

## **Wedding with Uncertain Prospects: African Perspectives On Current Sino-African Relations**

*Draft Paper presented at the “Panel on China, US, and Africa: The New Race for Africa?” By Tatah Mentan, College of Saint Benedict, Saint John’s University, Tuesday November 11, 2008.*

**Abstract:** *In December, 2006, former South African President Thabo Mbeki warned that Africa must guard against falling into a “colonial relationship” with China. Why, one may ask, has Sino-African friendship and cooperation seen successive innovations? The China-Africa Cooperation Forum established in 2000 has become an effective mechanism for collective dialogue between the two sides as well as an important platform to carry out pragmatic cooperation. Within the framework of the forum, China has remitted more than 10 billion yuan of debt for 31 African countries and imposed zero tariffs on 29 least developed countries covering 190 export commodities. China has trained about 10,000 persons in all fields for African countries and chosen 16 African countries as destinations for outbound Chinese tourists. China also sent youth volunteers to African countries. This paper seeks to explore this relationship to determine the fear of “colonial relationship” charge by Mbeki.*

### **Intoroduction**

Chinese involvement in Africa is not a novel phenomenon. Some even argue that Chinese foreign aid can be traced back to the beginning of the 1950s, although the public record of Chinese aid assistance began in November 1953 with a \$388 Million grant to North Korea, China’s own Marshall plan. In 1955 at the Bandung Conference, China and India agreed on Five Principles of Peaceful Coexistence, Mutual non-interference in internal affairs, mutual respect for territorial integrity and sovereignty, mutual nonaggression, equality and mutual benefit and peaceful coexistence that were later adopted by more than 29 Asian and African countries.

The Conference deepened and enhanced the cooperation and unity of the Asian and African states and China shared with these nations a sense of humiliation, the urge to restore dignity and a determination to take control of their own destiny already in the beginning of the

50s and has ultimately led to a new form of relation between the two continents that was determined by mutual understanding and non-hegemony. In the 60s, Premier Chou Enlai made a 3-month tour in Africa that had a significant impact on the further relation. Very early, China was seen as a liberator that shared the view of all developing countries by protecting its interests and promoting revolution against the “imperialistic aggression” by supporting their liberation struggles. Mao used the Sino-Africa Relations to build a front against “imperialistic” and western values. Although the Sino-Africa Relations experienced the lowest point of importance after Mao’s death in the late 70s, the principles of sovereignty, non-hegemony and self-reliance have still dominated the foreign policy of China towards the Africans until today.

However, China’s recent incursions into Africa are provoking much debate and discussion. Is China indeed the voracious tiger in Africa as it is so often portrayed? Phrases such as the “new scramble for Africa” and “voracious,” “ravenous,” or “insatiable” “appetite for natural resources” are typical descriptors used to characterize China’s engagement with Africa. In contrast, the operations of Western capital for the same activities are described with anodyne phrases such as “modernization” “development,” “investment,” and “employment generation” (Mawdsely, 2008).

Indeed, as Kwesi Kwaa Prah said, “What I find a bit reprehensible is the tendency of certain Western voices to . . . raising concerns about China’s attempt to get into the African market because it is a bit hypocritical for Western states to be concerned about how China is approaching Africa when they have had centuries of relations with Africa, starting with slavery and continuing to the present day with exploitation and cheating.” (Kwesi Kwaa Prah, 2007). But, there is no uniform ‘African view’ about China in Africa. The reason is that these debates merely focus either on assessing how the interest of Western capital might be affected, or on

denouncing China for practices that have for centuries been the monopoly of America and European powers, namely, support for dictators, callous destruction of the environment, exploitation of minerals, and complete disregard for human rights and security in the continent.

In their most direct statements yet recorded, African leaders made their views about the West clear during the Chinese Africa summit, held in Beijing in November 2006. Speaking to Lindsey Hilsum of British Channel Four television, former president Festus Mogae of Botswana said “I find that the Chinese treat us as equals. The West treats us as former subjects (read slaves). Which is a reality. I prefer the attitude of the Chinese to that of the West.” For his part, President Museveni who is seen as a darling of the West said, “The Western ruling groups are conceited, full of themselves, ignorant of our conditions, and they make other people’s business their business. Whereas the Chinese just deal with you, you represent your country, they represent their own interests, and you do business.”

Lost in this noisy debate have notably been the voices of independent African analysts and activists who are united by their concern for, and commitment to, social justice for Africa’s people. The purpose of this paper is therefore to identify these lost voices and synthesize them to enable us understand clearly what is China’s mission in Africa today. To accomplish our mission we shall proceed by raising some exploratory questions to serve as our analytical sign-posts. First, and, obviously, is there any Chinese presence in Africa? Secondly, how is China’s presence in Africa cemented? Thirdly, how does the Western world view China’s presence in Africa? Finally, who are the victims and beneficiaries of China’s presence in Africa? At this level we shall seek to identify the nature, subject, purpose and broad content of Sino-African

relationship and the qualitative characteristics that such interdependent relationship information should possess.

### **Theoretical Framework**

Why do we need a theoretical framework? There are two reasons why theoretical frameworks are important here. First, no matter how little you think you know about a topic, and how unbiased you think you are, it is impossible for a human being not to have preconceived notions, even if they are of a very general nature. For example, some people fundamentally believe that African people are basically lazy and untrustworthy, and one has to keep ones wits about oneself to avoid being conned. These fundamental beliefs about African human nature affect how one looks at things when doing research.

In this sense, one is always being guided by a theoretical framework, but one does not know it. Not knowing what one's real framework is can be a problem. The framework tends to guide what one notices in a relationship or in an organization, and what one does not notice. In other words, one does not notice things that do not fit one's framework! One can never completely get around this problem, but one can reduce the problem considerably by simply making one's implicit framework explicit. Once it is explicit, one can deliberately consider other frameworks, and try to see the situation through different lenses.

The force of uncertainty is absolutely central to every major research tradition in the study of international relations. This is the case with our study of current Sino-African relations. Yet uncertainty has multiple meanings, and each paradigm has a somewhat unique understanding of it. More often than not, these meanings are implicit.

This article aims at a systematic conceptualization and categorization of uncertainty, to make explicit what is often implicit in four paradigms. I argue that realists of the African predicament define uncertainty as fear induced by anarchy or Western capitalist predation; rationalists as ignorance (in a non-pejorative sense) endemic to bargaining games of incomplete information and enforcement; cognitivists as the confusion (again non-pejoratively) of decision-making in a complex international environment; and constructivists as the indeterminacy of a largely socially-constructed world.

I shall then demonstrate how these different understandings are what provide the necessary microfoundations for the paradigms' definitions of learning, their contrasting expectations about signaling, and the functions provided by Africa's relations with China. This has conceptual, methodological and ontological payoffs. It is always best to be clear about the precise meanings attached to terms to promote scholarly dialogue. Assumptions about uncertainty are often necessary to make the paradigms logically coherent. This in turn helps sharpen the distinctions between arguments deduced from different research traditions that are often blurry, critical for the rigorous testing of alternative hypotheses.

The end of the Cold War and the crumbling nature of African economies in the face of overpowering neoliberalism has changed the problematique of African national security policy from the management of insecurity to the management of uncertainty. From this perspective, national security policies articulate multiple notions of uncertainty and thus different ways in which uncertainty can be absorbed into manageable risks. In other words, national security politics today in Africa that is limping at the margin of the global system basically consists in a fight between institutionalizations and kinds of knowledge that represent different approaches to

probability. This tension between the security dilemma and new uncertainties provides the rationale of the current fight between various logics like that of the national security dilemma.

Uncertainty always serves as an important “variable” for explaining prevailing insecurity within international relations. Within realist thought, uncertainty is predominantly analyzed in the context of the security dilemma. As John Herz (1950: 157) explains:

Groups or individuals... must be, and usually are, concerned about their security from being attacked, subjected, dominated, or annihilated by other groups and individuals. Striving to attain security from such attack, they are driven to acquire more and more power in order to escape the impact of the power of others. This, in turn, renders the others more insecure and compels them to prepare for the worst. Since none can ever feel entirely secure in such a world of competing unity, power competition ensures, and the vicious circle of security and power accumulation is on.

In contrast to Hans Morgenthau’s anthropological realism, John Herz pointed to a structural condition. The security dilemma roots in anarchical political relations rather than in biological or anthropological condition. For a deeper discussion of *uncertainty* and the *security dilemma*, see Evan Braden Montgomery, “Breaking Out of the Security Dilemma: Realism, Reassurance, and the Problem of Uncertainty,” *International Security* 31, no. 2 (2006): 155ff. When there is no central authority that could function as the fixer of signs, uncertainty about the motives or intentions of other states gives rise to paradoxical dynamics: An attempt to increase one’s security will ultimately lead to higher insecurity of other actors, will stimulate counterreactions, and will leave everybody worse off in the end.

Thus, the quest by Indonesia to open up its economy to the global market has enabled Chinese with only 3% of the population to dominate 70% of the private economy (with anti-Chinese violence a periodic problem. For an explanation of such counterreactions see Jef Huysmans,

“International Politics of Insecurity: Normativity, Inwardness, and the Exception,” *Security Dialogue* 37, no. 1 (2006): 11-29. In the Philippines, the Chinese 1% of the population controls about 60% of the economy (with over 60% of the Filipinos living on about \$ a day). Therefore, we propose to open up the question of the contemporary meaning of security to different notions of uncertainty such as **Risk, Uncertainty, and Probability** in Africa’s relations with other actors like China in the current international system.

Theories of probability in international interactions can be characterized by two distinctions: aleatoric vs. epistemic probabilities and objective vs. subjective probabilities. Aleatoric-probability theories define probability in ontological terms based upon distributions and repetitive events. Epistemic probabilities put epistemology before ontology and define probability for single events. Characteristically, epistemic interpretations always define probability with reference to a particular stock of knowledge. Proponents of objective probability theories locate probability relations outside the human mind. Probabilities can thus be “discovered.” Subjectivists deny the objective existence of probabilities, but assume them to be “ascribed,” “invented,” or “possessed.” Probability is thus a subjective judgement and not a property of the decision problem. As a consequence, uncertainty describes situations where standard criteria of rationality are not applicable.

