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China’s (Re)-Emerging Relations with Africa: Forging a New Consensus?

SANUSHA NAIDU*, LUCY CORKIN** AND HAYLEY HERMAN**

ABSTRACT This article explores China’s current engagements in Africa. It does not intend to reproduce the historical literature already evident in the discourse but rather seeks to place the current relationship in context and provide a more balanced view of where the points of convergence and divergence lie which may impinge positively or negatively on these relations. The articles seeks to treat emerging issues such as the possible impact of the economic crisis on China’s relations with Africa and the extent to which China’s foreign policy has adapted to African political realities. Moreover it assesses the scope to which such developments may advance or arrest the continent’s fundamental project of pursuing a sustainable developmental agenda as African governments push for greater integration into the global economy. Finally the article will explore whether China, is indeed, disrupting Africa’s relations with its Northern partners and what side effects this may have for the continent’s emerging relations with other new actors from the South. In short this article asks one simple question: How should China’s contemporary relations with Africa be interpreted as new international and domestic impulses begin to emerge across the continent?

Introduction

The margin by which China has deepened its footprint in Africa in a few short years has been unprecedented. Not only has the East Asian giant positioned itself with an overwhelming presence across the continent but it has also been interpreted as a countervailing force and at times seen as a competitor to the geo-strategic interests of Africa’s traditional development partners in the North. With its political weight and economic pragmatism, Beijing has managed in little over a decade to boost its trade, investment and development linkages with the continent, making it the second most important strategic partner for Africa after the United States. As such it has become the subject of increased global interest, not least for the way in which Beijing is reconfiguring power relations across the continent, but also for strengthening the normative framework of South–South cooperation.
Relations between China and Africa are not new but they have gained considerable momentum following the end of the Cold War where echoes of a strategic partnership began to surface (Alden, Large & De Oliveira, 2008). On many fronts China’s engagements in Africa have renewed Africa’s geopolitical and economic importance in the international arena. Yet China–Africa relations have been labelled asymmetrical and unstable by many commentators. China’s deepening involvement in Africa has raised sensitivities around the nature of the relationship. For pessimists China represents a threat to sustainable African development while for optimists it is a tantalising opportunity for growth, thereby prompting the significant question of what defines the nature of China’s engagements in Africa: is it purely extractive or does it have a broad developmental impact?

The aforementioned question remains the preoccupation for most China-Africa observers and scholars since it cannot be dichotomised by simple theoretical persuasions between those who interpret the Chinese engagement as an imperialist, neo-colonial exploitative agenda and others who argue that China provides a much needed impetus to Africa’s development prospects through the large-scale infrastructure, trade and investment projects. This is because the impact is varied and complex across Africa’s 53 countries. It also revives the ongoing debates about neo-patrimonial politics and client-patron linkages embedded in African state politics. In short, China’s ‘rediscovering’ of Africa in the post-Tiananmen Square period (Taylor, 1998), has become what Snow argues ‘one of the most striking developments of the early twenty-first century’ (2008, p. xx), which analysts are finding it difficult to predict the outcome of because of its dynamism.

Bearing this in mind, it is nevertheless certain that China’s resurgence in Africa is about more than just politics and economic considerations. It represents a constellation of engagements that Snow goes so far as to describe as ‘resembling the emergence of a Chinese Commonwealth’ (2008, p. xvi). Chinese Confucius Institutes that teach Chinese language and culture to a broad brush of development assistance programmes that incorporates humanitarian assistance, scholarship and training projects, education and health-care infrastructure and equipment, and peace-keeping initiatives indicate that China seeks to expand its soft power reach across the continent. It also suggests that while individual African states may be searching for a coherent China strategy, Beijing to all appearances seems to have already developed an Africa policy and is working towards consolidating it (Bates & Reilly, 2007).1

Is too much being vested on the China polemic that Beijing offers African governments are true alternative? Is the interpretation that Beijing’s global rise is changing the international power structure and bringing forth a new system change in the form of South–South cooperation, which will be politically and economically beneficial to Africa, overly optimistic? Are we too cautiously pessimistic that China’s engagements across Africa offer more of the same? What would be the long-term effect of the current global financial crisis on the sustainability of Africa’s engagement with China? How do we measure the emergence of other actors who are making strides in Africa’s political, economic,
social landscape and what effects these emerging powers may have on China’s presence in Africa? And lest we forget, to what extent is China’s presence in Africa affecting the daily social justice struggles of ordinary Africans?

These and other questions have now become pertinent inquiries in the contemporary debate on China’s emergence in Africa. Furthermore, it is becoming increasingly apparent that domestic developments within China’s own economy will reverberate across Africa, as we approach the end of the first decade in the twenty-first century, and so forging a new China–Africa consensus has become the next pivot in the next phase of Sino-African engagement.

Contextualising China’s contemporary relations with Africa

A cursory assessment of relations over the last 50 years between China and African countries has undoubtedly shifted from a purely ideological relationship to one of primarily economic pragmatism (Taylor, 2006; Alden, 2007; Ampiah & Naidu, 2008). Even as the current global financial crisis was looming, it seemed that the trade and investment factor remained a core feature of China’s continuing engagement with Africa. Such optimism was fuelled by China’s booming industrial output. With spectacular growth rates of, on average, almost 10% for the last 30 years, China’s economic footprint in Africa has certainly fuelled the commodity boom that has benefited its resource-rich countries.

This new economic impetus towards Africa is grounded by four main rationales, which has been identified by Alden (2005). These are: resource security, the search for new trade and investment markets, symbolic diplomacy and forging of strategic partnerships. These new phase of relations was catalysed by two significant historical events that reoriented Beijing’s contemporary focus on Africa, namely the Tiananmen Square crisis and President Jiang Zemin’s 1996 continental tour.

Rediscovering Africa after 1989

The events and aftermath surrounding Tiananmen Square provided the foundation for the expansion in China’s trade relations with Africa. According to Taylor (2006), until this time the West remained largely unconcerned about China’s human rights record. Tiananmen galvanised the West to focus more intently on China’s human-rights abuses, consequently creating a crisis in Beijing’s relations with the West. In the developing world, however, there was a muted silence regarding the actions at Tiananmen Square. As one commentator noted, ‘the events of June 1989 . . . did not affect the PRC’s relations with the Third World as it did with the Western world . . . What changed [was] the PRC’s attitude towards the Third World countries, which . . . turned from one of benign neglect to one of renewed emphasis’ (Gu, p. 125, quoted in Taylor, 2004).

The fragile relations with the West, undoubtedly, compelled Beijing to reconsider its relations with the developing world. This meant re-elevating the status of the Third World in China’s foreign-policy thinking. As a Hong Kong
newspaper noted, ‘In the past, China’s relations with Western countries have been overheated, giving a cold-shoulder to the Third World countries and old friends (meaning Africa). Judging from the events in this turmoil, it seems that at a critical moment it was still those . . . old friends who gave China the necessary sympathy and support. Therefore from now on China will put more efforts in . . . developing relations with these old friends’ (Ming, p. 3, quoted in Taylor, 2004).

For Africa re-establishing its links with China was just as important. Three significant factors informed the muted behaviour of African leaders. Firstly the events surrounding Tiananmen brought into sharp focus the human-rights record of African leaders. Most African leaders had come to and entrenched their power without the necessary popular will or legitimacy of their populace. For African leaders the situation that led to the Tiananmen Square debacle represented a contagion effect, which could threaten their power base. This was particularly significant considering that Huntington’s (1992) ‘third wave of democratisation’ was still to reach African shores.

