

RESEARCH ARTICLE

Democracy and free market? Doubtful conditionality of U.S. economic incentives toward sub-Saharan Africa (2018–2021)

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Abstract

This article examines the use of economic incentives by the United States to support its main foreign policy objectives in sub-Saharan African countries. It offers an empirical survey based on available data on US foreign aid and grants awarded by the U.S. International Development Finance Corporation and the Prosper Africa initiative. The research questions are as follows: 1) Can we observe the stated conditionality of applying economic incentives to countries making progress in the process of democratisation and increasing economic freedom? 2) Which U.S. foreign policy objective is most supported by the economic incentives offered to sub-Saharan African countries? I examine whether countries that are the main recipients of US economic incentives show progress in terms of democracy and economic freedom. I did this based on the data of Freedom House and Heritage Foundation. I also assess whether the US is taking up competition with China in these countries, as well as their importance in US security policy. I did this based on the data from official websites. The starting point of the analysis is 2018, when then-President Donald Trump launched programs to increase economic cooperation with sub-Saharan African countries. The end date is 2021, which includes the last full data available on all US economic incentives under consideration. Security cooperation is a priority goal in U.S. policy towards Sub-Saharan Africa supported by economic incentives, and the conditionality associated with democratisation and economic reform is much less important. The lack of consistency in declared conditionality and in the application of economic incentives is striking. U.S. policy towards Sub-Saharan African states lacks a coherent strategy and actions are taken ad hoc in times of crisis. Furthermore, the development programmes proposed by successive administrations are merely an attempt to improve existing ones.

Keywords

U.S. economic incentives, Sub-Saharan Africa, conditionality

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Introduction

During the Cold War, the United States viewed African states through the prism of competition for influence with the USSR and formulated its relations with them in this context. According to Whitaker and Clark, in the U.S. policy towards the states of sub-Saharan Africa, continuity has been observed since the end of the Cold War, and the goals are essentially unchanged: promoting democracy, encouraging free market reforms and security cooperation.¹ A goal that has gained particular significance in recent years is competition with China for influence in the region. In 2009, the country overtook the United States as the main trading partner of sub-Saharan African countries. China is now the world's second largest economy, although it is still classified as a developing country by the World Trade Organisation. Building on this status, China emphasises its partnership position with African countries. It gains the upper hand in their markets through promises of mutual benefits, large infrastructure investments (mainly under the Belt and Road Initiative - BRI), and non-interference in partners' domestic affairs.²

The purpose of this article is to find answers to the following research questions:

- 1) Can we observe the stated conditionality of applying economic incentives to countries making progress in the process of democratisation and increasing economic freedom?
- 2) Which U.S. foreign policy objective is most supported by the economic incentives offered to sub-Saharan African countries?

The study covers a short period of time - four years - but during this time, US administrations have launched significant programmes to increase economic cooperation with sub-Saharan African countries. The starting point for the analysis is 2018, when then-President Donald Trump began a trade war with China, the Prosper Africa (PA) programme was launched and Congress passed the BUILD Act, which created the U.S. International Development Finance Corporation (DFC) with the goal of supporting investments in low- and lower-middle-income countries. The end date of the research is 2021, which covers the last available fully reported data on ongoing DFC programmes and transferred foreign assistance. In 2020, the COVID-19 pandemic broke out, killing millions of people worldwide. It also had a negative impact on the global economy. However, the amount

¹ B.E. Whitaker and J.F. Clark, *Africa's International Relations. Balancing Domestic & Global Interests* (Boulder, CO: Lynne Rienner Publishers, 2018), 259, 260; T. Demirel-Pegg and J. Moskowitz, "US Aid Allocation: The Nexus of Human Rights, Democracy, and Development," *Journal of Peace Research* 46, no. 2 (2009): 181–198.

² B. Kowalski, "China's Foreign Policy towards Central and Eastern Europe: The '16+1' Format in the South-South Cooperation Perspective. Cases of the Czech Republic and Hungary," *Cambridge Journal of Eurasian Studies* 36, no. 1 (2017): 3.

of US development assistance to Africa remained at a similar level, with a noticeable increase in 2021 (Table 1).

Interestingly, a significant decrease in funds for economic development can be observed in 2020, but it more than doubled in 2021.³ However, during the pandemic, the level of US investment in sub-Saharan Africa decreased, due to the withdrawal of investors from particular countries. Besides, US investment position in Africa is the smallest of all regions (Figure 1).⁴

The pandemic had a negative impact on US trade with sub-Saharan African countries. However, by 2021, its value had already surpassed that of 2019 (Table 2).

Table 1. US foreign assistance 2018–2021 in billion USD.

	Total	Africa
2018	46, 7	11, 5
2019	46, 3	12, 0
2020	46, 0	11, 3
2021	48, 4	13, 3

Source: Foreign Assistance, 2018–2021, <<https://www.foreignassistance.gov/>> (20 August 2023).

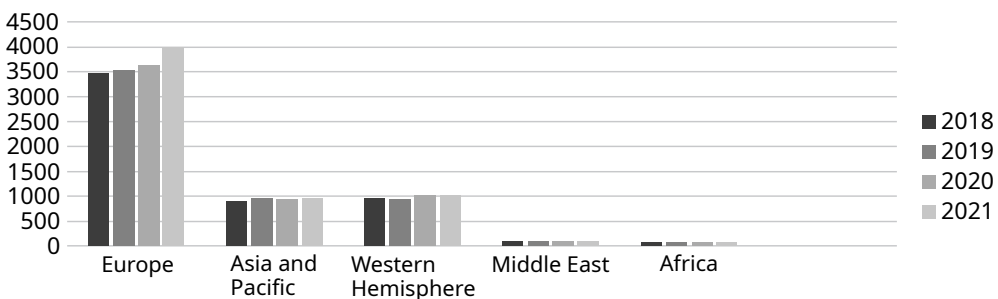


Figure 1. U.S. FDI by region in \$ billion. **Source:** Bureau of Economic Analysis, 2018–2021, *Direct Investment by Country and Industry*, <<https://www.bea.gov/data/intl-trade-investment/direct-investment-country-and-industry>> (20 October 2023).

³ *Foreign Assistance, 2018–2021* (August 20, 2023), <https://www.foreignassistance.gov/>.

⁴ Bureau of Economic Analysis, *Direct Investment by Country and Industry, 2009–2021* (October 20, 2022), <https://www.bea.gov/data/intl-trade-investment/direct-investment-country-and-industry>.

Table 2. US trade in goods with Sub Saharan Africa in million USD.

	Imports	Exports
2018	25,077	15,879
2019	20,947.3	15,799
2020	19,217	13,491
2021	28,205	16,493

Source: Census Bureau, 2018–2021, Trade in Goods with Sub Saharan Africa, <<https://www.census.gov/foreign-trade/balance/c0019.html#2018>>, (20 August 2023).

To sum up, it can be concluded that the pandemic was not an important game changer for US expenditures on economic incentives applied towards sub-Saharan Africa.

