

RED ALERT OR GREEN FOR GO

By Sanusha Naidu
COMMENT

09 November 2006

China has become the new game in town for Africa. This is evident by the peaked interest in media reports and publications by international institutions such as the World Bank and the Organisation of Economic Cooperation and Development commenting about the impact that the rise of China will have on African economies. Even continental institutions such as the African Economic Research Consortium (AERC) based in Kenya have initiated and set up an Asian Drivers' Project to measure the impact of China and India on the economies of sub-Saharan Africa. While useful, each of these reports and publications have one overarching aim, which is to determine whether China's engagement in Africa is good or bad.

Of course, the answer to this question depends on who is asking it, their ideological leanings, how they perceive China and, most importantly, their relationship to Africa. And it is at this point that most of the sensitivities and competing views around China's growing footprint in Africa begin to emerge.

Protagonists are confident that the spectacular trade figures and commitments made at Forum on China-Africa Cooperation (FOCAC) 2006 will entrench China's status as an invaluable development partner for Africa. But the critics are ambivalent. In their opinion, China's relationship with Africa is exploitative, extractive and unbalanced because Africa sells raw materials to Beijing and, in turn, imports manufactured goods. Moreover, the fact that China supports peaceful coexistence, harmony and respect for sovereignty as the cornerstone of its political interactions with African governments is seen as undermining the consensus built around the continent's good governance initiatives and development policy practices. In addition, it is asserted by Africa's traditional development partners that China's offer of \$5-billion in preferential loans and buyer's credit will re-indebt African nations. But are these criticisms fair assessments of China's African relations?

It would seem that the most obvious issue fuelling such criticisms is the reality that China's African engagements have introduced a new continental shift and impulse for Africa's northern partners. This is because of the two very different ways China and the north interpret their African relations. For the north, Africa is seen as a problem to be solved whereas for Beijing the continent represents a new frontier of opportunity and hence mutual benefits. And herein lies the dilemma.

The fact that China's political and economic interests are fuelling the continent's leverage becomes a concern in the north simply because Beijing is encroaching upon what has traditionally been a cauldron of interest and influence for northern powers. China's involvement in Africa means that African countries do not have to rely on one set of development partners who in the past have not shown Africa the maturity it deserves.

Of course, this does not mean that one can overlook that Africa's relationship with China does raise issues of concern such as the displacement of local production, whether investment will lead to job creation and whether the economic relations with Beijing create the space for African economies to diversify their industrial policies; all of these certainly need to be addressed.

Clearly, Africa needs to understand that China is not going to provide the panacea for all its developmental challenges and that the onus rests on African governments and continental institutions to ensure that regulatory frameworks are established to monitor good governance. African governments can and must push the development agenda with their Chinese counterparts to ensure that the relationship is being translated into viable development practices on the ground and to ask the awkward questions if they feel that their citizens are not benefiting or that the promises of investment are limited in impact.

But the fact that Africa's northern development partners are issuing warnings and other caveats concerning the continent's relations with China is contradictory and disingenuous in certain contexts.

Firstly, it does raise the issue of whether northern partners have done enough to grant Africa's agricultural producers access to their markets, considering the subsidised policies that they adopt in their internal economies. Secondly, Western multinational corporations have also been accused by global institutions such as Human Rights Watch and Global Witness of profiteering from conflict zones or engaging in illicit business transactions in war-torn economies. Thirdly, the details in the poverty relief packages on offer from the West are to a certain extent enshrouded with conditionalities that define how the money should be spent. Fourthly, not all developed countries have adhered to the policy of increasing their aid commitments to 0,7% of GDP. Lastly, it does seem duplicitous that Western powers criticise China for not tying political conditionality to its investments in Africa when their record is little different and they have only, in recent years, insisted on good governance as part of their foreign policy towards the continent.

If a more practical assessment of the criticisms is to be made, then it does appear that the concerns from the north over China's deepening involvement in Africa are about the clash of interests over strategic assets on the continent, namely energy resources.

Undoubtedly, the competitiveness of Chinese companies has undercut the prospects of other foreign corporates, including those from South Africa. Therefore the concerns emerging from Africa's traditional partners about China's deepening involvement in Africa appear to be born out of the increased competition Beijing represents to their strategic space in the continent.

But this should not be the case. This is because both China and Africa's northern partners should see that their vested interests on the continent need not be in conflict with one another. In this regard the words of Ethiopian Prime Minister Meles Zenawi at the recent FOCAC summit must be realised: "Our main challenge now is not fighting colonialism, but fighting poverty and backwardness and achieving economic independence."

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