Secondly, the West’s condemnation over Tiananmen was sudden and dramatic and caught the Chinese leadership off-guard. This fuelled suspicions that something sinister was behind the intensity of the outcry. In certain quarters it was felt that the developed world’s critique of the Chinese government’s actions in response to the student democracy movement at Tiananmen Square had less to do with human-rights issues and more oriented towards undermining China’s rapid modernisation—a sentiment shared by many African leaders and which became a powerful tool in rallying them to support China’s cause (Taylor, 2004). It would seem that both China and Africa believed that their common historical experiences of imperialism and colonialism continued to impinge upon their societies in the form of neo-imperialism and neo-colonialism (Snow, 1995). This added to the deep perceptions by China and Africa that the developed world’s denigration of their regimes was about trying to assert the Western centric-model of human rights and democracy. The point is succinctly reflected by the comments of one Chinese diplomat based in Africa: ‘human rights such as “economic rights” and “rights of subsistence” are the main priority of developing nations and take precedence over personal, individuals rights as conceptualised in the West’ (Taylor, 2004, p. 86). It would seem that the latter was one way in which China and Africa hoped to assert their sovereignty.

The third issue related to China’s emergence as an important source of external aid and development assistance. As the end of the Cold War was approaching, Africa’s position in the international system was becoming increasingly uncertain. African leaders had to consider how their relations with traditional development partners would dovetail with the developed world’s interests in the emergent democratic states of Eastern Europe. Such structural changes brought about a realisation amongst African leaders of China’s imminent rise and importance as a development and investment partner. Moreover, consideration must also be given to whether Africa wanted to risk jeopardising the aid that it had been receiving from China even though it had stagnated somewhat during the 1980s. Bartke illustrates that ‘from 1956 up to and including 1987, China had provided Africa
with nearly US$4,783 million’ (quoted in Taylor, 2004, p. 7). It should also be borne in mind that Africa attracted very little global foreign direct aid during the Cold War, and that aid flows remained extremely low even after the end of the Cold War. This is probably another corollary that played a significant role in influencing African governments in transforming their partnership with China.

These three factors make for a compelling explanation as to why Africa was reluctant to lend its support to the West in condemning the events at Tiananmen Square. A moot point but it does appear that the risks outweighed any consideration for morality. For the Chinese, the post-Tiananmen Square period was one of intense introspection. The fact that the West had demeaned the Chinese leadership through its criticisms of Tiananmen Square was seen by the Chinese communist state as interference in its domestic affairs and a violation of its national sovereignty. According to Yu this prompted China to pursue and widen its interactions in the developing world with the intention of offsetting the criticisms from the West (quoted in Taylor, 2004, p. 34). Thus was set in motion the diplomatic charm offensive, which Beijing managed through rhetorical platitudes.

Between June 1989 and June 1992, the Chinese Foreign Minister Qian Qichen toured 14 African states that has since become an annual feature in China’s diplomatic calendar (Taylor, 2004). To complement its newfound diplomatic engagements in the developing world, China increased its development assistance in order to cement relations and reward loyal friends. Lin highlights that a definite change in aid patterns can be noted in the period immediately before and after Tiananmen Square: in 1988 only US$60.4 million was disbursed by China to approximately 13 countries, but by 1990 this rose to US$374 million a year to 43 recipient countries (quoted in Taylor, 2004).

While rolling out aid disbursements was way one in which China endeared itself to the developing world, Beijing was also very conscious that the West was not always a welcome partner in the South. In addition, the changing nature of the international environment provided China with the impetus to further entrench itself in the developing world. With the demise of the Cold War altering the balance of power in the global system towards unilateralism, China took advantage of the situation to push for a multipolar world order that resisted Western and, in particular, US hegemony. Realising that this would find support in the developing world, China reasserted a foreign policy based on non-interference in state sovereignty and on non-alignment that eschewed hegemony. The comments of Prime Minister Li Peng in 1990 illuminate this policy stance:

[The] new order of international politics means that all countries are equal and must mutually respect each other . . . regardless of their differences in political systems and ideology. No country is allowed to impose its will on other countries, seek hegemony in any regions, or pursue power politics to deal with other countries. They are not allowed to interfere in the internal affairs of the developing countries or pursue power politics in the name of ‘human rights, freedom and democracy’ (Xinhua Domestic Service, 1990, quoted in Taylor, 2004, p. 1).

The new direction in China’s foreign policy was encapsulated in the five principles of peaceful coexistence, namely: mutual respect for each other’s territorial
integrity; non-aggression; non-interference in each other’s internal affairs; equality and mutual benefit; and peaceful coexistence. This policy formulation found resonance in the developing world given its experience of being manipulated by the two protagonists of the Cold War and became particularly relevant for Africa considering the challenges it faced with regard to sovereignty. And, of course, it laid the platform for President Jiang’s 1996 African visit, which set the foundations for forging a strategic partnership with the continent.

Striking a pragmatic engagement

The appeal of aligning with China was equally influenced by the US’s unbridled hegemony and the impact this would have on the trajectory of the post Cold War system. The fact that Washington’s dominance was unchallenged became a significant imperative for the developing world forging closer ties with China. This was, indeed, aided by China’s return to its 1950s rhetoric of foreign relations. Asserting that each should support the other and work together in opposing the rise of a new hegemon was attractive enough for the developing world to see China as a valuable partner in the emerging new international order. But it was China’s stance as the leader of the developing world and Africa being home to the largest number of developing countries that made relations between Beijing and Africa especially relevant. This remains a significant point of convergence that informs Sino-African unity today. The ideology of yesteryear was realigned to meet China’s socialist project of economic reform and industrial modernisation.

If ideology informed China’s relationship with Africa in the early years of independence and the immediate post-Cold War period, the eve of the twenty-first century was defined by strategic economic interests. This was confirmed during President Jiang Zemin’s 1996 tour of Africa where he presented a ‘Five Point Proposal’, which established the terms of a new relationship with Africa (Alden, 2005). While it does appear that the foundations of President Jiang’s ‘five point proposal’ underscored the principles of the foreign policy shift after Tiananmen Square, it also signified a new impetus towards ‘diversity in form and mutual benefit’ that was added to accompany the economic reforms of the domestic market.

The economic reforms of the post-Maoist era (after 1978) had paid handsome dividends for China’s pragmatic communist leader, Deng Xiaoping. By pursuing a socialist modernisation project Deng aimed to reorientate the economy through massive injections of foreign direct investment and technological innovation turning China’s ailing economy into one that recorded phenomenal growth rates and steered the country towards becoming a heavyweight in the global economy.

Between 1983 and 2003 China’s GDP growth grew by 9.7% annually. Over the last 25 years China’s economy has grown at an annual growth rate of more than 9.5% (Kaplinsky, 2006). The OECD estimates that by 2016 China will be the world’s second largest economy (Goldstein et al., 2006). Apart from its impressive economic growth rate, China has also become an exporter of foreign direct
investment. It attracted high levels of FDI during its modernisation project and accumulated a capital surplus because of its trade surplus with many nations and the outward expansion of Chinese enterprises. Wong and Chan (2006, p. 273) illustrate that ‘from 1979 to 2000 the total flow of utilised FDI amounted to US$568 billion’. China’s massive foreign exchange reserve is another reason why it is considered an important investment partner by many African countries. The burgeoning foreign exchange reserve enables Beijing to offer African countries concessional loans and other preferential credits. It is estimated that by the end of 2008 Beijing’s dollar reserves was somewhere between US$1.5 and US$2 trillion (http://www.chinability.com/Reserves.htm).

