli engagement roadmap could unfold, I think many of the areas would be the same. But the understanding of African countries and their issues has in the meantime has drifted.
• Developing understanding is key and here universities have a key role.
• When we were doing research for Making Africa Work we tried to quantify the scale of the agricultural challenges face by Africa. Africa uses 30% percent of the global average of fertilizers. It
has an average of one tractor per 868 hectares, when the global average is one per 56 hectares. Of the 39 million hectares that are suitable for irrigation, only 4% is irrigated.

- So there are huge opportunities in agriculture but this issue is how do you do this scale? There are clearly some opportunities for technology developed in Israel, but how do you roll that out in a really, really big way?
- This is where the Internet offers possibilities with new ways of providing coaching and mentoring a sense of possibilities to farmers at scale.

Luisa Dias Diogo:

- I think that job creation is an opportunity for me, not just a challenge.
- The demographic transition was produced by successes in health and education, which improved life expectancy and reduced child mortality.
- The fact that we will have people concentrated in the cities makes job creation easier.
- We need to promote new ways of educating people. The current education system does not equip them for the labor market. This will be easier if most people are in cities.
- We have a food gap in Africa and we have food gap also internationally, and in Africa the conditions are very attractive for agriculture, the climate conditions are very good and there is plenty of arable land available, and also the labor is very attractive in terms of wages.
- The regional integration also it is an opportunity. It offers scale.
- Africa’s diversity is also an opportunity for Israel. Not only a business opportunity, but a political opportunity. This relationship must be broadened to cover investment and relations between business and people academia. This will influence the politicians to deepen ties.

Jacob Mualem:

- The Agricultural Research Organization (ARO) is the main Israeli research organization for agriculture. It's a government organization, and it deals with applied research; from very simple to very sophisticated technologies.
- First of all we look at the farmers' needs, yields, protection from disease, shipment methods and overall efficiency in production.
- Increasingly we also look at the consumer needs: healthy food, good flavor, reasonable price.
- Our technologies and solutions need to address the farmer needs, the consumer’s needs and the environmental needs of the world.
- For example: we have developed fish ponds that are adapted to the climate of the area by covering them to reduce the temperature. It is simple and very effective: we manage to grow fifty times more fish per square meter of water surface area.
- Many of our projects very much relevant for Africa, we have done a lot of work on food loss.
- We have developed wheat for rainy seasons, especially for areas where there is a lot of rain.
- Israel is now leading in the milk production from cattle. If the world average is around 6000 liters per cow, Israel is now producing 12000 liters per cow.
- We are happy to experiment on finding the right models to transfer this technology. We have created new models that allow us to work with corporates and private capital.

Maurice Nguesso:

- Congo has 342,000 square kilometers, with 4 million inhabitants only, we have ample lands, fertile land, and two seasons,
- We are liberalizing both agriculture and fisheries, this is an opportunity for Israeli capital and know how.
- Today the question is not how to get Israel closer to Africa, It is simple, just go. Create Win-win partnerships.

Yair Seroussi:
People see us as a start-up nation and everybody thinks it was born yesterday. It was however a long journey.

It is important to understand where this all began. In 1923, Albert Einstein came to visit Israel. He was invited and hosted by David Ben Gurion, the founding father of the nation.

On that trip they announced the creation of the Hebrew University, The Tenchion. Later they built the Weizmann Institute and later on Tel Aviv University.

Developing the knowledge base was key. Ben Gurion had the vision. He appreciated that we needed knowledge and more importantly that we needed to leverage off of that knowledge to be successful because Israel has a small population. We needed to harness the Jewish Diaspora, academics and others, network.

So if you have Africans that are now teaching in universities in America, or everywhere, you need to be encouraged to come back to work with you. The folks we brought here helped us to understand the international environment.

The second thing is we spent a lot of money on military research and development that was leveraged into different areas and allowed people to innovate.

When you combine government, defense, education, people in the world you create an ecosystem. It however took a financial crisis to really shape our eco-system.

This country had an economic crisis in the 1980s which forced us to change the economy; we took allot of money out of the military and many engineers moved into civilian roles. Add to this the wave of immigration that came to Israel from the Soviet Union.

We needed a new approach to financing. We lacked financing for new companies, venture capital. Nobody in Israel wanted to invest and nobody in America was invest in Israel.

The Treasury, through the Yozma Scheme, convinced the government to put up 100 million dollars to subsidize the creation of ten Venture Capital funds, managed by locals and foreigners with experience in venture Capital. This made it easier to raise money.

We incentivized companies to come, today we have 200 or 300 centers of excellence of the biggest companies in the world. 20-30 years ago, nobody was here.

Israel is well placed for the next wave of technology driven developments: dominated by data mining, because we have start up experience and the intelligence community.

