FROM "DISCRETION" TO"ASSERTIVENESS": A NEW ERA IN SINO-AFRICAN RELATIONS?

Beijing appears to be moving on from the discretion and use of soft power tools that characterised a good part of China's intense relations with Africa over the last two decades. Instead, it is opting for an increasingly political strategy, geared towards safeguarding its interests and funding more productive and strategic sectors in the continent. In doing so, it is recasting its traditional image as a "different partner" on the continent.



ÓSCAT Mateos Professor at School of Communication and International Relations, Blanquerna - Ramon Llull University, and Associate Researcher at CIDOB

CIDOB REPORT # 11- 2023

"Chinafrica" as a global phenomenon

China's economic and trade inroads into Africa in the last two decades comprise what is likely one of the topics of greatest political importance and keenest interest in the field of International Relations of recent years. So much that many have employed the term "Chinafrica" to describe the particular intensity of this relationship. Sino-African relations also rank among the most crucial factors of late for a continent immersed in a process of profound economic, social and political transformation. Africa, in turn, has become vital to Beijing's interests and strategies thanks to an abundance of raw materials and the diplomatic possibilities of bilateral relations with over 50 countries.

This genuine interaction has triggered a process of increasing alobal competition. China's footprint rivals the geopolitical and geoeconomic hegemony that Europe and the United States have traditionally enjoyed over the continent. It has also helped to attract other rising powers (India, Russia, Brazil, Turkey or Saudia Arabia, to name just a few), forming what some, like The Economist, have called a "new scramble for Africa". Indeed, Chinese presence has acted as a catalyst both for the process of transformation of many African countries and for a new regional context marked by greater competition and diversity of actors.

Debt, infrastructure and the principle of non-interference

China is no newcomer to Africa. Sino-African relations were uninterrupted throughout the second half of the 20th century, characterised by modest economic assistance to the new African countries on China's behalf. But, above all, by a strategic political alliance against the backdrop of an emerging Non-Aligned Movement as China stood behind several African liberation movements during the Cold War. In 1971 the new sovereign states of Africa were decisive in the vote that allowed the People's Republic of China (PRC) to wrestle control of the United Nations General Assembly and Security Council seats away from the representatives of the nationalist forces defeated in the civil war and which governed Taiwan (Vines and

AS CHINA STOOD BEHIND SEVERAL AFRICAN LIBERATION MOVEMENTS DURING THE COLD WAR, THESE **NEW SOVEREIGN STATES OF AFRICA** WERE DECISIVE IN THE **VOTED THAT ALLOWED** THE PEOPLE'S **REPUBLIC OF CHINA TO** WRESTLE CONTROL OF THE UNITED NATIONS **GENERAL ASSEMBLY** AND SECURITY **COUNCIL SEATS IN** 1971.

Wallace, 2023).

The dawning of the new millennium, however, saw those relations move into overdrive. In a little over 20 months, between March 2000 and December 2001, three events gave an extraordinary boost to Sino-African interaction. First, the announcement by the PRC president at the time, Jiang Zemin, of his "Going Out" strategy, which encouraged Chinese enterprises to invest abroad and placed Africa at the heart of this movement. Second, the momentum provided by the first Forum on China-Africa Cooperation (FOCAC) as a platform to establish the guiding principles and criteria of these relations. And finally, China's accession to the World Trade Organisation (WTO), which would underpin its expansionary strategy to scale up trade and investment in Africa.

This new era of relations would send trade, investment and aid figures soaring, with infrastructure construction as the linchpin of all engagement. The figures speak for themselves. According to American Enterprise Institute (AEI) data, China has invested over \$300bn in the region since 2005¹. Some \$160bn would appear to be loans the Chinese authorities granted to African governments between 2000 and 2020 (The Economist, 2022). Two-thirds of these investments were allocated to infrastructure projects (roads, ports, railways, public buildings, dams, etc.). It all adds up to two-and-a-half

^{1.} See Appendix, Table 5

times more than what the other bilateral lenders combined granted to the continent for the construction of infrastructure between 2007 and 2020.

Several factors explain this "lend and build" strategy. First, Chinese programmes focus on what Beijing can offer most effectively, fostering what its enterprises – most of which are state-owned – do best. Second, the approach is in step with the "Asian development model", directed at improving production capacity. Third, this model involves little prying into internal affairs such as policy design or macroeconomic management, in line with the principle of non-interference, a doctrine that has steered China's engagement with Africa from the outset. Intrusion into the political or human rights situation of each context in question is eschewed (Colom and Mateos, 2022).

The value of trade between China and Africa has grown exponentially too. It increased from the \$10bn posted in 2000 to the record total value of \$285bn reached in 2022, according to International Monetary Fund (IMF) data – 10% of Africa's entire GDP and four times the value of the trade existing between the United States and Africa at present. China's exports to Africa in 2022 came to \$164bn, according to the country's customs authorities, while imports amounted to \$117.5bn. Beijing has gone from being a marginal partner of most African countries only 20 years ago to the main one in many cases. Nigeria is China's chief African importer. South Africa is its greatest exporter, followed by Angola and Democratic Republic of Congo, which together make up its three biggest raw material suppliers on the continent.