But China’s meteoric economic rise meant that for the sustained economic performance to continue unabated, access to a stable of raw materials and other natural resources had to be secured. The fact that Africa is home to more than a fifth of the world’s natural resources provided the impetus for seeking a pragmatic partnership (Naidu & Davies, 2006). Hence the emphasis on diversity and mutual benefit seeks to address such needs and China’s interest in Africa is part of this strategy.

**Strengthening economic thrust**

The introduction of the Forum on China-Africa Cooperation (FOCAC) in 2000 has acted as a vehicle through which Beijing has institutionalised and strengthened Sino-African relations. While it remains unclear who were the real architects of FOCAC, whether the Chinese government or the African Ambassadors group in Beijing, since its inception, trade relations between China and its African partners have increased exponentially.

In 1995 China’s total trade with the continent was US$5 billion. Within a decade two-way trade ballooned to US$40 billion, recording an eight-fold increase. By the end of 2008 Beijing’s trade with African countries had peaked over the US$100 billion mark to reach a little more than US$106 billion. The latter was an incredible achievement since it was gained two years ahead of the scheduled forecast made by Premier Wen Jiabao at the 2006 FOCAC Summit held in Beijing.

Most observers have agreed that the trade burst has much to do with China’s export-led growth strategy that is dependent on raw materials and other natural resources to fuel its industrial output. This was confirmed by a 2006 Deutsche Bank Report which highlighted that ‘China will remain hungry for commodities over the coming 15 years’, while also predicting that ‘China’s import demand until 2020 . . . will remain in lower double digits for most commodities over the next decade’ (Trinh & Voss, 2006, p. 1). If these predictions are accurate, then China’s commodity surge will indeed continue. But, then again the ongoing financial crisis and the depressed global commodity price exchange has introduced new variables to the game, the implications of which are still being assessed, particularly for those African economies that are dependent on a single primary commodity.
Nevertheless, at least until the current global crisis unmasked itself in the latter half of 2008, China’s thirst for Africa’s raw materials and other natural resources, underpinned by Beijing’s booming domestic economy, meant greater demand for overseas expansion.

In 2001, the Chinese government initiated the ‘Going Out’ strategy, encouraging its corporate sector to transform into multinational companies and invest overseas. The rationale for this was to produce national champions that would be able to gain experience from their overseas expansion and thus become more competitive globally (International Herald Tribune, 30 June 2005, http://www.nytimes.com/2005/06/29/business/worldbusiness/29iht-brands.html?_r=2; Kaplinsky et al., 2007). Currently, there are more than 800 Chinese companies which operate in Africa in various sectors and countries: roads and railways in Ethiopia, Rwanda and Sudan; the reconstruction of Angola’s shattered economy; the expansion of telecommunication businesses into 39 sub-Saharan Africa countries by Huawei Technologies; the rehabilitation of power stations in the Niger Delta; the construction of a hospital and oil pipelines in Sudan (Asia Times Online, 25 January 2008, http://www.atimes.com/atimes/China_Business/JA25Cb02.html).

It was easy to penetrate Africans markets, given the structural weaknesses of most continental economies. Following the failed experience of the Washington consensus and its policy prescriptions of liberal market principles through World Bank instruments of structural adjustment programmes, most African economies found themselves in a precarious position without having enough liquidity in their markets or industrial capacity to address fundamental issues like moribund infrastructure while facing increasing socio-economic development challenges. At the same time the adoption of structural adjustment programmes underlined that continental markets were seemingly unable to compete in the global economy. With a new global political and economic focus on the Eastern European bloc
in the 1990s, Africa, and indeed the regional economic communities were depicted as the ‘Hopeless Continent’. This, of course, saw the penetration of South African capital across the Limpopo, which has become a formidable investor in and across the continent (Daniel et al., 2003). China’s adoption of the ‘Going Out’ strategy in 2001 expedited Chinese investment into the African heartland, especially in infrastructure projects.

Oil and other petroleum products dominate China’s trade relationship with Africa. At the end of 2008 Angola emerged as Beijing’s largest African trading partner, making up a little less than a quarter of the total trade with Africa for the same period. With bilateral trade hitting an all-time high of US$25.3 billion, Angola remains a strategic and important source of oil imports for Beijing in the last three years according to Table 1. In fact as Table 1 shows, the top three trading partners have remained constant in the last three years and the composition of the top ten trading partners since 2006 has been stable overall. Equally interesting is that most, if not all, of these trading partners are primary exporters of raw minerals and other natural resources, showing that China’s trade pattern with the continent is skewed, even though on aggregate Beijing runs a trade deficit with it.

Apart from oil, which has served China’s resource security needs, Beijing has also been keenly interested in Africa’s non-oil sectors. These include cotton, diamonds, platinum, cobalt, manganese, timber, iron ore and copper (Figure 2), thereby signalling China’s overarching interest in Africa’s extractive sector. This focus has been reaffirmed by the adoption of the White Paper on China’s Africa Policy in 2006.

Not only does the White Paper provide an outline of the new strategic partnership and cooperation that was adopted at the third FOCAC Summit in Beijing, 2006, ‘it also sets out the principles governing China’s overall diplomatic and economic relationship with Africa’ (Naidu & Davies, 2006, p. 73), which

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**Table 1.** Rankings of Top 10 African Countries in Two-Way Trade with China 2006–2008

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<th>Ranking</th>
<th>2006</th>
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<td>1.</td>
<td>Angola</td>
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<td>2.</td>
<td>South Africa</td>
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<td>3.</td>
<td>Sudan</td>
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<td>4.</td>
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<td>5.</td>
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<td>Nigeria</td>
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<td>6.</td>
<td>Congo-Brazzaville</td>
<td>Algeria</td>
<td>Congo-Brazzaville</td>
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<td>7.</td>
<td>Equatorial Guinea</td>
<td>Congo-Brazzaville</td>
<td>Libya</td>
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<td>8.</td>
<td>Libya</td>
<td>Morroco</td>
<td>Algeria</td>
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<tr>
<td>10.</td>
<td>Morroco</td>
<td>Benin</td>
<td>Equatorial Guinea</td>
</tr>
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Top 5 Countries as a % of total trade: 56%, 58%, 61%
Top 10 Countries as a % of total trade: 78%, 78%, 79%

Source: George, 2009
identifies resource cooperation as one of the cornerstones of Beijing’s engagement across the continent:

The Chinese government encourages and supports competent Chinese enterprises to cooperate with African nations in various ways on the basis of the principle of mutual benefit and common development to develop and exploit rationally their resources, with a view to helping African countries to translate their advantages in resources to competitive strength, and reliable sustainable development in their own countries and the continent as a whole.\(^3\)

The dimensions of such an approach illustrate that Beijing remains conscious that a purely extractive engagement in Africa will parochially define it as a ‘scrambler for Africa’s resources’. Therefore, not to be painted with the same brush as Africa’s previous colonisers, China chooses to eschew any stereotypical labeling by deliberately integrating its resource needs with Africa’s own development requirements. To this end the Chinese leadership has interspersed its resource diplomacy with an infrastructural focus that has witnessed a large-scale roll out of transport and other forms of public works projects that is intended to address Africa’s deficient infrastructure networks.