Within the context of the security dilemma, stability was recast in terms of interstate cooperation where the structural conditions of colliding individually “rational” strategies structures the form and the extent of state cooperation. Uncertainty in this context arises in terms of other actor’s intentions and expectations. However, and rooted in its methodological individualist background, uncertainty in this setting is given in a structured manner,—that is, in

terms of risk. It arises within a given game structure that is common knowledge for every player. With reference to probability theory, in other words, the strategy of mutual deterrence is based on the aleatoric definition of probability.

Of course, there are crucial differences between “objective” and “psychological” approaches to security politics. A superb discussion is given in Robert Jervis’s *Perception and Misperception in International Politics* (Princeton: Princeton University Press, 1976). For deterrence to work, the actors and their intentions and motives need to be “given”—though they might not be directly “known.” There has to be a common understanding of who can deter whom by what means and on what basis (i.e., what is needed is a common ultimate threat from which various stages of punishment can be developed).

A different understanding of uncertainty can be detected by looking at the logical and social probability theories that differentiate risk from uncertainty. In this setting, uncertainty names a realm where common standards of rationality break down, where situations are undefined and unstructured and only over time gain more fixed contours. As Lord Maynard Keynes pointed out, in these situations actors would fall back on conventions and norms that would help them in identifying the situation, which norms to apply, and what kind of expectations to form. In the framework of epistemic probability theories, two different security policies can be identified: In line with the “logical theory,” security policies turn into a form of risk management.

The objective is to develop means and methods to deal with uncertainty and reduce it to risk as you find in Robert A. Dahl, *Modern Political Analysis*, 4th ed. (Englewood Cliffs, N.J.: Prentice Hall, 1984). Uncertainty is subsequently redefined in terms of contingency: One may not know

what the next state of the world exactly is going to be but one can have a good guess and possibly find some insurance. To calculate risks does not mean that they can be measured objectively. Not all uncertainties are of quantitative nature and thus understandable within the common definition of rationality. In particular, the evaluation of risks may vary according to the political interests or cultural context clearly explained by Mary Douglas and Aaron Widavsky *Risk and Blame: Essays in Cultural Theory* (London: Routledge, 1982).

If this is acknowledged, the traditional concept of deterministic causality loses its validity. Uncertain political results and uncertain strategies do not follow predetermined laws, but, if anything, probabilistic laws. Thus, what political scientists can achieve at best is probabilistic knowledge—that is, knowledge about necessary and sufficient reasons and causes that may not be able to predict single events but that do identify the conditions under which the realization of specific events is more or less likely.

This makes clear that under the condition of uncertainty, there are no objective criteria that could serve as an anchor for measuring dangers or uncertainties and assessing the quality of political responses. For example, as much as one might object to certain measures by the US administration, it is almost impossible to “measure” the success of countermeasures. Of course, there might be a subjective assessment of specific shortcomings or failures, but there is no “common” currency to evaluate them. As a consequence, the framework of the security dilemma fails to capture these basic uncertainties. From this perspective, the current problem is not insecurity deriving from the security dilemma, but uncertainty deriving from the changing categories of our political vocabulary signifying unpredictable futures and inconsistent policies of Africa swinging from West to East.

## **Sino-African Historical Connection**

China's rise to world power status has led to changes in the global system. The consequences and implications are evident in Africa. In the context of increased interest towards Africa from various parts of the world, notably Latin America and India, China's presence on the continent has accounted for Africa's economic upturn and at the same time has enlarged political spaces for African leaders.

China has a unique position compared to western donors. It is a developing country experiencing tremendous economic growth, a successful integration in the global economy and serves as a role model for African states. At the same time, it has one foot in the developing world and the other one in the developed one with a seat in the United Nations Security Council. Moreover, Chinese Aid varies from its western counterparts. It pursues a development agenda that is not bound to any conditions and is proclaimed to be a non-interference policy. China prefers to abstain from the western methods of good governance, democracy and human rights and privileges trade and investments in the place of aid. Thus, it is certain that in geopolitical, economic and in development terms, the China factor is altering the basic parameters on which the West's relations with Africa are based.

Today, China's Africa policy is purported to be based on: *sincerity, equality and mutual benefit, solidarity and common development*-these are the proclaimed principles guiding China-Africa exchange and cooperation and the driving force to lasting China-Africa relations.

- establish and develop a new type of strategic partnership with Africa, featuring political equality and mutual trust, economic win-win cooperation and cultural exchange. The general principles and objectives of China's African policy are as follows:

- Sincerity, friendship and equality. China adheres to the Five Principles of Peaceful Coexistence, respects African countries' independent choice of the road of development and supports African countries' efforts to grow stronger through unity.

- Mutual benefit, reciprocity and common prosperity. China supports African countries' endeavor for economic development and nation building, carries out cooperation in various forms in the economic and social development, and promotes common prosperity of China and Africa.

- Mutual support and close coordination. China will strengthen cooperation with Africa in the UN and other multilateral systems by supporting each other's just demand and reasonable propositions and continue to appeal to the international community to give more attention to questions concerning peace and development in Africa.

- Learning from each other and seeking common development. China and Africa will learn from and draw upon each other's experience in governance and development, strengthen exchange and cooperation in education, science, culture and health. Supporting African countries' efforts to enhance capacity building, China will work together with Africa in the exploration of the road of sustainable development.

However, China and Africa have a long history of trade relations, sometimes over third parties, dating back as far as 202 BC and 220 AD (Snow 1988, p 2). The first mention of Africa in Chinese sources was in the *Yu-yang-tsa-tsu* by Tuan Ch'eng-shih (died 863 A.D.), a compendium of general knowledge. In this he writes about the "land of Po-pa-li", which refers to Somalia. In 1226 A.D. Chao Ju-kua, commissioner of foreign trade at Quanzhou in the Fujian province of China, completed his *Chu-fan-chih (Description of Barbarous Peoples)*. It discusses Zanzibar (Ts'ong-pa) and Somalia (Pi-P'a-Lo) (Freeman-Grenville 1975). In October of 1415, Chinese explorer Zheng He reached the eastern coast of Africa and sent the first of two giraffes as gifts to the Chinese emperor Yong'le (Snow 1998, p. 23).

The establishment of modern Sino-African relations dates back to the 1960s when Zhou Enlai made a ten-country tour between December 1963 and January 1964 to Africa. Relations at this time were often reflective of China's foreign policy in general. China "began to cultivate ties and

offer[...] economic, technical and military support to African countries and liberation movements in an effort to encourage wars of national liberation and revolution as part of an international united front against both superpower” (Muekalia 2004, p.6). China’s relations with Africa were affected by its relations with the Soviet Union and the United States. For example, China’s original close ties to the anti-apartheid and liberation movement, African National Congress, in South Africa, but as China’s relations with the Soviet Union worsened and the ANC moved closer to the Soviet Union, China moved further away from the ANC towards the Pan-africanist Congress (Taylor 2000, p. 93). China relied on several principles, among them supporting the independence of African countries while investing in infrastructural projects. During the Cold War a few smaller nations entered in alliances with China, such as Burundi under Michel Micombero.

Since 1997, around 30 African heads of state have visited China. The ministerial meeting, Forum on China-Africa Cooperation, held in Beijing in October 2000 was the first collective dialogue between China and African countries. 2006 was the 50th anniversary of the establishment of the first diplomatic ties between China and African countries and saw an increased focus on the relationship between China and Africa. In June 2006, Chinese President Hu Jintao and Premier Wen Jiabao visited ten African countries to promote China–Africa relations. In November, African heads of state met in Beijing to learn of a massive Chinese package of aid and assistance, including preferential loans, cancellation of debts, and numerous other initiatives (Firoze Manji and Stephen Marks, eds., 2007).

Historically, China has played a different role in Africa from Africa’s colonial powers, supporting African countries in various liberation struggles, providing educational opportunities

and assisting in healthcare. Moreover, the rise of China in Africa does not just make problems for the continent, it also creates opportunities. As Stephen Marks pointed out in a recent editorial in Pambazuka News ([www.pambazuka.org/en/category/features/32432](http://www.pambazuka.org/en/category/features/32432)), Western corporations and governments now face competition—there is an alternative to the dictates of the international financial institutions—and this can give African states more room for manoeuvre. The African Union as well as civil society need to consider how to react to China's challenge while avoiding 'uncritical acceptance on the one hand or mere rejectionism on the other'.

Despite the clear influence of China, research, policy, debate and analysis on China's present and future role in Africa remains limited. All too often, the influence of Western policy towards Africa dominates development discourse. What is missing is an integrated overview of Africa's own response, especially by researchers and activists on the ground and an ongoing forum through which such an integrated response can be developed and sustained.

### **Sino- African Economic Relations**

Africa registered 5.8 percent economic growth in 2007, its highest level ever, in part because of Chinese investment. The roads, bridges, and dams built by Chinese firms are low cost, good quality, and completed in a fraction of the time such projects usually take in Africa. China also contributes peacekeepers to UN missions across Africa, including Liberia and Darfur. It has cancelled \$10 billion in bilateral debt from African countries, sends doctors to treat Africans across the continent, and hosts thousands of African workers and students in Chinese universities and training centers.

Critics say these projects are meant to build goodwill for later investment opportunities or stockpile international support for contentious political issues. Concerns about China's role in Africa have been voiced by a range of actors—from human rights groups to international observers to Africans themselves. Many Africans are concerned over how China operates in Africa, accusing Chinese companies of underbidding local firms and not hiring Africans. Chinese infrastructure deals often stipulate that up to 70 percent of the labor must be Chinese. International observers say the way China does business—particularly its willingness to pay bribes, as documented by Transparency International, and attach no conditions to aid money—undermines local efforts to increase good governance and international efforts at macroeconomic reform by institutions like the World Bank and the International Monetary Fund.