Theoretical background: economic statecraft and conditionality in the U.S. foreign policy

Economic interdependence makes states use economic tools to achieve political goals. This phenomenon has been defined by David Baldwin as economic statecraft which is “influence attempts relying primarily on resources that have a reasonable semblance of a market price in terms of money”.⁵ William Norris described economic statecraft as “state’s international manipulation of economic interaction to capitalize on, reinforce, or reduce the associated strategic externalities”.⁶ Michael Mastanduno proposed the simple, and commonly used definition: “the use of economic tools and relationships to achieve foreign policy objectives”.⁷ In addition to the economic coercions increasingly used in the 21st century, economic incentives, such as tariff reductions, export and/or import subsidies, market entry facilities, development assistance, incentives for private investment, technology transfer, preferential loans or debt relief are applied.⁸

William Long suggests that non-coercive economic incentives might prove more impactful than economic sanctions. Such incentives hold the promise of

⁵ D. Baldwin, *Economic Statecraft* (Princeton, NJ: Princeton University Press, 1985), 30.

⁶ W.J. Norris, *Chinese Economic Statecraft: Commercial Actors, Grand Strategy, and State Control* (Cornell University Press, 2016), 13, 14.

⁷ M. Mastanduno, “Economic Statecraft,” in *Foreign Policy: Theories, Actors, Cases*, eds. S. Smith, A. Hadfield and T. Dunne, 2nd ed. (Oxford University Press, 2012), 204.

⁸ D. Baldwin, *Economic Statecraft* (Princeton, NJ: Princeton University Press, 1985), 41, 42.

cultivating fresh avenues for trade and investment that can be mutually advantageous. Additionally, they tend to garner acceptance from the authorities of the receiving nation, as meeting the initiator's requests usually doesn't tarnish their reputation.⁹ Nevertheless, economic incentives retain the option of being retracted to penalize non-compliance, potentially transitioning into negative measures. This strategy can exert significant influence, especially when the target relies heavily on economic inducements.¹⁰

Economic incentives are usually conditional – the sender country expects a certain behaviour from the recipient.¹¹ Donors of foreign assistance from developed countries undertake to abide by the rules for its provision set out by the OECD's Development Assistance Committee. The main features of this aid regime are "smaller projects across many sectors, political and economic 'good governance' conditionalities, more antibribery and anticorruption regulations, aid not tied to procurement from donor country, aid tracked through international transparency regimes".¹²

The proponents of conditionality often refer to the concept of development, which is deeply rooted in the modernization theory, according to which progress in the Less Developed Countries (LDCs) is contingent on the alignment of the social institutions and policies of countries with Western models. Therefore, development aid should be conditional, to spur the reforms.¹³ Stephen Collins claims that conditionality is necessary to achieve the donor's stated policy objectives. However, he notes that economic incentives should be directed mainly at societies, with the aim of strengthening them, as only the citizens of the countries concerned can enforce the reforms implementation on governments.¹⁴ Critics of conditionality argue that it is not effective because it is seen as too much interference in domestic affairs and as neo-colonial practices. Besides, the solutions imposed are not always

⁹ W.J. Long, *Economic Incentives and Bilateral Cooperation* (Ann Arbor, MI: University of Michigan Press, 1996), 22–31.

¹⁰ H. Dorussen, "Mixing Carrots with Sticks: Evaluating the Effectiveness of Positive Incentives," *Journal of Peace Research* 38, no. 2 (2001): 251–262; B.R. Early and A. Jadoon, "Using the Carrot as the Stick: US Foreign Aid and the Effectiveness of Sanctions Threats," *Foreign Policy Analysis* 15, no. 3 (2019): 350–369.

¹¹ M. Thiel, "The Conditionality of U.S. & E.U. Development Aid upon Democratization – A Comparison," *€-Working Papers* 2, no. 1 (2004): Centro de Estudios Europeos, Enero, https://www2.politicas.unam.mx/cee/wp-content/uploads/2014/08/conditionality_us_ue_development_democratization.pdf; A.M. Spevacek, "Assistance and the 'New' Conditionality," *U.S. Assistance Knowledge Services Center*, February 1, 2010 (July 17, 2023), https://pdf.usassistance.gov/pdf_docs/pnadm068.pdf; N. Molenaers, S. Dellepiane and J. Faust, "Political Conditionality and Foreign Aid," *World Development* 75 (2015): 2–12.

¹² R.A. Blair and P. Roessler, "Foreign Aid and State Legitimacy: Evidence on Chinese and US Aid to Africa from Surveys, Survey Experiments, and Behavioral Games," *World Politics* 73, no. 2 (2021): 325.

¹³ A. Schmitz, "Conditionality in Development Aid Policy," *Stiftung Wissenschaft und Politik Research Paper* 7, 2006, <http://hdl.handle.net/10419/253058>.

¹⁴ S.D. Collins, "Can America Finance Freedom? Assessing U.S. Democracy Promotion via Economic Statecraft," *Foreign Policy Analysis* 5, no. 4 (2009): 369.

tailored to the specificities of the country that is the recipient of development assistance in various forms.¹⁵ Conditionality can lead to changes in recipient countries' policies, but these are often superficial, merely declaratory, or short-lived. Countries adopt strategies to meet the conditions imposed in order to obtain the largest possible inflow of foreign aid funds. In addition, donors do not always enforce the conditions set scrupulously, especially those that are difficult to assess unequivocally (e.g. effectiveness in fighting corruption). As Schmitz stated: "lack of coherence in applying conditionality erodes the logic of incentive".¹⁶ Olsen pointed out that in U.S. foreign policy, in addition to security and economic benefits, ideas, norms and values are also important.¹⁷ It should be noticed that all these issues are inter-related, as the security of the United States and the activities of American companies abroad depend on political stability in third countries.¹⁸

The mission of the U.S. Agency for International Development (USAID) follows the tenets of the Foreign Assistance Act (1961). USAID aims at promoting democratic values abroad, supporting US foreign policy and good governance in recipient countries so that they can become independent from foreign assistance over time. The important goal is also to benefit the U.S. economy "through investments that expand markets for U.S. exports; create a level playing field for U.S. businesses".¹⁹

The United States has not signed a free trade agreement (FTA) with any sub-Saharan African country. However, it did offer them preferential trade terms that were linked to conditionality. In 2000, Bill Clinton approved the African Growth and Opportunity Act (AGOA), which granted about 6,500 products from African countries duty-free access to the U.S. market. AGOA is available to countries that are implementing reforms to introduce or strengthen market economies and democracy, respect human rights or fight corruption. The elimination of barriers to trade and investment with the U.S. is also required.²⁰ In 2003, the development aid programme coordinated by the Millennium Challenge Corporation (MCC) was announced. Development grants from this fund are explicitly conditional: they were

¹⁵ D.F. Gordon, "Conditionality in Policy-Based Lending in Africa: USAID Experience," in *Development Finance and Policy Reform. International Political Economy Series*, ed. P. Mosley (London: Palgrave Macmillan, 1992), 25–53; M. Langan, *Neo-Colonialism and the Poverty of 'Development' in Africa* (New Castle, UK: Palgrave Macmillan, 2018), 61–88.

