

# Africa and China's Global Activism

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China's Global Activism: Implications for U.S. Security Interests

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China's approach to Africa has changed dramatically since the end of the Cold War. From the 1955 Bandung Non-Aligned Conference and until the end of the 1980s, Chinese policy in Africa focused on support for independence and Pan-African movements and the propagation of its version of communist ideology. It also devoted considerable energy to countering diplomatic inroads by Taiwan, a policy that continues to the present but is now less important. Only six African countries (Burkina Faso, Chad, Gambia, Malawi, Sao Tome and Principe, and Swaziland) recognize Taiwan; China has an embassy in virtually all the remaining countries on the continent. China's goal now is to ensure that Africa remains a secure source for oil and raw materials, a growing market for Chinese exports, and a base of support for China's expanding global interests.

In 2004 China surpassed Japan as the world's second largest importer of petroleum after the United States. More than twenty-five percent of China's imported oil comes from Africa and the percentage is growing significantly each year. Africa currently provides twelve percent of the world's liquid hydrocarbon production and it will supply thirty percent of the world's growth in production up to 2010. China also obtains an important quantity of minerals from Africa to support its rapid industrial expansion. China is the world's largest consumer of copper and imports a substantial part of its needs from Africa. It depends increasingly on African ferrochrome, platinum, cobalt, iron, gold, silver, and timber. Although access to African resources is China's primary interest, it engages African governments and its business community in a wide variety of sectors and issues. It does not yet have the influence across the continent that is exercised by the U.S. or the European Union, but it is fast reaching that point.

## **China's Economic and Political Role as Viewed by Africans**

It should come as no surprise that Africa's fifty-three countries and the different audiences within those countries do not hold identical views about China's growing economic and political role on the continent. African governments generally welcome China's engagement and attention. China offers some countries a political and economic alternative

to the United States and/or European Union. Those countries that have the greatest difficulty establishing close ties with the U.S. and members of the European Union are most likely to seek collaboration with China. African countries with poor human rights credentials, a sluggish record on democratization, and a propensity for corruption, and that includes many of them, do not have to worry about sanctions or even unpleasant lectures when they interact with China.

China has embraced countries like Sudan and Zimbabwe that have had especially poor relations with the U.S. and some other western countries. China, together with India and Malaysia, manages Sudan's oil industry. Today, China receives about seven percent of its total oil imports from Sudan alone. Sudan describes China as its most important partner. Beijing warmly welcomed in 2005 Zimbabwe's President Mugabe, who has been shunned by the West. China imports significant quantities of minerals from Zimbabwe and has become its second largest trading partner after South Africa. But China has also embraced resource poor and democratically-challenged countries like Togo that have strained relations with the West.

Western oil companies are well established in Angola, a country with serious corruption problems. China has joined the quest for Angolan oil in a major way. After South Africa, Angola is China's second largest trading partner in Africa. China provided Angola a \$2 billion soft loan as part of an aid package. In return it received a long-term contract for the supply of oil to China and signed agreements on oil exploration and construction of a refinery. Equatorial Guinea and Nigeria also face serious corruption issues. Like Angola, China and the U.S. have significant energy interests in both countries. This suggests that neither China nor the U.S. is prepared to stand on anti-corruption principles when it comes to access to oil.

China likes to refer to itself as a developing country. Although only a half-truth, this depiction sells well in Africa. Most African governments, which manage developing economies, see China as a partner that does not impose political or economic conditions except for acceptance of its "one China" policy. China's president recently commented that China will engage in business without any expectation that governments will improve democracy, respect human rights, or fight corruption. When questioned in 2004 about its relationship with Sudan, China's deputy foreign minister responded that "business is business. We try to separate politics from business." For their part, African governments look at China's position on the United Nations Security Council as potential protection against occasional harsh measures proposed by western members of the council. China and African countries facing human rights criticism defend each other in various organs of the United Nations.

All African governments like high level attention from the world's most important countries. China has developed this aspect of its relationship with Africa more effectively than any other major power, including the U.S. It has become a tradition that each year China's foreign minister visits Africa first. In January 2006 the foreign minister went to Cape

Verde, Senegal, Mali, Liberia, Libya, and Nigeria. President Hu Jintao made well publicized and substantively significant visits in April to Morocco, Nigeria, and Kenya. Prime Minister Wen Jiabao is in the middle of a trip that takes him to Angola, Egypt, Ghana, the Democratic Republic of the Congo, South Africa, Tanzania, and Uganda. Before 2006 is over the list of high level Chinese officials who will have visited Africa will be long and impressive. In addition, significant numbers of African leaders will visit China; most of them have been to Beijing before. This is a low cost way to develop strong personal relations with African officials. The third ministerial meeting of the China-Africa Cooperation Forum will take place in Beijing in November of this year, bringing large numbers of African ministers to the Chinese capital.

