

China-Africa Relations: Towards a New Model of Cooperation?

Elizabeth Yoneva¹

Abstract: In the last decade, the subject of China-Africa relations provokes special attention on a global level in view of the new dimensions of Beijing's involvement in the world. China is facing the challenge to adapt to new geopolitical realities and the measures undertaken and planned to improve the national situation transform the country's diplomacy. They also cause large spillover effects on international relations. In the light of these new developments, the paper explores the principal dimensions of China's contacts and cooperation with Africa and their repercussions for the foreign policy of the country and especially the resulting geopolitical implications. The research work outlines the conceptual frame of the attempts of the African countries to meet the challenges posed by this relationship. The analysis focuses on China-Africa partnership, looking through the prism of the geopolitical paradigm.

Index Terms: China-Africa relations; energy sector; extractive industries; international relations; diplomacy

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In the last decades, the subject of the new dimensions of China's involvement in the world provokes special attention on a global level, clearly visible also in the field of political science and especially distinguishable in the setting of international relations. The country is facing the challenge to adapt to the modern geopolitical and geoeconomic realities and the measures undertaken and planned to improve the national situation transform the Chinese diplomacy. This adjustment process is of essential significance in the context of developments in other continents due to its large spillover effects on international relations. In the light of the latest evolutions and the current state of Beijing's foreign policy, the paper will provide an overview of the China-Africa cooperation. It will explore the principal dimensions of Chinese contacts and relations with different African states and their repercussions in the field of diplomacy, with focus on the resulting geopolitical implications.

The topic of the discussion is limited to different aspects on the Chinese political and economic strategy in the continent, particularly in the energy sector and the extractive industries from the perspective of its recent metamorphoses.

Undoubtedly, the political rise of PRC is inextricably linked to the impressive economic performance and the worldwide export expansion of the country. The Chinese companies and business activities have redesigned the global economic landscape, imposing new trends and applying specific methods and toolsets for capturing markets (Habova, 2015: 66-74).

The national development strategy was based on the identification of several economic pillars and the corresponding effective implementation of the matrix of outlined objectives with prioritization of: 1) securing commodities; 2) creating new markets for supporting the export-led domestic growth. These intertwined goals motivated China's search for natural resources and energy security.

Currently, the country is the world's largest consumer of energy, occupying also a relevant position among the global resource importers. In the face of ever-rising demand, the exhaustion of domestic reserves is inevitable. The rethinking of energy security has become an emblematic process reflecting the advanced status of China in the international economic scenery. In 2007 was adopted the first White Paper on Energy, proclaiming the following general aims: 1) international cooperation in joint energy exploration; 2) encouragement of foreign investment; 3) improvement of technology transfer; 4) maintenance of stable political relations with energy-producing states; 5) renunciation of the "politicization" of energy.

China's evolving policy on energy security provided also overall guidelines for the "going out" (zouquchu) trade activities into many developing areas. The principles of the "peaceful development" of relations, combined with the "no strings attached" approach (Wilson, 2014), proved their worth by furnishing consistency and profits. Beijing's support for "economic rights" in developing states demonstrated not only its practical value, but also the determination of the country to counteract the dominant concepts in international politics. The imperatives of energy security have necessitated the intensification of the efforts, directed at transformations in foreign policy as well as the implementation of divergent visions from the prevailing ones. On the one hand, these noticeable changes in the field of energy diplomacy resulted in a gradual improvement of the domestic economy and business opportunities. On the other hand, the rapid economic growth has turned China into a serious rival to the West and especially to the EU on the demand market.

According to the future forecasts, the major factors on the international political and economic scene will have to deal with rising external energy dependency over the next decades in the conditions of tougher global competition for hydro-carbon resources. Even today, China's dynamism in securing energy supplies in Africa, Central Asia and Latin America is emblematic of the deficiencies plaguing the EU operational capacity and potential. Its inability to develop a coherent energy policy adversely affects the business and financial condition of Europe. The efforts to improve energy security are still hampered by the lack of an internal consensus in articulating both a vision and a practical

¹ Elizabeth Yoneva is from UNWE Sofia, Bulgaria



program. The EU has also invested political capital in positioning itself as the world leader on climate change and therefore has to juggle between security of supply, economic competitiveness and environmental sustainability.

