

# S I D

## Society for International Development

Chapter Bonn

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**Nachlese**

**zum 7. Gespräch mit der Praxis vom 17. April 2007**

**China's Policies towards Africa**

**Gespräch mit Prof. Dr. Guang Yang**

Mr. Thiel welcomed Mr. Yang and asked Mr. Messner to introduce the Chinese guest who attracted a huge audience.

Mr. Messner explained that Prof. Dr. Yang was a social scientist and the director of the Institute of West-Asian and African Studies in Peking. At the moment, Mr. Yang was a Visiting Scholar at the DIE. The topic of this night's discussion, he added, was one of the "hot issues" of our days. Before handing the word to Mr. Yang he gave a brief overview about positive aspects of China's policies towards Africa. First of all China was treating Africa not just as a lost continent or a recipient of aid but as an economic partner. China also invested money in infrastructure and helped to reduce African debt. The undermining of social, environmental and good-governance initiatives in Africa by China were some negative aspects. Also, he carried on, China could do more to help solve the conflict in Sudan. It would be interesting to see what kind of an impact China's policies towards Africa would have on international development cooperation.

Mr. Yang started his lecture with a retrospective overview of history of Chinese-African-relations. He explained that the first direct contact between Chinese and African people had been back in the 8<sup>th</sup> century, followed by more Chinese travellers in the 13<sup>th</sup> and early 14<sup>th</sup> century. In the 16<sup>th</sup> century direct contact between China and Africa had declined because of the colonisation of the continent by Europeans. The impact of this history of peaceful treatment and cooperation had been the establishment of mutual trust and friendship between Chinese and African people. He continued that the resurgence of China-African relations had not appeared until the mid-20<sup>th</sup> century in the context of national liberalisation movements in Africa. In 1949 People's Republic of China had been founded but it had been isolated on the western world and the soviet block. Mao Zedong had considered Africa to be part of the "intermediate zone" where China could seek strategic cooperation. Meetings with leaders of African national liberalisation movements on the Pendong Conference in 1955 had followed as well as a visit of a Chinese delegation in 16 African countries. In 1976, China and Africa had started to tie diplomatic relations. Partially thanks to the votes of African countries, China had resumed its lawful seat in the United Nations in 1971. Starting from this period, the cooperation had been strategic and based on national interest from both sides. Since the 1980s the basis of interest had expanded for both sides: The cooperation between China and Africa had included the economic dimension then. Since the late 1970s, China had begun to focus on economic development and had reformed its policy. Even though Africa hadn't seemed to be of too much importance in the beginning of this development, China's interest in Africa had increased with the growing demand for raw material. When the national liberalisation movements in Africa had reached their ends in the early 1980s,

economic development had become more important for African countries too. Swept away by debt crisis, they had been eager to improve economic performances. To achieve this goal the African countries had hoped to get more economic assistance and experience from China. On a political level, their need for each other had still been mutual. China had needed Africa to support the country's policy towards Taiwan and its application of human rights. Africa had needed China to improve its international reputation, stop marginalisation and end conflicts in many of its countries. As can be seen in this enumeration, Mr. Yang resumed, the basis for strategic cooperation between China and Africa had extended. China had taken a more active role towards Africa. Since the 1990s the economic relations developed rapidly. Last year, the trade value between China and Africa added up to 55 billion dollars. The forms of assistance diversified. Since the 1950s China had sent medical teams to Africa. The country had also sponsored African students for studies in China. Apart from this China had reduced debt for Africa, lowered custom tariffs for African goods, promoted training programs and subsidised investors. The strategic cooperation was gradually institutionalized in the framework of the China-Africa Cooperation Forum since 2000. In general, China's policies towards Africa were based on a strategic partnership and mutual interest, concluded Mr. Yang his lecture.

One participant started the discussion by referring to a TV report about the mining of copper in Zambia which drew a bad picture of the Chinese business involved. He asked the speaker if there were any ethical principles in Chinese Policies. Mr. Yang admitted that his knowledge about this special case was limited, but said that in general Chinese businesses were very welcome in African countries. Also, the Chinese government gave great importance to the reputation of Chinese enterprises which were told to respect the national conditions and international laws.

Another attendee pointed out that China had not been the initiator of the Pendong Conference and that cooperation with the Third World was Mao Zedong's only real choice. The shared experience of being colonized, Mr. Yang added, helped Mao to break China's international isolation by cooperating with Africa. Even if most African countries had been only on their way to independence, 29 leaders of national liberalisation movements had been participants of the conference.