The reaction to China by the average African, the business community, and sometimes even the government that represents these constituencies is more nuanced. African consumers welcome inexpensive and relatively high quality Chinese goods in the market. There is not universal agreement, however, that Chinese products are of adequate quality. Even Zimbabweans ostracized by the West complain about the frequency with which their new Chinese buses break down and that Chinese consumer goods are too shoddy. Africans also complain when Chinese investment and aid projects result in the arrival of large numbers of Chinese workers to do jobs that Africans are capable of doing. To the extent that Chinese products undercut locally made goods, force the closure of African industries, and decrease the prospects for employment, the reaction has often been negative. It is, however, difficult to establish a direct cause and effect relationship between Chinese imports and the failure of local industries.

A number of African countries have expressed concern that Chinese textile exports are flooding their markets and undercutting local mills. Cheaper Chinese textiles also eliminate Africa's ability to compete in American and European markets. Chinese textile exports have harmed industries in Lesotho, Swaziland, Ghana, Uganda, Kenya, South Africa, and Morocco. Since the surge in Chinese textile imports began in 2003, South Africa lost 55,000 jobs in the industry by the end of 2005. More than ten clothing factories closed in Swaziland, forcing 12,000 employees out of work. There were another 13,000 job losses in Lesotho. Low-cost Chinese textile and other consumer imports also devastated consumer product industries in several Nigerian cities.

In 1990 there were very few Chinese trading stores in Namibia. Today virtually every town has at least one. These foreign enterprises almost certainly displaced some locally-owned stores. This raises the possibility of growing numbers of unhappy Namibian traders. It could also have an impact on the future of Chinese-Namibian relations. Other African countries have had similar experiences. There has been a sharp increase in recent years in the registry of Chinese companies in Botswana. This will surely have implications for the ability of local companies to compete. Although it is too early to judge the impact of these Chinese

commercial incursions, they may well result in a negative reaction by ordinary citizens and the private sector generally.

In 2004 Chinese exports, including those from Hong Kong, to Africa totaled more than \$13 billion while Chinese imports were about \$16 billion, giving Africa a trade surplus with China. These figures are, however, highly misleading. China had major trade deficits with oil exporting nations Angola, Republic of Congo, Equatorial Guinea, Gabon, and Sudan. It had a modest deficit with mineral exporting Zambia, Zimbabwe, and Democratic Republic of the Congo while its huge trade with South Africa was in balance. But China maintained a trade surplus, sometimes a large one, with all but a few of the remaining countries in Africa. Many of these nations are poor and least able to finance trade imbalances with China. In an effort to alleviate this situation, China eliminated tariffs for many products exported by some of them. Until those African countries that have a deficit with China are able to redress this situation, however, it will continue to challenge the economic relationship.

There are also concerns, albeit by very small numbers of African environmentalists, about China's generally dismissive approach to good environmental practices. China is the world's largest importer of forest products. Many of its purchases in Africa are from unlicensed loggers or from companies that do not engage in environmentally sound logging practices. There are other relatively small interest groups in most African countries that tend to be wary of China. They include human rights activists, outspoken advocates for democracy, and those concerned about China's export of arms to the continent. Everything considered, however, China's trade, investment, and diplomatic activities in Africa draw more applause than criticism from Africans.

### **Africa's Military and Security Cooperation with China**

Between 2000 and 2003, China ranked third as an arms supplier to sub-Saharan Africa after the western European countries collectively and Russia. The value of its arms transfers during this period was \$500 million. China routinely sells military equipment and supports the local manufacture of arms on strictly commercial terms without concern about human rights or the possible negative impact of this activity on local conflicts. African governments, especially those that have difficulty obtaining arms from the West, are usually grateful. But some, such as South Africa, have expressed concern about China's arms policy on the continent. China, for example, sold substantial quantities of military equipment to both Ethiopia and Eritrea during their 1998-2000 war. Business was business. Although China has no military bases in Africa, it makes frequent use of high level visits by Chinese military personnel and invitations to African delegations to ensure strong military to military relations. Other than expressions of a profound desire to continue military cooperation, these visits rarely result in the public announcement of any substantive details.

The U.S. and European Union maintain arms sanctions against Sudan. As a result, Sudan relies on Chinese fighter planes, helicopter gunships, artillery pieces, and tanks. China built three factories on the outskirts of Khartoum for assembling small arms and manufacturing ammunition. Since the mid-1990s, the supply of arms to Sudan has been linked to the supply of oil to China. Beijing did incur the wrath of southern Sudanese who, until three years ago, were engaged in a war against Khartoum and its Chinese-supplied armed forces. China also has a close military relationship with Zimbabwe, another country under a European Union arms embargo. China first sold J-7 fighters and radar equipment to Zimbabwe in 1989. Zimbabwe purchased 12 FC-1 fighter planes, assault rifles, armored personnel carriers, and military vehicles valued at \$240 million in 2004. Zimbabwe's air force received six K-8 advanced jet trainers from China in 2005. According to press reports, Zimbabwe promised China access to its mineral wealth in payment for some of these purchases.

