

# CHINESE PRESENCE IN AFRICA

Impact and change

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Aid and Governance Panel

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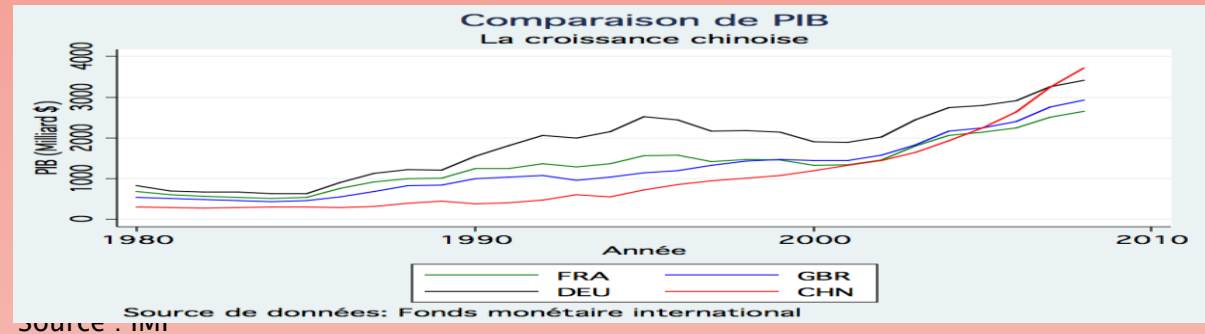
I– China in Africa : past and present

II– China and the development aid landscape

III– Impact on democracy revisited

Conclusions

## Introduction:



- 1979 : China launched its reforms. Became the world 2<sup>nd</sup> economy
- Since 2000 : huge development of Sino-African relations



## Perceptions and statements

- 1- China, a new actor in Africa
- 2- China, a new colonialist, in Africa for plunder
- 3- China promotes authoritarian regimes in Africa

### 3 main arguments :

- 1– China's impact in Africa is mainly economic
- 2– China's impact on democracy promotion or abortion is minimal and China's policy in this domain changes constantly
- 3– African agency is underestimated. To mitigate China's presence side effects, state capacity and veto points must be strengthened.

# 1 – China in Africa : an old and multifaceted actor

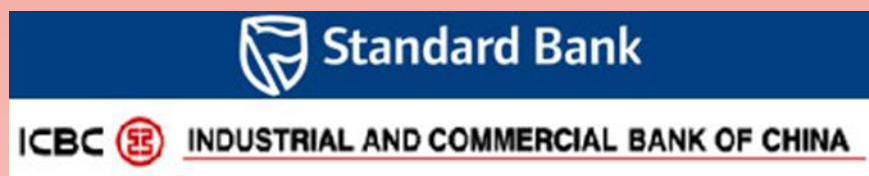
## a) China's involvement in Africa is not new

- ‘When the poor helps the poor’\* in the 60s and 70s
  - + China supporting African liberation movements, building infrastructures, sending medical teams...
  - + Africa supporting China at the UN
- China's «Thirdworldism»
  - + solidarity, common fate
  - + common interest in democratizing international relations trough multilateralism and helping Africa having seats on the UN security council

\*See Philip Snow, *The Star raft: China's Encounter with Africa*

## b) China is an actor with multiple faces in Africa

- Ordinary people from... Hong Kong, Taiwan, continental China



- **Chinese State** via several agencies : FOCAC, Foreign Affairs, Banks, provinces
- **Chinese companies** : about 2000 firms, 4000 investments (3,2 billion) in 49 countries in 2015 (see Brookings 2015; China Council for the promotion of international Trade 2015)
- ...