A recent World Bank study estimates that Beijing’s funding for roads, railways and power projects across the continent peaked at US$7 billion in 2006 from just US$1 billion per year in 2001–2003 and US$1.5 billion per year in 2004–2005, but then fell to US$4.5 billion for 2007 (Foster \textit{et al.}, 2008). The same report highlights that the bulk of the funding has been in the power (mainly hydropower) and transport (mainly roads) sectors. China is not however the only emerging economy financing infrastructure projects in Africa. Others include India’s Ex-Im Bank and Arab development financiers. But it is China’s signature on such projects that has become more noticeable and raised more concern.

\textbf{Figure 2.} Composition of China’s Top Imports from Africa, 1995–2008. \textit{Source:} World Trade Atlas Data (2009) on Tralac

\(^3\)
Infrastructure-backed deals

Over the past several years, Beijing has made the following resource deals with an infrastructure undertone to them.

In March 2004 the China Export Import (Exim) Bank extended a $2 billion oil-backed loan to Angola for the post-war refurbishment of infrastructure. In 2006 the loan was doubled to US$4 billion, which was subsequently increased by US$500 million in 2007. The oil-backed loan may seem disadvantageous to China’s interests in the short-term, yet Chinese construction companies will benefit from the lion’s share of contracts for national reconstruction projects. According to the terms of the loan, Angolan companies can only tender for 30% of the infrastructure projects while the other 70% are set aside for Chinese companies. According to the requirements for projects funded by the China EXIM Bank ‘Chinese enterprises should be selected as contractors/exporters’ (China Export Import Bank, 2008). In addition, a minimum of 50% of technology, material and equipment has to be sourced from China.

While some critics point to the backward procurement linkages that privilege the Chinese economy, this is not an uncommon practice even amongst traditional donors. Sautman and Yan (2008, p. 104) argue that ‘about 80 per cent of US grants and contracts to developing countries must be used to buy goods and services from US firms and NGOs. Some 90 per cent of Italy’s aid benefits Italian companies and experts; 60–65 per cent of Canada’s aid and much of that of Germany, Japan and France is tied to purchases from those states’. Although China’s actions may seem unethical, it is not changing the rules of the game. If anything, Beijing is following an already established trend. But the real thrust of the Angola oil-backed loan is that the accompanying low interest rate means that the loan would be repaid in oil (Corkin, 2008).

Similarly, in 2006 during President Hu Jintao’s second visit to the continent, Beijing signed a US$4 billion oil-drilling licensing deal with Nigeria, which would see China investing in infrastructure projects that included the construction of a railway system and power stations (BBC, 2006, http://news.bbc.co.uk/2/hi/business/4946708.stm).

In Gabon in 2007, China National Machinery and Equipment Import and Export Corporation (CMEC) signed an agreement to mine 30 million tonnes of iron ore annually for 25 years in the Belinga iron deposits. According to the terms of agreement the Chinese company will invest about ‘US$3 billion, equal to Gabon’s annual budget, over the next three years, to, inter alia, develop a railway line and two hydroelectric stations’ (Centre for Chinese Studies, 2007, p. xi).

The latest significant development in this regard is the US$9 billion deal announced in May 2008 between the government of the Democratic Republic of Congo (DRC) and China Export Import (Exim) Bank. According to the terms of the deal, the DRC’s state-owned mining giant Gécamines will form a 32/64 joint venture with China’s Sinohydro and China Railway Engineering Corporation (CREC). By means of the agreement, the DRC will receive well-needed infrastructure refurbishment; 3,125 km of railways from the
mineral-rich southern Katanga province to the Atlantic port of Matadi; the con-
struction of more than 6,000 km of roads as well as hospitals, schools, health
centres, hydro-electric dams and airport infrastructure (International Mining,
2008). In exchange, the mining joint venture has received the right to mine 10.6
million tonnes of copper and 626,000 tonnes of cobalt.

The deal has been severely criticised by the Congolese opposition, which claims
that the deal is worth substantially more than US$9 billion for the Chinese partners,
and by the International Monetary Fund (IMF), arguing that the deal risks to create
macro economic imbalances as a result of its sheer size (Fin24.com, 4 October 2007,
http://www.fin24.com/articles/default/display_article.aspx?ArticleId=1518-1783
_2195763; Guèye, 2008). Currently, the deal is seen as a collision between the DRC
government and Western donors and the IMF, who object that Joseph Kabila’s

Figure 3. Selected Chinese Investments in Africa.
The momentum of Chinese investment has not slowed in the first half of 2009 despite the global financial crisis. So far Beijing has remained true to President Hu Jintao’s pledges during his Friendship and Cooperation visit to the Middle East and Africa in February 2009. It is indeed ‘business as usual’ for the Chinese government is snookering itself into untenable debt accumulation. As a result the IMF has stalled any debt relief measures towards the Central African country until a feasibility study indicates what impact the China deal would have on the DRC’s external balance of payments (Voice of America, 26 May 2009, http://www.voanews.com/english/2009-05-26-voa26.cfm)

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with more deals and contracts being signed with African countries (Naidu, 2009). These include:

- A $280 million deal with Mauritania to extend the port at Nouakchott.
- Construction of a hospital in Nairobi.
- A $77 million economic development package in Uganda.
- Installation of government internet in Senegal.
- A US$11.5 billion aid package to Senegal for sports, cultural and sanitation projects.
- An aid and cooperation agreement to further ties with Rwanda.
- A US$2.6 billion agreement to develop Liberia’s iron ore mine—the biggest ever investment by China in the West African nation.
- A new agreement with Nigerian Communications Satellite Limited to replace the nation’s first communications satellite, which failed in orbit in November 2008.
- US$1 billion to revamp national stadiums in Angola for 2010 Africa Cup of Nations.

According to Reuters neither has China’s thirst for African minerals slackened (2009, http://af.reuters.com/article/drcNews/idAFLL42117520090521?sp= true). If anything it has renewed China’s deepening interest in Africa’s extractive sector. Some of the deals to date include:

- In January 2009, China Union signed a $2.6 billion contract to develop Liberia’s Bong iron ore deposits, estimated at 300 million tonnes of low-grade ore. The first iron ore pellets are expected in mid-2010.
- In May 2009 NFC Africa, a subsidiary of China Non-ferrous Metals Corporation (CNMC) was chosen by the Zambian government to operate its Luanshya Copper Mines, which had to close in December 2008 due to the collapse in global copper prices. It is envisaged that the mine will reopen by late May.
- CNMC and Yunnan Copper Industry are about to commission a $300 million copper smelter producing 150,000 tonnes per year in Zambia’s Chambishi town, which has been transformed into a tax-free economic zone to attract Chinese investment.
- In April 2009 China granted Niger a $95 million preferential loan for the SOMINA uranium mining operation, a joint venture between China National Uranium Corporation and the Niger government. The mine is due to come on line in 2010.

The alignment between China’s resource interests and Africa’s infrastructure needs has created more than just a mercantilist penetration of the continent’s extractive sector. It enables Beijing to align its concessional finance to what it interprets as Africa’s basic needs. This has become a common feature of China’s policy engagement across the continent coupled by development assistance. It would be appear that the resource-infrastructure factor, which has become the backbone of China’s foreign policy, is not only being played out in Africa, but also in other parts of the developing world, notably Latin America.
The trade, aid and development nexus

If resources and infrastructure is what attracts China to Africa in its renewed economic imperative, so too does the continent’s vast markets. Africa’s markets have become a favoured destination for cheap Chinese goods and products. Kaplinksky notes (2006, p. 15) ‘that China-sourced imports ... have substituted traditional suppliers, often providing much cheaper and more appropriate products than those sourced from high-income economies of Europe, North America and Japan’. (This is not, however, always well-received amongst local traders in the market.)

