

12th EADI General Conference
**Global Governance for
Sustainable Development**

The Need for Policy Coherence
and New Partnerships



**China and Africa:
The Dynamics and Prospects of a New Model of South-
South Cooperation**

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Abstract

There are strong historical ties between China and African countries, some of which were among the first to recognise the People's Republic of China. The November 2006 Sino-Africa Cooperation Summit in Beijing confirmed the close collaboration between China and countries on the African continent. China's vastly increased involvement in Africa over the past decade appears to contradict the idea of Africa's international marginalisation and to suggest the movement towards a more equitable South-South cooperation. Nevertheless this paper argues that Sino-African relations are basically China-driven, in view of the fact that Africa remains a passive recipient of the results of Chinese policy and strategies on Africa. In other words, Africa is not proactive in taking the initiative in the relations. Thus, whereas the new presence of China in Africa could bring significant economic and political consequences, the relationships are asymmetrical, with China, so far, deriving more benefits from them. This paper covers wide-ranging issues, including the history and politics of the relationships, investment, trade, aid, mineral resources, development, governance, human rights, and arms trade. The paper views the China-Africa nexus in comparison to the dominant Western interactions, specifically the Washington Consensus. While the Chinese model of development can certainly be a good (South) alternative to the Washington Consensus, and the Chinese presence can provide African decision-makers more leverage and better policy-space vis-a-vis the West, the Chinese presence also involves real African losers, as in, for example, China's support of Mugabe's human rights abuses, its arms trade in Darfur, and the dumping of cheap imports that undercut domestic African production. This paper underlines China's oil-diplomacy in Africa. As the global demand for energy continues to rise, major players like the United States, the European Union, and Japan are facing a new competition, China, in the race to secure long-term energy supplies. China is determined to secure the energy resources needed to sustain its rapidly growing economy, and is aggressively moving to lock-down sources of oil and other necessary raw materials across the globe. With the middle-East's longdrawn instability, China has turned toward another major oil-producing region, Africa, whose risks and challenges have, hitherto, caused, it to be overlooked by much of the rest of the world. Through its state-owned companies, CNPC, CNOOC, SINOPEC and SINOCEM, it has invested heavily, over the last decades, in petroleum exploration and production in most petroleum provinces in Africa. This paper concludes that the only way in which the new presence of China in Africa could lead to real advantages, not only to the African elites who are the main beneficiaries now but also to the generality of the African people, is if the structures of democracy, good governance, rule of law, and accountability are urgently put in place and sustained in Africa. It is on that solid foundation that Africa will grow a new crop of committed and nationalist leadership who will assume maximum economic policy making space in their economic and political foreign relations, set well-calculated limits on foreign economic activity, diversify economies and solve supply-side constraints to build up Africa's competitiveness in the global economy. Without meeting these conditions, the role of China in Africa is likely to simply replicate the status quo of a Western – type hegemonism and exploitation in Africa rather than setting up a new, alternative, and viable model of South-South cooperation that will contribute to sustainable development in Africa.

I. Introduction

This paper is based on the notion of the scramble for Africa, which was, in essence, the inter-imperialist rivalries to dominate and control the pillage of the African continent, and the exploitation of its people and resources. The imperial powers would later, in 1884, sit at a roundtable to dialogue on the need to have a peaceful environment in which their respective looting and exploitation could proceed at maximum throttle. They partitioned Africa and distributed the territories amongst themselves. That scramble for Africa, for human and natural resources, was, therefore, a very brutal and violent affair, which entailed imperialist exploitation.¹

The above summary constitutes the background that explains the initial sense of alarm and apprehension, especially in progressive African quarters, about what has been referred to as the “new scramble for Africa,” which refers to the increasing presence in Africa, in more recent times, (i.e. in addition to the already entrenched Western powers), of new powerful forces, represented by the emerging economies of Asia, especially China. The excellent economic performance of the emerging Asian economies, including China, India, South Korea, Malaysia, etc. in the past two decades has brought them great influence in the global economy and in world affairs. The new scramble is also depicted by recent imperialist displays by America in setting up an African Military High Command (USA-AFRICOM) and in its lingering presence in the Gulf of Guinea, both moves representing a muscle-flexing signal apparently directed at China’s presence in Africa.

The ultimate objective of the initial scramble for Africa was basically to capture and control Africa’s human and natural resources, markets and cheap labour. Its impact on Africa’s fortunes was simply devastating; the continent was forcefully integrated into the periphery of the global capitalist economy mainly as a supplier of raw materials and cheap

¹ Chibuzo N. Nwoke, 2007, “The Scramble for Africa: A Strategic Policy Framework,” paper presented at International Conference on: “The New Scramble for Africa,” organised by Nigeria’s Ministry of Foreign Affairs, Abuja.

labour and a buyer of manufactured goods, a division of labour which ensured the systematic draining of the continent's resources to the metropole rather than their use for its self-development. And, of course, it is quite clear that African countries are today veritable neo-colonies, under Euro-American imperialism and its enforcers, the International Monetary Fund (IMF), the World Bank and the World Trade Organisation (WTO). In other words, Africans are really not in charge of their own affairs.

A critical question, therefore, is: are the objectives and essence of the new scramble for Africa, featuring both the entrenched great powers and the emerging ones of Asia, be different from the previous one? And will its impact on Africa's fortunes now be positive or will it still be negative?

This paper focuses on China's new presence in Africa. In other words, the paper is concerned with verifying whether China's Africa relations will be a replica of the existing North-South relations of exploitation, or whether China, insisting to be an underdeveloped country like African countries, will provide Africa an alternative, and new, model of genuine South-South cooperation based on equality, justice and mutuality of interests and benefits. And, either way, what should be Africa's strategic policy framework in engaging China in this new scramble?

