China’s ventures in Africa

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Introduction

Relations between the People’s Republic of China (PRC; China) and Africa have a long history and have seen several changes over the course of time. Two of the critical and most commonly known phases are China’s role in Africa during the Cold War and, recently, the perception that China’s ventures in Africa are motivated mainly by its quest for energy security.

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Viewed objectively, there are few reasons for China to establish close strategic relations with Africa. China and Africa are geographically far apart and share neither language nor culture. Yet, in the 10th century BC the Egyptian city of Alexandria started trading with China. Subsequently, Chinese and Africans came into contact because of Arab and European maritime expeditions occasioned by the slave trade.

But it was only in the second half of the 20th century that China and Africa truly rediscovered each other, essentially at the Bandung Conference on Non-Alignment held from 18 to 24 April 1955. Diplomatic ties between China and Africa date back to 1956 and the establishment of Sino-Egyptian relations.

China lent support to various African liberation movements in their struggles for independence. Between 14 December 1963 and 4 February 1964, the Chinese premier visited ten African countries. During the Cold War era, Sino-African relations were characterised mainly by a policy of anti-Soviet rhetoric and support for the anti-Portuguese nationalist movements in Angola and Mozambique. However, Sino-African ties waned in the 1980s.

In contrast to the political and military militancy of the 1970s, China’s current engagement with Africa should be viewed within the context of globalisation in the aftermath of the Cold War. This new relationship is voluntarily focused on economic and technological cooperation for the sake of development. In fact, the current emphasis of China’s Africa policy is based on the classical foundations of what Mbaye (2007) describes as a tripod of historical legitimacies, namely:

- Historical links to liberation movements (historical legitimacy)
- A Third World ideological heritage dating back to the Cold War (ideological legitimacy)
- An evolving partnership based on principles of non-interference and neutrality (political legitimacy)

China’s ‘new’ African policy, adopted by the Chinese government in January 2006, characterises the guiding principles of the new strategic partnership in the following terms:

- *Sincerity, friendship and equality*, which means that China adheres to the principles of peaceful coexistence and respects African countries’ independent choice of development paths

- *Mutual benefit, reciprocity and common prosperity*, which means that China supports African countries’ economic development and is committed to cooperation in various forms, for the benefit of both parties
Features

- **Mutual support and close coordination**, which includes a commitment from China to strengthen cooperation with Africa in multilateral systems and to appeal to the international community to pay more attention to questions concerning peace and development in Africa.

- **Learning from each other and seeking common development**, which refers to strengthened exchange and cooperation in various social fields and support for African countries to enhance capacity building and cooperation to achieve sustainable development (Diakonia & Eurodad 2007:41–42).

In this paper, we are guided by several questions of which the critical one is whether Sino-African relations are merely opportunistic and based on an ad hoc momentum, or whether they reflect a real strategy based on presence and territorial domination in the new context of competition and cooperation on the reconfigured African continent. We argue that any endeavour to appreciate the complexities of this relationship needs a more nuanced and differentiated appreciation and understanding of Sino-African relations. Such an approach will elucidate the complex relationship between Africa and China and, more importantly, emphasise the delicate nuances that are overlooked in the public discourse.

To aptly capture what we see as the hidden subtleties of the relationship, this paper traces the changing nature of China’s ventures into Africa by looking beyond the image of the ‘energy grabbing’ dragon, which is how China is usually portrayed. We evaluate China’s increasing influence on African security issues, particularly in Sudan, but more importantly we paint a picture of this relationship that shows that the China equation in Africa has opened new avenues of flexibility and manoeuvrability for African states previously squeezed into a tight spot by Western financial interests and conditions and left emasculated and open to the subtle overtures of an emergent China.

**From ‘resource grab’ to a ‘deepening relationship’**

As China celebrates the 50th anniversary of official Sino-African relations, it is increasingly becoming a critical player in different aspects of African affairs, redefining its relationship with the continent as a whole, but more importantly, with strategic partners in terms of its search for oil, timber, economic relations and energy resources. With its gross domestic product (GDP) growing at 9 per cent or more per year, demands from a burgeoning middle class, and a scarcity of natural resources, China has moved quite aggressively to supplement its domestic supply of commodities with imports from resource-rich developing countries in Africa (Chan 2007).