Nevertheless, almost every African country today bears the stamp of China's emerging presence, from oil fields in the east and west, to farms in the south, to mines in the centre of the continent. In fact, China's involvement in Africa has three main dimensions: foreign direct investment, aid, and trade. In each of these dimensions China's engagement is dwarfed by those of US and European countries, and often smaller than those of other Asian economies. China has cultural agreements with 42 African countries. The most welcome elements of China's presence to Africans are undoubtedly infrastructure and investment. Over the past two years, particularly in resource-rich states like Angola, Nigeria, and the Democratic Republic of Congo (which last month was offered \$5 billion to rehabilitate its mining sector), China has committed to building more infrastructure than all other donors combined. Not all of this is "aid," to be sure. It is tied to Chinese construction companies, and in the form of loans rather than grants.

But that distinction is of little concern to African governments desperate to build ports, roads, railways, and electricity grids that they need to jumpstart economic growth. Given the borrowing restrictions placed on the governments that have had their debts forgiven by multilateral institutions through HIPC and similar programs, and the near total lack of funding for infrastructure through U.S. government aid programs (except through the MCC), China has become one of the main sources of project finance for infrastructure. This alone will guarantee it warm relations on the continent for many years to come.

Chinese companies are now present in every country on the continent, as documented by Harry Broadman in a recent study for the World Bank (1). They engage in almost all business sectors, from manufacturing and food processing to small-scale trading in isolated Lesotho mountain valleys. They pay taxes and hire workers. Many have no connection to the Chinese state. Nevertheless, as Joe Mollo, a former senior Lesotho diplomat, observed, there is usually a “love-hate” relationship between Chinese employers and their African employees. The latter feel exploited and underpaid; the employers counter that they are overpaid considering their level of productivity (2). African militaries value the training courses they are offered in China and can make tight military budgets stretch farther by purchasing relatively inexpensive Chinese-made arms (Chinese arms sales to Africa are increasing as a proportion of the total share), though they consistently prefer Western training and equipment if it is available.

Western media have noted that China had been invited to participate in the African Union (AU) summit in 2007 as the only non-African delegation. This was taken as further evidence of the stunning success of China’s diplomacy in Africa. The reality was more mundane, as the Deputy Chairman of the AU, Patrick Mazimhaka, explained recently at a meeting in

Washington: The AU simply wished to acknowledge China's gift of a new conference center for the AU Headquarters in Addis Ababa, not signal to the world that China now had some special, privileged relationship with Africa (3).

Even the China-Africa issue that has gotten the most attention in the West—China's unconditional support for the Sudanese government, despite its genocidal counterinsurgency in Darfur—does not particularly alarm African leaders, because they do not blame China for the crisis, and do not believe it has the power to end it. Similarly, on Zimbabwe, since most African leaders share Chinese views on sovereignty and non-interference, they do not begrudge China its reluctance to abandon its ally of more than forty years, Robert Mugabe. African leaders instead are putting stock in their own slowly evolving continental security mechanisms, instantiated through the African Union.

### ***Trade, Investment and Aid***

There are three main components to China's economic engagement in Africa that are not always distinguished: trade, investment and aid. First, Africa is certainly an important trade partner for China, the volume increasing from \$11 billion in 2000 to some \$40 billion in 2005. China has a growing trade surplus with Africa. According to UNDP (2007), China has become the third largest trading partner of Africa, following the United States and France. China has focused primarily on the import of a limited number of products—oil and “hard commodities”—from a few selected African countries. China's trade with Africa represents only a small proportion of Africa's trade with the rest of the world and is comparable to India's trade with Africa, although both have been growing rapidly.

China imports from Africa five main commodities—oil, iron ore, cotton, diamonds, and logs. The export of these commodities, and in particular oil, has grown significantly in the last ten years. A few African countries (Sudan, Ghana, Tanzania, Nigeria, Ethiopia, Uganda, and Kenya) source a significant share of their imports of manufactured products, mainly clothing and textiles, from China (Kaplinsky, McCormick and Morris, 2007). China has been vigorously castigated for its support of repressive regimes. In almost all cases, China's involvement has been in support of its need for strategic natural resources, especially oil. And it is perhaps here that one finds the reason for the fears expressed in the West about China's role in Africa. The USA is the world's largest consumer of oil products, with 25% of its requirements destined to come from Africa. While China sources some 40% of its oil from the Middle East, it currently sources 23% from Africa.

In other words, Chinese trade with Africa increased from \$11 billion to \$40 billion between 2000 and 2005, becoming Africa's third largest trading partner (4). Most of the increase comes from oil imports from Sudan, where China's companies have been active since 1995, and Angola, where they made major energy investments in 2003-4. It is, however, important to consider these figures together with Africa's increased trade with Europe and North America. It has also grown, though less slowly, and continues to constitute the destination for the majority of Africa's exports. An important difference, however, is that the increase in Chinese trade with Africa is driven by "complementarities" between the two economies, whereas increased trade with North America and Europe has resulted from preferential trade arrangements, such as the African Growth and Opportunity Act (AGOA).

Second, Chinese FDI in Africa has in fact been small in comparison to investment from Singapore, India, and Malaysia, which are the principal Asian sources of FDI in Africa according to UNDP (2007) with investment stocks of \$3.5 billion and \$1.9 billion each by 2004, respectively. Such investments are greater than those of China. The same report goes on to say, however, that Asian investments in Africa are dwarfed by those of the United Kingdom (with a total FDI stock of \$30 billion in 2003), the United States (\$19 billion in 2003), France (\$11.5 billion in 2003), and Germany (\$5.5 billion in 2003). And if China sits in fourth place amongst the Asian “tigers,” the scale of its investments in Africa is miniscule in comparison to the more traditional imperial powers. (UNCTAD, 2006). Though Chinese investment in Africa is increasing, it still represents a small fraction of China’s total Foreign Direct Investment (FDI) stock. The stock of Chinese FDI in Africa in 2005 was \$1.6 billion, which represented only 3 percent of China’s total FDI. Most Chinese investment was directed to Asia (53 percent) and Latin America (37 percent). The period 2003-2005 saw massive increases of Chinese FDI outflows to all parts of the world, not just to Africa(5).

Third, Chinese aid is now set to increase dramatically as well, and it is here that we can expect to see the most profound challenges to Africa’s relationships with the rest of the world. China has had aid programs in Africa since the 1960s, but with the exception of the rail line between Tanzania and Zambia and a number of stadiums around the continent, the impact left by Chinese aid was not great. World Bank chief Paul Wolfowitz has called China to account for lending to countries that have recently benefited from the Heavily Indebted Poor Countries (HIPC) loan forgiveness program. The value of Chinese aid in Africa is set to overtake World Bank assistance in 2007 with \$8.1 billion on offer compared with only \$2.3 billion from the Bank (Bloomberg.com, November 3, 2006).

The Chinese “aid” now on offer is intimately tied to its commercial expansion and often comes in the form of credits from the Chinese Export-Import Bank. The Beijing Summit also announced a token expansion of more purely humanitarian aid programs, such as the dispatching of 300 “young volunteers” to Africa and the pledge of establishing 100 rural schools in the continent before 2009. Beijing sees aid-giving as a way of generating positive sentiment toward China, and seems unaware of the consequences it can have on governance and economic performance, particularly when channeled through weak and undemocratic national governments.

Like Western powers, China has used aid strategically to support its commercial and investment interventions in Africa. Aid has taken the form of financial investments in key infrastructural development projects, training programs, debt relief, technical assistance, and a program of tariff exemptions for selected products from Africa, not dissimilar to the agreements that Africa has had with Europe, the US, and other Western economies. China’s aid is attractive to African governments not only because it offers favorable terms, but in particular because it doesn’t come with the conditionality that has so constrained, and many would argue undermined, the development that would have the potential for bringing about social progress.

The most serious worry for the US was expressed by the spokespersons of the IMF and the World Bank who complained that China’s unrestricted lending had “undermined years of painstaking efforts to arrange conditional debt relief.” There is clearly concern that China can now offer favorable loans to Africa and weaken imperial leverage over African economies (Campbell, 2007). “The US and World Bank claim to be fighting poverty in Africa,” he continues, “but after two decades of structural adjustment the conditions of the African poor

have worsened, with indices of exploitation and deprivation increasing by geometric proportions. According to one estimate, at the present pace of investment in Africa from the West, it will require more than one hundred years to realise the Millennium Development Goals. Chinese investment potentially provides an alternative for African leaders and entrepreneurs, while providing long term potential for the development of African economies.” Understandably, some Western donors have begun to learn some of the lessons from the poor performance of their previous aid programs, increased Chinese aid-giving could be a setback for sound economic policy-making and democratic accountability in Africa.

### *A View from the Great Lakes Region of Africa*

With no energy resources, Rwanda and Burundi are not high priorities for China, but they are strategically situated next to the resource-rich Democratic Republic of Congo, where China has growing interests. Discussions are underway to start a Confucius Institute at the Kigali Institute of Science and Technology in 2007, and Rwanda would like to entice Chinese companies doing business in the sub-region to locate their headquarters in Kigali (6). However, though China's engagement in both countries is on the increase, it has hardly reached the tsunami-like proportions that breathless media reports about China re-colonizing Africa would suggest.

In Rwanda, there has actually been little new Chinese investment since 2004. The Rwanda Investment and Export Promotion Agency (RIEPA) has issued no incentive-qualification certificates to Chinese companies over the past year. Most of the Chinese companies active in Rwanda are in the construction sector and have been working there since the 1970s or 1980s, such as the China National Road and Bridge Company, which has won significant contracts from the Rwandan government. New entrants include telecommunications

companies Zhongxing and Huawei, with which the U.S.-Rwandan telephone company, Terracom, recently signed a deal to upgrade its network technology. The number of Chinese restaurants has expanded by 50 percent, from two to three.