Following these introductory remarks, the next section of this paper puts the concept of South-South cooperation in perspective. Section three is on China's "strategic partnership" with Africa. Section four is a discussion of the general concerns about China's new presence in Africa. Another section deals with the prospects of China's South-South proposal in the context of Africa's developmental interests. Section six sketches the critical ingredients of a strategic policy framework for Africa to usefully engage China (and others) in the new scramble.

II. South-South Cooperation

The fundamental imperative of South-South cooperation among Third World countries is the urgent need to reverse the increasing perverse net capital outflow from South to North, to resolve the deteriorating crisis of underdevelopment, to arrest the burgeoning external debt crisis, and to respond concretely to the restructuring of the world economy. The formal history of South-South cooperation is tied up with the activities of the Non-Aligned Movement (NAM), which was established in 1954/55 and whose initial focus was neutrality from the cold war politics between the Eastern and Western blocs. But in September 1986, during the NAM Summit in Harare, the South Commission was established as an independent international organ of Third World countries for the collective pursuit of an equitable world economy.²

The critical strategies for advancing South-South cooperation are highlighted in the report of the South Commission.³ One of the major directions of South-South cooperation is the expansion of South-South trade, especially in manufactured products. The external debt crisis and structural adjustment problems of the South are also two inter-related areas that called for urgent South-South cooperation. From the standpoint of the South Commission, the debt crisis in the Third World cannot be resolved without concerted, collective political action by the countries of the South, hence the call for the formation of a Debtors' Forum to counter-balance the North's creditors' cartels such as the London and Paris Clubs.⁴

The reversal of net capital flight of around \$50 billion annually from the South to the North is an equally urgent expectation from cooperation among Third World countries.

Cooperation in core areas like industry, agriculture, science and technology, as well as information is an equally critical South-South expectation. A related issue is the large capital,

² The South Commission, (1989) *The South Commission: Rationale, Objectives, and Activities*, Geneva, Mimeograph.

³ The South Commission, (1990) *The Challenge of the South*, Oxford: Oxford University Press.

⁴ Bade Onimode, (1995), "Planning for South-South Cooperation," in Bade Onimode and Richard Synge, *Issues in African Development*, Ibadan, Heinemann Books.

technological and other requirements for successful industrialisation and general structural transformation which are beyond the capability of individual countries.

Because production is the only permanent basis for sustained development and trade, the South countries are expected to cooperate effectively in production activities in order to make headway in trade and other areas.

The reform of the hostile, unjust and inefficient international economic and financial system, including the reform of the United Nations system that was evolved when Third World countries were still subjugated colonies is another critical area of cooperation facing South countries. The historic demands for a New International Economic Order (NIEO) and a new International Development Strategy (IDS) underscore the necessity for these reforms.

In summary, the common crises of the South, such as persistent underdevelopment, poverty, debt over-hang and oppressive neo-liberal policies clearly betray the depredatory motives of the North in the South and underline the necessity for concerted action by Third World countries to deal with them. South-South cooperation has to be transformed from a convenient development strategy into a compulsive imperative not only for the accelerated transformation of underdeveloped countries but for their very survival. It holds the decisive key to the termination of abusive underdevelopment, hapless exploitation, and the increasing marginalisation of Third World countries. It offers enormous bright prospects for tapping the vast physical and human resources of underdeveloped countries, their huge markets, enormous economies of scale and great political potentials.⁵

Now, to what extent is China's strong presence in Africa today fulfilling these expectations of South-South cooperation? At present, Sino-African relations are driven by Chinese diplomatic initiatives, with African countries in tow. The next section will examine China's initiative in the context of South-South relations.

⁵ Ibid

III. Beijing's South-South Rhetoric

Over the past five decades, China and Africa have maintained what has been described as “all weather” friendship⁶. China supported the African people in their struggles for national independence, and in their just resistance against imperialism and colonialism. African countries, on their part, have reciprocated by supporting China's resumption of its seat in the United Nations in 1971 as well as with respect to the question of Taiwan.

The bases of the all-weather Sino-African friendship and cooperation include the principle of equality in cooperation, mutual trust, and pragmatic cooperation⁷. Sino-African relations have focussed mainly on economic and trade activities. However, during the cold war era, their major pre-occupation was to make concerted efforts at national self-determination and independence for Third World countries. They therefore concentrated their efforts mainly on political cooperation while economic cooperation was maintained at a comparatively lower level. Since the 1990s, however, following China's increasing economic strength and the relatively stabilised situation in Africa, Sino-African economic and trade relations have grown rapidly. Today, it is becoming increasingly possible for China and Africa to expand relations in fields like medicine, health, culture, education, tourism, youth, etc.⁸

On 12th January 2006, Beijing announced China's Africa Policy.

...the Chinese Government wishes to present to the world the objectives of China's policy toward Africa and the measures to achieve them, and its proposals for cooperation in various fields in the coming years, with a view [to] promoting the steady growth of China-Africa relations in the long term and bringing the mutually-beneficial cooperation to a new stage.⁹

Beijing maintains that enhancing solidarity and cooperation with African countries has always been an important component of China's independent foreign policy of peace, and that China will “unswervingly carry forward the tradition of China-Africa friendship.” Proceeding

⁶ Xing Susu, 2006, Sino-African Cooperation in the 21st Century,” *Foreign Affairs*.

⁷ Ibid.

⁸ Ibid.