Since 2005, it has engaged in an unparalleled series of diplomatic offensives ‘promising more trade, cheaper loans and no political interference’ (ibid:3). While it is obvious that
China’s aggressive posturing in Africa is not new, most observers tend to view China’s engagement with Africa as strictly short term. However, what has changed in recent years is China’s emergence as a significant world player on the economic scene in addition to its need for oil and other natural resources.

China’s return to Africa in the 21st century is characterised not only by a need for economic resources but, more crucially, by the financial and political muscle to play the game dramatically and competitively (Lyman 2005). Basically, China’s entry into Africa is characterised by ‘an aid-for-oil strategy’ that has resulted in increasing supplies of oil from African countries in return for comprehensive and exploitative trade deals (Pan 2006). According to Pan (ibid):

Trade and economic activity [defines China’s relationship with Africa]. Sino-African trade grew by 700 percent during the 1990s, and the 2000 China-Africa Forum in Beijing set off a new era of trade cooperation and investment that is producing notable results. From 2002 to 2003, trade between China and Africa doubled to $18.5 billion, and then nearly doubled again in the first ten months of 2005, jumping 39 percent to $32.17 billion. Most of the growth was due to increased Chinese imports of oil from Sudan and other African nations. China’s foreign direct investment in Africa represented $900 million of the continent’s $15 billion total in 2004. China is now the continent’s third most-important trading partner, behind the United States and France, and ahead of Britain.

Between 2001 and 2006 Africa’s exports to China rose by more than 40 per cent per year. In 2006, Africa accounted for almost one-third of China Export and Credit Insurance Corporation’s medium and long-term business (Financial Times 2007).

China’s energetic diplomatic and business activities in Africa can only be properly understood if viewed in the context of China’s Africa policy. In the ensuing white paper, the Chinese government outlined its strategic plans to develop a planned partnership with African states premised on consistent dialogue and diplomatic visits between Chinese and African leaders, increased trade and economic investment through preferential loans and buyer credit, more agricultural and financial cooperation and focused efforts aimed at encouraging Chinese companies to build up Africa’s infrastructure.

China’s economic engagement in Africa needs to be discussed in more depth. In October 2007, the Industrial and Commercial Bank of China (ICBC), the world’s largest bank by market capitalisation, indicated its interest in purchasing a 20 per cent stake in South Africa’s successful and competitive Stanbic Bank. This investment, when realised, will be the largest foreign direct investment in South Africa in the aftermath of apartheid. According to the Financial Times of 31 October 2007 this deal is evidence that China is
looking for a deeper relationship’ with Africa and represents a new degree of engagement by China that moves beyond the resource grab of which many have accused China in its recent relations with Africa. According to the chairman of ICBC, Jiang Jianqing, ‘[ICBC is] focusing on merger and acquisition in emerging markets in Asia and Africa because these places enjoy high growth rates and have great potential’ (Power 2007). China’s perception that Africa has potential and is worthy of its attention has been further exemplified by the China Development Bank’s announcement that it is entering into a partnership with United Bank of Africa (UBA), one of Nigeria’s largest lenders.

Because of the manner in which both Indian and Chinese aid disbursements are undertaken, Manning concludes that ‘[t]he mix between concessional and non-concessional funding, and the difficulty of relating announcements of commitments to actual prospective disbursements make it difficult to reach a clear view of the likely scale of aid from these countries in the near term’ (quoted in Power 2007). In spite of difficulties, China and India are beginning to play a critical role in the aid and trade equations of several countries and will certainly contribute to changing the face of international cooperation. For example, exports from Africa to Asia have tripled in the last five years, making Asia Africa’s third largest trading partner (27 per cent) after the European Union (32 per cent) and the United States (29 per cent) (Broadman 2006). Overall figures show that Africa’s exports to Asia increased at an annual rate of 20 per cent in the last five years and have grown to 30 per cent since 2003.

Political and strategic dimensions of China’s Africa policy

In putting the political and strategic dimensions of China’s Africa policy in the right perspective, it is crucial to understand that the Taiwan question – that is, the non-recognition of Taiwan by African states – is no longer the primary element of the PRC’s Africa strategy. While Taiwan is now on the backburner, the United Nations dimension remains central because Beijing can offer its African partners a ‘diplomatic package’ thanks to its double status as a developing country, as well as a great power able to make its weight felt in the arena of world politics (Niquet 2006). A good illustration of China’s ability to exploit its Big Five status on the UN Security Council (UNSC) is its role in discussions on Darfur – which also illustrates China’s political leverage in Africa.