Many of the Chinese actors on the ground are small-scale, private entrepreneurs or traders[6]. The owner of the new Chinese restaurant in Kigali first came to the country in 1996—to open a medical clinic; Chinese medicine has been extremely popular in East Africa since at least the 1980s. This tallies with UNCTAD’s finding that most Chinese investments in Africa are small and medium-sized enterprises (SMEs)—and thus only indirectly motivated by the high-level Chinese “go abroad” policy and its attendant incentives. Chinese firms are present in the Rwandan market, but they are not particularly central and hardly dominant. There are also none of the complaints about Chinese traders that are commonly heard in Zambia or South Africa. Chinese diplomats lament how “conservative” and “short-sighted” their compatriots are: very few end up investing despite promises of embassy support in bidding for contracts.

Rwanda was the first African country to open a permanent trade office in China. It is based in Shenzhen, and staffed by two Rwandans, one of whom has lived in China for 12 years and speaks Mandarin fluently. It assists Rwandan importers who visit Hong Kong and the factories of Guangdong in search of electronics and textiles that sell well in Rwanda and the sub-region. The office has had less success in enticing Chinese entrepreneurs to invest in Rwanda, though a mobile-phone assembly facility for the local market is being planned in Rwanda by a Chinese-Rwandan joint venture. The office found that its most urgent task in China was much more basic: reassuring Chinese businesspeople that Rwandans did not live in trees, that Chinese visitors would not be hacked to death in a flare-up of the genocide, and that there is food to eat.

A poster showing a bare-chested Rwandan traditional dancer was removed from the office because it was giving visitors the wrong impression about how most Rwandans dress.

The views of senior Rwandan officials toward China are positive and welcoming, but do not rise to adulation. They had a good experience at the Beijing Summit, but are waiting to see how China's promises of increased cooperation will be translated into action. While they are concerned that Rwandans might be taken advantage of by Chinese firms and prefer Chinese investment over aid, Rwanda is allowing China to build the new headquarters for its foreign ministry. The rest of China's aid program in Rwanda--some small health and agriculture programs and the management of a government-owned cement plant--is not significant enough that it would give the government significant "leverage" with the World Bank or bilateral donors. Even with the increased commitments announced in Beijing, there is little chance that China will soon rival the hundreds of millions of dollars a year that Rwanda receives from U.S. and European sources. A Chinese diplomat stated privately that there were no plans to respond to one of the Rwandan government's top infrastructure priorities—a railway to Tanzania and the coast—because it would be "uneconomical." China is financing the equally uneconomical Benguela railway rehabilitation in Angola, a major oil supplier.

In neighboring Burundi, where a gleaming new Chinese embassy was recently completed by a company brought in from China, an embassy official expressed his disappointment that the company had decided to return to China rather than establish a permanent presence in the region; the company saw high risks and few returns. Tianshi Health Products, however, proudly flies the Chinese flag over their new office in Bujumbura. In line with paragraph 4.4 of China's January 2006 Africa Policy which declared that "it is necessary to increase intelligence exchange," some

members of the Burundian intelligence service have undergone training in China, according to a foreign human rights researcher who saw photographs of the training in the offices of the Burundian security service. At the official opening of parliament in February 2007, Burundi's only admiral proudly wore a pin he had received during an exchange visit to China. Whether such military and intelligence cooperation is as practical as it is ceremonial is difficult to ascertain.

Though not representative of the continent as a whole, China's engagement in Rwanda and Burundi has not dramatically increased over the past three years. Yet, neither is the engagement of China in oil-producing states like Angola and Sudan representative of the rest of the continent. The China-Africa question is not spontaneously discussed, and is not often in the media. With the exception of some importers, the countries' political and economic elites continue to be oriented primarily to the United States, Europe and South Africa (7).

### *A View from Beijing*

Foreign delegations visiting Beijing to discuss China-Africa relations tend to interact primarily with a community of Africanists and aid specialists based at the Chinese Academy of Social Sciences, the China Institutes of Contemporary International Relations and other government-affiliated think tanks [6]. They tend to portray China as a selfless friend of African countries and make frequent reference to China's Cold War aid programs and support for African liberation movements. These scholars tend to believe that aid really can buy friendship and goodwill abroad, and also that China needs to systematize its aid apparatus if it is to be able to deliver upon the large commitments made at the Beijing Summit. There is little awareness that aid can have negative economic and political effects in the countries that receive it. There do not seem to

be any mechanisms in place to monitor the effectiveness of Chinese aid, even at the most basic level of ensuring that the money is not stolen.

In discussions with U.S. delegations, the focus is often a competition to show which side is more genuinely concerned with Africa's well-being. To the frustration of African interlocutors, the discussion is rarely focused on what Africa should do to take advantage of the new opportunities that China's expanded commitment to Africa offers. To China's experts, criticism of the country's intentions and investments in Africa seems like part of a strategy by Western countries to "thwart China's development," as one scholar put it. One rumor in circulation in PLA circles suggests that U.S. intelligence agencies are planning to foment local unrest toward Chinese ventures in Africa and elsewhere in the developing world.

In off-the-record discussions, two senior Chinese scholars conceded that China should indeed "do something" when faced with genocide in Africa—though they seemed to be referring to private exchanges with African leaders rather than public denunciation or military action. China's intransigent position on Sudan seems to derive not only from China's traditional adherence to a doctrine of "non-interference in internal affairs of sovereign states," but also from a desire to thwart U.S. foreign policy, and less from any specific concern about the security of Chinese energy investments in Sudan: Sudan needs China more than China needs it. One of China's undisclosed requirements for agreeing to pressure the Sudanese government to accept the deployment of a robust UN peacekeeping force may be that Hu Jintao, rather than George W. Bush, takes the credit. As one Chinese blogger exulted during President Hu's trip to Africa in February 2007: "Our brother Hu thawed the Darfur crisis with his cordial smile! The United

Nations peacekeeping force is going to station in Darfur with his cordial smile! Bush failed, brother Hu succeeded with a smile! Sino-Africa friendship is true friendship!”(8).

### **African Apprehensions of China’s Incursions Into the Continent**

The attitudes of African people may not be so forgiving, particularly as African civil society increasingly takes stock of China’s behavior on the continent and sees its parallels to the neo-colonial past (9). China’s reluctance to take non-governmental perspectives into account will have long-term consequences for how it is perceived in Africa. Indeed, it is the political left in Africa—the same individuals and organizations most suspicious of Western intentions in Africa—that is most suspicious of China’s activities.

African leaders do, however, have concerns as well. One set of worries has been raised by the new U.S. Africa Command (AFRICOM), which many in both the U.S. and African media have taken to be mainly a reaction to China’s increased presence in Africa, particularly in oil-producing areas. Considerations of China, in fact, played little role in the Department of Defense's decision to establish the new combatant command, which is more about rationalizing the Pentagon’s own operations in Africa. But part of the lukewarm reaction to AFRICOM, even among U.S. allies, is the fear that Africa will again be the powerless victim in a strategic competition between two superpowers, as it was between 1960 to 1990. The Ghanaian chief of Army staff, Brig. Gen. Robert Winful, said recently in Washington, “I wish to also remind you that one of the potential pitfalls of AFRICOM is that it could make Africa become a theater for the new scramble for resources between China and the U.S., Japan and Europe. More importantly, it is the relationship between China and America that worry most people in our continent. What happens if the Chinese leadership decides to establish the abolition of

AFRICOM in Africa? The only victim, as was the case during the Cold War, would be Africa and its people” (10).

Africa does not want to be forced to choose between China and the West. It sees Europe, the United States, and China as able to offer different kinds of investment and aid (which do not necessarily overlap), and wants to enjoy the benefits of strong relations with all. The United States may have to make greater efforts to reassure African partners on this score. Another set of worries concerns the impact of Chinese competition on African enterprises and African exports. Chinese textile imports have decimated Nigeria’s domestic production, forcing many factories to close. South Africa’s textile industry was saved only through a bilateral agreement between the governments to voluntarily limit Chinese imports, though this is a temporary measure.

Chinese traders in both rural and urban African markets, who can obtain consumer goods from China more cheaply through their networks, are usually able to undercut African traders, which breeds resentment. Michael Sata, a Zambian opposition politician, significantly boosted his support in last year’s presidential election by running on an anti-China platform popular with urban traders and mineworkers upset with wage and labor conditions. African governments and unions are also worried about labor and environmental standards in Chinese enterprises, and about safety standards in Chinese imports, especially given that they usually do not have the capacity to conduct inspections and enforce laws.

Finally, there are some worries about governance, particularly as evidence mounts that Chinese firms are only too happy to bribe their way to lucrative contracts. The anti-corruption and good governance agenda is no longer only a “Western” agenda: it is shared by African people and many African leaders, and is expressed in continental agreements. In fact, to the

extent that China's aid and investment increase tax revenue and create "policy space" for Africa governments by reducing their intellectual dependence on donor agencies, it may actually be a boon to the quality of African democracy.

As one African leader commented privately, "Their game is clear. They say, I'll build you a road, if you give me that mine. They are completely transparent." But this is said without malice or surprise. The lesson for the United States is that it is okay to have a more "normal," interests-based foreign policy with African partners that transcends humanitarian rhetoric. The lesson for Africa is that in order to derive maximum benefit from the current economic configuration, which places a premium on African resources, each African nation must enhance its diplomatic and investment relations with other Asian or developing countries that can offer similar advantages to China—Malaysia, India, Brazil, Japan, the Gulf States—in order to prevent a total dependence on China.

### **How African Oil Matters Today**

With instability in other oil-producing regions, the rising energy demands of China and India, and the approaching maturity of major oil fields, Africa's hydrocarbons are an increasingly attractive resource. Competition for these resources, mostly between Washington and Beijing, will play an important role in determining the future of the continent. Divergent political philosophies between the world's two largest oil importers have raised the stakes in the competition. The West has seen its influence in Africa repeatedly challenged by China and India.

Beijing has been consistently willing to aid resource-rich states that the West is attempting to marginalize and pressure for political change. There are limits, however, to China's

willingness to frustrate the West's agenda. For example, China has allowed the U.N. Security Council to pass several resolutions condemning the government in Sudan for its actions in the Darfur region, although Beijing has also played a role in ensuring that these resolutions do not lead to any substantive measures.