⁹ Hu Jintao, “China African Policy,” January 2006.

from the fundamental interests of both the Chinese and African peoples, Beijing will establish and develop a new type of “strategic partnership” with Africa, which features political equality and mutual trust, economic “win-win” cooperation and cultural exchange.

Principles and Objectives of African Policy

The general principles and objectives of China’s African policy are as follows:¹⁰

(a) **Sincerity, Friendship and Equality**

China promises to adhere to the Five Principles of Peaceful Coexistence and to respect African countries’ liberty to choose their path to development.

(b) **Mutual Benefit, Reciprocity and Common Prosperity**

China promises to support African countries’ endeavour for economic development and nation-building, to carry out cooperation in various forms in economic and social development, and to promote the common prosperity of China and Africa.

(c) **Mutual Support and Close Coordination**

China has undertaken to strengthen cooperation with Africa in the United Nations and other multilateral institutions by supporting each other’s just demand and reasonable propositions and will continue to appeal to the international community to pay more attention to questions concerning peace and development in Africa.

(d) **Learning from each other**

It is expected that China and Africa will learn from, and draw upon, each other’s experience in governance and development, strengthen exchange and cooperation in education, science, culture and health.

The 2007-2009 Beijing Action Plan

Between 3-5 November 2006, the Beijing Summit and the third Ministerial Conference of the Forum on China-Africa Cooperation (FOCAC) were held in Beijing. Heads of states, government delegations as well as ministers of foreign affairs and ministers in

¹⁰ Ibid.

charge of economic cooperation from China and 48 African countries attended the Summit and Ministerial Conference respectively. They reviewed the growth of friendship and cooperation between China and African countries since the beginning of their diplomatic relations. They also reviewed the progress of their mutual cooperation since the founding of the FOCAC in 2000 and resolved to make joint efforts to advance the new type of strategic partnership between them in keeping with the Declaration of the Beijing Summit of the FOCAC. In order to build on the success of the Summit and Conference, chart the course for China-Africa cooperation in all areas in the next three years, (2007-2009), and promote friendship, peace and cooperation and development, the two sides formulated and adopted a comprehensive Action Plan which includes political cooperation, economic cooperation, cooperation in international affairs, and cooperation in social development.¹¹

(a) **Political Cooperation**

Political cooperation between China and African countries involves:

- (i) High level visits and Dialogue;
- (ii) Consultation and Cooperation Mechanisms;
- (iii) Contacts between Legislatures and local Governments;
- (iv) Consular and Judicial Cooperation; and
- (v) Cooperation between China and the African Union, as well as sub-regional organisations in Africa.

(b) **Economic Cooperation**

(i) **Agriculture**

China and African countries resolved to intensify their exchanges and cooperation in farming, animal husbandry, irrigation, fishery, etc., and to actively explore new forms and ways of agricultural cooperation.

(ii) **Investment**

¹¹ Hu Jintao, "China-Africa Cooperation, Beijing Action Plan (2007-2009), Beijing, 2006.

Because of the importance the Chinese Government places on facilitating investment expansion in Africa, it plans to set up a China – Africa Development Fund of up \$5 billion to encourage and support reputable Chinese companies in investing in projects in Africa which will contribute to local technological progress, employment opportunities and sustainable socio-economic development.

(iii) Trade

China pledged to further open up its market to Africa, increase from 190 to over 440 the number of export items to China that are eligible for zero-tariff treatment from the least developed countries in Africa that have diplomatic relations with China.

(iv) Finance

They decided to continue the fruitful cooperation between Chinese financial institutions and the African financial institutions such as the African Development Bank, the Eastern and Southern African Trade and Development Bank, and the West African Development Bank.

(v) Infrastructure

Beijing pledged to continue to support Chinese companies to participate in Africa's infrastructure development; and the African side pledged to further open its infrastructure sector for Chinese enterprises' participation.

(vi) Energy and Mineral Resources

China and Africa resolved to support their enterprises in conducting joint exploration and rational exploitation of energy and other resources through diversified forms of cooperation.

(vii) Cooperation in Science and Technology

China and Africa agreed to step up scientific and technological cooperation in areas of common interest, including agricultural bio-technology, solar energy utilisation, geological survey, mining and development of new medicine.

(c) Cooperation in International Affairs

They resolved to strengthen consultation and cooperation in international affairs in their common interests. They reaffirmed their respect for the Charter of the United Nations, the Five Principles in the Constitutive Act of the African Union, and other universally recognised norms governing international relations, and agreed that priority should be given to increasing the representation of Third World, particularly African, countries, in the Security Council.

(d) Cooperation in Social Development

(i) Aid and Debt Relief

The Chinese Government pledged to continue to provide development assistance to African countries and to double its size by 2009, to provide \$3 billion of preferential loans and \$2 billion preferential export buyer's credit to African countries by 2009 on more favourable terms, especially for Highly Indebted Poor Countries (HIPCs) and the least developed countries (LDCs) in Africa. China also promised to cancel government interest-free loans contracted by friendly HIPCs and LDCs that had become due by the end of 2005.

(ii) Human Resource Development

China has trained over 10,000 African professionals in various fields under the African Human Resources Development Fund (AHRDF). It pledged to increase its input, based on AHRDF, to train another group of 15,000 professionals for African countries by 2009.

(iii) Culture

They both resolved to actively implement the bilateral government exchange programmes and support and promote cultural exchanges as well as art exhibitions and performances at the local level and between their peoples.

(iv) Education

China has promised to set up 100 rural schools in Africa by 2009, and to increase the number of government scholarships to African students, from the current 2,000 per year to 4,000 per year by 2009.