¹⁶ Schmitz, "Conditionality in Development Aid Policy."

¹⁷ G.R. Olsen, "The ambiguity of US foreign policy towards Africa," *Third World Quarterly* 38, no. 9 (2017): 2097–2112.

¹⁸ L. Rosenberger, *Economic Statecraft and US Foreign Policy. Reducing the Demand for Violence* (London, UK and New York, NY: Routledge, 2020), 3.

¹⁹ USAID, (July 30, 2023), <https://www.usaid.gov/about-us>.

²⁰ Office of the U.S. Trade Representative, "Africa Growth and Opportunity Act Sheet," (December 2, 2022), <https://ustr.gov/issue-areas/trade-development/preference-programs/african-growth-and-opportunity-act-agoa>.

to be awarded to low-income countries that pursued democracy, good governance, and economic freedom.²¹

Collins argues that the US does not apply conditionality in a consistent manner because no effective way of measuring democratic progress has been developed, and there are too many legislative constraints on the granting of aid. The U.S. system works in such a way that specific amounts of aid are set aside for each year, unless a significant deterioration in the situation in the host country is identified. The unstable political situation also acts as a disincentive to the U.S. investors. However, often there are the economic considerations (e.g. a country's possession of natural resources attractive to the US) or security considerations (e.g. a desire to cooperate to combat terrorist organisations). In such cases, conditionality is not always enforced.²²

U.S. economic incentives in sub-Saharan Africa in the 21st century

In the 1990s, sub-Saharan Africa was far down the list of U.S. foreign policy priorities. Interest in developing a coherent policy towards sub-Saharan African countries increased after the terrorist attacks on U.S. territory on September 11, 2001. After President George W. Bush declared a global “war on terror”, cooperation with African countries where such groups had bases of operation became more important to U.S. national security. Foreign assistance to the region also increased significantly, and many new humanitarian assistance programmes were launched, e.g., the President's Emergency Plan for AIDS Relief.²³

The administration of President Barack Obama (from 2009–2017) noted the rapid development and high potential of the continent's more stable countries and the growing involvement of other powers. The U.S. sought to develop economic partnerships and undertake initiatives that met the real needs of citizens of sub-Saharan African countries.²⁴ According to post-colonial theories, this approach could have eliminated colonial dependencies and could convince the citizens of African countries of the viability of cooperation with the United States in various fields.²⁵

²¹ The major selection categories are: ruling justly, investing in people, and economic freedom; Millennium Challenge Corporation, “Selection Indicators,” (August 20, 2023), <https://www.mcc.gov/who-we-select/indicators>.

²² Collins, “Can America Finance Freedom?,” 372.

²³ N. van de Walle, “US Policy towards Africa: The Bush Legacy and the Obama Administration,” *African Affairs* 109, no. 434 (2010): 1–21; M. Qobo, *The Political Economy of China—US Relations: Digital Futures and African Agency* (Cham: Palgrave Macmillan, 2022).

²⁴ N. van de Walle, “Obama and Africa: Lots of Hope, Not Much Change,” *Foreign Affairs* 94, no. 5 (2015): 54–61.

²⁵ D. Chandler, “Human-Centred Development? Rethinking ‘Freedom’ and ‘Agency’ in Discourses of International Development,” *Millennium: Journal of International Studies* 42, no. 1 (2013): 3–23.

In 2013, the Power Africa programme was launched with the aim of significantly increasing electricity production in the region, as well as Trade Africa, supporting regional trade between African countries and the U.S. The Overseas Private Investment Corporation (OPIC) budget for financing and insuring new investments was tripled. Many of the new initiatives were also the result of the first U.S.-Africa Leaders Summit in Washington in August 2014.²⁶

In the first year of Donald Trump's presidency, policy towards sub-Saharan Africa was certainly not a priority.²⁷ However, the year 2018 was a watershed for the perceived role of African countries as the rivalry with China grew. Trump decided to start a trade war against China by imposing tariffs on its goods.²⁸ On October 5, 2018, the U.S. Senate approved the BUILD Act (the Better Utilisation of Investments Leading to Development Act of 2018). One of its provisions was the creation of the DFC with the task to promote private investment in low- and lower-middle-income countries. It is designed to provide loans or loan guarantees, insurance against unexpected political events (expropriation, coups d'état, terrorist attacks) and technical assistance.²⁹ The purpose of the DFC is to strengthen the position of the U.S. in the world, to facilitate the implementation of foreign policy objectives and to benefit the U.S. economically. It was therefore a typical tool of economic statecraft. The DFC budget was 60 billion USD, and it started operating in December 2019.³⁰ Additionally, in 2018, the Prosper Africa initiative was launched to help increase trade and investment between the United States and African countries by better coordinating the activities of various departments and agencies.³¹

The goals of the Trump administration's policy towards African countries were articulated by his National Security Advisor John Bolton on December 13, 2018. Bolton repeatedly stressed the conditionality of U.S. support: countries receiving aid should invest in health care and education, fight corruption, and support the rule of law and the private sector.³² This was typical post-colonial rhetoric, in which

²⁶ United States Institute of Peace, "U.S.-Africa Leaders Summit: What Did It Achieve?," October 6, 2014, <https://www.usip.org/publications/2014/10/us-africa-leaders-summit-what-did-it-achieve>.

²⁷ Qobo, *The Political Economy of China—US Relations*, 131, 132.

²⁸ Y. Zhang, "The US-China Trade War: A Political and Economic Analysis," *Indian Journal of Asian Affairs* 31, no. 1/2 (2018): 53–74.

²⁹ U.S. 115th Congress (2017–2018), "H.R.5105—BUILD Act of 2018," June 2, 2023, <https://www.congress.gov/bills/115/congress/housebill/5105/text?q=%7B%22search%22%3A%5B%22better+utilization+of+investment+leading+to+development%22%5D%7D&r=3&s=1#toc-H07A36AE8F4034E04930A7D136C5B4620>.

³⁰ Akhtar and Brown, "U.S. International Development Finance Corporation."

³¹ B.R. Williams, "The Trump Administration's Prosper Africa Initiative," *Congressional Research Service*, December 12, 2019, <https://sgp.fas.org/crs/row/IF11384.pdf>.

³² White House, "Remarks by National Security Advisor Ambassador J.R. Bolton on the Trump Administration's New Africa Strategy," December 13, 2018, <https://trumpwhitehouse.archives.gov/briefings-statements/remarks-national-security-advisor-ambassador-john-r-bolton-trump-administrations-new-africa-strategy/>.

African countries were treated as tools for the implementation of U.S. policy: reducing Chinese influence and levelling security threats. The sustainable growth of African states was basically presented as a side effect of benefits to the U.S. economy.