While competition is natural between the U.S. and China in the energy sector, both states recognize that cooperation in some areas would be mutually beneficial. The chair of the U.S. Senate Foreign Relations Committee, Richard Lugar, said last week that it was crucial for Washington to broaden its cooperation with China and India in order to prepare for disruptions in oil supply. Qin Gang, China's foreign ministry spokesperson, responded by stating, "China stands ready to cooperate with the U.S. and other countries...on the basis of equality and mutual benefit."

Cooperation is unlikely to dominate the relationship between the West and China in Africa in the midterm, as the competition to secure access to hydrocarbons increases. The U.S., U.K., and France still account for 70 percent of foreign direct investment in Africa, according to the Council on Foreign Relations, and U.S. oil companies still lead in offshore oil extraction technology. China's advantage is that it is willing to invest in countries off-limits to many multinational corporations, and its state-owned companies can afford to invest in Africa at a loss in order to better Beijing's positioning. The remainder of this decade is likely to see great changes in Africa as a result of the competition between the West and Asia for energy security.

However, Africa is becoming an increasingly important factor in global energy markets. By the end of the decade, the continent's significance will rise dramatically. Africa currently contributes 12 percent of the world's liquid hydrocarbon production, and one in four barrels of

oil discovered outside of the U.S. and Canada between 2000 and 2004 came from Africa. IHS Energy, an oil and gas consulting firm, calculates that Africa will supply 30 percent of the world's growth in hydrocarbon production by 2010. West Africa's low-sulfur oil is highly desirable for environmental reasons, is readily transported to the eastern U.S. seaboard, and can be easily processed by China's refineries.

Fifteen percent of U.S. oil imports come from Africa; by 2010 this could reach 20 percent. In this decade, US\$50 billion will be invested in the Gulf of Guinea's energy sector, according to a recent report by the Council on Foreign Relations. While U.S. companies will account for 40 percent of this investment, other major players—particularly state-owned energy companies—will play a critical role in determining the shape of Africa's energy industry. From 1995 to 2005, national oil companies more than doubled the number of licenses they hold in Africa, from 95 to 216. China's energy firms are the largest state-owned investors, but India has also made significant investments and is looking to expand its presence in the region.

However, political instability, criminal syndicates and terrorism threaten growth in the region. These factors are the main reason the region's hydrocarbon industry has not fully developed in the past, but as China and India demand more oil and gas to fuel their rising economies and as major oil fields reach maturity in other regions, Africa's oil and gas supplies have become more attractive investments.

The rise of Africa's energy industry is changing the geopolitical landscape of the region. The West has found its leverage in the region challenged by China's willingness to invest in oil-producing states in order to ensure Beijing's energy security. For instance, a \$2 billion low-interest loan from China has all but scuttled the International Monetary Fund's (I.M.F.) attempts

to tie economic assistance to reform in Angola. In other areas, China and the West find their interests aligned, such as on the north-south peace accord in Sudan. In the coming years, Washington will be forced to adjust its policies toward Africa in order to compensate for China's rising influence.

### **China's Influence in Africa**

“China's official development discourse is explicitly non-prescriptive, employing a language of ‘no strings attached’, quality and mutual benefit. It emphasizes the collective right to development over the rights-based approaches focused on individual rights. Once the dust settles on the current China-in-Africa fever, and notions of China's exceptionalism wear off, all involved will need to harness hopes to realistic vehicles in order to make the most of the current potential” (Large, 2007). Rocha (2007) suggests that Chinese investments in Africa are having and could continue to have some positive impacts. China is helping African countries to rebuild their infrastructure and providing other types of assistance to agriculture, water, health, education, and other sectors. This could have very positive spin-offs in lowering transaction costs and assisting African governments to address social calamities such as poor health services, energy crisis, and insufficient skills development. However, it is true that “Chinese companies are quickly generating the same kinds of environmental damage and community opposition that Western companies have spawned around the world” (Chan Fishel, 2007).

China has been involved in Africa since before the 1960s, but, recently, the nature and level of its involvement has changed. China is primarily invested in Africa in order to secure access to the region's natural resources to fuel its expanding economy. Beijing is outbidding Western contractors on infrastructure projects, providing soft loans, and using political means to

increase its competitive advantage in acquiring natural resource assets in Africa. (See: “[Sino-U.S. Energy Competition in Africa](#)”)

China’s deputy foreign minister famously told the *New York Times*, “Business is business. We try to separate politics from business.” This statement is not strictly true; China uses politics for different aims than does the West. China uses its geopolitical position in order to gain access to natural resources around the world without regard to the domestic political situation where these resources are located, making China an attractive partner for many countries marginalized by the Western powers for internal strife, corruption, and human rights violations.

India, South Korea, Malaysia and Brazil are following China’s lead. China, however, also has an asset that these other states cannot exploit—a permanent seat on the U.N. Security Council. Beijing’s willingness to use its seat to protect states from international sanctions is welcomed in a region not lacking in egregious violations of international law and is undermining Washington’s influence in Africa. This can be seen in Sudan, where Beijing has helped to prevent any meaningful Security Council resolution from emerging that would help to end the conflict in the Darfur region. (See: “[The Darfur Question at a Time of Increasing U.S.-China Competition](#)”)

Beijing has not shied from investing in countries that are being marginalized by the West in order to secure access to energy sources. In other regions, China has repeatedly lost contracts to large, multinational corporations. Russia’s Siberian reserves were once thought to be all but wrapped up in a deal for China, but now Japan may win the contract. The Chinese National Offshore Oil Corporation’s (C.N.O.O.C.) attempt to gain control of Unocal collapsed under

pressure from the U.S. Congress. Such failures have pushed Beijing to take risks in unstable countries that it may not otherwise pursue, in part to avoid competition from the major multinationals.

The *Financial Times* reported on February 28 that Nigeria is shifting its sourcing for military equipment to China because U.S. concerns about corruption within the Nigerian security forces have delayed the delivery of equipment. In July 2005, China signed an \$800 million crude oil agreement with Nigeria, and Beijing is considering \$7 billion worth of investments in Nigeria. Ethiopia called China “its most reliable [trading] partner” after Western states criticized its recent election irregularities and its continuing border dispute with Eritrea. A Chinese company, earlier this month, started drilling the first exploration well in the Gambella basin, west Ethiopia. Angola has delayed implementing I.M.F. recommendations after receiving a \$2 billion soft loan from China. China recently won the rights to oil-exploration blocks in Angola away from Total and Shell.

China, now the world’s second-largest importer of oil, imports 28 percent of its oil from Africa, mostly from Sudan, Angola, Congo, and Nigeria. In each of these countries, a similar pattern emerges: China moves in after Western companies are forced to pull out because of domestic pressure, thus undermining the ability of Western countries to use economic isolation and economic aid to influence the policies of the oil-producing countries. China, however, is also buying oil that would otherwise be taken off the global market, which effectively reduces the price of oil for all oil-importing countries.

### **Competition and Cooperation in Sudan**

China’s role in Sudan is both in conflict and alignment with the West’s agenda. Since 1996,

China has invested heavily in Sudan as Western companies were forced to pull out or put their investments on hold. In 1996, C.N.P.C. took a 40 percent interest in the Heglig and Unity oil fields as part of the Greater Nile Petroleum Operating Company, in which India and Malaysia are also investors. In 1998, it participated in building a 1500-kilometer (930 miles) long pipeline from these fields to the Red Sea.

China's Petroleum Engineering Construction Group is constructing a \$215 million export tanker terminal in the Port of Sudan, where a pipeline being built by another Chinese firm from the Melut Basin terminates. C.N.P.C. also owns most of an oil field in Sudan's Darfur region. Beijing's investments have helped to double Sudan's proven reserves in the past three years, now estimated at 563 million barrels, and double production in the past two years, now at 500,000 bpd. China currently receives seven percent of its oil imports from Sudan, and it is Sudan's second-largest foreign investor with about \$4 billion invested.

Estimates reach as high as 80 percent for the amount of revenue generated by Sudan's oil fields that have been invested in fighting its recently resolved north-south civil war, the ongoing conflict in Darfur, and the mounting conflict in the country's northeast. China is also Sudan's largest arms supplier. Chinese-made tanks, fighter planes, bombers, helicopters, machine guns and rocket-propelled grenades have been purchased by the Sudanese government. China has also threatened to use its veto on the U.N. Security Council to protect Khartoum from sanctions and has been able to water down every resolution on Darfur in order to protect its interests in Sudan. Washington has called the conflict in Darfur "genocide" and has seen its ability to effect change in the region limited by Beijing.

In January 2006, a U.S. Energy Department report said China's tolerance of despotic regimes could undermine Washington's strategic goal to spread democracy and free trade. The report warns that China may be tempted to intervene in order to protect its investments. China's thirst for oil is limiting Washington's influence in Khartoum, but there are some areas of agreement between Beijing and the West in regards to Sudan's future. The historic peace-deal that ended the 21-year north-south civil war has allowed for the return of foreign investors that were forced out due to domestic pressures and politics. France's Total, Marathon of the U.S., and the Kuwait Foreign Petroleum Company renewed their exploration rights in the south of the country in recent months. While the new competition may make Beijing nervous, it also means that Beijing and the West now have a similar stake in ensuring that the peace agreement holds.

### **Angola: Competing Investment Strategies**

In 2004, China's Eximbank approved a \$2 billion line of credit to Angola. The loan is being used to rebuild Angola's infrastructure, ruined by the 27-year civil war that ended in 2002. A large portion of the contracts has gone to Chinese firms. For example, the Benguela Railway is being refurbished for \$300 to \$500 million. Chinese firms have also won contracts to refurbish two other rail lines, government buildings, and a new airport in Luanda. Angola's 25 billion barrels of proven crude reserves make it an attractive target for China's aid. Already pumping 1.6 million bpd, the infrastructure improvements should help to increase this to two million by 2010. China's advancements have been welcomed by President Jose Eduardo dos Santos' government, which has historically been wary of bowing to pressures to introduce more transparency to the country's oil industry.