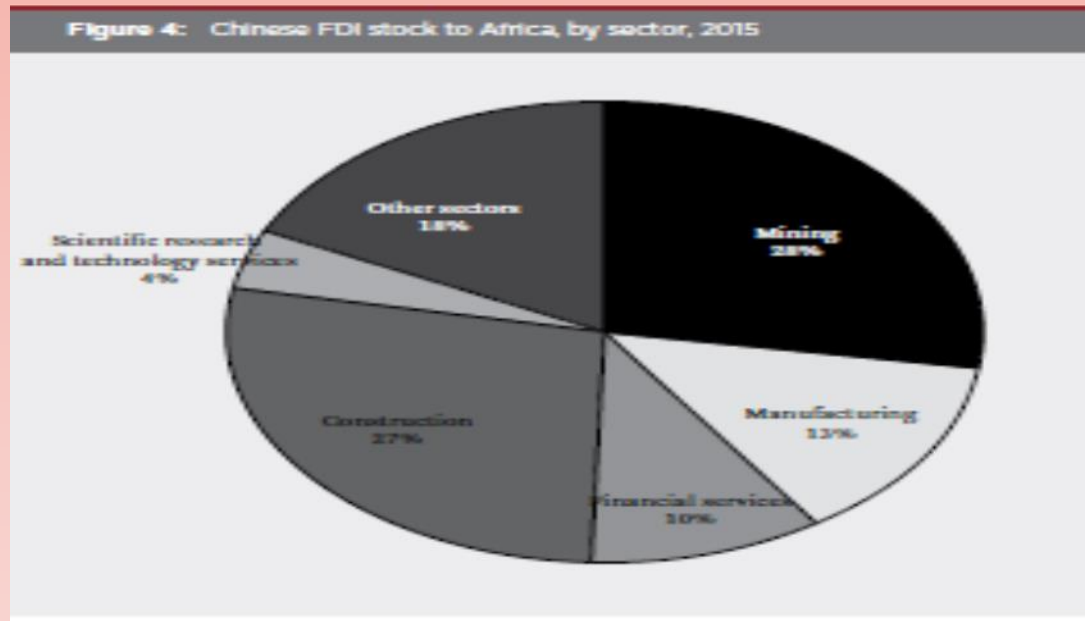
Sometimes diverging actions



## c) China has various economic interests in Africa... beyond mere natural resources

-Raw materials of course

-But also Infrastructure,  
Manufacturing...



Source : CARI Policy Brief 18, April 2017, p.3



## d) China, Africa's largest trading partner

- From 2,3% of Africa's Trade in 1985 to about 25% in 2015 (now Africa's largest trade partner)
- consumer and capital goods from China; primary commodities (oil, minerals) from Africa

\$10 millions in the 1950s

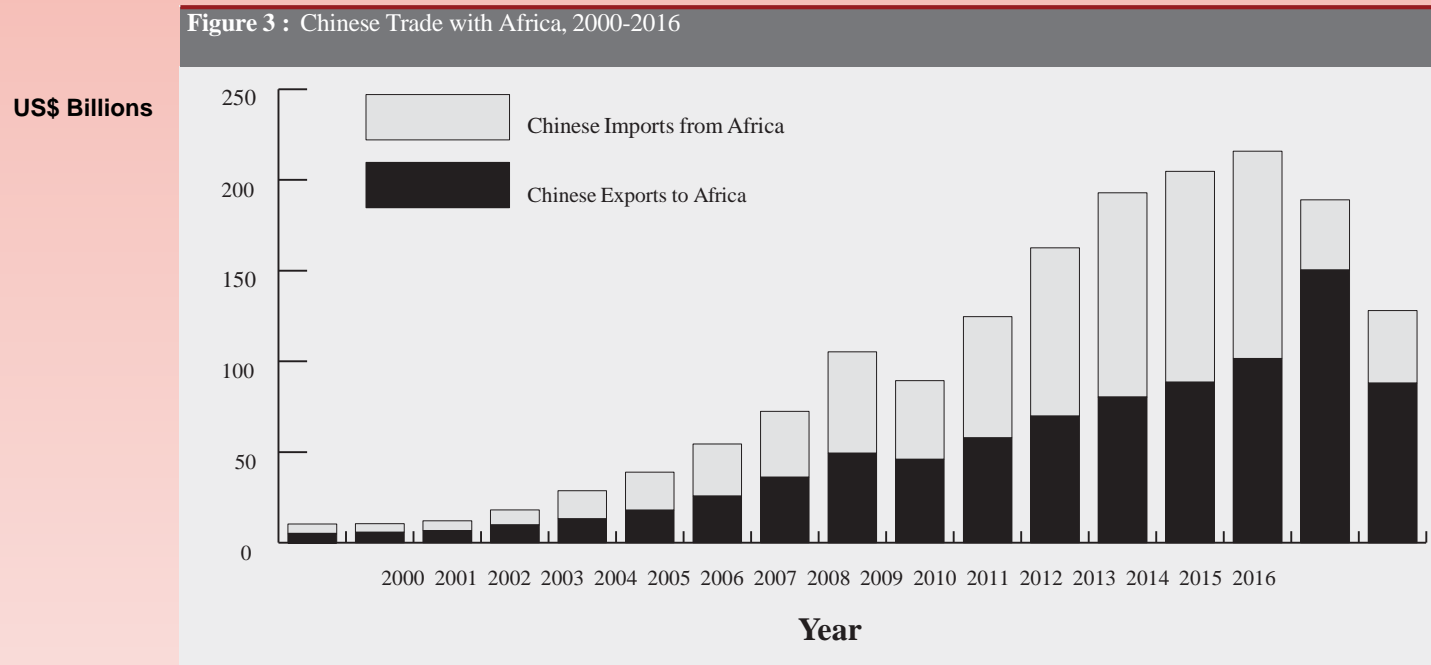
\$1 billions the late 1980s

**\$10 billion US \$ in 2000 (first FOCAC)**

\$40 billions US \$ in 2006

\$114,8 billions US \$ in 2010

\$ 400 billions projected by 2020



Source: SAIS-CARI Database: China-Africa Trade. <http://www.sais-cari.org/data-china-africa-trade>