President Joe Biden declared a different approach to policy towards African countries than Donald Trump. In a speech at the African Union Summit on February 5, 2021, he stressed a return to cooperation on a partnership basis, grounded on mutual respect.³³ However, Biden continued his predecessor's policy of conditional economic support. An example was the exclusion of three countries from preferential access to the U.S. market under the AGOA: Ethiopia (due to human rights violations), Guinea and Mali (due to an unconstitutional change of power).³⁴

Biden's Build Back Better World (B3W) initiative, announced in June 2021 at the G7 summit, was seen as a response to the Belt and Road Initiative. Biden decided to make it multilateral, inviting G7 countries to join. B3W investments were to be directed mainly at projects crucial to the daily life of citizens of low- and middle-income countries, such as health care, digital technologies and programmes to promote gender equality.³⁵ On the U.S. side, the DFC was to play a key role in the investment. DFC Spokesperson Pooja Jhunjhunwala declared that Africa was a priority region.³⁶

Secretary of State Antony Blinken, during his first diplomatic trip to sub-Saharan Africa in November 2021, visited Kenya, Nigeria and Senegal. He declared that the United States does not want to force African countries to unequivocally side with the U.S. or China: "We don't want to make you choose. We want to give you choices", he stated.³⁷ Blinken also noted that African countries have become major players in international politics, and with the creation of the African Continental Free Trade Agreement in 2018, the economic importance of the region has also increased. During his visit, Blinken concluded a series of agreements to combat the COVID-19 pandemic and provide environmental protection and development

³³ U.S. Mission to the African Union, "President Biden's Message to African Union Summit Participants," February 8, 2021, <https://www.usau.usmission.gov/slide/president-bidens-message-to-african-union-summit-participants/>.

³⁴ AGOA, "Why US is Suspending Ethiopia, Mali, Guinea from AGOA 'Trade Deal'," November 9, 2021, <https://agoa.info/news/article/15925-why-us-is-suspending-ethiopia-mali-guinea-trom-trade-deal.html>.

³⁵ White House, "Fact Sheet: President Biden and G7 Leaders Launch Build Back Better World (B3W) Partnership," June 12, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/12/fact-sheet-president-biden-and-g7-leaders-launch-build-back-better-world-b3w-partnership/>.

³⁶ J. Pecquet and N. Norbrook, "Africa in 2022: US and China Battle Over 5G, Vaccines, Cobalt and Ports," December 21, 2021, <https://www.theafricareport.com/154018/africa-in-2022-us-and-china-battle-over-5g-vaccines-cobalt-and-ports/>.

³⁷ U.S. Department of State, "Speech by A.J. Blinken: The United States and Africa: Building a 21st Century Partnership," November 19, 2021, <https://www.state.gov/the-united-states-and-africa-building-a-21st-century-partnership/>.

assistance.³⁸ An increase in U.S. investment and a recovery in trade were particularly significant as weak economic ties hindered key U.S. policy goals in Africa.

Methods

To find answers to the research questions, I conducted the following analysis. The objectives of U.S. policy in sub-Saharan Africa are the independent variables by which I characterised the recipient countries of economic incentives.

1) I determined each country's progress in democratisation based on the Freedom House Index,³⁹ comparing the situation in 2018 and in 2021.⁴⁰

2) I determined the progress in economic freedom based on the Heritage Foundation Index,⁴¹ comparing the situation in 2018 and in 2021.⁴²

3) I considered close military cooperation to be the participation of individual countries in the AFRICOM State Partnership Programme (AFRICOM). Additionally, I distinguished a category of countries that do not participate in this programme but are important allies of the U.S. in the fight against terrorist organizations. In selecting such countries, I was guided by descriptions of U.S. bilateral relations with them based on materials published by the State Department.⁴³

4) As a measure of the level of rivalry with China, I took the value of exports and imports distinguishing five main U.S. trading partners, as well as the percentage increase in the value of U.S. trade from 2018 to 2021.⁴⁴ I considered five countries with the largest percentage growth of U.S. exports and imports). It is evident that trade depends on the domestic conditions of individual countries and the demand

³⁸ "Speech by A.J. Blinken."

³⁹ Freedom House includes two main categories in its survey: political rights and civil liberties. A country can score a maximum of 100 points. States are qualified in three groups: I—free, II—partly free, and III—not free; Freedom House, "Freedom in the World Research Methodology," December 2, 2022, <https://freedomhouse.org/reports/freedom-world/freedom-world-research-methodology>.

⁴⁰ Freedom House, "Freedom in the World Scores," 2019, <https://freedomhouse.org/report/freedom-world/2019/scores>; Freedom House, "Freedom in the World," 2022, <https://freedomhouse.org/report/freedom-world/2022/freedom-world-2022>.

⁴¹ Heritage Foundation, "Methodology," December 2, 2022, <https://www.heritage.org/index/pdf/2019/book/methodology.pdf>.

⁴² Heritage Foundation, "Index of Economic Freedom," 2019, https://www.heritage.org/index/pdf/2019/book/index_2019.pdf; Heritage Foundation, "Index of Economic Freedom," 2022, https://www.heritage.org/index/pdf/2022/book/2022_IndexOfEconomicFreedom_FINAL.pdf.

⁴³ U.S. Department of State, "U.S. Bilateral Relations Fact Sheets," August 20, 2023, <https://www.state.gov/u-s-bilateral-relations-fact-sheets/>.

⁴⁴ U.S. International Trade Commission, "Sub-Saharan Africa Trade Data, 2019–2022," November 29, 2022, <https://dataweb.usitc.gov/trade-data-reports/Sub-saharan-africa/trade-data/trade-balance>; John Hopkins China Africa Research Initiative, "China-Africa Trade, 2019–2021," November 29, 2022, <http://www.sais-cari.org/data-china-africa-trade>; "General Administration of Customs of the PRC, 2022," November 29, 2022, <http://www.customs.gov.cn/customs/302249/zfxxgk/2799825/302274/302277/302276/4127455/index.html>.

of the U.S. market. However, the U.S. administration supports imports from countries that meet the terms of AGOA. I assumed that if China has a trade advantage of more than 100 per cent (in exports and imports) and there is no significant increase in activity in this area by the U.S., it means that there is no trade rivalry in the country. An additional factor I considered was the mineral wealth of particular African countries.

The elements of economic statecraft are the dependent variables.

1) Foreign assistance spending⁴⁵ is the largest component of the U.S. international affairs budget. In order to receive it, countries are required to implement democratic and free market reforms (unless it is humanitarian relief).

In the study, I selected five countries that received the most assistance in millions of dollars between 2018 and 2021. Since the amount of assistance distributed depends not only on foreign policy goals but also on the populations of the countries, I also decided to consider five countries for which this assistance increased the most in percentage terms. Besides, I referred to the situation in five countries for which it decreased between 2018 and 2021. I took into account the lowest and the highest values in this period. I omitted countries for which the assistance was less than 5 million USD during the period under study.

2) U.S. entrepreneurs make independent decisions on the directions of their investments, so I include in the study only U.S. administration-supported projects funded under the DFC and PA (which is also expected to influence the revival of trade). I singled out five states where ongoing projects have received the most funding. Programmes implemented under the DFC are also included in the PA data, as DFC is a crucial partner of this program. In addition, I checked if the projects were implemented in politically stable and business-friendly states. Business climate was rated according to the World Bank ranking⁴⁶ and state fragility was determined on the basis of a ranking compiled by the Fund for Peace.⁴⁷ I also marked the new programmes since 2020, when the DFC launched its operations.