This intense relationship has sparked, and polarised, all manner of debates, ranging from its alleged "neocolonial" nature to its potential to transform Africa. China, moreover, has endeavoured to accompany this presence with rhetoric that projects the image of a "different partner" to the continent. It paints itself as an comrade with which African countries can share historical paths and their own values against the backdrop of a flourishing "South-South cooperation" that stands in contrast with Africa's markedly asymmetrical relationship with the West. There is no doubt China's arrival has broadened the possibilities of all African governments, whose options previously were confined to the agendas of the European Union and the United States.

We might ask who the winners and losers are from this intense outreach on the part of Beijing. While it broadens African governments' options, the negative externalities of this footprint are equally important. Prominent among them are the environmental and social repercussions of extractivism, the reinforcement of an authoritarian drift that it brings to many political contexts, or the scant impact the projects have had on the social welfare of the local populations at large.

Xi Jinping's "assertive" and security-focused shift in Africa

Some analysts believe that the era of "Chinese discretion" in Africa is gradually giving way to a more "assertive" approach (Nantulya, 2023). According to the scholars Chris Alden and Zheng Yixiao (2018), this more explicitly political engagement with the continent springs from Beijing's perception that its interests there face three major challenges.

First, China faces a reputational challenge, stemming from its traditional policy of non-interference. Ultimately, this casts China as indifferent to and

THERE IS NO DOUBT CHINA'S ARRIVAL HAS BROADENED THE POSSIBILITIES OF ALL AFRICAN GOVERNMENTS, WHOSE OPTIONS PREVIOUSLY WERE CONFINED TO THE AGENDAS OF THE EUROPEAN UNION AND THE UNITED STATES. complicit in human rights violations, tarnishing its image as a global player on the world stage. The second is the challenge posed by its business interests and the security of over 10,000 Chinese companies in Africa in testing regional circumstances. Finally, there is the challenge of ensuring the physical safety of the 1 million-plus Chinese citizens who live on the continent² in the face of growing attacks, particularly in unstable environments. **Research** in 2015 revealed that 60% of all assaults on Chinese workers abroad took place in Africa.

It is this context that explains why China

has decided to complement its traditional soft power approach on the continent with security measures to bolster a more political and geostrategic capacity. On the one hand, we have seen greater cooperation on security matters with various African actors in several spheres. Some prominent examples are the holding of a China-Africa Defence and Security Forum in 2018, attended by 50 of the continent's leaders; the participation of Chinese officers in the training of police forces in different African countries; the staging of military exercises in Cameroon, Gabon, Ghana or Nigeria, joint manoeuvres with Tanzania, or trilateral naval exercises between China, Russia and South Africa in 2019 and 2023.

On the other hand, Beijing has taken more forward measures too, such as the construction of military base in Djibouti in 2016 (and unconfirmed

^{2.} In 2012, this population was mostly in South Africa (around 300,000), Angola (some 260,000) and Nigeria (about 180,000), followed by Mauritius, Madagascar, Ghana and Tanzania (between 30,000 and 50,000 in each) (Rolland, 2022).

rumours of future bases in other locations like Equatorial Guinea) or the growth in outsourcing to Chinese private security contractors to protect Chinese projects, citizens and diplomats in African territory. China is also currently the second biggest arms exporter to the continent (with 20% of the market); only Russia exports more.

This concern for security on the continent has gone hand in hand with more active diplomatic and geostrategic action that helps to enhance its capacity as a global actor (Nantulya, 2023). Two examples of this dynamic are, one, its greater contribution to United Nations peacekeeping missions in Africa – in Mali or South Sudan, for instance –, as well as alliances with African actors to reshape multilateral institutions and advance the creation of new ones. And two, observers have noted that in certain cases Beijing has also been capable of making its aid or cooperation with African countries conditional on the support it receives from them in certain votes in the various UN forums related to situations such as the Uyghurs in Xinjiang.

End of the loan era?

China has extended a huge volume of loans to a good deal of African countries over the last two decades. Beijing's exposure to African debt is reaching considerable proportions, amounting to some \$143bn in 2017 (Alden and Jiang, 2019, p.641). It accounts for approximately 23% of all China's foreign loans and 20.6% of Africa's entire external debt. This volume warrants some consideration, however. While the figure tops that of all the other official bilateral creditors combined, it is still less than what the World Bank or commercial creditors have loaned Africa. Debt with China, moreover, accounts for more than a quarter of the public debt in just seven of the 22 African countries classified by the IMF as being in "debt distress". In 2021, for example, Angola was the most indebted African country with China, while Zambia was the nation that received the largest volume of bilateral loans from Beijing, representing approximately a third of its debt. It has been an issue of mounting importance since this latter country started defaulting on its external debt in 2020 (Vines and Wallace, 2023).