With regard to the crisis in Darfur, China has officially supported the regime in Khartoum, offered diplomatic support, provided weaponry and insulated Khartoum from economic pressure and human rights accountability. At the UNSC, its strategy has been to dilute the language of resolutions and frequently to abstain from voting (Large 2007:7). For example, on 31 August 2006 China abstained from voting on the adoption of UNSC Resolution 1706 on the deployment of the AU-UN hybrid operation...
in Darfur (as did Qatar and Russia). China’s vote signalled to Khartoum that the capital would not have to face urgent or forceful implementation of Resolution 1706, and that diplomatic protection and support would be extended to Sudan’s intransigent refusal to abide by international law (Reeves 2007:3). Despite its final abstention, a shift in Beijing’s approach was signalled during the debate on UNSC Resolution 1706. For the first time, China publicly encouraged Khartoum to allow UN peacekeepers into Darfur and called for a ‘comprehensive political solution’ to the crisis. China has since publicly cast itself as playing a ‘constructive role’ in Darfur. Consequently, in May 2007, Liu Guijin was appointed special representative for African affairs with a brief to facilitate a political solution to the crisis in Darfur (Large 2007:8–9).

As much as China values its economic relationship with Khartoum, including its lucrative arms trade and central role in Sudanese oil production and exploration, Beijing attaches unsurpassed importance to the success of its hosting of the Olympic Games in 2008 (Reeves 2007:10). China’s gradual acceptance of its role as a world power and its development of a more long-term economic and diplomatic perspective have also contributed to this change (Large 2007:9).

With regard to the issue of UN reform, China fully supports the African continent’s candidacy to the UNSC, but has several reservations vis-à-vis general reform of the UN because of the potential risk of Japan’s attaining permanent member status in the UNSC. Our analysis of China’s strategies leads us to argue that China officially plays the ‘African card’ to get diplomatic support when it suits its national interests, while being perfectly aware that UN reform will not take place anytime soon.

Another aspect of Beijing’s changing relationship with Africa is that it regularly signs military agreements and exchange programmes focused on officer training and the supply of basic military hardware (light artillery, armoured vehicles, helicopters). This represents a shift in strategy: during the Cold War, Chinese arms transfers were motivated by ideology, now profit is the main objective (Servant 2005).

**China and the African Union**

China does not have a holistic programme of engagement with the AU, but follows a bilateral approach in dealing with individual African countries. China is astute in its African diplomacy in that it knows perfectly well what it can get from each African state. Consequently, it adopts an individualised approach towards each country instead of a-one-size-fits-all approach to the whole of Africa. China has different levels of engagement with different countries on the continent; with some countries it has no relations at all. Whether China engages with an African country depends on the internal dynamics and economic strength of the potential partner. In this section, we pose the
critical question: what drives China’s choices in seeking African relationships? We are of the opinion that to appreciate the complexities, the rational calculations and the nuances that underlie China’s choice of African partners, we need to conduct a few case-by-case empirical analyses. Take, for example, China’s engagement with Chad and vice versa. We argue that Chad’s current policy vis-à-vis China is purely a strategic repositioning effected by President Idriss Déby in order to fight his country’s internal and external battles for political survival, particularly against Sudan. As the president put it in an interview:

It used to be that when we had problems with our neighbour sending mercenaries to invade us that none of our complaints before the United Nations would pass, because China blocked them. Since breaking relations with Taiwan and opening the door to Chinese investment, we have been able to raise our concerns without taboo (French & Polgreen 2007).

Furthermore, on the occasion of his state visit to China in September 2007, Déby asked his counterpart, Hu Jintao, for help in solving Chad’s dispute with Sudan on Darfur and Eastern Chad. It is interesting that Chad made this request since it is aware of China’s role in the sale of light weapons to Chadian rebel movements. In exchange for Chinese promises to agree to this request, Chad signed an agreement with China for the construction of a refinery 50 km to the north of N’Djamena. Other investments include a joint exploration, with China National Petroleum Corporation, of the possibility to extract minerals at Sidigui and Mayo-Kebbi.8

Another example is China’s positioning vis-à-vis Europe and the AU. Whereas the EU is providing money to support the AU Mission in Sudan (AMIS) – US$250 million was contributed to the AU’s African Peace Facility in 2006, mainly destined for AMIS – China has decided to utilise the AU as a means of maintaining contact with African countries and building its image around the continent through infrastructure projects. Currently the key AU-China project is the construction of a new conference centre at the AU headquarters, which is scheduled for completion by mid-2010, at an estimated cost of US$150 million.