Global Witness estimates that between 1997 and 2001, \$8.45 billion of public money was unaccounted for in Angola. The country is still without a formal monitoring agreement with the

I.M.F. because it has yet to fulfill most of the recommendations of a 2004 I.M.F study. With the price of oil hovering above \$60 per barrel, China's \$2 billion loan, as well as interest from India and Brazil in making similar loans, Angola is unlikely to make significant concessions to the I.M.F.

Angola has also been willing to use its oil for political aims. Many observers believe that Total lost its lead-operator rights to Block 3/05 because of France's criminal prosecution of an oil-for-arms case involving the dos Santos government in the 1990s. The biggest owner on France's relinquished block is a joint venture between China's Sinopec and Angola's state—owned Sonangol. Chinese investors have also assumed a portion of Block 18 relinquished by Shell.

China's investments in Angola are a major threat to the West's interests in the country, as evidenced by the limited influence of the I.M.F. Nevertheless, Western companies are still Angola's largest investors. ChevronTexaco and Exxon Mobil each produce about 500,000 bpd, and BP and Total both have major projects expected to come on-stream soon. There is little chance that Angola will turn its back completely on the West in the midterm.

### **Nigeria's Instability**

In Nigeria, political corruption, criminal networks, violent Islamist groups, and domestic rebels threaten to take the world's eighth-largest oil exporter off the market. It is estimated that 70,000 to 300,000 barrels of oil are stolen daily in Nigeria. Even at the low end of this estimate, this would generate more than \$1.5 billion every year—more than enough capital to buy arms and political influence and threaten the government's survival. Another 500,000 bpd. have been

taken off the market by the recent kidnappings and violence perpetrated by the Movement for the Emancipation of the People of the Niger Delta. (See: “[Intelligence Brief: Iran, Nigeria](#)”)

In the midst of this instability, the world’s largest and second-largest oil importers are playing an increasingly dangerous game of power politics. For both Washington and Beijing, the nightmare of rebel groups halting oil extraction in the delta—which will dry up revenues on which the northern elites depend, potentially leading to a northern Muslim general ousting the president—appears distinctly possible. Nigeria represents an area in Africa from which China and the U.S. would benefit by working closely together to achieve their shared goal of stabilizing the country and expanding its hydrocarbon industry. Such cooperation, however, has not materialized, and the competing tactics of each state may be pushing Nigeria further into instability.

The path toward stability advocated by the West is characterized by democratic principles, transparency, and debt reduction. Washington has hinged its assistance to Nigeria’s government on the continuation of the trends begun by the return to civilian rule in 1999 after 16 years of military rule. The Paris Club of creditor nations recently dropped 60 percent of the country’s \$30 billion debt in exchange for Abuja paying the remaining \$12 billion. Washington also made it clear that it did not welcome former President Olusegun Obasanjo’s desire to change the constitution in order to allow him a third term. Director of National Intelligence John Negroponte, in his 2006 Annual Threat Assessment, warned a third term in Nigeria could lead to “major turmoil and conflict” that would lead to a “disruption of oil supply, secessionist moves by regional governments, major refugee flows, and instability elsewhere in West Africa.”

In order to help combat the losses to criminal networks, on December 8, 2005, Nigeria and the United States signed a security agreement to jointly patrol the delta region for security assistance. However, Washington's uncertainty about Obasanjo's grip on power and concerns about human rights abuses and corruption led to the delayed implementation of the program. After seeing an opportunity to improve its relationship with the government and fearing that, without security assistance, Nigeria's oil fields could go off-line, China stepped in while the U.S. attempted to tie the program to political change.

The Nigerian vice president told the *Financial Times* that U.S. cooperation was not "moving as fast as the situation is unfolding." Instead, Nigeria will obtain patrol boats from China to protect oil installations in the Niger Delta. China's main concern is to ensure the necessary political stability to keep Nigeria's oil pumping; it is not concerned what face this stability takes, whereas it is Washington's belief that democracy and transparent market economies are the best way to ensure stability. It is not clear whether the Chinese plan will help to bring the missing 500,000 bpd of oil back to the market in the Niger Delta, or if it will only ensure more violence in the chronically unstable region.

### **Emergence of China's "Soft Power" Strategy**

There are many definitions of soft power, but basically, when the Chinese government talks about its new soft power in the world, it means all power outside of the military sphere, including diplomacy, aid, investment, and economic tools (See for instance, *Kurlantzick, 2007*). One reason for this new relationship with the world is that China has experienced great domestic changes within the past fifteen years. By the 1990s, you saw the growth of a more confident, patriotic, even nationalistic public in China, that, seeing how China had grown significantly,

began to talk about China's playing a larger role in the world, a subject that was verboten fifteen years ago . The Chinese leadership also has become much more engaged with the world, with their own think tanks and universities to draw on to develop a more sophisticated foreign policy. These leaders have a more sophisticated view of the world, travel more, and are able to play a larger, more confident global role.

Here in the U.S. we often talk of how difficult it is for the government to change tack when something is perceived as a mistake. This was not the case in China, which in the mid-1990s was somewhat more adventurous militarily, launching missiles into the Taiwan Strait and creating disputes in Asia over islands that China and other countries have made claims to. Beijing recognized that this adventurism was really failing them and that they were alienating countries, some of whom were coming back and restoring their relations with the U.S.

Finally, there was the Asian financial crisis. The U.S. was widely criticized for responding slowly to that crisis, and you saw the beginning of the decline of America's image in that part of the world. At the same time the Chinese government was fairly proactive. They resisted devaluing their currency and did a lot of good PR for this. Whatever this may have contributed to solving the crisis, they really hyped up that they were standing up for other countries in Asia and got a lot of goodwill from this decision. It was the first time they saw the benefits of promoting their economic activity in the world as a benefit to other nations.

### ***Chinese Goals***

China has new goals as it has become more engaged in the world. First, it desperately needs access to resources. It has a high level of industrial development, but is a vast consumer of

resources. If China was to develop at the same pace as the U.S. and consume the same amount of resources, it would be on a scale unprecedented in the world. As a result, the Chinese government worries desperately where it is going to get oil and gas. The government doesn't have the kind of legitimacy that comes from elections; its legitimacy comes from delivering economic growth. Every time that growth declines or if there's an electricity blackout or the like, the government worries. The Chinese also have been overly dependent on too few oil and gas suppliers in the world. They now look to places they can get oil and gas where they won't be in direct competition with the U.S. or Japan, places like Sudan and other countries where Western nations either can't go because of sanctions or fear to go because the environment is dangerous.

Also, as Chinese companies start to become internationally active, they want to have places they can sell their goods. Again, they often want to go to places where there's less immediate competition with the U.S.—places where the environment is difficult for business. As they get more influential, the Chinese want more partners in international organizations such as the UN, the WTO, etc. Isolating Taiwan has been a Chinese goal since the U.S. and the rest of the world recognized China, and in the past few years, as China has become more proactive and internationally engaged, they have sought more to isolate Taiwan, which has informal links with many other parts of the world.

China's strategy since the late 1990s shows recognition that in the U.S. its image will likely be mixed. Therefore, if it could change its perception in other parts of the world and reduce fears of its economic and military power in other parts of the world, it could play a much greater role on the global stage. This is actually quite sophisticated thinking.

Finally, the Chinese leadership to some degree desires in the long run that China be the regional leader in Asia. It feels that the U.S. is an unnatural actor in Asia, owing from the legacy of WWII, when the U.S. was the only country that had the power to play peacemaker role, to guarantee stability in the region. In the long term, they feel, that role would naturally be China's.

### **Components of China's 'Soft Power' Strategy**

Since the late 1990s, China has shifted its foreign policy away from just worrying about the U.S., as it had been doing to a large extent since Kissinger and Zhou Enlai first met, to a much broader focus. The time they spend in Africa, Latin America, and other parts of the world is evidence that Chinese leaders are putting a much higher priority on those regions, recognizing that because China is also a developing nation, it possibly can build relations with some of these other parts of the world more effectively than the U.S. can. China's leaders can suggest that their country stands on the side of these other countries on issues like trade and technology transfer. Whether or not this is actually true, as a rhetorical device it's quite effective.

China sometimes focuses on countries where the U.S. bilateral relationship is faltering. An extreme case is Uzbekistan. About two years ago there was a significant crackdown on opposition in that country in which hundreds of people were brutally killed. The U.S. has had a closer relationship with Uzbekistan since 9/11, since it wanted bases there. We still have some bases there. But at the time of the crackdown the relationship was downgraded. Immediately after, the Chinese government invited the leader of Uzbekistan for a state visit in Beijing.

One sees this at a lower level, too. A good example is the Philippines. The U.S. had long had a good relationship with that country. But in July 2004 the Philippines took its troops out of

Iraq, probably in order to save a Filipino hostage. The Bush administration criticized them, and immediately after that the Chinese government announced an enormous aid package for the Philippines and aggressively stepped up its relationship. China recognizes that it can benefit when the U.S. slips. It seeks to convey that unlike the U.S., it does not interfere with other countries' domestic affairs. It won't tell any country—Sudan, Myanmar, or France—what to do. China has won some praise in some countries for this.

China has also become more pragmatic. It does not want to directly antagonize the U.S. or poke a finger in its eye; it wants to still have a good relationship with the U.S. but pursue these other strategies at the same time. For instance, China has a very good relationship with Venezuela, whose Hugo Chavez has made stridently anti-U.S. statements in many forums, including the UN. When he did the same in Beijing, China's ambassador to Venezuela immediately told the local press that China did not want to associate itself with those statements.

Finally, within political systems, China is far less ideological than in the past. Forty years ago, China chose its relations within political systems based on ideology. There's very little of that any more. After rebels in Nepal who took their philosophy directly from Chairman Mao began a war against the king, China's government had to decide who they were going to support. They decided to support the king against the Maoist rebels.