(v) Medical Care

China pledged to build 30 hospitals and provide \$50 million grant for providing anti-malaria drugs to African countries, and to build 30 demonstration centers for prevention and treatment of malaria by 2009.

On the whole, the Beijing Declaration calls for the enhancement of South-South cooperation and North-South dialogue in order to promote balanced, coordinated and sustainable development of the global economy. The numerous agreements, pledges and diplomatic pronouncements that have come out of the FOCAC, China's African policy paper, and the Beijing Declaration, constitute China's strategic framework for its engagement in Africa. We now turn, in the next section, to critical observations about China's real role in Africa

IV. Imperialist Tendencies

For China, Africa represents a key source of raw materials, especially crude oil of which China is now the world's second largest consumer, with over 25 percent of its oil imports coming from Sudan and the Gulf of Guinea; a market for cheap Chinese – made products; and opportunities for investment in infrastructure especially in potential markets where Western firms are deterred by political considerations, such as sanctions against human rights violations or political instability.¹²

China's increased presence in Africa is part of a wider effort to create “a paradigm of globalisation that favours China.”¹³ In the past, China's African presence was accommodated in Africa because of the history it shares with African countries as an object of European

¹² Esther Pam, 2007, “China, Africa and Oil,” Council on Foreign Relations, <http://www.cfr.org/publication/9557>

¹³ D. Zuleig and Bi. Janhai, 2005, “China's Global Hunt for Energy” *Foreign Affairs*, 84,5, pp.25-38.

imperialism and its ideological commitment to anti-imperialism and national liberation. However, in more recent times, China's policy has shifted from its old Cold War ideology to a more classical pursuit of self-interests (in the form of securing access to raw materials, markets and spheres of influence through aggressive investment drives, trade deals, arms sale and military "assistance"), so much so that China is today being accused of pursuing the goals of any classical imperialist.

While China was the largest oil-exporter in Asia, it became a net importer of oil in 1993. It is projected that by 2045, China will depend on imported oil for 4.5 percent of its energy needs. With its 2006 GDP growth of 10.7 percent, *China, just like other imperialists, is determined to get, by all means, the resources it would need to sustain its soaring economy, and is taking its quest to lock down sources of oil and other critical raw materials across the globe.* Following the September 11, 2001 attacks and the subsequent upheavals throughout the Middle East, China has turned toward Africa, another major oil producing region, which, hitherto, had been considered too risky.

*The need to find resources is now the driving force of Chinese foreign policy.*¹⁴ Beijing now encourages its state-controlled companies to seek out exploration and supply contracts with countries that produce oil, gas and other critical resources, while aggressively courting the governments of these countries with diplomacy, trade deals, debt cancellations, and aid packages. In fact, China has adopted what has been labelled as "aid-for-oil –strategy" that has resulted in increasing supplies of oil from African countries. That foreign policy strategy is working even beyond Africa as China is known to have also gained access to key resources around the globe, including gold in Bolivia, coal in the Philippines, copper in Chile, natural gas in Australia, and, of course. To date, China has oil partnerships in Nigeria, Chad, Equatorial Guinea, Sudan, Angola, Algeria, the Republic of Congo, Kenya and Gabon.

¹⁴ Stephen Marks, 2006, "China in Africa: The New Imperialism?" Pambazuka News, <http://www.pambazuka.org/en/category/features/32432>.

What characterises the current relationship between China and Africa is, essentially, trade and economic activity. Behind the US and France, and ahead of Britain, China is today Africa's third most-important trading partner. Sino-African trade grew by 700 percent during the 1990s; and between 2002 and 2003, it doubled to \$18.5 billion, nearly doubling again to \$32.17 billion in 2006. Most of the growth was due to increased Chinese imports of oil from Sudan and other African countries.¹⁵ In 2004 alone, China's Foreign Direct Investment (FDI) in Africa represented \$900 million of the continent's total FDI of \$15 billion. In 2005, Chinese companies invested over \$175 million in African countries, primarily on oil exploration and infrastructure. By September 2006, there were 254 projects financed by the Chinese EXIMBANK in 36 African countries, 79 percent of which were committed to infrastructure development such as railways (Benguela and Port Sudan), dams (Merowe in Sudan), Bui in Ghana, and Mphanda Nkuwa in Zambia, including thermal power plants (Nigeria and Sudan), oil facilities in Nigeria, and copper mines in Zambia and Congo.

China is building its relationship with Africa through integrated packages of aid that lead to business opportunities and market share for Chinese companies. For example, in Angola which currently exports 25 percent of its oil production to China, Beijing has secured a major stake in future oil production, with a \$2 billion package of loans and aid that includes funds for Chinese companies to build railroad, schools, roads, hospitals, bridges, and offices; lay a fiber-optic network; and train Angolan telecommunications workers.¹⁶ In other words, *China is following a very traditional path established by Europe, Japan and the US to offer countries comprehensive and exploitative trade deals combined with "aid."*

There seems to be a link between China's interest in oil and arms sale. Selling arms to African countries helps China cement relationships with African leaders and helps offset the costs of buying oil from them. Beijing sees Africa as a growth market for its military

¹⁵ Pam, op.cit.