By contrast, the energy strategy of the United States was bolstered by its long-standing experience in using military force to secure continued access to overseas energy supplies, in particular in the Persian Gulf. Meanwhile, China has developed a strategy based on negotiating long-term supply contracts, accessing exploration rights, acquiring stakes in energy companies and infrastructure investments around the globe, which was complemented by a new model: loan-for-oil deals with governments in search of financial assistance and arms exports to countries involved in external or internal conflicts.

All the mentioned vectors of Beijing's overall energy policy are also present in the external *modus operandi* towards Africa. The Chinese Aid and Investment Policy for the continent was especially viable and applicable to the energy sector and the extractive industries. It is not only reshaping the regional landscape, but it also has immediate and direct repercussions for the balance of power in Africa. The profound and revolutionary doctrine, inculcated by Beijing, has become an astonishing success story in the framework of the new highly praised and loudly advertised South-South approach (Shelton, 2005).

Viewed from a historical perspective, China-Africa relations date back to ancient times with confirmed trade connections between the two regions. The medieval triumph in their development is associated with the Chinese mariner, explorer and diplomat Zheng He. The prominent fleet admiral of the Ming dynasty commanded expeditionary voyages not only to other parts of Asia but also to East Africa from 1405 to 1433. His ships reached the coast of Somalia and sailed down the Mozambique Channel. He preferred the techniques of diplomacy but without hesitation used also military force to demonstrate the Chinese power. The modern Sino-African relations began in the late 1950s but they were established under the sign of the Cold War and the supremacy of ideological considerations. The country voiced its support for the independence of African countries and started its infrastructure investment activities. In view of the fact that many states in the region were using rhetoric of favoritism toward the "one-China policy", namely the support of the African nations was the key for PRC to obtain a permanent UN Security Council seat.

The end of the bipolar world order marked the beginning of a new era in the development of the continent. The most substantial and distinguishable signal for the changes was the launching of the Forum on China-Africa Cooperation (FOCAC) in October 2000. Its evolution proved the worth of this mechanism for collective dialogue between the PRC and 48 African states, by offering preferential loans or debt relief for overdue zero-interest loans and by establishing a fund to facilitate Chinese investment in the region. In 2006, China's official "Year of Africa" (Hofmann et al., 2007), the country became the second largest trading partner of

the continent after the United States, displacing also France as a relevant traditional partner and former colonial power. Currently, over 800 Chinese corporations are operating in Africa. Several universities from Namibia to Uganda are creating Chinese language departments. The diplomatic dimension also should not be neglected – PRC already has embassies in more African states than the US or any European country. Specific exception is Swaziland because of the national foreign policy, determined by the recognition of Taiwan.

Thanks to its successful business activity in the region, China is financing today more infrastructure projects in Africa than the World Bank. The Asian country provides loans and investments in exchange for securing access to natural resources (Mbaye, 2006). The Chinese development programs are predominantly centered on infrastructure, production and university scholarships. By offering billions of dollars in low-interest loans, Beijing is implementing a "resource for infrastructure swap", comparable to the former "oil for food" version as a principle. At the same time, PRC imposes requirements that at least 50% of the funds have to be spent on Chinese goods or services. Positive effects of the discussed investment activity are likely to be found in the context of technology transfer, employee training and diversification of the economy. However, the lack of environmental impact assessments is facilitating the faster realization of the projects but its weakness is corresponding with the potential ecological risks.

In order to outline the conceptual frame of the so-called "Chinese model", we must first explore its main characteristics and key features (Condon, 2012). Obviously, Beijing enjoys the major advantage of having no colonial baggage in its relations with the African countries. Consequently, they do not perceive the Asian giant as a donor, but as a business partner. This leads us to the conclusion that we have to deal here with a story of equal partnership. However, there remains the question, if it is really such a case, when the participants in the relation have at their disposal dissimilar and quite disproportionate assets and strengths.

The Chinese unconditioned approach towards Africa is based on the principles of nonintervention and respect for sovereignty. According to the President Xi Jinping, "China strongly believes Africa belongs to the African people and African problems should be handled by the African people" (Buchanan, 2015). The "clean hands" policy of noninterference opens the door for taking advantage of the opportunities provided by respecting African countries' choice in political system and development path. The main priority is the mutual economic benefit, reflected by the "let's both get rich" postulate (French, 2004). China's efforts for exporting the domestic "growth at any cost" strategy to Africa creates a side effect by modifying the mainstream concepts via the promotion of the idea for non-universality of human rights. From Beijing's viewpoint there is no primacy for civil and political rights over economic, social and cultural rights. The "growth first, rights later" maxim is symptomatic for the Chinese credo,

guiding the development of relationships with all African countries. This special system of principles gives reasons for some experts to assume that there is a set of common values, shared by the Chinese and the African population, contributing to easier rapprochement between them. However, this type of concepts has also many opponents, insisting that there are poor indicators in this regard.