China’s increased presence in the African market through its goods and products has been facilitated through the mushrooming of ‘China towns’ across the continental landscape (Dobler, 2005). There has also been an increasing level of intercontinental commercial activity by small petty African traders between Hong Kong and Guangzhou and their respective African regions trading in cheap Chinese (Centre for Chinese Studies, 2009). Interestingly, some of these networks are being facilitated through African students who are studying in China, professionals who are recipients on China’s development training programmes as well as ordinary Africans who want to tap into this small and medium export-import industry. For instance in Ghana the majority of the Chinese visa applications granted are mainly for business purposes. Therefore, while Africa may be an opportunity for Chinese industries and small petty traders, it also represents an opportunity for those entrepreneurial African traders.

China would prefer to portray itself more as Africa’s development partner. Three successive FOCAC Summits signified this. As much as the 2006 FOCAC Summit laid out an overwhelming economic focus with the signing of 16 commercial deals to the value of US$1.9 billion ranging from cooperation in the natural resource sector to infrastructure, finance, technology and communication investments, it also provided Beijing with a platform to become a serious humanitarian benefactor to the continent (Naidu, 2007).

Since 2000 and through FOCAC Beijing has forgiven about US$1.3 billion (10.9 billion yuan) in debt of at least 30 African countries and trained more than 10,000 African personnel in both civilian and security sectors. It has granted zero tariff ratings for 190 products exported to Beijing from sub-Saharan economies and engaged in peacekeeping operations in the continent by contributing several hundred peacekeepers to operations in the DRC and Liberia. It has also supported the African Union’s peacekeeping mission in Sudan, coordinated through the hybrid force under the auspices of the UN and the African Union.

Under the African Humanitarian Resource Development Fund (AHRDF) established after the first FOCAC Forum in 2000, the PRC government has rolled about 1,200 scholarships per year for Africans to study in China, dispatched around 16,000 doctors to work in rural areas between 2000 and 2005, and deployed 700 teachers to work in rural schools across the continent. The measures were intensified under the 2006 FOCAC process resulting in a multi-billion-dollar
development package that integrated China’s trade and aid activities in Africa. These included:

- Establishment of 3–5 Special Economic Zones.
- Provision of US$3 billion in preferential loans and US$2 billion in preferential buyer’s credits to Africa until 2009.
- Creation of US$5 billion China-Africa development fund that encourages and supports Chinese companies to invest in Africa.
- Cancelling of debt in the form of all the interest-free government loans that matured at the end of 2005 and were owed by the heavily indebted poor countries and the least developed countries in Africa which endorse the One China policy.
- Increase the zero-tariff treatment from 190 to 440 of African products that can enter the Chinese market from the least developed countries in Africa who have diplomatic relations with China.
- Train 15,000 African professionals.
- Send 100 senior agricultural experts to the continent.
- Set up 10 specific agricultural technology demonstration centres in Africa.
- Build 30 hospitals in Africa.
- Provide a RMB 300 million-grant for artemisinin (a herbal malaria remedy) and the construction of 30 malaria prevention and treatment centres to fight malaria in Africa.
- Dispatch 300 youth volunteers to the continent.
- Build 100 rural schools in the continent.
- Increase the number of Chinese government scholarships to African students from the current 2,000 per year to 4,000 per year by 2009.

But China seems to be like any ordinary development partner. Its aid is intrinsically linked to its economic impetus, which is overwhelmingly determined by a mix of monetary and non-monetary forms of assistance applied to its development packages (McCormick, 2008). This takes the form of concessional finance together with technical assistance, debt relief, training programmes, tariff reductions, gifts, and interest free loans, which highlights that Beijing’s aid programme is aligned to its trade and investment interests. This was confirmed by an official in China’s Ministry of Commerce:


Because China combines its aid interests with the expansion of its companies, it is difficult to disaggregate the aid figures from the trade and investment statistics. This is made more problematic by the paucity of Chinese aid numbers since the Chinese government rarely releases figures (Davies et al., 2008). Nevertheless,
Broadman (2007, p. 274) notes that as of 2005, the Chinese EXIM Bank had provided concessional loans to the value of US$800 million in projects to Africa. Brautigam (2008, p. 21) goes further to highlight that ‘in 2007, China Eximbank announced that it had authorised RMB 92.5 billion (US$12.3 billion) in export credits and other loans to Africa between 1995 and 2006, for more than 259 projects (not all of this has been disbursed)’ and ‘plans to increase this sharply, lending an average of just over US$6 billion a year over the next three years’. Better still, Chinese investment in Africa had grown over 300 times from just US$49 million in 1990 to over US$13.7 billion by the end of 2007. However, how much of this was connected to Chinese aid disbursements remains difficult to quantify.

Is the honeymoon over?

Towards the end of 2008 it became apparent that the onset of the global financial crisis had not only affected the developed world with stock market crashes, national bail-out schemes for private banks, and stimulus packages to revitalise domestic economies, it also represented one of the greatest challenges to China’s export-led growth strategy. China’s spectacular fairy-tale growth model was at risk. Demand in the developed world, especially in the United States, which was being held together through the purchase of US Treasury Bonds by the Chinese government that made US consumer debt cheap and continued the cheap export of Chinese goods into the US markets, could not longer be sustained as a result of the financial crisis. China’s manufacturing sector became hardest hit with about 20 million migrant labourers finding themselves unemployed.

At the same time the global credit crunch led to a chain reaction in global markets. International commodity prices declined while global oil prices dipped below the US$50 per barrel mark. In Africa this created a devastating impact for resource-rich countries whose growth trajectories were intimately tied to the global commodities and oil price mechanisms. And so a new preoccupation took hold amongst China-Africa commentators: how would the global economic crisis affect China’s African involvement?

Some pundits predicted a dramatic withdrawal of Chinese investors from the African market and noted a scaling down of initiatives by the Communist Party (Herbst & Mills, 2009). For such doomsayers the retreat of Chinese investment from Africa indicated undue complications for Africa’ global competitiveness and slashed growth margins that will create budgetary constraints for African governments’ public works and socio-economic development expenditure programmes.

Others noted that with the demand for Chinese exports slackening in the US, China’s more than US$586 billion stimulus package to help revivise domestic priorities, especially infrastructure projects, could trigger a renewal of China’s thirst for African commodities and hence the upward cycle of global commodity markets. And so a new thinking entered the discourse on China’s African engagement, namely the decoupling-coupling dynamic. The argument simply posited
that because of the crisis Africa could decouple from the North because of Western capital flight, and couple its economic priorities more closely with Asia, in particular China. In other words the mantra remained the same: ‘Africa’s growth is underpinned by Chinese demand, and China’s growth will become more dependent upon Africa’s resources’ (Davies, 2009).

While it is true that China has remained committed to its African engagements, with Foreign Minister Yang Jiechi reaffirming continued assistance to African countries (Naidu, 2009), it was also clear during the foreign minister’s January visit that 2009 would be focused on the significant assessment of the 2006 FOCAC commitments. In particular he stressed, during his four-nation African tour, that understanding how far Beijing has succeeded in implementing the eight measures, announced by President Hu Jintao at the 2006 Beijing FOCAC Summit, is critical if China is to deliver on project and investment deliverables.

Certainly, this reflected that China strongly believes that working together with Africa is significant and, indeed, strategic when dealing with the crisis, especially at the global institutional level. But, right now the financial crisis is as much a national issue as it is a foreign policy consideration for Beijing. So for all intents and purposes China’s aspirations domestically and globally at present also entail calibrating and augmenting relations with Washington, which ‘may sometimes be inconsistent with Africa’s interests’ (Naidu & Mbazima, 2008, p. 759).