¹⁶ Daniel Byman and Roger Cliff, 2006, "China's Arms Sales: Motivations and Implications," A report for the RAND Corporation.

hardware and exerts strong central control over its arms exports which it uses as a foreign policy tool.¹⁷ By sending military trainers to African countries where it is actively involved in oil exploration activity, China gains important African allies in the United Nations (Sudan, Zimbabwe) for its political goals, including its “one-China” policy of preventing Taiwan’s independence, and diverting attention from its own poor human rights record.¹⁸

China sells weapons and military equipment worth billions of dollars to several African countries. The countries include: Sudan, Equatorial Guinea, Ethiopia and Eritrea, Burundi, Tanzania and Zimbabwe. Experts and close observers say that any military air presence exercised by the government in Sudan, including the helicopter gun ships reportedly used to terrorise civilians in Darfur, comes from China. Shipping in more guns into a continent that is already so unstable and saturated with weaponry is unconscionable. But the Chinese say “Business is business, and China separates business from politics.”¹⁹

On the whole, China has exhibited a fantastic aggressiveness in establishing and securing a foothold in Africa. It has invested billions of dollars in African oil production, mining, transportation, electricity production and transmission, telecommunications, and other infrastructure.

Chinese representatives disbursed almost 12.3 billion to acquire a 45 percent stake in one of Nigeria’s offshore oil fields and will invest in additional \$2.5 billion to develop the reserves. Following its “going out strategy,” which was initiated in the early 1990s, China’s four main state-owned companies (China National Petroleum Corporation (CNPC), China National Offshore Oil Corporation (CNOOC), China National Petrochemical Corporation (SINOPEC) – have been investing actively in acquisition, exploration and production of

¹⁷ op.cit.

¹⁸ Sanou Mbaye, “China’s Grand Strategy,” The Nigerian Columnist, <http://www.nigeriancolumnist.com/indexx2.ph?option=com>

¹⁹ Jean Christophe, “China’s Trade Safari in Africa”, 2005, le Monde Diplomatique, <http://mondedipo.com/2005/05/iichinafrica>.

Africa's oil. The reason is partly to realise the state-owned companies' ambition of becoming international oil companies and partly to secure China's oil imports at source.

Oil exploration deals are often associated with a package of infrastructure contracts. For example, in May 2006, after President Hu Jintao's visit to Nigeria, China undertook to repair the Kaduna Refinery and Petrochemicals Company at a cost of \$4 billion and to undertake other investment projects, such as building a hydro-power plant in the Mambila, Plateau State. In return, the CNPC was granted a "right of first refusal" on four oil blocs. China also promised to invest \$1 billion to help repair Nigeria's moribund railway system and install new rolling stock and equipment. And later in 2006, a Chinese conglomerate, the Guangdong Xinquang International Group, was accorded the contract to build a fast rail system that will link Nigeria's commercial capital city, Lagos, to the political capital, Abuja.

China's aid-for-oil strategy is also illustrated in the case of Angola, now its second largest trading partner in Africa. At the end of 2004, Angola was granted a \$2 billion loan for rebuilding infrastructure destroyed in the civil war. In return, China would receive 10,000 barrels of oil per day. While the line of this credit, at 1.5 percent over 17 years, might look disadvantageous to China in the short term, Chinese companies will secure the lion's share of lucrative contracts for national reconstruction. Only 30 percent of the loan would be sub-contracted to Angolan businessmen in the construction sector.²⁰

Sudan has benefited from the largest Chinese investments. Through its CNPC, China is the most visible and significant investor in Sudanese oil exploration, transportation and production infrastructure. The CNPC holds a 40 percent stake in the Greater Nile Petroleum Company and has invested \$3 billion in refinery and pipeline construction. And some 4000 Chinese Peoples Liberation Army troops are deployed in southern Sudan guarding an oil

²⁰ Mbaye, op.cit.

pipeline.²¹ These huge investments enabled Sudan to begin exporting oil in 1999 and to eventually become a net oil exporter.

China won its original oil exploitation bid in Sudan in 1995, but it was America's severing of ties with Sudan two years later that gave China the opportunity to move into Sudan. America still maintains partial oil sanctions against Sudan; and China has become Sudan's biggest trading partner, taking 60 percent of the country's oil exports, amounting to 9 percent of China's total oil imports.

In return, China has used the threat of its Security Council veto to frustrate resolutions on Darfur. "I think the internal situation in Sudan is an internal affair, and we are not in a position to impose on them," according to China's Deputy Foreign Minister, Zhou Wenzhong.²²

Zimbabwe is another case where China has taken the opportunity provided by Western disengagement and pressure for reform to offer itself as an alternative source of "no-strings attached" assistance and investment. Under Mugabe's "look-East" policy, China delivered 12 fighter jets and 100 trucks to Zimbabwe's army when the country was subject to a Western arms embargo. In 2004, joint venture deals were struck in mining, transportation, communications and energy.²³ In the words of the Speaker of Zimbabwe's Parliament, "with all-weather friends like the People's Republic of China ... Zimbabwe will never walk alone."

²⁴ In addition to sending several crates of T-Shirts for supporters of the Zimbabwe ruling party in the 2005 elections, and providing a radio-jamming device located at a military base outside the capital to prevent independent radio stations from broadcasting during the election

²¹ Princeton Lyman, 2005, "China's Rising role in Africa", Presentation to the US-China Commission http://www.cfr.org/publication/8436/chinas_rising-role-in-africa.html

²² Abraham McLaughlin, 2005, "A Rising China Conters US Clout in Africa," Christian Science Monitor, <http://www.csmonitor.com/2005/0330/p01s01-woaf.html>

²³ Paul Mooney, 2005, "China's African Safari," Yale Global <http://yaleglobal.yale.edu/article.printed>

²⁴ McLaughlin, op.cit.