A member of the audience raised the question whether China's assistance to African development was not tied to any conditions, e.g. a supportive vote in UN-decisions. Mr. Yang pointed out, that China's historical relationship with Africa was different to Europe's relationship with the continent. It was formed between equal partners and based on mutual benefits and needs. In addition China's assistance to Africa was mostly project assistance under the control of the donor, unlike Europe's financial assistance to African governments. To his best knowledge, he added, China never imposed pressure on African countries to vote in its favour at UN-meetings. China had no interest in forcing his political or economical system on other countries. The country only provided assistance to help countries find their own way of development. Nevertheless, the speaker pointed out, industrialisation still played a very important role in development. China helped Africa to achieve a certain level of industrialisation. Environmental protection was an important new factor that had to be taken into account. Another participant wanted to take a more precise look at the alleged win-win-situation. The Chinese focus on supporting the energy sector didn't lead to a development in other sectors. Mr. Yang admitted that China was interested in Africa's resources just like other countries like the USA or European countries. Nevertheless, the trade with raw material was an important source of capital accumulation for African countries. They needed to make use of their resources and needed to develop linked industries, he continued his argumentation. He gave the example of Sudan where China had invested for oil development and then invested in infrastructure and pipelines. This showed how little by little development was spreading.

An African auditor articulated worries that the Chinese could play a similar role as the white colonialists had played for Africa. Mr. Yang referred to the South African president Mbeki who saw Chinese-African cooperation as a win-win-cooperation and said he didn't believe that China would copy former European colonial behaviour. In the context of globalisation it wasn't possible any more to apply any colonial practises, he emphasized. Some negative comments on China's performance in Africa in western countries were due to a lack of information. China's rapid growth had raised some worries in the west, which were unfounded. Evaluations from African countries showed that the cooperation between China and Africa was seen as a win-win-situation also from the African side.

When a participator raised the question whether too much investment from Chinese and international countries could mean a crowding out of African businesses and have negative consequences, Mr. Yang answered, the more investors came, the more happy the Africans were.

One participant made clear that China was highly dependant on raw material. He asked how strong this dependence would be in 20 years and how China wanted to prevent conflicts about raw material with other countries then. Mr. Yang replied that China's dependence on African resources was not a special thing. 1/3 of Africa's oil production went to the USA, 1/3 to the EU and less than 10% to China. We all depended on Africa's resources. In his opinion, this dependence wouldn't lead to conflicts with other countries. There was no shortage in oil. The reasons for the high price of oil were the tensions between the major oil producing countries and the decline of spare production capacity. China was investing in more oil spare capacity of production and with that acting in benefit of all oil importing countries.

Addressing an attendee's question about Africa's productive capacity, Mr. Yang mentioned South Africa as a typical example for a country that could provide not only raw material but also technologies. In many other cases, China helped African countries to industrialize. Chinese enterprises invested not only in the oil industry but also in car assemblage, textiles and food production.

One member of the audience showed his concern about China's development cooperation. He put forward that the west had changed its development cooperation based on forty years of experience and lessons learned. Maybe the concerns about China undermining the western aid could be justified. He asked how close China followed the Paris Declaration and the lessons learned. Another participant added the question, if Mr. Yang saw any possibilities for cooperation between Chinese and western aid policies. The speaker answered that China was still a developing country and had no means to carry out general government assistance in Africa. All the country could do was project assistance which was very well received in the African countries. He sat the example of a Chinese textile factory which was handed over to African people in the 70s. When it faced a difficult crisis in the 90s Chinese businessmen came back, participated in the management of the company and made the production become successful again. In addition to the project approach, Mr. Yang continued, China had also started cooperation with regional organisations. China was planning a free trade area with some African countries in the near future. For the first time, China's civil society was also getting involved through a volunteer program.

He wanted to speak for Africa, said one participant and to make it clear that Chinas aid was the unique chance for Africa. All the criticism articulated here was based on the topic of human rights but, as an interview with Jacques Chirac showed, other countries didn't focus on human rights either when doing business.

To answer the question if China's investment in Sudan had let to a win-win-situation, Mr. Yang explained that the Chinese oil company that found oil in Sudan had made the poor country a

major oil producer. The country's budget was a lot better than before. Money from the oil had increased the government's income and supported the country's industrial development. According to the peace agreement between the north and the south of Sudan also the poor people in the south had benefits from the oil. In addition to that Chinese enterprises helped the country e.g. by building hospitals. Regarding China's role in Darfur, Mr. Yang made it clear that this conflict was a conflict between different tribes in the area. The problem had been there for more than 100 years and sharpened since 2003. China with its significant interest in the region was like other countries very interested in solving the problem. China used negotiations and diplomatic solutions to achieve a solution. The situation in Darfur was now tending to be relaxed. The government and the tribes had reached a peace agreement in Nigeria in 2006 and a ceasefire between the tribes. Very recently, China sent the Assistant Minister of Foreign Affairs to Sudan to see the results of the peace agreement. He got the impression that the situation in Darfur was calm and relaxed. The improvement of the situation was not the result of a UN-embargo, Mr. Yang made clear. China had influenced the Sudanese government a lot and the current success was a result of these peaceful negotiations.

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