Defining a new partnership?
The intersection between raw materials, trade, infrastructure and non-interference

According to Niquet (2006), China’s interests lie in:

- Developing trade through increasing aid ‘without political conditions’
- Adhering to a policy of non-interference that accepts authoritarian regimes
Persuading the international community to increase its support to Africa

Championing Africa’s role on the world stage

Since the early 2000s, China has developed an aggressive strategy of expanding interests and markets in the key area of energy, as well as in minerals, construction, civil engineering and staple commodities. Africa’s share of China’s overall trade is still miniscule (3% per cent in 2005). However, the volume of trade has grown by a remarkable 535% per cent since 1995 so that today China is Africa’s third largest trading partner, after France and the US.

The traditional model of Sino-African trade is one in which Africa exported energy and raw materials (minerals, precious stones, timber, cotton, fish products) and imported consumer goods, machine tools and textiles. Oil ranks first among Chinese imports, accounting for 60% per cent of total imports. Imports from Africa now represent 25 per cent of all China’s oil imports, and this percentage is on the increase. Sixty per cent of Sudan’s oil yield and 25 per cent of that of Angola are exported to China. China also has an interest in the raw materials and minerals needed to sustain its growth, including copper, nickel, iron, bauxite and uranium. In 2004, 20 per cent of Africa’s mineral ores were exported to China. The cost regimes adhered to by Chinese companies, and the fact that Beijing prefers ‘empty’ areas, in which the safety of neither investment, nor personnel is guaranteed, facilitates the Chinese offensive considerably. China takes the kinds of risk that would be inconceivable for any major Western company. China also benefits from not imposing conditions and not requiring that the rules of transparency and good governance be observed, in contrast with Western investment programmes (Niquet 2006).

In fact, as Chan (2007:2–4) explains, the Chinese are not just about everywhere, they are in most places Western nations are not. The Chinese diaspora run everything from grocery stores and building material shops to restaurants and corner stores in even the most remote provincial towns throughout Africa. Beijing has zeroed in on pariah states like Sudan where Western firms are either barred by sanctions or constrained from doing business because of concerns over human rights, repressive policies, labour standards and security issues. Chinese construction firms have been contracted to rebuild Nigeria’s railroads, pave Rwanda’s and Ethiopia’s main roads, build Ethiopia’s Tekeze Dam and Sudan’s oil pipeline network, and reconstruct the continent’s electricity grids and telecommunications networks.

Of course, there are legitimate concerns about the explosion in trade between China and Africa. So far, however, these concerns have perhaps been exaggerated, mainly by Western scholars and policymakers. Clearly, what the Chinese are doing in terms of economic and natural resources in Africa today, the Europeans and Americans have been doing for a long time. As Shinn (2007) asserts:
Some critics argue that China is a neo-colonial power that is simply using Africa as a source of raw materials, especially petroleum … But the argument is disingenuous. The same argument could be made for the United States, Europe, and Japan. China purchased only 9 percent of Africa’s petroleum exports in 2006 while the United States took 33 percent and Europe 36 percent.

The main point here is the ideological battle between the West and China over which economic model is best for Africa. Good governance and human rights issues that fit in perfectly with the neo-liberal discourse on economic development are opposed to ‘no economic and political conditions’ in the case of development by China. Yet, human rights have in reality never been a guiding principle in determining how Europe engaged with Africa. National security, on the other hand, has been paramount. Consequently, many Africans nowadays question why human rights should suddenly occupy centre stage in the Europe-Africa discourse while Africa’s own priority is development.

**Chinese dragons, African successes**

In Sino-African relations, there is not only a psychological resonance, but also an emotional facet. Africa is not suspicious of China, nor does it feel threatened by China, because China also experienced colonialism, was occupied and utilised. Africa has a long history of colonisation, and it is starting to play a role in its relationship with China.