⁴⁵ Foreign assistance is “any tangible or intangible item provided by the United States Government by means of gift, loan, sale, credit, or guaranty to a foreign country or international organization under this or any other Act, including but not limited to any training, service, or technical advice, any item of real, personal, or mixed property, any agricultural commodity, United States dollars, and any currencies of any foreign country which are owned by the United States Government”. “Foreign Assistance Act of 1961,” November 29, 2022, <https://www.usassistance.gov/sites/default/files/documents/faa.pdf>. Foreign assistance awarded by the U.S. in the 2018–2021 to Sub-Saharan African countries was for the following purposes: humanitarian assistance, health, economic development, program support, multi-sector, education and social services, democracy, human rights, and governance, peace and security, and environment (Foreign Assistance, 2018–2021), August 20, 2023, <https://www.foreignassistance.gov/>.

⁴⁶ World Bank, “Ease of Doing Business Rank,” 2021, <https://data.worldbank.org/indicator/IC.BUS.EASE.XQ>.

⁴⁷ Fund for Peace, “Fragile State Index,” 2021, <https://fragilestatesindex.org/2021/05/20/fragile-states-index-2021-annual-report/>.

Although I collected data about all African countries, I analysed those that were the most significant recipients (according to the criteria described above) of U.S. economic incentives (Table 3).

All the data to which I refer in the following analysis are presented in Table 4, Table 5 and Table 6. Information on the level of foreign assistance for countries not included in the tables is available in Extended data.

Table 3. The major recipients of U.S. economic incentives (foreign assistance and/or DFC/PA programs.

	5 largest foreign aid recipients for 2021 in mln USD (rank)	Increase in value of foreign assistance 2018–2021 in % (rank)	Active DFC programs in million USD/*from 2020 (rank)	Value of active PA programs in million USD for 2021 (rank)
Angola				3300 (2)
Benin		↑ 128% (2)		
Burkina Faso		↑ 100% (3)		
DRC	815 (3)	↑ 43% (4)		
Equatorial Guinea		↑ 100% (3)		
Ethiopia	1151 (1)			
Ghana			872 (4)	
Kenya			1029 (3)*346	1100 (5)
Mozambique			1762 (1) *210	27000 (1)
Niger		↑ 40% (5)		
Nigeria	805 (4)			
Senegal			546 (5)*14	
Somalia	475 (5)			
South Africa			1175 *269 (2)	
South Sudan	821 (2)			
Sudan		↑ 230% (1)		
Togo				1200 (4)
Uganda				1880 (3)

Sources: Own elaboration based on: Foreign Assistance (2018–2021) <https://www.foreignassistance.gov/>, (20 August 2023); DFC, 2018–2021, Active projects <<https://www3.dfc.gov/DFCProjects>> (22 November 2022); Prosper Africa, 2018–2021, Our Results, <<https://www.prosperafrica.gov/results/>> (14 November 2022).

Table 4. Position of the major recipients of U.S. economic incentives in Freedom House and Heritage Foundation rankings. Amount of US foreign assistance and income classification.

Country	Freedom House Scoring 2018 – 2021 and classification group. Increase and decrease in ranking (↑↓=).	Heritage Foundation Scoring 2018 – 2021 and classification group. Increase and decrease in ranking (↑↓=).	US Foreign Assistance (all agencies) 2018/2019/2020/ 2021 fiscal years Disbursement in mln USD	Income classification ⁴⁸
Angola	31/30/III ↓	50,6/52,6/IV ↑	52/55/35/38	LMI
Benin	79 (I)/59/II ↓	55,3(IV)/61/III ↑	62/95/85/142	LI
Burkina Faso	60/53/II ↓	59,4(III)/58,3/IV ↓	78/98/106/157	LI
DRC	15/19/III ↑	50,3 (IV)/47,6/V ↓	481/637/743/814	LI
Equatorial Guinea	6/5/III ↓	41/47,2/V ↑	1,1/0,2/0/2,4	UMI
Ethiopia	19/27/III ↑	53,6 (IV)/49,6/V ↓	938/918/812/1131	LI
Ghana	83/80/I ↓	57,5/59,8/IV ↑	210/207/199/208	LMI
Kenya	48/48/II =	55,1/52,6/IV ↓	960/913/695/461	LMI
Mozambique	51/43/II ↓	48,6 (V)/51,3/IV ↑	541/517/496/ 361	LI
Niger	49/51/II ↑	51,6 (V)/54,9/IV ↑	174/174/208/244	LI
Nigeria	50/43/II ↓	57,3(IV)/54,4/V ↓	876/761/878/805	LMI
Senegal	72 (I)/68/II ↓	56,3(IV)/60/III ↑	189/187/167/164	LMI
Somalia	7/7/III =	No data	642/575/594/475	LI
South Africa	79/79/I =	58,3/56,2/IV ↓	612/674/701/451	UMI
South Sudan	2/1/III ↓	No data	795/616/607/821	LI
Sudan	7/10/III ↑	47,7/32/V ↓	224/260/194/448	LMI
Togo	43/42/II ↓	50,3(V)/57,2/IV ↑	5/4/6/11	LI
Uganda	36 /34/III ↓	59,7 (III)/54,2/IV ↓	748/768/698/449	LI

Sources: Own elaboration based on: Freedom House, 2019, Freedom in the World Scores, <<https://freedomhouse.org/report/freedom-world/2019/scores>> (2 December 2022); Freedom House, 2022, Freedom in the World, <<https://freedomhouse.org/report/freedom-world/2002/freedom-world-2002>> (21 March 2023). Heritage Foundation, 2019, Index of Economic Freedom, <https://www.heritage.org/index/pdf/2019/book/index_2019.pdf> (2 December 2022); Heritage Foundation, 2022, Index of Economic Freedom, <https://www.heritage.org/index/pdf/2022/book/2022_IndexOfEconomicFreedom_FINAL.pdf> (21 March 2023); Foreign Assistance, 2018–2021.

⁴⁸ LI – Low Income country, LMI – Lower Middle Income country, UMI – Upper Middle Income country, HI – High Income Country (World Bank, 2022).

Table 5. Sub-Saharan African countries standing out in terms of trade with the U.S.