Yet, it would seem from the trade and investments deals highlighted above that China is consolidating its African engagements. This was again reflected during President Hu Jintao’s 2009 visit and the recent operationalisation of the US$5 billion China–African Development Fund (CADF). Investments through the Fund seem to indicate a time-frame between 8–10 years (Marks, 2009), which demonstrate that the honeymoon is not over just yet.

By all implications this new trajectory of relations brought on by the current global credit crunch has also meant that the China–Africa discourse needs a critical re-orientation. While most observers remain preoccupied by the political economy of the relationship, there seems to be little attention paid to the impact at the micro level of African communities. In instances where attempts are made to capture the impact of this relationship on African societies it is more often than not fuelled by over-simplified assumptions and very little empirical evidence, which actually aggregates the overall impact on Africa’s people and the type of impact this represents for Africa’s development challenges. Furthermore, while the role of China in reshaping the African continent has been pored over in recent years, less analysis has been devoted to the effect that engagement with Africa is having on Chinese foreign policy.

China continues the attempt to adhere in principle to its non-interference policy, which, in theory, separates commercial engagement from political interference. At the outset, this allowed Chinese companies to pursue investments in resource-rich pariah states such as Sudan and Zimbabwe, free from domestic political pressure as experienced by other multinationals. In recent years, however, China has increasingly experienced international pressure from the international community.
regarding its relations with these states. It is increasingly evident that China’s growing role in Africa perceived by the West as a manifestation of China as an emergent power, and possibly a threat to their interests.

Africa is consequently becoming the playing field for considerable shifts in China’s foreign policy as the inherent tensions in China’s foreign policy formulations in dealing with the West become more evident.

The prioritisation of foreign policy principles

The two most important pillars of China’s foreign policy are that of the ‘One China’ principle and an uncompromising stance on non-interference in the domestic matter of other states (Zheng, 2005). The growing role of China on the African continent has served to illustrate not only the importance to which the PRC attaches to these principles but also the order in which they are prioritised.

In recent years, some scholars attest to the inevitability of PRC dominance over Taiwan in the realm of international affairs. Only a handful of states globally continue to recognise Taiwan instead of the Mainland China. Indeed, in Africa alone, the past two years has seen the reversal of Senegal, Chad and Malawi’s diplomatic relations, all of who have switched to recognition of the PRC government. From an official perspective the ‘One China Policy’ is seen as an important foreign policy consideration since its relevance is always emphasised when respective African governments meet with the Chinese government. Perhaps this because it has not been forgotten that it was largely due to the support of newly independent African states at the United Nations (UN) General Assembly that in 1971 the PRC assumed the permanent seat on the UN Security Council that had until then been held by the government in Taipei.

Consequently, great store is set by diplomatic relations with African governments. In the run-up to the Zambian presidential elections of September 2006, Michael Sata, leader of the prominent opposition party the Patriotic Front (PF) used anti-Chinese sentiment to bolster his support. He ha stated that should he win the election, he would rid the country of ‘unnecessary Chinese, Lebanese and Indians’ who were viewed by many as taking away jobs from local Zambians (Burke & Corkin, 2006, p. 60). A senior official at the Economic and Commercial Section of the Chinese Embassy, along with several Chinese managers interviewed at the time, reportedly dismissed the remarks as ‘cheap politics’ (Burke & Corkin, 2006, p. 60). Subsequently, Sata described Taiwan as a sovereign state, prompting the Chinese Ambassador to Zambia Li Baodong to announce that should Sata win and establish relations with Taiwan, Beijing might think of cutting diplomatic relations with Zambia. Li ‘s statement days before the country’s national election may certainly be considered interference, but not necessarily a departure from China’s longstanding policy of non-intervention in the domestic affairs of other states, provided they recognise Beijing’s ‘One China Policy’. While Sata’s presidential bid failed, he retains a stronghold Zambia’s copper belt region and his remarks can be perceived as reflecting an underlying antipathy toward one of Zambia’s most important investors.

While the political aspect of China’s ‘One China’ policy seems immutable, on the economic front this does not seem to be so. Of the four African countries still retaining diplomatic relations with Taiwan, Burkina Faso is China’s fourth largest supplier of raw cotton. Furthermore, Sinopec is embarking on oil exploration in the Blocks 2 and 4 jointly held by Sao Tome (40%) and Nigeria (60%) in the Gulf of Guinea. Sinopec expects to invest US$73.8 million in the project (Africa-Asia Confidential, 2008, p. 5). As a small, impoverished country, Sao Tomé has little bargaining power in the international arena. As in the case of Malawi, however, the country may be able to extract substantial aid from Beijing in return for PRC recognition, in view of the priority Beijing accords the ‘One China’ policy. It is clear that for China, pretensions towards non-interventionism disappear in the face of the threat to the ‘One China’ policy. But perhaps its relevance will have to be re-assessed given the current shifts in cross-strait relations.

The pressure of Darfur

Evidence of such evolution in Chinese foreign policy, particularly as regards Africa, is clearest in China’s involvement in Sudan. Although Chinese diplomats have long insisted that commercial enterprise is considered quite separate from political affairs (Srinavasan, 2008), in Africa, it has become increasingly apparent that such a distinction is not always possible. The influence of African engagement on China’s foreign policy is most evident in China’s modifying stance on UN and AU intervention in the civil conflict in Darfur, Sudan. Despite a previously strong stance on non-interference and support of Khartoum’s rejection of UN intervention, the Chinese leadership was eventually instrumental in persuading Khartoum to accept a joint UN–AU taskforce in late 2007.

Such developments must been seen within the broader context of China’s changing stance on peacekeeping. Despite supporting various liberation parties in Africa throughout the Cold War, China refused to participate in peacekeeping missions at that time, claiming this was conflict with its non-interference policy (Washington Post, 24 November 2006, http://www.washingtonpost.com/wp-dyn/content/article/2006/11/23/AR2006112301007.html). China is now a substantial contributor or to UN peacekeeping missions, particularly in Africa. This is largely in order to counterbalance the perception that China is only interested in Africa for commodities extraction. Furthermore, reluctantly it seems, Beijing has accepted that to be taken seriously as a responsible global power intent on a ‘peaceful rise’, participation in such institutions is required (He, 2007, p. 11).
The situation in Darfur takes this a step further, however. The US has long advocated the increased assimilation of China as an emergent into the international order, in order to viably sustain the current global architecture. China’s commercial role in Sudan’s oil industry was exposed to international scrutiny and criticism after lobby groups based in the US began, in 2006, linking associating Darfur with China’s hosting of the Summer Olympics in August 2008, in what became known as the ‘Genocide Olympics’.  


> The appointment of a special envoy and the use of ‘very direct language’ occurred at a time of unprecedented international scrutiny. Beijing’s willingness to publicise its efforts [to act as peace broker and responsible power], but its refusal to see this as a response to the international politicisation of its relations with Sudan is hard to sustain logically.

The international community has thus arguably been successful in pressuring China in the realms of its foreign policy. More crudely put, China’s Africa policies are becoming a stick with which Beijing can be beaten. The inherent hypocrisy evident in this state of affairs irrelevant is for this analysis. What is important to note is that China is increasingly faced with a dilemma. It is outwardly supportive of international norms and institutions, as the current global order has been very conducive to its growth thus far. China actively supports institutions that foster the international environment conducive to its continual growth (He, 2007, p. 10). However, these international norms and institutions are increasingly propounded to be at odds with China’s activities in Africa. Faced with mounting criticism, and the threat that international acceptance of Beijing as a ‘responsible power’, particularly in Africa, will be withheld, Chinese policy-makers are being confronted with the need for increased flexibility.