Most African countries regard China as a country that has a peculiar, endogenous approach to development, namely ‘development from within’, and believe they can learn from it. China is selling Africa its notion of economic development with Chinese characteristics. China provides infrastructure and soft loans to African countries for building their economies through trade and investment without any political and economic conditions (‘business is business, politics is politics’). This is in sharp contrast to the EU, the International Monetary Fund and the World Bank, all of which impose conditions on governance, human rights and economic reform.9

China’s economic prowess and self-promotion as an alternative to Western hegemony has won Beijing friends throughout Africa, including Sudan, Zimbabwe, Nigeria, Ethiopia and Angola. In fact, in May 2005, on the occasion of the 25th anniversary of the independence of Zimbabwe, President Robert Mugabe made a clear statement to this effect: ‘We are looking to the east where the sun rises, and have turned our backs on the west where the sun sets’ (Hilsum 2005).

The African perception is that China offers the continent a new source of both capital and investment, a partner other than the former colonial powers, especially France, the
United Kingdom and the US. Africans are disillusioned with the continent’s traditional development partners. As Manji and Marks (2007:17) argue:

[Africans] feel that traditional relations and partnerships with the West have not helped Africa overcome the structural obstacles to eradicating poverty and reversing its economic marginalization. Rather than develop, Africa is haemorrhaging while the rest of the world accumulates wealth at its expense through the unbalanced exploitation of its natural resources and the enforcement of a distorted international economic system.

African states are beginning to define a new form of partnership for themselves. One of these emerging partnerships is that among India, Brazil and South Africa (IBSA). This is an important axis because of the huge market potential of 1,7 billion people – and China is considering joining in.

China is investing in Africa’s need for development. It is filling the gap of infrastructure for fast development left by the Europeans in Africa. China’s decision-makers deal with African leaders by selling the statement, ‘We build whatever infrastructure you want. It will have an impact on the future of you country.’ Contrary to the West’s duplicity, which is causing it to lose credibility in Africa, China is straightforward in its approach and actions. In addition, Africa perceives China as opening up new opportunities to engage with the globalised world.

The new China-Africa partnership symbolises a new economic and diplomatic ‘Cold War’ on the African stage. Therefore, if France, the US, the UK and other Western powers want to maintain a semblance of their earlier predominant influence on the continent, they have to re-engage Africa, but in way that differs from that of the past. Some commentators have even raised the possibility of collaboration between the US and China on matters of Africa. During negotiations on the Africa-EU dialogue follow-up mechanism, the European party asked its African counterpart for a regular briefing on the state of dialogue between Africa and its other partners, in particular China, India and Brazil. The draft communiqué finally adopted by the Africa-EU Ministerial Troika meeting held in Accra, Ghana, on 31 October 2007 stated:

In order to ensure coherence and complementarity with the work of other international actors, including emerging partners, Africa and the EU recognise the need to broaden their cooperation with third partners through enhanced tripartite dialogue. Similarly, both parties recognize the importance of triangular cooperation for the development of the two continents (Africa-EU Strategic Partnership 2007).

The emergence of China, Brazil and India as competitors on the African continent has jeopardised Europe’s ‘old’ historical influence. That is why, despite diplomatic pressure
from the UK, President Mugabe of Zimbabwe, banned from EU territory since 2002, attended the Africa-EU Summit held in Lisbon, Portugal, on 8 and 9 December 2007. The Sino-African relationship has definitely increased Africa’s leverage in the dialogue between Africa and the EU.

**Conclusion: What prospects for a new and dynamic partnership?**

In conclusion, the current relationship between China and Africa is new and dynamic in the sense that it is transforming itself all the time. At the beginning, there were rumours that China was only interested in Africa for the sake of energy security. But now we see that the relationship has been transformed into a longer-term, deeper economic engagement. Africa has also seen the beginning of a security partnership with, for example, Chinese troops in Darfur. At present, however, it is impossible to know what the long-term impact of China’s new engagement with Africa will be. Only time will tell whether China is indeed a better partner for Africa than the West and if Western concerns are justified.

**Notes**

2. For an in-depth analysis, see *Africa Confidential* (2006); Klare and Volman (2006).
3. Among the countries visited so far are Angola, Botswana, Cameroon, Cape Verde, Congo-Brazzaville, Djibouti, Egypt, Equatorial Guinea, Ghana, Guinea, Liberia, Libya, Namibia, Niger, Nigeria, Madagascar, Mali, Rwanda, Senegal, Seychelles, South Africa, Sudan, Tanzania, Togo, Tunisia, Uganda, and Zimbabwe.
4. See also Zweig and Jianhai (2005).
8. See *Jeune Afrique* (23 September 2007); *Africa-Asia Confidential* (2 November 2007).
10. With regard to France, see Lecoutre and Mupoki (2006).

**References**