	5 largest trading partners in 2021. Exports and imports in bln USD (rank)	Largest growth in exports and imports 2018-2021 (rank)	Rivalry with China US import advantage in %⁴⁹
Angola	1,4 (5)	I -113% (5)	#
Botswana			I: +29%
Cabo Verde			I: +360%
Côte d'Ivoire	1,6 (4)	E- 60% (3)	I: + 92%
DRC		I – 800% (1)	#
Ethiopia			I: +39%
Ghana	2,7 (3)	I- 140% (3)	I:+17%/
Kenya		E -53% (5)	I: +303%
Madagascar		E- 55% (4)	I: +104%
Nigeria	7, 4 (2)	I-132% (4)	I:+12%
South Africa	21,2 (1)		#
Sierra Leone		E- 55% (4)	#
Sudan		E- 120% (1)	#
Uganda		E- 75% (2)	I: +101%
Zambia		I - 330% (2)	#

China's prevalence above 100% in exports and imports

Sources: United States International Trade Commission, 2019–2022, <<https://dataweb.usitc.gov/trade-data-reports/Sub-saharan-africa/trade-data/trade-balance>>, (29 November 2022); John Hopkins China Africa Research Initiative, 2019–2021, <<http://www.sais-cari.org/data-china-africa-trade>> (29 November 2022); General Administration of Customs of the PRC, 2022, <http://www.customs.gov.cn/customs/302249/zfxxgk/2799825/302274/302277/302276/4127455/index.html> (29 November 2022).

Discussion

(i) Foreign assistance

The U.S. is targeting most foreign assistance to Ethiopia, South Sudan, the Democratic Republic of Congo (DRC), Nigeria and Somalia. Although Ethiopia's position has risen in democracy rankings, it is still very low. In November 2020, fighting between government forces and the Tigray People's Liberation Front escalated. As

⁴⁹ U.S. exports have no advantage over China in any country.

Table 6. Investment security ranking.⁵⁰

Rank	Country	Busin- ess climate	State frag- ility	points	Rank	Country	Busin- ess climate	State frag- ility	points
4.	South Africa	107	86	193	28.	Niger	59	20	79
7.	Ghana	73	110	183	29.	Burkina Faso	40	38	78
8.	Kenya	135	30	165	30.	Nigeria	60	15	75
10.	Ethiopia	132	22	154	34.	Equatorial Guinea	13	46	59
12.	Senegal	68	73	141	36.	Angola	14	35	49
13.	Togo	94	39	133	42.	Sudan	20	9	29
17.	Benin	42	78	120	45.	DRC	8	6	14
23.	Uganda	75	25	100	48.	South Sudan	6	4	10
27.	Mozambique	53	28	81	49.	Somalia	1	2	3

Sources: Own elaboration based on: World Bank, 2021, Ease of Doing Business Rank, <<https://data.worldbank.org/indicator/IC.BUS.EASE.XQ>> (20 October 2022); Fund for Peace, 2021, Fragile State Index, <<https://fragilestatesindex.org/2021/05/20/fragile-states-index-2021-annual-report/>> (20 October 2022).

of January 1, 2022, Ethiopia lost AGOA eligibility due to human rights violations during the conflict.⁵¹ Nevertheless, the amount of foreign assistance increased during the period under review. Ethiopia has also dropped in the economic freedom ranking to the lowest (fifth) category. However, a number of programmes under the DFC were being implemented, and their value has increased since 2020. The country is not particularly rich in natural resources. There is also no close military cooperation between Ethiopia and the US. However, Ethiopia is important to the U.S. because of its fight against terrorist organizations.⁵² The U.S. has an advantage over China in the value of Ethiopian imports, so there is a clear rivalry in this field.

⁵⁰ In the above ranking, I took into account 2 factors: business climate and state fragility. Business climate was determined according to a ranking by the World Bank, which assessed 190 countries. State fragility was determined according to a ranking by the Fund for Peace, in which 179 countries were assessed. The business climate category points were assigned in descending order (i.e., for 1st place -190 points, for 190th place - 1 point), and the state fragility category points were assigned in ascending order (for 1st place - 1 point, for 179th place - 179 points). I summed up the points and ranked the countries that earned the most points (Sources of data: World Bank, 2021; Fund for Peace, 2021).

⁵¹ AGOA, "Why US is Suspending Ethiopia, Mali, Guinea from AGOA."

⁵² G. Negatu, "The US Risks Losing Its Influence in the Horn of Africa. Here's How to Get it Back," *The Atlantic*, January 11, 2022, <https://www.atlanticcouncil.org/blogs/new-atlanticist/the-us-risks-losing-its-influence-in-the-horn-of-africa-heres-how-to-get-it-back/>.

South Sudan ranks last in Freedom House's democracy index, and there has been a deterioration in the situation every year. Despite this, U.S. foreign aid has been steadily increasing. South Sudan is rich in natural resources, but there is little U.S. activity when it comes to trade; China by far dominates. There are no active programmes there under the DFC, and South Sudan ranks penultimate in the investment security ranking. Therefore, it can be concluded that the support is more humanitarian in nature, with the goal of building stability and preventing the escalation of conflicts.

The DRC is a case of very significant growth in U.S. engagement under Presidents Trump and Biden. It is the third recipient of foreign aid, which increased by 43% between 2018 and 2020. Although the democracy ranking has seen a slight increase in the DRC's position, it still has only 19 points out of a possible 100. The economic freedom rating has fallen even further since 2018. The DRC, on the other hand, is a country that is extremely rich in natural resources, among them rare earth metals, which are essential in modern technology. In April 2019, the U.S. entered into a Privileged Partnership for Peace and Prosperity with the DRC. One of the goals of this agreement was "to develop an enhanced economic relationship with the DRC, with the U.S. as a major investor and trading partner"⁵³ which suggests a drive to push out Chinese influence. In addition, U.S. Ambassador Mike Hammer has been active in securing favourable loans for the DRC government.⁵⁴ Since 2021, the DRC has been auditing resource extraction contracts with Chinese companies, which is funded by the U.S. government as part of the DRC's anti-corruption funding allocation. The DRC obtained American assistance in the amount of 1.6 billion USD, allocated to good governance activities, including at the local level. It is worth noting that in 2020, the DRC returned to the list of countries that can enjoy preferential access to the U.S. market under AGOA (it had been suspended since 2011). In February 2022, U.S. Deputy National Security Advisor Daleep Singh visited the DRC, discussing the country's inclusion in B3W projects.⁵⁵ In 2020–21 a significant increase in U.S. imports could be observed. China still has a huge advantage in terms of trade value, but competition has certainly been taken up.

Nigeria, the most populous country in sub-Saharan Africa, is a key partner of the United States. It is named a strategic partner by the State Department, but it has not signed a Strategic Partnership Agreement with the U.S., as is the case with

⁵³ U.S. Department of State, "U.S. Relations With Democratic Republic of the Congo," April 24, 2023, <https://www.state.gov/u-s-relations-with-democratic-republic-of-the-congo/>.

⁵⁴ U.S. Embassy in the DRC, "The United States Supports the DRC to Build the Democracy that the Congolese People Deserve and Can Achieve," December 9, 2021, <https://cd.usembassy.gov/the-united-states-supports-the-drc-to-build-the-democracy-that-the-congolese-people-deserve-and-can-achieve/>.

⁵⁵ D. Searcey, M. Forsythe and E. Lipton, "A Power Struggle over Cobalt Rattles the Clean Energy Revolution," *New York Times*, November 20, 2021.