campaign, China was also reported to have designed Mugabe's new 25-bedroom, \$9 million, mansion and donated its special cobalt-blue slate roof tiles.²⁵

According to the Deputy Chairman of the South African Institute of International Affairs, the trade relations between South Africa and China are "a replay of the old story of South Africa's trade with Europe. We sell them raw materials and they sell us manufactured goods with predictable results – an unfavourable balance of trade against South Africa."²⁶

In a classic replay of the trade relations established by European imperialism, South Africa, like other African countries, exports raw materials to China while importing cheap Chinese products which compete with, and undercut, local industries. Chinese exports of textiles to South Africa, which grew from 40 percent of clothing exports to 80 percent by the end of 2004, is a case in point. In addition, the local industry also suffers from the growth of low-cost Chinese exports to the USA and Europe, which cuts off prospective African exports in those markets, an effect which has been particularly aggravated since the end of the Multi-Fibre Agreement (MFA) in January 2005. As a result, South Africa's textile workers lost some 60,000 jobs between January 2003 and November 2005.²⁷

This section has highlighted certain tendencies exhibited by China in Africa, which characterised earlier Western actions in the continent as imperialist. Ever since the Berlin conference, the West has assumed exclusive rights over sub-Saharan Africa, which several decades of anti-colonial and anti-apartheid struggle have failed to change, no thanks to neo-colonialism. But that Western influence is today being challenged and threatened by China, which also similarly covets Africa's rich reserves of minerals and resources.

Africa is today, the only remaining "soft target" where imperial powers are poised to do battle for access to mineral resources. The ongoing Darfur conflict illustrates the risks facing Africa, under the circumstance. Despite its declared commitment to non-interference,

²⁵ Mooney, op.cit.

²⁶ Lyman, op.cit.

²⁷ Mbaye, op.cit.

its interests in Sudanese oil imply otherwise as China has threatened to veto any resolution of the United Nations Security Council that might impose sanctions against the Arab ruling class in the Sudanese government, whose troops and government-allied militias are perpetrating genocide against Sudan's black citizens, using Chinese-made helicopter gunships based at airstrips maintained by Chinese oil companies.²⁸

Since China seems to be just as self-interested in its dealings in Africa as the earlier colonizers, what are the prospects for African countries, of the proposed Sino-African Strategic partnership?

V Prospects

Despite its large rhetorical content, the proposition for a new Sino-African strategic partnership contains comprehensive agreements that can provide opportunities, which, assuming the requisite capacity exists, African governments can exploit for the benefit of their people. What Africa needs now is a carefully articulated grand China strategy on how to convert those opportunities to real development gains.

Certain critical aspects of China's development approach directly confound orthodox neo-liberal assumptions and throw up important lessons for African countries. For example, the Washington Consensus, which calls for the elimination of the state in the development process, assumes that state-owned companies are grossly inefficient and are not capable of driving economic growth. However, China's growth is today led by state-owned and controlled natural resource companies. The Chinese oil companies that are penetrating Africa today are all state-owned.

The assumptions of neo-liberalism, which inform state orientation cannot, therefore, provide the basis for Africa to benefit from its strategic partnership with China or any other country. Africa should understand, and capitalise on, the alternative provided by China in furthering development along lines other than those dictated by neo-liberal orthodoxy. China

²⁸ Ibid.

has adopted a mixed economy model that maintains a strategic balance between the state and the private economy. China's private sector, growing at a rate of 20 percent, represents the greatest catalyst of the fast growth of its domestic economy. Despite this growth, the state continues to drive the economy, leading its export expansion and investment projects abroad.²⁹

Like China, Africa also needs to re-invent the developmental state and to grow its private sector fast enough to take advantage of the opportunities in the Sino-Africa partnership scheme. One such opportunity, which was, however, mismanaged in Nigeria, is the Presidential initiative on cassava export. While China was ready to absorb huge imports of Nigerian cassava, all the Nigerian government did was to simply announce the opportunity, leaving the poor farmers to their devices, without any state support or incentives. The result was that huge stockpiles of cassava were left to rot in several warehouses without being exported. The Government's neo-liberal orientation of private sector-led, market-based, development forbade state assistance to farmers, whereas the state's strategic intervention in marketing and processing would have been critical in encouraging those small farmers to grow cassava and to facilitate its export to China.

China and African countries have similar problems in their development projects, which provides broad scope and potential for their cooperation in many fields. There are important complementarities in Chinese and African economies. Africa is a big market with a population of more than 800 million people. China has commodities, labour-friendly technologies, and advanced management methods adaptable to the economic development of African economies.

Following the West's reluctance to meet Africa's infrastructure requirements, China in 2007 announced a \$5 billion concessionary loan to the Democratic Republic of Congo (DRC).

²⁹ Michael Kwanashie, "Sino-Nigerian Relations: Implications for Trade," Roundtable paper on Sino-Nigerian Relations: Economic and Political Dimensions, Nigerian institute of International Affairs, Lagos, 26th September 2007.

The loan, so far the single largest from China to an African country, is only the first instalment of a \$20 billion package of loans made available over the next three years.³⁰

In the DRC, China plans to: build a 3,200 km railway linking the country's southern mining heartland to the Atlantic seabed; establish a series of Sino-Congolese mining partnerships; and build 31 hospitals, 145 health clinics, two universities and 5000 government housing units.³¹ If China accomplishes all these projects in the DRC, the country will witness more improvement and growth in three years than it has seen in the over four decades since its independence.