By contrast, the Western aid approach is resting upon the tools of conditionality, symbolized by the norms of democracy promotion, corruption reduction, human rights and transparency. Furthermore, we could identify more differences between the Chinese and the Western development approaches in Africa, rendered as explicit in the “economics versus politics” opposition. For example, the United States Agency for International Development operates in close connection with the Department of State. To the contrary, the Chinese aid is provided via the Ministry of Commerce and the China Export Import Bank (Exim Bank). Beyond a doubt, Beijing’s version of assistance methods is challenging to the Western aid status-quo. Many countries are labeling PRC a “rogue donor”, which actions will be damaging to Africa in the long-term. The Western criticism of China’s “unscrupulous” behavior not only reveals the differing visions of the major units on the international scene, it is also a proof for the existing distorted stereotypes and misperceptions. As an example for these symptoms, we might consider the frantic arguments against China’s “industrial colonialism” and the reminding deliberately of the Chinese proverb “A loan is never a gift”.

Nevertheless, the Chinese activities in Africa contributed to rethinking the Western approach. Their impact on the debate over development policies was far-reaching and its broad spectrum also included the designation of Western aid models as development failures. The conditionality was stigmatized as a form of interventionism or as an attempt to impose Western values on African countries. According to Joseph Stiglitz, conditionality “reinforces traditional hierarchical relationships” between the donor and the recipient. The EU is also reevaluating the use of the traditional methods, admitting that “change cannot be imposed from the outside”. Uwe Wissenbach, Coordinator for Africa-China Relations at the European Commission, contends that Europe should look closely at all the possibilities “how the old donor-recipient partnership could be transformed into a modern partnership.”

Currently, 1/3 of China’s oil supplies comes from the African continent, accounting for 50% of the regional export for the Asian country. The most important partners in the energy sector are Angola, Sudan and Congo. The Chinese investment in the extractive industries in Africa is introducing the following pattern of interests: Zambia (copper and uranium); Zimbabwe (coal and platinum); Democratic Republic of the Congo (cobalt); Gabon, Equatorial Guinea, Cameroon, Mozambique, and Liberia (forest products); South Africa (manganese) and Southern Africa and Niger (uranium).

Congo is a relevant example for a success story in the context of Beijing’s activities in Africa. The Chinese

companies have built 1 800 miles of railways, 2 000 miles of roads, hundreds of clinics, hospitals and schools, and 2 universities, with a total value of investments over \$6 billion. The construction of cobalt and copper mines is also part of the business involvement in the region. In return, China obtained the right to extract 12 million tons of copper and cobalt over the next 25 years.

The case of Angola is also offering important conclusions for the techniques of the Chinese model (Horta, 2006: 493-495). In 2004, the country decided to break off its negotiations with the IMF because of the offer of China’s Exim Bank for loan worth \$2 billion (Hare, 2007) and with no “humiliating conditions”. The corresponding engagement of Angola was to provide China with 40 000 barrels of oil per day. In 2011, Angola signed two additional loan deals of \$15 billion (De Comarmond, 2011). The activities of the Chinese companies were oriented toward restoring three rail lines (important for Angola’s mineral exports), constructing new airport and building low-income housing. An Angolan minister strongly argues that “our relations with China not only allowed us to obtain large loans, but most importantly it forced the West to treat us with more respect and in a less patronizing way. For that we are grateful.”

In Senegal, the Chinese investment in infrastructure projects is covering the construction of bridges, roads, schools, hospitals, dams, legislative buildings, stadiums and airports. The national government has also imposed requirements for transfer of technology and trainings in the investment deals. The President Abdoulaye Wade asserts that “a contract that would take 5 years to discuss, negotiate and sign with the World Bank, takes 3 months when we have dealt with Chinese authorities. When bureaucracy and senseless red tape impede our ability to act—and when poverty persists while international functionaries drag their feet—African leaders have an obligation to opt for swifter solutions.”