Sino-Egyptian military cooperation dates back to the early years of the non-aligned movement. The U.S. remains Egypt's most important supplier of military equipment, but Egypt recently partnered with China to produce K-8E flight trainers. A Chinese guided missile destroyer and supply ship passed through the Suez Canal in 2002 and docked in Alexandria during the first Chinese around-the-world voyage of this type. Nigeria signed an agreement in 2005 to obtain an undetermined number of Chinese F-8IIIM all-weather, multi-purpose, combat jets for its air force. China and Sierra Leone signed a military cooperation agreement in 2006 whereby China is providing a surveillance boat and training. It will be used by the army to deal with illegal trafficking and fishing in Sierra Leone's territorial waters. Kenya began negotiations with China in 2005 for the purchase of 400 Styer military trucks and thirty armored personnel carriers. The deal may result in a center for maintenance and spare parts.

Beginning in the early 1990s, China embarked on a new policy of providing personnel for UN peacekeeping missions. Although the number of Chinese personnel committed to the missions has been modest until recently, many of these operations have been in Africa. China has had about 20 observers in the Western Sahara since 1991. In the mid-1990s, it sent small numbers of observers to Mozambique, Liberia, and Sierra Leone. Beginning in 2000 China contributed ten observers to the Ethiopia-Eritrea mission. In 2001 China sent a small number of observers and more than 200 troops to the Democratic Republic of the Congo. Two years later it contributed 600 troops and police to the mission in Liberia. Since 2004 a small number of Chinese observers have been in Cote d'Ivoire and Burundi. China has sent a small number of observers, troops, and police to the UN mission in Sudan; China eventually expects to assign 435 military personnel there. Robust Chinese engagement in African peacekeeping is a new and important development. President Hu promised during his April 2006 visit to Nigeria that China would play a larger role in troop contributions to UN peacekeeping missions in Africa. This is a clear example of China's expanding global activism.

## **China's Soft Power in Africa**

China's use of soft power in Africa has been its least controversial foreign policy tool and, relative to its low cost, has probably been its most effective one. Perhaps recognizing this development, "China's Africa Policy" statement released in January 2006 focused heavily on soft power and said virtually nothing about arms sales and access to Africa's natural resources. Many African governments and ordinary Africans regard China as a model of modernization that is more responsive to African needs than is the West. Chinese companies have proven that they can build roads, dams, railways, and bridges efficiently, quickly, and at relatively low cost. China's economic development model does not require political liberalization or economic policy reform. It encourages its African partners to develop their economies through trade and investment in infrastructure and social institutions. China's respect for national sovereignty is especially attractive to many African leaders.

Recognizing this situation, Ethiopia's National Security Policy and Strategy statement concluded that "we need to fully utilize Chinese development experience as well as training and technical assistance possibilities." It is true that China can provide technical assistance, especially for agriculture, that is sometimes more appropriate for African countries than western aid. One of the few African skeptics of China as a development model is South Africa's President Thabo Mbeki. He said in 2005 that his country would not follow the Chinese development model. He argued that Africa can not replicate China, which benefits from massive private capital inflows that fuel rapid export-led growth. African countries simply do not have access to this capital.

China supports the "New Partnership for Africa's Development (NEPAD)", an African-led effort to create sound governance and sustainable development. By insisting, however, that it will work through the China-Africa Cooperation Forum, China sidesteps the need to support transparency, democracy, a free press, civil society, independent judiciary, and rule of law required by NEPAD. China makes much of the fact that it provides technical and financial assistance without strings, except, of course, the unstated requirement that a country support the one China policy.

Although growing, Chinese foreign aid to Africa is modest when compared to that provided by European Union countries or the U.S. It also tends to be in the form of soft loans rather than grants. China reportedly provided \$1.8 billion in foreign assistance to Africa in 2002; figures for subsequent years are not available. Debt cancellation has become an important part of its soft power approach to Africa. It cancelled \$1.2 billion in African debt in 2000 and another \$750 million in 2003. China has a long history of sending medical teams and agricultural experts to Africa. Since 1964 China has sent more than 15,000 doctors or medical specialists to nearly every country on the continent. They have treated an estimated 180 million African patients. Although most countries are expected to pay for the medical

teams' expenses, China picks up the tab for the poorest countries. Chinese health diplomacy has made many friends for China in Africa. Private Chinese clinics are even beginning to replace or supplement western medicine in some African countries.