### ***Chinese Tools of Influence***

With very little fanfare until recently, China has developed into a significant aid donor in the world. China had given out aid in the 1950s and 1960s, in Mao's time, but had retreated from this in recent years. Now, in some countries like the Philippines and Cambodia and parts of

Africa, China has actually become a bigger donor than the U.S. or Japan. The money is spent in a pretty sophisticated way, not for building big sports stadiums, which is what China was famous for in the past, but for their own version of a Peace Corps. They spend money on local media and bring politicians and officials from other countries to China to trade. They do what we in America would call building people-to-people contacts, which was hard for the Chinese government to understand in the past.

This comes along with more skilled formal diplomacy. When I was first based in Thailand, you never saw the Chinese ambassador. He was invisible. China now has a new ambassador to Thailand who often appears on that country's equivalent of the Larry King Show. He speaks fluent Thai, and he's perfectly willing to talk about China's relationship with Thailand, a dramatic change from ten years ago. You see this across the Chinese diplomatic corps. They're much more open, much better in English and local languages, and more able to interact with other countries.

This comes along with much increased promotion of cultural and language studies. China has spent a lot of money promoting language studies, funding the first and second year of universities in 100-150 countries (See report on FPRI's Oct. 4, 2006 "China and Free Trade" conference at [www.fpri.org/research/asia](http://www.fpri.org/research/asia) ). Particularly in poorer countries, they spend a lot of money promoting Chinese studies in primary schools. If you do well there, you can get a scholarship to go on to university in China. Fifteen years ago there were very few foreign students in China—a certain number of Americans who had come on exchange programs, as well as some African students left over from Mao's time. Now you have 110,000-140,000 overseas

students in China. (Some, of course, are students who probably would have liked to study in the U.S. but visas have become more difficult to obtain since 9/11.)

Particularly in Asia, China's TV and print media also have become more accessible, and China has begun to invest in the world. On trips abroad, Chinese officials are savvy at suggesting the enormous potential of China's future investment. Right now, China is a pretty small investor in the world. But they talk about huge targets that China's going to bring in the future—\$100 billion in new investment in Latin America, for example. It covers up that China is still just feeling its way in the world as an investor.

Finally, China has become a country that embraces trade agreements, which would shock U.S. trade officials of 15-20 years ago. China is now negotiating between 15-20 free trade agreements all over the world at the same time. If you talk to people in the U.S. who negotiate FTAs, they'd say that's impossible, it takes a year to negotiate just one FTA. What the Chinese government does is negotiate an FTA that has very little substance in it, sign it, then work out the substance later. Which brings a lot of good will. Obviously in the U.S. context, one could not say to businesses or Congress, "We're just going to sign a trade agreement; we'll tell you what's in it later."

### **Matrices of Chinese Success in Africa**

In a lot of parts of the world where there had been fear of China's economic growth, particularly in the developing world, you see much less fear today. This is reflected in the media coverage – even, for instance, in the coverage of exports of tainted goods from China. The Southeast Asia media gives this much less coverage than the U.S. media does. This reflects their much higher

degree of comfort with China as an economic partner. If you look at both global and local public opinion polls, China is viewed more favorably in a lot of countries as an actor on the global stage than the U.S. Chinese businesspeople and officials also are now getting access to a lot of countries that once they never would have.

Another sign of China's success is that there's a lot of interest in China's model of development. Countries from Syria to Iran, from Vietnam to South Africa feel that China somehow has done something different from Western countries given its staggering growth rate. China probably doesn't have a substantially different model of development, but the fact that it has developed to be so strong economically without loosening political control is an attractive idea to a leader of an authoritarian country. Vietnamese officials with whom I spoke for my book really want to copy what China has done.

In Asia, local ethnic Chinese historically were viewed as a prism for how to view relations with China. You see this in diaspora communities in many parts of the world. Ten years ago, when I first moved to Southeast Asia, Indonesians were burning down the homes of ethnic Chinese, looting their shops. Now you have an overwhelming celebration of Chinese culture. Indonesia's president talks about it and local ethnic Chinese there run for parliament.

China, in fact, has increased its allure to the point that it now plays a quite interesting role for other poor nations on its border. In some ways China is now viewed by some of these nations the way the U.S. might be viewed in Central America, or the EU in Moldova. China is a place you want to get to in order to live a better life. China is still a very poor country, but some of the poorer border countries view China as extremely wealthy. People in Myanmar, northern

Thailand, and Laos want to marry visiting Chinese businesspeople, thinking it would get them into China. That's actually not true, but it shows the dramatic change in China's image.

As China has increased its access to resources, it's been able to diversify its suppliers of oil and gas, so that its oil and gas take from Africa has nearly doubled over the past ten years.

Finally, China now has more peacekeepers serving under the UN flag than any member of the Permanent 5 on the Security Council except France. They serve in Africa, the Caribbean, with very little comment or concern, which reflects some degree of comfort with China's presence in these places.

### **Why Chinese "Soft Power" Matters**

China's growing popularity broadens its public appeal and allows other countries to cooperate more closely with it, including on defense cooperation. New threats are arising from the bottom board of transnational relations. While military power can be of some use occasionally on the bottom board as Joseph Nye (2005) states, more often you will need other forms of power, particularly "soft power." There are three major ways to do that: one is to threaten them with sticks; the second is to pay them with carrots; the third is to attract them or co-opt them, so that they want what you want. If you can get others to be attracted, to want what you want, it costs you much less in carrots and sticks.

The American example under President George Bush is very instructive here. President Bush was right to reorient American foreign policy from the rather narrow realistic focus that he had campaigned on in 2000 to a broad new strategy that said that we do involve ourselves in

nation-building, we do have to worry about poor weak states failing, we do have to treat terrorism and weapons of mass destruction as a new type of challenge.

But the means chosen to implement his policy shift place much too much emphasis on American military preeminence and not enough on the other dimensions of power. Power always depends on context. To describe the context of power in the 21st century, one may better use the metaphor of a three-dimensional chess game: on the top board of the three-dimensional game, the United States is the world's only superpower, and we are unlikely to see a balance in military power for the next decade or two, or perhaps even more.

But if one goes to the middle board, of economic relations between states, there is already a balance of power. The United States cannot get a trade agreement or an antitrust solution if the European Union acts collectively, and without that balance and agreement, one can't achieve the desired outcomes. It is a bit anomalous to call international economic relations "American hegemony" or "empire."

But if you go to the bottom board of transnational relations, problems across borders outside the control of governments, whether it's infectious diseases or drug smuggling or terrorism, no one is in charge; power is chaotically organized or distributed. The only ways to deal with these issues is by cooperation among governments. To call that "American empire" or "American hegemony" or "unipolarity" makes no sense at all. You are taking a metaphor from the top board and applying it to the bottom board, and it doesn't fit.

One sees the same thing with economic cooperation—countries in Africa, Asia, other parts of the world becoming more comfortable in their relationship with China, partly because it's

easier for them to tolerate China's public appeal. The U.S. still has a very close relationship with Saudi Arabia, but the Saudi government must necessarily be worried about the public appeal of having a relationship with the U.S. It's not surprising that the Saudi government has formed close links to China and thought about building China its own strategic petroleum reserve.

As China has become more influential, opinion leaders from all over the world are visiting or studying there. One of the things the U.S. has always drawn upon is the generations of opinion leaders who had come to the U.S. for education, gone home and been the best ambassadors for the U.S.—Margaret Thatcher, Hamid Karzai, President Gloria Macapagal-Arroyo in the Philippines. China is increasingly going to play that role, and that will necessarily impact how other country leaders think of it. Finally, as China becomes more acceptable economically, it's going to be able to drive Asia as a more integrating trading region. There will be less fear of it and China can drive trade.

### **China's "Soft Power" and the "Beijing Consensus"**

'Soft power', following Joseph Nye's formulation, includes a country's culture, political values, foreign policies, and economic attraction as essential components of national strength, providing the capacity to persuade other nations to willingly adopt the same goals. While China's culture prevailed for centuries from the Tang Dynasty through the mid-Qing, it no longer competes with cultural icons emanating from the United States. Undeterred, Chinese leaders and businesspeople have leveraged China's strengths, which include a pragmatic approach to international relations based on the principle of non-interference in domestic affairs. China's economic development model, the Beijing Consensus, refutes Western notions of political liberalization or economic reforms as indispensable for long-term, sustained development. China has effectively exported

its notion of economic development with Chinese characteristics to its African trading partners, encouraging them to develop their economy through trade and investment in infrastructure and social institutions, without dictating terms for political or economic reforms.

With an expanding manufacturing sector, China's growing need for raw materials, energy and new markets for cheap consumer goods make its economy relatively complementary to many African ones. While the light industrial manufacturing sectors in many African nations are suffering from growing imports from China, the dominant extractives industries are benefiting from Chinese capital investment as well as a seemingly bottomless market. China's respect for national sovereignty is attractive not only to Zimbabwe's Mugabe, but scores of other African nations that are reluctant to implement economic and political reforms considered necessary by Western donor institutions and countries.

The principle of non-interference does not mean that China rejects political and economic reform per se in Africa. Indeed, China is careful to support African-led efforts to develop sound governance and sustainable development throughout the continent. Recognizing that good governance and political reforms are vital to the long-term development of African nations, 19 nations have joined the "New Partnership for Africa's Development" (NEPAD), a consensus framework of the member countries to promote sustainable development, good governance, poverty reduction, and stop the marginalization of African economies in an increasingly globalized world. While China supports NEPAD, it repeatedly stresses that it does so through the framework of the China-Africa Cooperation Forum, thereby avoiding the potentially awkward position of having to support the key structural elements that are ultimately necessary for NEPAD's success: transparency, democracy, free press, civil society, independent judiciary, and

rule of law—all areas where China has resisted substantial reform and has relatively little to contribute technologically.

The strength of China's African relations and the source of much of its soft power stems from more than just the relatively recent growth in trade and investment. Throughout its history of cooperation with African nations, China has emphasized that it has "given what it could" in terms of financial aid and technical support and it continues to do so even as its ability to promote relations through economic incentives—primarily trade, tourism, and investment—has grown. Technical support, without political "strings attached" (other than affirmation of a "one China policy") has remained a significant aspect of China's support for African states.