The development impasse?

The conundrum remains whether China is ‘Africa’s new partner in development’ or if it is ‘Africa’s neo-colonialist’. Depending how one interprets Africa’s renewed geo-economic position in the global setting, it is unmistakable that China’s growing geo-political and economic influence in Africa encroaches upon what Western powers have seen as their traditional cauldron of interest and influence. From the great European ‘scramble for Africa’ through to decolonisation, the Cold War and beyond, Africa has remained in the sphere of Western influence. Currently, China’s deepening involvement, certainly in Africa’s natural resource sector, is now beginning to show and strategic interests of major powers are clearly clashing in Africa. Undoubtedly, the competitiveness of Chinese companies
has raised certain challenges for other foreign corporations, including those from South Africa, who are seeking to embed themselves in the African market.

Yet it is not only the clash over energy interests that make the concerns by Africa’s traditional partners so acute. A report by *The Asian Times* online noted rising concerns in Europe about Chinese economic presence in Africa’s infrastructure, agriculture and telecommunication sectors (17 November 2006, http://www.atimes.com/atimes/China_Business/HK17Cb03.html). Immediately after the 2006 FOCAC conference, German Chancellor, Angela Merckel, told delegates attending an urban development conference in Germany that ‘We Europeans should not leave the commitment to Africa to the People’s Republic of China’. She added ‘We must take a stand in Africa’ and ‘European policy toward Africa should not be based on “charity arguments”, as it had been in the past but on our “stalwart interests” (*The Asian Times*, 17 November 2006, http://www.atimes.com/atimes/China_Business/HK17Cb03.html).

But the real thrust of China’s multi-faceted development agenda towards Africa lies more in the African response. The debate is really about whether Africa’s leverage from its Chinese engagement vis-à-vis its Northern development partners is viable. Palat (2009) argues to the contrary, that ‘neither the Chinese corporations nor the Chinese government has done anything to benefit trade unions or social justice movements in Africa’. This, indeed, demonstrates that the ‘leverage’ argument must distinguish between the actors we are discussing: African leaders, women, soldiers, businessmen, children, workers, rich people, poor people? Apart from such vertical differences within African society, horizontal differences also have to be taken into consideration since Africans from different countries and across varied social fabrics certainly do not have the same experience of interacting with China.

Certainly the aforementioned issues are critical in contextualising the more practical elements of the China–Africa engagement while significantly highlighting whether the relationship with China creates an enabling environment for development or perpetuates a class conflict and widening inequalities within African societies. In line with the questions raised in the beginning of this chapter, it is apparent that the China–Africa engagement encompasses a class dynamic. The very nature of the state-to-state engagement engenders an elite pact. In Africa the elite represents both the ruling class and the private sector. Therefore the assumption that China’s engagement in Africa can lead to meaningful development tends to oversimplify the class contradictions and widening inequalities embedded in this relationship. This can be felt and seen at various levels of African society.

The tensions, which have been noted in Zambia and elsewhere across the continent where Chinese workers have either been kidnapped, as in the Niger Delta region of Nigeria, or killed, as in the oil rich area of the Ogaden region in Ethiopia, have less to do with anti-Chinese sentiment but rather frustrations directed at African political and economic elites because of the skewed nature of wealth accumulation within the African state. A case in point is the Angolan oil-backed deal. Corkin (2008, p. 111) notes that the creation of the specialised
Gabinete de Reconstrucao Nacional (GRN) in the presidency was especially established to manage parts of the Chinese credit line and to execute the large construction projects. Yet, she highlights that there is little transparency in the management and tendering process, and it is not clear how the revenue from the oil receipts are being invested to revitalise the country’s ailing economy (Corkin, 2008, p. 111). Speculation by international agencies like Global Witness and non-governmental agencies in Luanda points to President Dos Santos and other political elites’ expansive business interests, which include control of strategic sectors ranging from telecommunications to energy. And herein lies the dilemma: transparent management of Africa’s natural resources by political and economic elites and accountability to Africa’s people regarding the revenue from these resources.

Therefore, as Clapham notes, ‘one very important reason why China’s involvement in Africa has been so widely welcomed and readily accommodated has been that it fits so neatly into the familiar patterns of rentier statehood and politics with which African rulers have been accustomed to maintain themselves’ (2006, p. 3). Thus in spite of some of the popularist tendencies in the discourse that blindly interpret China’s deepening engagement in Africa as bringing in a new framework of a Beijing Consensus, this seems somewhat disconnected from the political realities within the African landscape, not to mention the manifested socio-economic inequalities that China’s impressive economic prosperity has unleashed in today’s Chinese society.

Seemingly, then, the development impasse is really about whether China’s dramatic arrival in Africa’s markets has created any substantial change to the continent’s relationship to the global economy as a primary producer and supplier of raw materials. More important is whether this shift has realigned the political economy and social dynamics of the African state. Unfortunately, the answer remains complex, with empirical evidence only available for assessing one side of the development conundrum. African governments have yet to pursue an industrial policy that enables global competitiveness.

**Conclusion: forging a new consensus?**

During his 2009 African tour, President Hu Jintao delivered a keynote address entitled ‘Work Together to Open a New Chapter of China-Africa Friendship’. The speech essentially wove together China’s traditional friendship and the forging of a new consensus between Beijing and Africa. It indicated how Beijing is seeking to cement its ties with the continent in a changing global environment of instability and economic uncertainty, based on a five-point proposal to concretise this new consensus:

1. Cement solidarity and extend mutual support to cope with the international financial crisis,
2. Improve mutual trust and consolidate the political foundations of traditional China–Africa friendship,
3. Increase mutually beneficial and practical trade and economic cooperation between China and Africa,
4. Widen exchanges and deepen cultural and educational cooperation, and
5. Collaborate closely and step up coordination in international affairs (Ministry of Foreign Affairs of the People’s Republic of China, 2009).

At a cursory level the speech and the five point plan seem to merely reiterate previous rhetoric without offering anything substantial; however, on closer examination a subtle shift towards reinforcing a more pragmatic China–Africa cooperation is revealed (Marks & Naidu, 2009):

- greater management of relations within the context of the financial crisis;
- a more focused approach to assist Africa by working through the continent’s multilateral agencies, the AU and NEPAD;
- further debt cancellations to accelerate Africa’s socio-economic development;
- defining a more focused social corporate responsibility culture to enhance job opportunities and better relations with local communities; and
- strengthening people-to-people contact.

As one commentator remarked, this new tact in relations was clearly an attempt by President Hu to forge ahead with a multi-prong diplomatic offensive aimed at consolidating southern hemisphere solidarity (Asia Times Online, 19 February 2009, http://www.atimes.com/atimes/China/KB19Ad01.html). But the intention seemed greater than that. It signalled, on the one hand, that the concerns of African civil society about the social impact of China’s expansive trade and investment footprint across the continent had registered in Beijing. How this impact would translate in practice remains to be seen. On the other hand, it sought to disarm Western predictions and doomsayer scenarios that China’s engagement in Africa was mercantilist and abrupt. If this was the intention, then President Hu has certainly succeeded in winning the hearts and minds of Africa’s leaders and the market pundits, albeit for different reasons.