China awards about 1,500 scholarships annually to African students and Chinese universities have established relationships with a number of their African counterparts. In 2003 nearly 1,800 African students studied in China, comprising one-third of the total number of foreign students. In 2005 China opened in Kenya its first Confucius Institute in Africa. Funded by Beijing and devoted to Chinese studies and language training, President Hu visited the Institute during his 2006 visit to Kenya when he emphasized the importance of cultural cooperation. China and Egypt agreed in 2005 to establish the Egyptian Chinese University in Cairo. Once completed, it will be the first Chinese university in Africa or the Middle East. Another first, China inaugurated in 2006 an FM radio station in Nairobi, Kenya, that transmits nineteen hours of programming daily in English, Swahili, and Chinese.

China has approved sixteen African countries as outbound destinations for Chinese tourists. This resulted in travel to Africa during 2005 by 110,000 Chinese tourists, an increase of 100 percent over 2004. Chinese investment in Africa has led to 80,000 migrant workers from China, creating a new Chinese diaspora that may not return home. China also sent its first group of young volunteers to Africa in 2005. Associated with the Chinese Youth Volunteers Association, the first twelve volunteers went to Ethiopia for six months to teach Chinese, improve physical education, develop the use of marsh gas, and improve information technology. With each passing year, the scope of China's activities in Africa is looking more and more like the kinds of programs offered by the U.S. and European Union countries.

### **Impact of China on U.S. Interests in Africa**

Fared Zakaria wrote in *Newsweek* earlier this year that "Chinese foreign policy is still mostly motivated by parochial concerns." He cited its focus on countering Taiwan and retaining access to energy sources wherever they might exist. Zakaria argued that this narrow policy begs the question whether Beijing wants to be a stakeholder in the international system. It also leaves unanswered if China is willing to pay the price that comes with great global power. These questions are in play in Africa and the outcome is not yet clear.

In its dialogue with China on Africa, the U.S. has for the time being opted for the view that China should be seen as a "responsible stakeholder." A senior official in the State Department's Africa bureau testified before the House Africa Subcommittee in 2005 that China can help to advance U.S. goals if it increases prosperity and stability on the continent. He listed the following as areas of mutual cooperation: Chinese participation in UN peacekeeping operations, financial support for the African Union and its development efforts, and the expansion of business and investment opportunities for African partners. He concluded that "China should have many of the same interests in Africa as the United States,

based, among other elements, on our shared reliance on a global oil market, shared desire to diversify sources from the Middle East and shared concern over volatile oil prices.”

Following talks in Beijing at the end of 2005, Assistant Secretary of State for African Affairs, Jendayi Frazer, commented that she did not believe the U.S. is in direct competition with China in Africa. She added that it would be a mistake to “consider China an adversary in Africa.”

A study by the Council on Foreign Relations late in 2005 concluded that China poses three challenges to the U.S. and its western partners. First, it cited China’s support for countries like Sudan and Zimbabwe that face charges of egregious human rights violations. Second, it argued that China is unhelpful in efforts to encourage transparency, counter corruption, improve governance, and support economic reform in Africa. Third, it noted that Chinese business practices, which serve state interests as much as the profit motive, create unfair competition in bidding for contracts.

Although there are important African issues where the U.S. and China disagree, the next several years offer the greatest opportunity for collaboration and cooperation. As competition for scarce energy resources in Africa increases in the years ahead, it will be more difficult to cooperate in areas where there is no inherent conflict. Issues that lend themselves now to cooperation include countering terrorism, organized crime, and drug cartels and addressing global public health crises. Improved health services are desperately needed in Africa. This is an area where Chinese experience on the continent and western capital could work to the advantage of everyone. As China appreciates the increasing environmental dangers caused by its rapid economic expansion, the time may also be ripe for working cooperatively towards better environmental practices in Africa. If there is U.S.-Chinese agreement on some of these “easier” challenges, it could lead to discussions aimed at convincing China to change its policy on the provision of arms to Africa.

Potential U.S.-China competition for African oil is one of the most hotly debated topics today. The U.S. currently obtains more than fifteen percent of its imports from Africa and that figure may rise to one-quarter by 2015. China buys more than twenty-five percent of its imports from Africa and has replaced Japan as the second largest importer of African oil after the U.S. India has also become a major competitor for African oil, which is highly desired because of its low sulfur content. To the extent that all of these countries contribute to the development of new oil sources in Africa, competition among them will be minimized. It is also in the interest of China and the U.S. to help stabilize a country like Nigeria so that it can expand its hydrocarbon production. But eventually external oil demand, assuming that it remains high, and static African production will likely result in sharp competition for African oil by these and other countries. This issue alone will impact significantly the long-term future of U.S.-China relations as it relates to Africa.