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China and Africa: the new normal

By Sven Grimm & Christine Hackenesch,
German Development Institute /
Deutsches Institut für Entwicklungspolitik (DIE)

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Bonn, 30 November 2015. The Forum on China–Africa Cooperation (FOCAC) gathers high-profile leaders once every three years for a meeting not dissimilar to the EU-Africa Summit. 15 years on from FOCAC's first gathering in Beijing, relations between China and the African continent are more extensive than ever. There is barely a policy area nowadays in which Beijing is not engaged in wide-ranging cooperation with at least a few countries. What can we expect from the China-Africa summit? Peace and security, agriculture, environmental issues and Chinese support for regional cooperation in Africa in particular will be even higher on the agenda this time than they were at the last forum in Beijing in 2012.

At the same time, discussions at the summit will most likely be pervaded by the slow-down that has been seen in China's economic growth. 2015 has showed more clearly than ever just how interwoven Chinese and African economic policy have become. The 'new normal' of economic growth being below seven per cent in China is affecting African countries both directly and indirectly. Countries with an abundance of raw materials especially are exporting fewer of these resources to China and also losing state revenue as a result of low raw-material prices. It was always short-sighted of Africa to pin all of its hopes on China's economic rise, an African strategy which ultimately saw China overstretched too.

It is extremely difficult to see how China will/can increase funding for international development cooperation as its domestic situation gets more difficult. The last few FOCAC meetings saw the Chinese Government double its financial commitments - from USD 5 billion in 2006 to USD 10 billion in 2009 to USD 20 billion in 2012, with an additional USD 10 billion increase in 2014. Just a few weeks ago, there was talk of USD 50 billion, though it remained unclear how much of this would be 'new money'. However, against the backdrop of a weakened Chinese economy and greater investment in other financial instruments such as the Asian Infrastructure Investment Bank (AIIB) and the Silk Road Fund, it is highly unlikely that credit lines and donations for Africa will continue to increase indefinitely. Ultimately, Africa's long-term development can only be effectively planned and pursued on the continent itself. Looking beyond high cash flows, we need to ask to what extent African nations are making stra-

tegic use of their cooperation with China (and other partners) to drive their own development. The handling of the FOCAC meeting by the African organisers is one example of the difficulties involved, with the time and location of the China-Africa Summit only announced in early September. It would seem that the preparations being made on the African continent for FOCAC are not leading organisers to reflect on the current state of cooperation. There needs to be a recognition that the end of one FOCAC summit marks the beginning of preparations for the next one.

For China, the challenge will now increasingly be to meaningfully integrate new offerings and existing cooperation arrangements. From a big picture perspective, programmes will progressively take precedence over projects in Chinese cooperation. And the closer the economic relations, the more China will push for efforts to be made to improve the investment climate. While this may not correspond directly to the Western discussion of governance with Africa, it provides a number of points of connection with that discussion. As such, for all the rhetoric to the contrary, China is increasingly serving as a partner that supports Africa while at the same time placing expectations on the continent.

For their part, African states need to more effectively coordinate their partners, including China. This is already happening in a number of countries in which Chinese partners are being handed an exclusive 'wish list'. This is very much in Beijing's interest, as it is enquiring often enough about African plans and strategies. What are the major issues of the future that should be addressed jointly? Where exactly can China show extra commitment? In which areas has Africa already identified particular challenges? More can be achieved with African initiative.

China is no longer the only country for which summits with Africa are a popular cooperation instrument. African heads of state and government travelled to Delhi for the India-Africa Forum Summit in October, and the Japanese Prime Minister will lead a delegation to the Tokyo International Conference on Africa's Development in Kenya next year. With more partners than ever, Africa now needs to work to understand them, their agenda and their political boundaries and, most of all, play to its own strengths.