Fintech is another area. A decade ago there were maybe 10 companies in Israel, today, there are about 800.

Every country is different, we do not have a monopoly of ideas. We were very lucky on many things, but we had a I think long-term vision.

My suggestion to this forum is that we find two to four subjects that have potential and work together to develop them.

Luísa Dias Diogo:

Each country in Africa is different. So the model has to be built in a way that suits each specific country.

I want to add an important dimension: the issue of trust. Trust has to be built.

So how do people in Africa see Israel?

They consider Israel as a source of inspiration.

They think Israelis are very knowledgeable.

Importantly, you are seen as serious people who deliver.

You are also seen as very frank.

The other perception is that you do innovative things.

The book ‘Making Africa Work’ is clear in its conclusion that in order for Africa to change we have to be innovative do something different and take risks.

You are also seen as very resilient. And that’s a very common issue with Africans. All the history of Africans has been a story of resilience.

The other perception is that you are fighters. You fight for something.
Prof. Ram Fishman:

- There is obvious potential for technologies and knowledge that can be applied in Africa. But I think everybody also realizes that there is a history of failed attempts to transfer this knowledge.
- Part of that failure may be rooted in the idea of transfer. It is not a transfer. It has to be a joint learning and innovation process.
- We cannot just remain focused only on the technological. We need to find the right business model or a policy that would enable its diffusion with real farmers in a local setting, this is going to be very challenging.
- We need to expand the domain of our laboratories, we have to take our laboratory to the field, to the real conditions. It is there that we can develop an environment of joint learning and innovation and R&D that will combine the technical and the social and economic and business side.
- We have a resource at our disposal, which is a very low cost and very high-quality resource, and that is our students. Israeli and African students working together, we can advance this agenda in a very substantial and very low-cost way. Let our universities cooperate through this kind of practical action. When we bring these teams of students together, not only will it create stronger bonds between our societies, but it is our best hope of finding breakthroughs in terms of really redefining new models of technology and economics and business that can really diffuse these kinds of innovations across Africa.

Greg Mills:

- It seems to me that the questions that are posed by the failure of Israeli-African relations in the 1970s have not really been answered. The relationship is prone to any upset in the wider geostrategic relationship. So the underpinnings of the relationship have to be a different type of ecosystem. I not sure we have answered that question.
- So the ecosystem of the relationship has to be built on a two-way street.
- It is quite easy to understand one way. It is technology, knowledge, capacity building, financial services.
- But to build the trust that Luisa has referred to, you need something else in the opposite direction. It can be people. But the history of assistance to Africa by bringing people here and exposing them to these new ideas suggests that while it has benefit it does not really build organic links over a long term period of time.
- There has to be a meaningful political dialogue as part of this process, that goes beyond kind of flagship appearances at inaugurations. There has to be a different dialogue which enables a two-way flow.
- The dialogue has to have a much more meaningful content than just simply business. We need to find areas that would allow a degree of political consensus and lead on to conversations about other things.
- The VC area is one that is completely relatively unexplored in Africa. And what we face in our tech industry is a complete lack of funding. An inability to go from idea to scale. The big gap in the African tech space, is the financial gap. Perhaps that is the way to get the required degree of political support.
- If this relationship is to deliver, it needs to be thought of in quite an innovative framework.
List of attendees:

- Robyn Auld, Musician
- David Bernheim, Chief Business Development Officer, Shikun ve Binui
- Dickie Davis, Managing Director of Nant Enterprises Ltd
- Madame Luisa Dias Diogo, Former Prime Minister of Mozambique
- Dr. Ram Fishman, Department of Public Policy, Tel Aviv University
- Prof. Itamar Glaser, Deputy Director for Research and Development
- ARO, Volcani Center, ISRAEL
- Prof. Yossi Klafter, President, TAU
- Dr. Yehuda Lancry, Former Ambassador to the UN
- Erastus J.O. Mwencha, former Secretary-General of the Common Market for Eastern and Southern Africa and former Deputy Chairperson, African Union Commission
- Greg Mills, Director of the Brenthurst Foundation.
- Jacob Mualem, CEO, Kiddum, Volcani Institute
- Maurice Nguesso, President of the Chamber of Commerce of the Congo
- Sever Plocker, Chief Economics Editor and Chief Commentator of Yedioth Ahronoth
- Prof. Raanan Rein, Vice President, TAU
- Prof. Eyal Schif, Director, The Joseph Buchman Gynecology and Maternity Center, Sheba Medical Centre
- Amit Segev, Deputy CEO, Shikun ve Binui
- Yair Seroussi, Chairman Mediterranean Towers, Director DSPG Tech
- Eytan Stibbe, Chairman, Vital Capital Fund