Especially problematic for the Western powers is the Chinese involvement in Sudan (Holslag, 2007). In violation of the UN embargo Beijing was determined to sell aircraft and arms to President Omar al-Bashir. China’s ambassador to South Africa Liu Guijin takes the view that “we don’t believe in embargoes. That just means that people suffer. From a practical consideration, embargoes and sanctions can’t solve problems”. In addition, the deputy foreign minister Zhou Wenzhong claims that “Business in business. We try to separate politics from business. I think the internal situation in Sudan is an internal affair, and we are not in a position to impose on them” (Kurlantzick, 2007: 222). However, the international critics of this approach forced PRC to support the idea for deployment of the Common African Union and UN peacekeeping force in Darfur.

The entry of Chinese energy companies in Sudan is also an important indicator of their intensions of regional maximization and lasting presence in Africa. China National Petroleum Corporation (CNPC) started its operations in the country in 1996 and quickly became the largest investor by acquiring 40% of the Greater Nile



Petroleum Company (GNPOC), Sudan's National Oil Company, and several oil exploitation concessions. CNPC is also engaged with the development of the energy infrastructure in the country. It was involved in the construction of the 1 500 km pipeline from Blocks 1 and 2 to the Red Sea, and in the 740 km pipeline from Fula oilfields in Western Kordofan to the main oil refinery in Khartoum. In this regard, 4 000 Chinese soldiers were deployed in South Sudan for defending the oil pipelines (Elliott, 2007). The Chinese also hold 50% of the Khartoum Chemical Industry Company and a full ownership of the Sudanese Petrochemical Trade Project. According to Li Xiaobing, deputy director of the West Asian and African Affairs division of the Trade Ministry, "We started with Sudan from scratch. "When we started there, they were an oil importer, and now they are an oil exporter. We have built refineries, pipelines and production" (French, 2004).

Oil discoveries in Kenya and Uganda and gas finds in Tanzania have turned East Africa into hotspot for energy companies. However, many complications generates the transport infrastructure in those countries, suffering from decades of under-investment. In Tanzania, Beijing funded a huge port and a special economic zone, estimated to cost \$10 billion, at Bagamoyo. The Chinese was also involved in the construction of Tan-Zam Railway, Africa's longest rail line, connecting the landlocked copper mines of Zambia to the Tanzanian port of Dar-es-Salam 2,000 km away, to get easier access to the ore reserves. China has become the East African country's leading trade partner. PRC also plays a relevant role in financing major projects such as the Mtwara-Dar es Salaam natural gas pipeline and Kinyerezi Power Station (Feng, 2014). China's state-owned Sichuan Hongda Group got into a \$3bn partnership with Tanzania's National Development Corporation to develop a major iron-coal mine (Jacks, 2014).

The increase in international price of copper in 2010 spurred Chinese arrivals and a frenzy of business activity. Many Tanzanians soon also set up investment projects to attract Chinese finance. The shifts in the international market for copper and a series of fraud and quality issues at Chinese firms marked the beginning of a slowdown in the industry. As a result, many companies started to retreat from the resource-driven business (Hongxiang et al., 2016).

The impact of PRC on the developing country has also another dimension. Because of the high Chinese demand for Ivory, the killing of Tanzanian elephants emerges as an inevitable problem. The recent wave of investment has brought thousands of Chinese workers, who transport ivory in small quantities for the Asian market (Ruparelia, 2015).

In Zambia, China Non-Ferrous Metals Corporation (CNMC) acquired 85% of the Chambishi copper mine in 1998 for \$20 million. An explosion in 2005 and the violent crackdowns of the mine workers' protests in 2006 and 2011 stimulated the anti-Chinese rhetoric. During the 2006 presidential election campaign the candidate Michael Sata stated that "China is sucking from us. We are becoming poorer because they are getting our wealth." After the victory of Rupiah Banda PRC showed his support by

forgiving \$211 million of Zambia's outstanding debt. Sata continued with his approach, concluding that "the Chinese are not here as investors, they are here as invaders" (Hitchens, 2008). However, in 2011 he became the fifth president of Zambia (Mfula et al., 2011). Sata toned down his statements and agreed that foreign investors are welcome in the country, but they must improve conditions for Zambian employees (England, 2011). The result of the compromise was the increase in the wages for the mine workers.