Yet, in forging this new consensus, the primary inquiry remains whether it is going to be more of the same, or should we expect something different? Better still, will China’s future role depend on whether African state actors see it as ‘business as usual’ or strive for an industrial path through the Smithian sense of ‘enlightened selfishness’ (Ampiah & Naidu, 2008, p. 338). Ampiah and Naidu argue that the latter can only work if Adam Smith’s theory of ‘enlightened selfishness’ ensures ‘maximum good for Africa’s people . . . and not what seems to be the current state of play of minimum benefits for the few enlightened political and economic elites (p. 338)

For African governments this means not marginalising the voice of civil society actors, but including them as strategic partners through track-two diplomatic engagements (Manji & Marks, 2007). Increased Chinese engagement on the African continent, while sparking reactions from the international community, has led to further confrontations regarding civil society within the continent. Many business groups have accused Chinese companies of low labour
and environmental standards in their protests against market entry of Chinese companies. These allegations are often dismissed by the African host government as ‘sour grapes’. Furthermore, numerous examples of substandard environmental practices by Western companies have seriously diminished the credibility of lobby groups for important issues of this nature. Nevertheless, Africa lobby groups have rallied to the cause.

The domestic experience of the Chinese government with civil society is arguably nasty, brutal and short. The domestic policy environment is largely restrictive, with the vast majority of non-governmental organisations (NGOs) remaining unregistered. Furthermore, activity is largely dominated by so-called government-organised NGOs (GONGOs) (Fu, 2008, p. 241). While concern for health and environmental standards are closely gaining traction domestically (Thompson and Lu, 2006), these developments are largely government-directed. Little direct confrontation with advocacy groups is tolerated.

Various incidents occurring as a result of the increased involvement by Chinese companies has forced Chinese interests on the continent to address issues such as corporate social responsibility and sustainable resource exploitation. While some Chinese companies do not have a good track record in terms of environmental standards, they have recognised that they must change this in order to cultivate and maintain a good international image. This is arguably seen as being particularly important by Beijing, in the wake of the politicisation of commercial activities in Darfur.

This is illustrated in the case of Loango National Park in Gabon. In 2006, the conservation group Wildlife Conservation Society (WCS) accused the Chinese oil company Sinopec of abusing its exploration license by conducting seismic activity in an area which falls within the ambit of Loango, one of Gabon’s 12 national parks. (Alfroy, 2006). This was in contravention of an agreement the government of Gabon had signed with the Global Environment Facility Trust Fund (GEF) and the World Bank (WB) in May 2005. Under the agreement, no economic activity could take place without the appropriate environmental impact assessment (EIA). Because the Gabonese government was found to be in violation of a legal agreement, the World Bank and various conservation groups based in Gabon, such as WCS and Brain Forest, managed to halt Sinopec’s activities in September 2006, in order to conduct the required EIA procedures. This occurred with initial resistance from Gabonese and Chinese leadership, according to international press reports, despite support for the action by Gabon’s Minister of Forestry and Environment, Emile Doumba (Alfroy, 2006). The World Wildlife Fund (WWF) and WCS have been asked to audit the process. The project is now widely credited to have become a model operation, after earlier fears of a catastrophe.

An EIA has since been conducted and Sinopec has agreed to follow procedures in terms of their activities in Loango. A senior member of the diplomatic community mentioned, in a meeting hosted by the Chinese ambassador, the World Bank maintained that the current standards utilised by the Chinese company are now higher than those imposed by international conventions. Sinopec, it seems,
has now raised the bar on environmental standards for other companies to follow. The studies are being conducted with government participation.

What is noteworthy from this incident is that while both China and Gabon were not initially receptive to civil society intervention, the latter’s engagement eventually brought about a positive result. This is due to a number of factors. Firstly both China and Gabon came to realise that the situation’s resolution was in their interests. For Gabon, President Bongo had only recently created the 13 new national parks, to great acclaim. To allow such damage to what many believe will be Bongo’s legacy to Gabon would have been embarrassing. In addition, China had recently come under fire internationally for the lack of environmental concern of its state owned enterprises (SOEs). Both had much more to gain by reaching an amicable resolution with both the World Bank and conservationist groups. While cases such as these are not, by any stretch of the imagination, the rule, they are by no means isolated.

In April 2007 the China Exim Bank released a code of environmental conduct for the Chinese companies undertaking projects financed by the bank. While this may not necessarily guarantee adherence to the code, it provides a platform for local and international NGOs to engage with China Exim Bank as the financier of such projects on this issue.

Furthermore, the Chinese government committed, amongst other things, to step up cooperation in capacity-building, prevention of water pollution and desertification, maintenance of biodiversity, and environmental protection in projects conducted in Africa. This reflects China’s increasing awareness of the risks associated with the negative international image its companies are creating in some African countries, especially with regard to environmental malpractices. For civil society organisations it is about performing the role of a shadow peer-review mechanism. In this regard Civil Society Organisations (CSO) actors must be able to ask the awkward questions and shine the light in dark corners, not with the intention and proclivity to ‘China bash’, but rather to be the guardians of Africa’s poor and economic indigent. Yet most importantly, African governments and China’s leadership must be able to listen and incorporate the advice of these non-state actors into their policy decisions.

So while China and Africa leaders prepare for the 4th FOCAC Summit to be hosted in Egypt in the latter half of 2009, it would seem that forging a new consensus has already been set as the theme for the next three years. This new consensus, however, is already being challenged by another set of risks, namely agricultural land grabs, new forms of debt risk, with Angola recently negotiating another loan from Beijing, climate change, environmental concerns and what is becoming an era of mercantilist alliances between transnational corporations from South (i.e. the Standard Bank–ICBC deal) in anticipation of breaking the Euro-American economic hegemony. Therefore, much will be anticipated around the outcomes of FOCAC 2009: will Beijing continue with its large-scale concessional funding of resource infrastructure that enables it more access to raw materials or would a more tempered cautious Beijing focus more on the human development aspects of its engagement.
But as Africa finds and develops this ‘enlightened selfishness’, China also has to accommodate the emergence of new actors into this new consensus. With Africa also becoming amenable to the persuasions of India, Brazil, Russia, the Gulf States and rising southeast Asian giants like Malaysia, Singapore, and South Korea, how this will affect China’s African footprint, and what may be Beijing’s reaction to these competing emerging actors in Africa, will also determine where the Middle Kingdom will want position itself in Africa’s future. It also indicates that China is not necessarily the new game in town and that Africa has many players it can turn to, to define its own ‘enlightened selfishness’.

Notes

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1. There is some indication that Beijing is not a monolithic driver of policy and that various tensions amongst policy-making bodies are overlooked by some scholars in their analyses (see Bates and Reilly, 2007).
5. Senegal re-established ties with the PRC in October 2005, Chad in August 2006 and Malawi in December 2007.
6. These are Burkina Faso, São Tomé e Príncipe, Swaziland and the Gambia.
7. For a comprehensive description and analysis of contemporary China–Sudan relations, and China’s commercial involvement in Sudan’s oil industry, please refer to Srinavasan (2008).
9. This term was coined by the Washington Post, 14 December 2006.
10. At the time of writing the envoy is Liu Guijin, former Chinese Ambassador to South Africa and an acknowledged Chinese expert on African affairs.
12. The Standard Bank-ICBC deal highlights that corporations from the Global South are actually seeking more mergers and acquisitions with counterparts from the South in terms of advancing business strategies in Africa, which in many ways represents a challenge to the monopoly by corporations from the North investing in the continent.

References


Xinhua Domestic Service (1990) cited in Foreign Broadcast Information Service-China, 12 March.