After several decades of stagnation and mounting African disillusionment with Western economic development strategies, China seems to be presenting Africa an alternative development model that offers the continent the prospect of sustained growth and prosperity that Western conditionality has failed to deliver. Beijing insists that access to oil is not the only goal of its strategy in Africa. Indeed, the new Sino-African strategic partnership has, so far, witnessed an across-the-board surge of investment in every sector, from power generation to road and rail networks, and from bio-fuels to telecommunications.

Unlike the West, China sees opportunities, and is involved, even in small-scale enterprises that are more likely to touch people's lives than bigger projects. This is not to say that China has displaced the West in Africa; total Chinese FDI in Africa is still small in comparison to total Western FDI. The point is that Africa is now experiencing a spurt to development unparalleled since the commodities boom of the 1970s which otherwise would not exist. The IMF estimates that Africa's economic growth is now approaching 6 percent – the highest since 30 years. Two percent of that is directly attributable to the Chinese driven commodity price boom.

Within the strategic partnership framework, Africa can gain concrete agreements that would facilitate its production for export to China in areas of finished and/or processed goods,

³⁰ Michael Dynes, "An Expanding Footprint", *Africa Invest*, Jan-Feb, 2009, p.37.

³¹ *Ibid.*

i.e., other than primary products. China has experience in small and medium enterprises (SMEs) and could prove a good source for appropriate technology to drive domestic private sector production. The cooperation needed by these enterprises in sourcing appropriate equipments and physical capital can be facilitated by Africa's partnership with China. Micro, small, and medium level enterprises would afford a wide range of the ordinary people of Africa greater access to wealth and ownership of productive resources.³²

China has insisted that its involvement in Africa is not a new form of colonialism but a “win-win”, more cooperative, venture in which both parties stand to benefit. China seems, more than the West, willing to deal with Africa on its own terms. Apparently, considering Africa's misgivings about the serious imbalance in its trade with China, Beijing has voluntarily capped its textile exports to South Africa, and doubled to 440 the number of African products that can be exported to China tariff-free.

Apart from its one-China policy, China does not impose any political conditions to its development assistance. In contrast, Western donors have progressively undermined the sovereignty of African states by imposing reform agendas on them, first, in the guise of the strangulating structural adjustment programmes (SAP) in the 1980s, and followed in the 1990s, by demands for democratic reform and transparency. In the words of a Kenyan government spokesman, “You never hear the Chinese saying that they will not finish a project because the government has not done enough to tackle corruption. If they are going to build a road, then it will be built.”³³

In summary, China's presence in Africa has both positive and negative effects. It can be good for the continent because it brings a new actor who is willing to invest and assist “according to its ability”. China's presence in Africa can be bad if it turns countries away

³² Kwanashie, op.cit

³³ Denis M. Tull, “China's Engagement with Africa: Scope, Significance and Consequences,” Journal of Modern African Studies, Vol.44, No.3, September 2006, p.466.

from the hard work of political and economic reforms and if it fails to improve the whole living condition of the ordinary people of Africa.

On balance, China's African involvement would likely jump-start change on the continent. The hospitals and schools built by Chinese companies did not exist before, so their presence is an improvement. And the improvement in infrastructure would help African countries to secure more favourable investment opportunities in the future, contributing thereby to an atmosphere of development that may one day improve the lives of the people; and this would be a welcome, even if unintended, result of China's aggressive quest for Africa's critical resources.

VI. Managing China's Presence in Africa

After the awful experience of the initial scramble for Africa, and now faced with a new wave of scramble championed by China, Africa's strategic concerns must not be simply about how elites and governments can garner greater rewards from their dependency on imperialism but rather how to eliminate the condition of dependency and exploitation altogether. Under the circumstance, it is clear that Africa needs a grand strategic framework of policy directed at dealing with the new challenge. That framework must, therefore, be necessarily oriented towards anti-colonial imperialism; and it must be self-reliant. The challenge for Africa is to develop the capacity to manage China's forays in such a way as to protect Africa's sovereignty and interests.

African countries must re-invent the developmental state. The central tenet of the Washington consensus is the relegation of the role of the state in the development process and the elevation of the market and private economy to prime position. An important reason why Africa's development project has not taken off is the servile adoption of this neo-liberal prescription. But China's success story rests precisely on the tossing away that Western requirement and in building a solid private sector that is mediated by a powerful nationalist state, which is what today drives China's aggressive forays into every sector of the African

economy. There is an urgent need to re-invent the developmental state in Africa, to rapidly grow the private economy, and to strike a balance between the two in the quest for Africa's interests in its international transactions.

Africa needs to grow a new crop of visionary and nationalist leaderships. A country is as powerful as its leadership. It is lack of proper leadership that explains the paradox of poverty in the midst of plenty in a continent so fabulously endowed with natural and human resources. Africa needs to grow the kind of leadership that will translate resources and markets to power, not weakness, a leadership that will not act the role of agent of neo-liberal institutions of the West. Africa also needs effective leadership to chart the continent's priority in international transactions and to articulate them coherently in an overall strategic agenda of self-reliant development.³⁴ By installing popular participation in decision-making at all levels of society, Africans can generate a new breed of effective, dedicated and visionary leaders, of the calibre of Nyerere, Nkrumah and Mandela, great African leaders who embodied the legitimate aspirations of their people.

African leaders must cultivate the art of strategic thinking, an indispensable tool for the competition and survival of nations today. Only the most serious-minded nations apply it scientifically in their affairs. This is an area in which Africa is in serious deficit. The generally corrupt, carefree, and unpatriotic attitude of many African leaders effectively hinders the application of strategic thinking in their countries' international affairs. Many African leaders are today waging wars against their own people in collaboration with vested interests abroad. The challenge is for Africa's intellegensia as the repository of ideas, knowledge, expertise and strategies in issues of social mobilisation and national transformation. While there is clear evidence that a lot of long-term planning and strategic thinking went into China's aggressive presence in Africa today, the same cannot be said of the African side in the Sino-African "strategic" partnership.

