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Why are we so critical about China's engagement in Africa?

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Bonn, Washington 15 August 2011. Why is Germany so critical regarding China's engagement in Africa? China's growing role on the continent is attracting considerable attention across all the traditional donor countries. While public debate in nearly all European and North American countries has a disparaging undertone, media coverage in Germany is especially critical. Headlines such as "Weapons, oil and dirty deals – how China pushes the West out of Africa" ("*Waffen, Öl, dreckige Deals – wie China den Westen aus Afrika drängt*") from the influential German weekly magazine *Der Spiegel* suggest that the impact of China's activities in Africa is outright negative.

Well, we think it is not. Despite all the challenges China's development assistance faces in Africa, it has surprisingly much to offer for the continent's development.

The conventional wisdom on Chinese aid is largely wrong in three of its central beliefs: the size of China's aid flows, the role of resources, and the impact on governance and human rights.

First, China's aid programme is far smaller than we are led to believe. The estimated US$1.6 billion of official assistance that China transferred to Africa in 2009 is much smaller than aid flows from Africa's main donors, including Germany. Together, the West disbursed nearly US$30 billion in official development assistance (ODA) to Africa in 2009. If one looks instead at trade financing and other government loans, which China would also consider as development assistance in a broader sense, the situation is quite different. Western governments provided only US$3.2 billion in official credits, which are provided on less favourable terms compared to ODA. China probably committed more than US$6 billion that year, according to authors' estimates based on Chinese statements, in part to finance exports worth US$50 billion. While before the financial crisis private banks from the West sent billions into Africa, these private flows have almost completely dried up after 2008. China's ability to keep funds flowing has been critical for business in Africa.

With these figures it is difficult to argue that China is pushing the West out of Africa. On the contrary, the engagement of the second largest economy in the world should be welcomed, particularly in the face of the financial pressures faced by the West.

Second, we often hear that China's alleged hunger for natural resources is the main driver of Chinese aid. However, a closer look at the facts shows that Chinese aid is distributed fairly evenly around the continent, and is primarily used for diplomacy, or as part of a framework of economic cooperation. In fact China's aid, with its focus on infrastructure and smallholder agriculture, is complementary to Western aid as these are sectors often neglected by traditional donors. Access to resources, often traded against the provision of physical infrastructure, is definitely a key part of China's engagement in Africa, as it is for the West. Yet the resource-infrastructure packages we have seen rarely involve Chinese development aid, but use other official funds. Of course, whether those barter-type deals will be beneficial for the African countries will be decided only in the long run. Finally, Chinese companies are active in a number of other sectors as well such as construction, manufacturing, telecommunications.

Last but not least, the Western media often portrays China as undermining the West's ability to use conditionality to support human rights and governance initiatives. A more nuanced picture would show Beijing voting in favour of sanctions on Libya, pushing Sudan to allow a joint UN-African Union peacekeeping force into Darfur, and successfully pressing Robert Mugabe to form a government of national unity with the Zimbabwean opposition. China provides no aid to Gaddafi's Libya, and little to Sudan or Zimbabwe, although its companies and banks were not barred from doing business with these three pariahs. More generally, there is no evidence at all that in Africa Beijing prefers to cooperate with poorly governed, authoritarian governments instead of democratic regimes. Some of China's best business partners in Africa include robust democracies: South Africa, Ghana, and Mauritius.

As these three examples show, the public discourse has still not gotten the basic facts right about China's engagement in Africa. This does not mean that China's record is without problems. Chinese aid to Africa faces several challenges such as environmental and social impact, overall transparency of aid flows and coordination with other donors. And the complaints of African workers vexed at poor salaries and labour conditions have grown as Chinese employers become more numerous.

We see the critical public discourse in Germany as partly a reflection of different views of what aid is and what it should aim to achieve. For China, a country which still struggles with huge domestic development challenges, aid is one instrument for building mutually beneficial economic cooperation. From a German perspective this accentuation of economic (self-) interest seems suspicious. Africa is often seen by the West as a continent of poverty and violence, an objective of charity rather than, as the Chinese see it, an investment opportunity. Lastly, the criticism might be influenced by the persistent paternalistic views of many Western development workers who believe they know how "to develop Africa". If the Chinese are doing something different, it must be wrong.

In our view the biased account of China's aid to Africa in the German media is even more a result of the prevailing negative picture of China. As a recent BBC survey revealed, European citizens – and Germans most of all – are suspicious and mistrustful of China mainly because of its rising economic power. Against this background it comes as no surprise that media reports are often tinged with these fears which colour our views of all aspects of China's growing global presence. Surprisingly, the German public almost totally disregards the growing engagement of other (democratic) rising powers such as India or Brazil in Africa, even though their practices are more comparable to Chinese than to Western aid.

Our critical focus on China's aid obstructs our view of the role of African governments and societies. They are the ones who should be in the driving seat deciding what kind of international assistance they need and which partnerships they take on. Rather than pointing the finger at China we should discuss how we can strengthen the capacities of African governments and societies enabling them to engage with traditional and emerging donors on an equal level to ensure that their offers are aligned with national development strategies.

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