Michael Sata, known as "King Cobra", changed his stance against the influx of PRC's investment in Africa's biggest copper producer and stated that he would utilize the Chinese, as "we are going to use them to develop". "Don't blame the Chinese, blame yourself because the Chinese are willing to work, they are very hard working people [...]. The Chinese can do with one meal a day; use them properly...", the president added (Sata U-turns on China, 2011). Chinese Ambassador to Zambia Zhou Yuxiao welcomed the Patriotic Front policy and pledged to assist the country in various economic sectors such as agriculture, construction, health, technology, trade, science, schools as well as hydro-power sports stadium. The Chinese have already invested over \$2 billion in Zambia, translated into over 30 000 jobs created for the local people.

In 2016, China acknowledged Zambia as its second trading partner in Southern Africa after South Africa. 570 Chinese companies had invested in the country in agriculture, manufacturing, mining, ICT and other sectors (China ranks Zambia as ..., 2016). Nowadays, there are over 100 000 Chinese living in Zambia. Although mining and construction brought them to the Sub-Saharan Africa's state, their presence has also a major effect on another industry, namely tourism. Zambia has an underdeveloped tourism market despite of its enormous potential due to assets such as safari parks and the world's biggest series of waterfalls the Mosi-oa-Tunya ("the smoke that thunders"), found by the Scottish explorer David Livingstone in 1855 and renamed after Britain's Queen Victoria. In the town, named after him, Chinese firms installed street lighting and improved the drainage system. The locals refer to it as "the town that China built". According to Harold Mweene, regional tourism coordinator, "most of the contracts are given to Chinese companies not because they are favoured [politically] but because they deliver on time, and - unlike Zambian firms - they have the capacity". By contrast, local contactors often disappear with the funds or the projects never get finished. Furthermore, Zambia has proved prosperous for the Chinese companies. The specialist in Sino-African relations Barry Sautman explained that "in mainland China, the rate of profit on construction projects is about 2 per cent, so in Zambia, Chinese companies are happy to earn 10 per cent, whereas Western firms want 30 or 40 per cent" (Marsh, 2015).

The rising soft power of PRC in Africa is also evident in the perceptions of the local leaders. Chief Mukuni, the head of the Leya tribe, believes that Zambia has now 73 tribes, with the addition of the Chinese. He also insisted on removing visas for Chinese tourists during the dry season,

concluding that “we don't care about the color of the money, we just want to boost our tourist industry. We are a developing nation, we can't be too proud. There are so many people in China, they are a very big market for us to tap into.” In the last years, the Chinese tourists have indeed turned their attention from Europe towards Africa. Now the countries from the region are also seeking to attract them, in order to capitalize from this interest. Mukuni goes further to say that “the next world will be Chinese” and “we must start training our people in their cuisine and their ways” (Marsh, 2015).

Specific example for existing negative attitudes towards the Asian giant is Mozambique. In 2006, China offered to the country \$2 billion loan for construction of a dam on the Zambezi River. According to the signed Memorandum of understanding, 3 000 Chinese settlers had to become farmers in the valley. Due to the local protests, the authorities were forced to abandon the plans.

Given the increasingly complex architecture of the Chinese involvement in Africa, the question of the future results of its development is an adequate one. However, the national patterns are fundamentally different and must not be subjected to the same blueprint. In attempt to reach to a general conclusion, we should address the subject of the China's role in the continent. As Donald Kaberuka, African Development Bank President, states, “China should be the primary model and source of inspiration for African countries in their quest for develop” (Girouard, 2008). By contrast, in view of the President Xi Jinping's pledge to invest \$60 billion in African development, Zimbabwean President Robert Mugabe commented on him as a messiah: “Here is a man representing a country once called poor, a country which was never our colonizer. He is doing to us what we expected those who colonized us yesterday to do. We will say he is a God-sent person” (Allison, 2016).

Nowadays, China's status as a large consumer of different resources is transforming the diplomatic approaches towards Africa. The significant focus on diversification efforts highlights the main vectors in the Chinese involvement in the zone. Driven in part by the wider resurgence of PRC in global and regional affairs, these metamorphoses sparked a reassessment of the continental dynamics by political elites throughout the world. Surely, the energy sector and the extractive industries are symptomatic of the broader geopolitical scenery. Clearly, the competition in Africa is not only about energy and resources, but also about power. Yet, entering into an era, dominated by geopolitical energy paradigm is not a desirable outcome.

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