## 2– China and Development aid landscape

### 2–1 Positive ambitions

#### a–China and the redefinition of development aid landscape

##### \*China funds development initiatives through the FOCAC

##### –In 2006:

–\$5 billion for development aid

##### –In 2009

–\$10 billion for development aid

##### –In 2012

–\$20 billion (\$10 billion added in 2014) development aid program

##### –In 2015

–\$60 billion for development aid

##### –In 2018

–\$60 billion for development aid



Source : FOCAC

...Positive ambitions...

► **China's Belt and Road Initiative and potential structural changes in Africa**

– Although devised to promote China's interests the BRI :

+ increases China's investment in infrastructure

+ is in accordance with several objectives of the African Union *Africa 2063 Agenda* (industrialization) and *SDG goals*

+ facilitates the implementation of Africa's economic regionalism and free trade agreement

The BRI means a shift: *“From single bilateral infrastructure projects [...to] what has been termed a ‘corridorization’ of infrastructure: creating economic corridors and networks at a regional scale to promote cross-border trade and integration”*.

...Positive ambitions...

## b- In China's footsteps : the new 'scramble' for Africa



- Other emerging actors imitating China : India, Turkey, Brazil...
- The West (U.S., Great Britain, France, Italy ...), in competition with China in Africa



- Chinese model boosts Africans self-confidence
  - +by developing against all odds and *Washington consensus*
  - +by renewing the attractiveness of Africa



The “why not us” question



Consequence ?



...Positive ambitions...

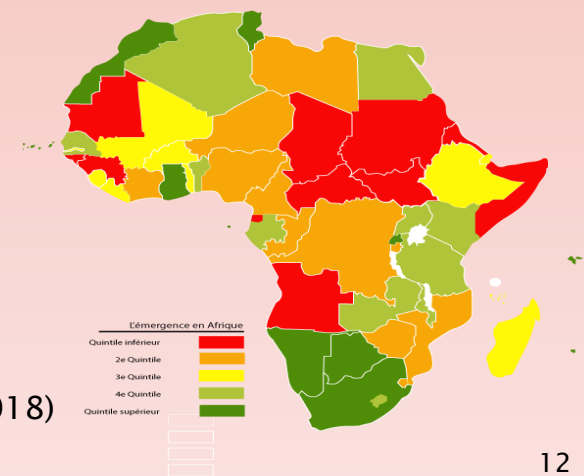
c) Africa now eager to emerge  
by 'replicating' China's success or finding new models

- Sustained economic growth in Africa since 2000
- ++ from 2000 to 2010, 6 out of 10 fastest **growing economies** were Africans
- More FDI since 2000 although with variations
- Countries devising **emergence strategies**, eager to diversify economies, attract new partners
- + *Plan Senegal émergent*, Nigeria's Vision 2020, *Plan émergence* in Morocco ...
- + International conference on the Emergence of Africa



**Africa emerging?**

Source : *Index of emergence in Africa* (Gazibo&Mbabia 2018)



## 2-2-Some serious Side effects however

### a- The resource rich rentier state risk

Despite the positive ambitions:

- + **Africa**, still mostly raw material exporter
- + Africa and the resources for infrastructure deals : DRC, Guinea



- + Africa, still vulnerable to external shocks, same post-colonial trade pattern
- + Africa's balance of trade with China now negative and deteriorating
- + Economic sovereignty at risk in some countries (Djibouti, Ethiopia...)



...Some serious Side effects...