Loans policy, however, has been playing a less central role in the Belt and Road Initiative (BRI), launched in 2013. Chinese loans to the continent have been falling steadily since 2016. Be that as it may, the loans-to-Africa issue has become a major political problem in China, compounded by the severe socioeconomic blow that COVID-19 dealt to many African countries and to the Asian giant itself. This has prompted the Xi regime to embark on a debt restructuring strategy that has included debt service suspensions for 16 African countries during the pandemic and the granting of rescue loans. This strategy complements China's participation in the initiatives from multilateral organisations like the G-20 or IMF and is leading the country to direct its loans towards more specific investments in agriculture and renewable energies such as wind and solar power. At any rate, given the weight China carries as a major creditor, the stance it takes will be key in the https://www.reuters.com/world/africa/zambia-seals-63-billion-debt-restructuring-deal-2023-06-22/.

THE LOANS-TO-AFRICA
ISSUE HAS BECOME
A MAJOR POLITICAL
PROBLEM IN CHINA,
COMPOUNDED
BY THE SEVERE
SOCIOECONOMIC
BLOW THAT COVID-19
DEALT TO MANY
AFRICAN COUNTRIES
AND TO THE ASIAN
GIANT ITSELF.

Nevertheless, Alden and Jiang (2019, p.641) wrote that in tandem with the debt problem there has been "a quiet surge in Chinese investments in factories and assembly plants" that is transforming local economies in such a way that "should the trend continue, it could radically alter the continent's position within the global economy". According to the two authors, African states that pursue a programme of industrialisation mostly follow two general development lines (or a combination of both), depending on the availability of natural resources.

Countries like Nigeria, Angola, Mozambique, Zambia and Namibia have prioritised a structural transformation based on mining, utilising the comparative advantage contained in their energy and mineral resources to develop derivative manufacturing industries and increase the added value of their exports. Other countries, like Ethiopia, Kenya, Cameroon and Senegal favour a structural transformation driven by manufacturing industry that often begins with light industry relying less on energy and mineral resources and more on a plentiful supply of labour. The BRI also appears to be playing a significant role here as the destination of Chinese contracting-out and investment abroad, driven by the desire to transfer surplus industrial capacity, cultivate multinational enterprises and establish global value chains. As China's foreign minister, Wang Yi, has said, one of the new features of China-Africa cooperation will be the step up from trade in basic goods to cooperation on skills and processing trade.

However, that "difference" in the way of doing things compared to Western actors appears to be morphing into a relationship that, according to Alden and Jiang (2019), is now bound by more conventional power limitations, what they call a "new normal". The traditional principle of non-interference is currently under challenge from a more intrusive and security-focused strategy, geared towards safeguarding China's interests and lowering risk on the continent, against a regional backdrop of growing geopolitical and geoeconomic rivalry.

References

Alden, C. and Jiang, Lu. "Brave new world: debt, industrialization and security in China–Africa relations", *International Affairs*, vol. 95, n° 3, (2019), p. 641–657. https://doi.org/10.1093/ia/iiz083

Alden, C., Yixiao, Z. "China's Changing Role in Peace and Security in Africa", in Alden, C., Alao, A., Chun, Z., Barber, L. (eds.). *China and Africa*. Palgrave Macmillan, 2018. https://doi.org/10.1007/978-3-319-52893-9_3

Calabrese, L., & Tang, X. "Africa's economic transformation: The role of Chinese investment." Synthesis Report (2020). Overseas Development Institute (online). https://cdn.odi.org/media/documents/DEGRP-Africas-economic-transformation-the-role-of-Chinese-investment-Synthesis-report.pdf

Colom-Jaén, A. and Mateos, Ó. "China in Africa: Assessing the Consequences for the Continent's Agenda for Economic Regionalism". *Politics and Governance*, vol. 10, n° 2, (2022), p. 61-70. https://doi.org/10.17645/pag. v10i2.4945

Nantulya, P. "Africa's Role in China's Multilateralism Strategy", *African Center for Strategic Studies*, January 24, 2023 (online): https://africacenter.org/spotlight/africa-china-multilateralism

Rolland, N. (ed.). Political Front Lines: China's Pursuit of Influence in Africa, NBR Special Report N°. 100, 2022 (online): https://www.nbr.org/publication/political-front-lines-chinas-pursuit-of-influence-in-africa/

The Economist. "The new scramble for Africa", *The Economist*, March 7, 2019 (online): https://www.economist.com/leaders/2019/03/07/the-new-scramble-for-africa

The Economist. "Chinese loans and investment in infrastructure have been huge: Debt and infrastructure", *The Economist*, May 20, 2022 (online). : https://www.economist.com/special-report/2022/05/20/chinese-loans-and-investment-in-infrastructure-have-been-huge

Vines, A. and Wallace, J., "China-Africa relations", Chatham House, January 18, 2023 (online): https://www.chathamhouse.org/2023/01/china-africa-relations