Under the auspices of the China-Africa Cooperation Forum, China has committed to contributing to the development of human resources in Africa by establishing a fund that is jointly administered and used by various Chinese ministries (Foreign Affairs, Commerce, Education, Science and Technology, Agriculture and Health) in order to train African personnel. As of 2003, over 6,000 Africans had been trained as part of the program (Beijing Review, January 20, 2005). Scholarships for over 1,500 African students are annually awarded by China, while many Chinese universities have established relationships with African institutions (Xinhua, December 16, 2003). These programs create enduring bonds between Chinese and African institutions and individuals. While university scholarships promote closer ties between China and African elites, China has also promoted "health diplomacy" with African partners, establishing a relationship between Chinese doctors and millions of ordinary Africans, and earning the gratitude of many African leaders eager to be seen providing public goods to their citizens.

## **Chinese Medical Teams and Health Diplomacy as “Soft Power”**

China has a long history of conducting active “health diplomacy” programs with African and Middle Eastern countries. China’s early relations with many African nations included significant aid in the form of infrastructure, scholarships for African elites to study in Chinese universities and the deployment of teams of doctors. For instance, China offered aid to its African partners, ranging from building infrastructure to treating infectious diseases such as malaria and HIV/AIDS. Since the 1960s, over 15,000 Chinese doctors have worked in 47 African states treating nearly 180 million patients (Thompson,2005). Nowadays, these institutions remain, either as direct government support or under the auspices of the China-Africa Cooperation Forum. While China’s growing trade and infrastructure investments in Africa have been the subject of increasing discourse, there has been little discussion of a long standing and still influential segment of China’s soft power in Africa: health diplomacy.

Today, China regularly conducts cooperation in the field of health, including numerous ministerial visits with African leaders to facilitate the regular exchange of medical teams and training for medical professionals. China also provides medicine and medical equipment free of charge to several African countries, and has active programs to jointly prevent and treat infectious diseases including malaria and HIV/AIDS. In 2002, the Chinese Ministry of Health conducted a two-part international training course in techniques for the prevention and treatment of malaria and tropical diseases, in which 30 students from 17 African countries participated (1st International Training Course on Malaria Control, September 10, 2002). That same year, as part of the China-Africa Cooperation Forum, China convened a Sino-African forum on traditional

medicine and pharmaceuticals which was attended by participants from 21 African countries (World Health Association, October 31, 2002).

China deployed its first medical team in 1964 at the invitation of the Algerian government. Since then, China has cumulatively sent over 15,000 doctors to more than 47 African countries and treated approximately 180 million African patients. In 2003, China deployed a total of 860 medical personnel in 35 teams to 34 countries (Xinhua, December 16, 2004). Chinese doctors that are part of the medical teams, known as *yiliaodui*, normally spend up to two years in-country. Many doctors have served on medical teams more than once. Additionally, Chinese military medical units have been deployed on UN Peacekeeping operations in Africa, providing medical assistance to other peacekeepers (many of whom are from African nations), as well as civilians. The PLA Navy's number 401 hospital in Qingdao has also sent medical teams to Zambia in the past. Civilian medical cooperation is institutionalized with the health bureaus of individual Chinese provinces, thus maintaining long-term commitments to provide medical workers and aid to specific countries (see table below).

This long term medical cooperation builds person-to-person relations between Africans and Chinese, and brings benefits to both sides. Like the many sports stadiums, highways, and other infrastructure such as the Tanzania-Zambia Railway built in 1976 (and refurbished this year) by the Chinese, the medical teams are publicized by both Chinese and African leaders as a tangible public good. Yet China's capacity to send large numbers of medical doctors to Africa is limited, and the program faces an uncertain future over the long term. Many provincial budgets are increasingly stretched by a shrinking tax base since rural tax reforms have been implemented. The health needs of many Chinese are also not being met and government doctors are

increasingly called upon to deal with public health issues at home. Additionally, given that the Chinese medical system is increasingly privatized, more doctors are less inclined to accept a two-year posting in Africa, particularly because they currently subsidize their meager government stipend with income generated through patient fees and medicine sales. Medical bureaus in some wealthy provinces have reportedly been forced to recruit doctors from inland provinces in order to fulfill their *yilaodui* obligations.

African support for the program remains strong, however, as evidenced by the willingness of participating countries to sign bi-annual treaties that invite the teams and settle the terms of the mission. According to the treaties negotiated between China and the countries receiving medical teams, all but the poorest of the recipient countries pay the medical team's expenses, such as international airfares, doctor and support staff stipends (including Chinese cooks!), as well as the cost of some medicine and equipment that is brought by the team. For the poorest countries, China covers the costs of the team's travel and the equipment and medicines that the teams import with them, permitting the hospitals where they work to sell the drugs to help the countries cover the cost of hosting the medical teams. Granted, while many countries offset the costs of paying the expenses and salaries of the medical teams with grants and loans from China or other donor nations, host nations repeatedly demonstrate their appreciation by continuing the program and covering the expenses of the team out of national budgets. Medical teams are also regularly given national awards in Africa and China for their contribution.

### **Pertinent Nagging Questions**

In the short term, China has wielded a significant amount of power. But in the long term it faces very substantial questions, as long as it remains the kind of country it is. First, is China really a

model for other countries like Vietnam, Syria, Iran, South Africa? Yes, it's developed and has remained an authoritarian state. But do they really have any different model of development for Africa?

Second, as China becomes a greater actor in the world, can it provide the kind of positive goods that the U.S. has provided for years – such as security and response to disasters? After the December 2004 tsunami hit Asia, though the U.S. was very unpopular in a number of the affected countries, those countries had to rely on the U.S. because no one else was able to provide that type of disaster relief. Actually, the U.S. response to the tsunami did improve its public image among those countries.

Third, and most important, China has gone far with its idea that it, unlike the U.S., doesn't interfere in other countries' affairs. However, the domestic affairs in a lot of the countries with which China has relations are crying out for some kind of resolution. China has said it won't interfere in Sudan, but many in Sudan would like some sort of interference, because right now the situation is untenable. The government in Myanmar has a close relationship with China. Many people, activists of a movement that was elected 15, 17 years ago, would like China to push the government to recognize them. Noninterference isn't a policy that can exist in the world over the long term. China has begun to think about this. They've sent their own envoy to Sudan, they've thought about changing their relationship with Myanmar. They're realizing that if you're going to be a real global power, you can't necessarily stick with this philosophy. But if they're going to diverge from this philosophy, are they then just going to be like the U.S.? Or can they be somehow something different at the same time?

## **Conclusion**

As the 1880s saw the beginning of the scramble for Africa, the 1950s witnessed rapid withdrawals from Africa by colonizing European countries. This led to massive technological breakdown, failing economies and political chaos. Comforting facts from history indicate that similar trends took place in Britain. When the Roman rulers withdrew, Britain suffered massive retrogression and later picked up. To Africa, colonization enabled ethnic nations that had limited knowledge about what existed beyond the mountains and the jungle to suddenly become aware of the vastness and riches of the continent in terms of people and sub surface wealth.

Presently, Africa holds the 'spoiler' vote in most international forums such as the United Nations and the World Trade Organization. Developed countries literally camp in Africa in pursuit for such votes. Backed by warped economic theories, developed country experts argue for increased donor support in order to secure this votes and markets for their businesses. Say, if developed country 'A' funds an anti malaria program in country 'B', it secures business for her malaria related industries. Country 'A' indirectly subsidizes her industries on a foreign soil while actively seeking allies in international vote access.

Developed countries have continued to export bureaucracy to Africa since colonial times. The symbol of a successful career has been pegged on high profile jobs offered by international agencies, which unfortunately for Africa, are normally bureaucrats. Four decades ago, few Africans were able to travel and see for themselves the wealth generating engines in the rich nations. The tide is changing now, and many Africans are discovering what actually creates wealth, a free people.

This quest for freedom in Africa explains why the most pernicious effect of the renewed Chinese interest in Africa is that China is legitimizing and encouraging Africa's most repressive regimes, thereby increasing the likelihood of weak and failed states. The United States must also be alert to the potential long-term disruption of American access to important raw materials and energy sources as these resources are "locked up" by Chinese firms for their domestic market to maintain China's economic growth.

The evidence available in Sino-African relations suggests that the drive to increase the rate of profit is exhibited as much by Chinese as by Western capital. The West has the advantage in having already established its dominant position that is potentially being threatened by the "new boy on the block." But China has the advantage of never having enslaved or colonized the continent. China also has not made any false promises coated with neo-liberalism. While the West, the IMF, and the World Bank put conditions that only aid in their fleecing of Africa, China has so far been willing to provide unconditional aid and invest in infrastructure. At the same time, however, it freely takes full advantage of the opening up of markets that neo-liberal economic policies over the last 25 years have offered, unencumbered.

China's influence and sound relationships in Africa are the result of many years of investment in building relations through aid, trade, and cultural and technical exchange -- not just the byproduct of China's recently booming economy and soaring demand for African raw materials. China's strong sense of national sovereignty and willingness to conduct commerce without political "strings" certainly contribute to its success. The ability to "see no evil" is a convenient aspect of the "Beijing Consensus," and its rejection of unpalatable aspects, such as economic "shock therapy" or political reform, make China all the more welcome in many

African capitals. China's approach to Africa, including the way it conducts business and the provision of aid, technical support, and the dispatch of medical teams, are all key components of China's growing influence on the continent.

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5. Based upon this author's observations during his several visits to the Great Lakes region.
- 7 For a good indication of Rwanda's priorities, see this article about President Kagame's address to the Starbucks board of directors in March 2007 and his expanding relations with American CEOs: [http://money.cnn.com/2007/03/28/news/companies/pluggedin\\_Gunther\\_Rwanda.fortune/?postversion=2007032910](http://money.cnn.com/2007/03/28/news/companies/pluggedin_Gunther_Rwanda.fortune/?postversion=2007032910).
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