## b- The debt burden problem

- +China, providing loans according to the 'No string attached' policy
- +Africa borrowing from China, sometimes for unproductive investments



-Debt level on the rise. No evidence\* according to Brautigam and al. that it is due to China (CARI briefing paper 1, 2018)

-Changing patterns :

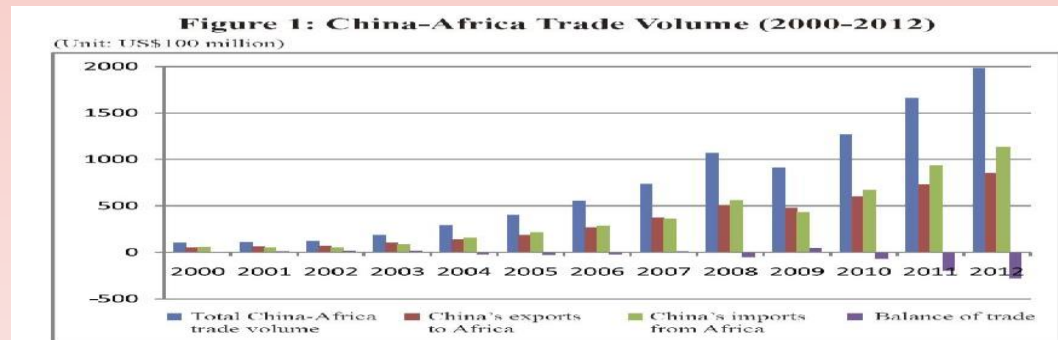


- +China more cautious from 2013 onward regarding its investments and loans
- +Africa more and more aware of the debt, employment and dependency issues



See FOCAC 2018 :

- African presidents demanding overtly a more balanced, job and industry oriented investment
- President Xi acknowledging publicly the challenges and proposing ways to face them (cancelling debt, importing value—added products... )



Source: China-Africa Economic and Trade Cooperation (2013)

## 3- Impact on democracy revisited

### 3-1 China's policy toward Africa's regimes changes over time

#### ▶ 3 phases

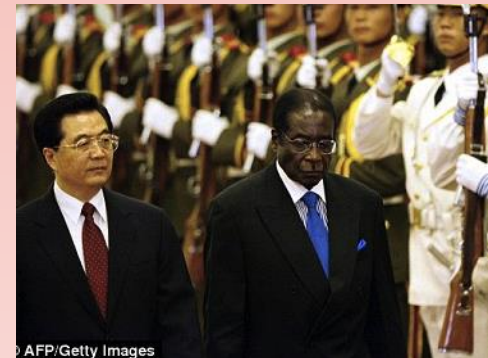
Phase 1: non-interference and Western containment bias policy : From the First FOCAC to the Darfur Crisis (2000-2008 )

#### Sudan:

- The El Bechir regime relied on China to:
  - have a partner the West cannot easily expel or pressure
  - exploit oil and buy weapons to crush insurgents
  - block UN resolutions on Darfur

#### Zimbabwe:

- Mugabe isolated relied on China to:
  - Escape land reform policy crisis,
  - Have an ally at the UN and have access to weapons
- Increased international sanctions increased Chinese presence



See Philip D. Rogers, "China, a 'Dragon with a Heart of Darkness?'", *Joint Force Quarterly*, Dec. 2007)

## Phase 2: Quiet and 'friendly' interference policy (2008 –2011) :

### **Country level : Sudan–South Sudan:**

- In 2007, China accepted a UN military mission in Darfur with 26 000 personnel )
- President Hu publicly denounced the dramatic situation in Darfur
- Ambassador Liu Guijin is appointed as special envoy for Africa, with a focus on the Darfur Crisis

### **Continental level :**

- Zimbabwe : China avoids overt support and presidential trip to Harare during 2007 Africa tour (visited several democratic countries)
- Vice foreign minister Zhai Jun appointed as special envoy for Africa with wide and active diplomatic initiatives across the continent



## Phase 3: Toward normalization in a context of growing veto points (2011–)

China criticized:

- no longer wants to be associated with authoritarian countries
- interested in sustainable stability



Why these changes ?

## 3-2 Explaining the mutations of China's policies in Africa

### - African Agency and veto points

- + some Africa's big States are vocal: South Africa, Nigeria
- + in some pluralist countries, China is divisive: Zambia, Niger
- + in other countries ( Senegal, South Africa, Ghana...) civil society demonstrations

### - Western Pressures

- + China under scrutiny: see US former Secretary Tillerson's criticism regarding Chinese loans to Africa

### - China cares for its reputation

See Lily Kuo, "Africa is changing China as much as China is changing Africa", Quartz Africa, January 8 2018)

# Conclusions

## 1 – Going beyond the myths

- Not overestimate Chinese ‘domination’ (Brookings 2014, 2015, CARI, 2018)
- better assess domains (and countries) of success and failures
- Focus on China, but also compare to other emerging countries’ policies in Africa as well as western partners’

## 2 – Recognizing China’s capacity to change and adapt its policies

## 3 – Bringing (and building) Africa’s agency back in the debate

- State capacity (and lack of) as well as institutional differences count and must be strengthened
- Veto points count. China–Africa relations must not be only a state to state relation

Thank you !