Kenya or South Africa.⁵⁶ Nigeria is struggling with active terrorist groups, ethnic conflicts and high crime rates. It has seen a noticeable drop in its democracy ranking as well as in the ranking of economic freedom. When it comes to investment security, it ranks 30th. However, it is rich in mineral resources, mainly oil and lithium, which is why many DFC investment programmes are active here. In recent years, the United States has also increased its imports from Nigeria, surpassing China in this category. Security cooperation within AFRICOM is very important in bilateral relations. Nigeria buys American military equipment, and its troops participate in numerous training programmes. It also benefits from technical support in the fight against terrorist organisations and drug trafficking.

Somalia is second in the ranking of fragile states due to unstable governments, armed conflict and the activities of terrorist organisations. U.S. foreign aid and counterterrorism support is aimed at preventing this situation from worsening. American and Chinese economic activity in the country is negligible. Although Somalia is rich in mineral resources, they are not exploited due to permanent conflicts.

Foreign assistance amounts allocated by the United States increased the most during the period under review to the following countries: Sudan, Benin, Burkina Faso, Equatorial Guinea, the DRC and Niger. These countries belong to the low-income group – the exception is Equatorial Guinea, which is included in the upper-middle-income group. It is worth noting that the rating of democracy in this country is very low with a downward trend, and so is the rating of economic freedom (although here a slight increase was noted). There is significant increase in U.S. investment in the country (the U.S. is the largest investor in the raw materials sector), but the United States has much less trade with the country than China—they do not take up competition in this aspect.

On April 11, 2019, President of Sudan Umar al-Bashir, who had presided over undemocratic rule since 1989, was removed from office due to popular protests. Hence, we can observe a slight rise in democracy ratings. The United States pinned its hopes on the democratisation of Sudan and increased security in the region. The Americans were also counting on improved economic cooperation with the oil-rich country, although there was a significant regression in terms of economic freedom.⁵⁷ These hopes were dashed, however, in October 2021, when the military overthrew the interim civil-military government, which was supposed to prepare a democratic reform programme. China has a substantial advantage over the U.S. in terms of trade value. Nevertheless, there was a significant (120%) increase in U.S. goods exported to Sudan in 2020–21.

⁵⁶ Strategic Partnership is “a loose but structured framework of collaboration between parties to address common challenges and to seize opportunities in several areas”; P. Parameswaran, “Explaining US Strategic Partnerships in the Asia-Pacific Region: Origins, Developments and Prospects,” *Contemporary Southeast Asia* 36, no. 2 (2014): 264.

⁵⁷ L.P. Blanchard, “Sudan,” *Congressional Research Service*, August 21, 2019, <https://sgp.fas.org/crs/row/IF10182.pdf>.

Benin, Burkina Faso and Niger are key U.S. partners in the fight against terrorist organisations in the region. Benin has dropped significantly in democracy rankings. On the other hand, Benin has moved up economic freedom rankings. The country has no attractive mineral resources. China leads the way in trade, but the United States shows no aspiration to compete. Benin, for its part, works closely with the U.S. in the military field under AFRICOM. A very similar situation is in U.S. relations with Burkina Faso. For the United States, the most important policy goal for both countries is the joint fight against terrorist organisations. Niger, another key military partner in the area (about 700 American troops are stationed there), showed positive trends in both the level of democratisation and economic freedom. It is also a leading exporter of uranium. Investment support programmes are being implemented in all of these countries, but only Niger has launched new ones, starting in 2020. Benin is the highest of these three countries in the investment security ranking (17th), while Niger and Burkina Faso rank 28th and 29th, respectively.

Foreign aid amounts from the U.S. decreased the most for Cabo Verde, Gambia, Djibouti, Botswana, Mauritania and Guinea. Among these countries, this can only be justified by the significant decline in the level of democracy in the case of Guinea. Since the beginning of 2022, it has been unable to enjoy preferential access to goods in the U.S. market due to a military coup that took place in September 2021. Cabo Verde, Gambia and Botswana are fairly stable democracies. Mauritania, too, has seen improvements in the quality of democracy and economic freedom. However, the country cannot benefit from the AGOA programme as of 2019. No new DFC investment support programmes have been launched in these six countries since 2020. The Chinese trade advantage is still very large. A separate case is Djibouti, where the Americans maintain a military base, but as of 2017, China also has its own one there. China is much more economically active in Djibouti.

(ii) Support for investments and trade

In terms of DFC-supported projects, most funds are located in Mozambique, South Africa, Kenya, Ghana and Senegal. Mozambique received the most funds to support investment (under of both DFC and PA). Interestingly, Mozambique is struggling with the active terrorist organizations in the north of the country and corruption scandals. It is only 27th in the investment security ranking. The rationale for supporting investment in the country is its rich mineral resources as well as its classification in the lowest income group and the rise of the economic freedom index. Although Mozambique is in the middle group of countries in the democracy ranking, there has been a downward trend in this regard. The country does not have close military cooperation with the U.S., and the growth in trade, while noticeable, does not indicate that the latter has taken up a strong rivalry with China.

South Africa, Kenya, Ghana and Senegal rank high in investment security (4th, 7th, 8th and 12th, respectively). They also attract significant funds within the PA. All of these countries are seen as stable democracies, but Ghana and Senegal have fallen slightly in the Freedom House rankings in recent years. Instead, these

two countries show an improvement in the economic freedom index, while South Africa and Kenya show a slight decline. South Africa and Kenya have signed Strategic Partnerships with the U.S. South Africa, Kenya, Ghana and Senegal cooperate with the U.S. militarily under AFRICOM. In terms of trade rivalry with China, it can be seen in the case of Ghana (the 3rd largest trading partner of the U.S.), Kenya (the 5th largest partner of the U.S. in terms of exports) and South Africa (the largest trade partner of the U.S.). In the latter country, the U.S. dominated in terms of imports, but the value of imports from China rose sharply in 2021 (by 340%), which gave it a significant advantage over the U.S. There has also been a recovery in U.S. trade with Senegal, but China still has an advantage of more than 100%. It can be concluded that South Africa, Kenya, Ghana and Senegal are key U.S. partners in Africa, and economic incentives serve to maintain good relations.

By analysing the assignment of funds within the PA, it can be observed that the largest numbers of funds were placed in Mozambique, Angola, Uganda, Togo and Kenya. Angola ranks distantly in the democracy and economic freedom rankings, but a slight downward trend can be observed in the former category and upward trend in the latter one. The country is sub-Saharan Africa's second-largest oil producer. Between 2020 and 2021, U.S. imports from Angola increased by 113%, which may indicate that the U.S. is taking up a rivalry with China.

Uganda dropped in the Freedom House and Heritage Foundation rankings during the period under review, and the decline in U.S. foreign assistance to the country has been noticeable in recent years. However, new investment support programmes are being launched there. Uganda is not rich in mineral resources. However, one can see the advantage of the U.S. in imports over China. Uganda is a relatively safe country for investment (23rd in this ranking). Compared to countries with similar populations, China is not as economically active in Uganda, so the U.S. has a chance to compete with it here. The U.S. also appreciates Uganda's commitment to fighting terrorist organisations, although it does not have formal close military cooperation with it.⁵⁸

Togo also saw a drop in its Freedom House ranking, but it is in the middle group of countries described as "partly free". Nonetheless, the value of foreign assistance from the U.S. has increased, although the amounts remain small. On the other hand, ratings for changes leading to economic freedom have risen significantly. Togo ranks high (13th) in investment security, so investors benefit from the support of U.S. programmes. Togo is an important U.S. military partner in West Africa, working closely with the U.S. in AFRICOM. China has a significant advantage in trade, and its value with the U.S. has been declining in recent years.