³⁴ Chibuzo N. Nwoke, "Towards Authentic Economic Nationalism in Nigeria," *Africa Today*, Vol.33, No.4, 1986, p.60.

African leaders must appreciate the limits of aid and trade. China's activities in Africa are based mainly on trade and investment-inducing aid packages. But contrary to neo-liberal wisdom, international trade and external aid have significant limitations as instruments of economic liberation and self-development.³⁵ Aid and trade were precisely the basis of the development of Africa's underdevelopment by the West. And the West, represented by its triad of imperialist enforcers, the IMF, the World Bank and the WTO, have tended to oversell trade and aid as avenues to Africa's development, thereby crowding-out serious, innovative, and home-grown initiatives for Africa's development. African policy makers must be alert to, wary of, and very selective about, the pacts that they commit their people in the realms of trade and aid. Africa's priority should be to construct carefully articulated long-term development plans, taking into consideration the continent's unique endowments and structural constraints.

Another area of Western imperialism, which was used to underdevelop Africa, was the scramble for control and domination of the continent's natural resources. China has displayed a similar voracious appetite for critical resources as the West, and it is moving aggressively to control their supply sources across the globe. Being monocultural means that natural resources are the very life-blood of Africa, not owning or controlling capital or technology in the global market. African leaders and governments must not be allowed to continue to waste the continent's critical assets through slavish and exploitative contracts granted to their foreign, whether Western or Chinese, mentors. In the natural resource sector, African governments must, therefore, summon confidence, take the lead, and set up nationalist agendas, terms and conditions for controlling the operations of a select-group of Chinese (or Western) oil and mineral entities. The ultimate objective of the proposed agenda is to secure full, 100 percent, ownership of the mineral sector, and move away from being just a passive

³⁵ Chibuzo N. Nwoke, "The Limits of International Trade and External Aid: An Africanist Perspective," Mimeo, Lagos, 2006.

tax collector.³⁶ China's impact on mineral-rich countries in Africa today has aggravated their so-called "resource-curse." China and other foreign companies must be subjected to the requirements of the Extractive Industries Transparency Initiative (EITI) and to stringent local content requirements.

African governments must insist on being allowed maximum economic policy-making space in their international transactions. The sovereign right of most African countries to pursue their development priorities is today being crowded out by external impositions of international requirements and policies of reckless liberalisation. China's policy of non-interference is welcome only to the extent that it is not used as a hypocritical cover to support and sell arms to authoritarian regimes; and the bait in China's aid packages must be identified and removed. It is instructive to know that the secret behind China's so-called success is partly that it rejected the orthodox, neo-liberal structural reform agenda that was prescribed for it and instead opted for independent, creative, and, often, heterodox policy innovations. Africa needs to claim such a policy space for itself now.

There is need for African governments to reform and strengthen their governance institutions to effectively monitor, control and regulate the operations of foreign entities in their territories. Concerns with China's activities in Africa, which need to be checked, include its offensive business practices, dumping of cheap and sub-standard goods, unfair and inhuman labour practices, massive and illegal labour migration, etc.

There is urgent need to address the supply-side constraints inhibiting Africa's ability to competitively produce and trade into the world markets. The serious imbalance in Sino-African trade today is explained by this situation where all that Africa has to sell are goods in their raw, unprocessed, form. At present, any talk about Africa securing substantial market access in the world market would seem to be misplaced because the continent still lacks the

³⁶ Chibuzo N. Nwoke, *Third World Minerals and Global Pricing: A New theory*, London, Zed Books, 1986.

capacity to meet production targets, in terms of quality, quantity, standards, delivery-time, etc., as well as to diversify the product-mix.

VII Conclusion

There is no doubt that there is a coincidence of goals and similarity of activities in the presence of China and the West in Africa. Their common goal is to secure cheap sources of critical raw materials and lucrative markets for their goods and services. Their activities have imperial tendencies. It should be quite clear that China, in coming to neo-colonial Africa, will, even if does not have imperial ambitions, definitely benefit from the governance lapses inherent in the neo-colonial setting. For example, there would be readily available elite collaborator groups in governance positions who would do all of China's biddings; hence Beijing's preferred mode of assistance to Africa today is elite-driven. And this strategy has proven quite effective for Beijing in cultivating the goodwill of Africa's leaders who have, on their parts, reciprocated with diplomatic support and lucrative contracts to their Chinese friends.

It is Chinese diplomacy that drives the Sino-African "partnership". Africa's elites are the main economic, and by implication political, winners from China's growing involvement in Africa. The masses of ordinary Africans have again lost out.

The only way in which China's new presence in Africa could lead to real advantage, not only to the elites but also to the generality of the African people, is if the structures of democracy, good governance, rule of law and accountability are urgently put in place and sustained. It is on that solid foundation that Africa will grow a new crop of committed and nationalist leadership that will assume maximum policy-making space in their foreign economic and political relations, set well calculated limits on foreign economic activities, reduce aid dependence and debt, diversify their economies, and solve supply-side constraints to build up Africa's competitiveness in the global economy. Without meeting these conditions, China's role in Africa is likely to simply replicate the *status quo* of a Western-type

hegemonism and exploitation rather than setting up a new, alternative, and viable model of South-South cooperation that will contribute to sustainable development in Africa.

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