⁵⁸ U.S. Department of State, "U.S. Relations With Uganda," April 24, 2023, <https://www.state.gov/u-s-relations-with-uganda/>.

Conclusions

In Table 7, I presented the criteria for achieving major U.S. foreign policy goals in the five countries that received the largest amount of foreign assistance between 2018 and 2021, and the six where this assistance increased the most in percentage terms over the same years (the increase in Burkina Faso and in Equatorial Guinea were the same). The DRC is included in both categories.

Only four countries out of ten saw an improvement in the quality of democracy in terms of the political rights and civil liberties taken into account in the Freedom House rankings. In terms of economic freedom, the situation has improved in only three of the ten countries. As many as seven countries are important to the U.S. in the fight against terrorist organisations, and also seven are rich in mineral resources.

In Table 8, I presented the criteria for achieving major U.S. foreign policy goals in the five countries that received the most funds to support investment under the DFC and the five that received the most funds to support investment and trade under the PA. Kenya and Mozambique are included in both categories. Compared to Table 7, I added one more criterion: investment security. I marked the countries that are in the top half of the ranking, which takes into account 49 Sub-Saharan African countries.

Table 7. Foreign assistance/criteria.

	Demo- cracy	Economic freedom	Close military cooperation	Fight against terrorist organi- sations	Rivalry with China in trade	AGOA	Mineral resources
Benin	↓	↑	+	+		+	
Burkina Faso	↓	↓	+	+		+	
DRC	↑	↓			+	+	+
Ethiopia	↑	↓		+	+		
Equatorial Guinea	↓	↑					+
Niger	↑	↑	+	+		+	+
Nigeria	↓	↓	+	+		+	+
Somalia	=	No data		+			+
Sudan	↑	↓		+			+
South Sudan	↓	No data					+

Table 8. Support for investment and trade under the DFC and PA/criteria.

	Democracy	Economic freedom	Close military cooperation	Fight against terrorist organisations	Rivalry with China in trade	AG-OA	Mineral resources	Investment security
Angola	↓	↑			+	+	+	36th place
Ghana	↓	↑	+		+	+	+	+ 7th place
Kenya	↓	↓	+	+	+	+		+ 8th place
Mozambique	↓	↑		+		+	+	27th place
South Africa	=	↓	+			+	+	+ 4th place
Senegal	↓	↑	+	+		+		+ 12th place
Togo	↓	↑	+			+		+ 13th place
Uganda	↓	↓		+	+	+	+	+ 23rd place

None of eight saw improvements in the quality of democracy (South Africa maintained the same level). In terms of economic freedom, the situation has improved in five countries. Six countries are in the top half of the investment security ranking. Five countries have close military cooperation with the U.S., four of which are important to the U.S. in fighting terrorist organisations. Five are rich in mineral resources, and in four the U.S. has taken up a trade rivalry with China.

The above analysis shows that economic incentives in the form of foreign assistance and projects granted under the DFC and PA do not depend on the aspirations of African countries to improve the quality of democracy. Therefore, in this aspect, one cannot speak of conditionality. Increasing economic freedom is also not important in the case of foreign assistance, greater in support for investment. These two goals are therefore not priorities in U.S. policy for the region.

The countries that receive the most economic incentives are those that are important partners of the United States in military cooperation and in the fight against terrorist organisations. In terms of rivalry with China, the largest U.S. trading partners and countries with which trade has intensified are rich in mineral resources. Most of the countries in which we can observe trade rivalry with China

are not important recipients of U.S. foreign assistance and investment support (only six out of eighteen). Instead, they are all beneficiaries of AGOA.

In terms of raw material wealth, this factor is least important in investment support, high in the granting of foreign assistance, and almost all countries where the U.S. competes in trade with China are rich in natural resources. In many countries, China's advantage in trade is so great that the U.S. is not competing for dominance. It must also be stated that the U.S. administrations' activity to increase investment and trade in Sub-Saharan Africa is purely economic in nature.

Answering the research questions, it can be concluded that:

1) In terms of progress in democratisation, the conditionality of economic incentives is not an issue. Increasing economic freedom is also not important in foreign assistance; it is of greater importance in support for investment.

2) Security cooperation is a priority goal in U.S. policy towards Sub-Saharan Africa supported by economic incentives.

The common perception of US conditionality associated with economic incentives is therefore not confirmed. This is not to say that conditionality is not applied at all, but after analysing the empirical data, the lack of consistency in the application of economic incentives and the absence of a coherent and consistently implemented strategy is striking. Therefore, the statement of Whitaker and Clark who note that U.S. policy towards Sub-Saharan African states is mostly low on the list of U.S. priorities, and actions are taken ad hoc in times of crisis, is valid.⁵⁹ Furthermore, the development programmes proposed by successive administrations are merely an attempt to improve existing ones. The data show that despite Trump's pledges to intensify the rivalry with China, and Biden's declarations of a new partnership, the U.S. is limited in its ability to do so effectively. The U.S. administration has little influence over U.S.-based companies. Apparently, this is an important reason for the aforementioned inconsistency in the use of economic incentives. Certainly of greater importance is the pursuit of objectives over which the U.S. administration has greater control: in the case of sub-Saharan African countries, it is security cooperation.

Data availability

Underlying data

The study used data taken from official websites and databases: Foreign Assistance, Bureau of Economic Analysis, Census Bureau, Freedom House, Heritage Foundation, U.S. International Trade Commission, John Hopkins China Africa Research Initiative, General Administration of Customs of the PRC, World Bank, Fund for Peace, and U.S. International Development Finance Corporation.

⁵⁹ B.E. Whitaker and J.F. Clark, *Africa's International Relations. Balancing Domestic & Global Interests* (Boulder, CO: Lynne Rienner Publishers, 2018), 259, 260.

All sources are cited in the article with direct links except for the below two databases where users can retrieve data from specific years by selecting the appropriate year (2018–2021):

- Foreign Assistance (<https://www.foreignassistance.gov/>; <https://www3.dfc.gov/DFCProjects>)
- Bureau of Economic Analysis (<https://www.bea.gov/data/intl-trade-investment/direct-investment-country-and-industry>)

Extended data

Figshare: full data.docx. https://figshare.com/articles/preprint/full_data_docx/25545991⁶⁰

This project contains the following extended data:

- Full data.docx (data extracted for analysis)

Data are available under the terms of the Creative Commons Attribution 4.0 International license (CC-BY 4.0).

⁶⁰ P. Matera, “full data.docx,” *figshare*, Preprint, 2024, <https://doi.org/10.6084/m9.figshare.25545991.v1>.