# The Impact of Africa on China

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### 1 Introduction

No-one can doubt the increasing importance of China in Africa, or the impact that its growing presence has had on both African politicians and also aid donors. The presence of so many African leaders at the November 2006 Beijing Summit is proof of the former. The impact on donors arises from the rapid rise in China's trade with the continent, the increasing activity of Chinese companies and the challenges that China's Africa policies have posed for Western development strategies and priorities.

All too often, the image presented, by Africans as well as outsiders, is that of a strong and strategic China facing a weaker and less coherent group of African states. A western expression of this view was provided by The Economist: "China knows what it wants from Africa and will probably get it. The converse isn't true" (The Economist 2006). A similar African view was provided by a participant at a joint workshop of IDS Nairobi and IDS Sussex in June 2006: "China seems to have a strategy for Africa, but Africa does not seem to have a strategy for China".

The reasons for this perception of relative strength and relative weakness are not hard to find. China's rapid growth, expanding global footprint, competitiveness and success in reducing poverty (notwithstanding some serious issues of rural poverty and rising income inequality) should impress developed and developing countries alike. In 1966, China's per capita GDP was lower than that of countries such as Ghana, Kenya, Zambia and Zimbabwe. By 2000, China's GDP was substantially greater than all of these countries, and the gap has increased with continuing strong growth in China since then. Furthermore, China has behaves like an important player in the global economy and global politics, actively participating in global institutions in a way that only South Africa from the African continent can begin to match.

Obviously, China is having a big impact on Africa. In terms of the Asian Drivers typology of impacts, these are both direct (bilateral relationships) and indirect; they involve both complementary and competitive relationships; and they happen through a variety of channels. The potential inequality in the relationship is also clear. China is increasingly economically important for Africa, but Africa accounts for only 3% of China's international trade (Chan 2006: 18). Not surprisingly, much of the policy discussion about China in Africa concerns how African countries should adapt to this increasing Chinese interest in and impact on many countries across the African continent

Nevertheless, it is important to turn this question round. If African countries are to maximise the benefit of engagement with China, it is important to ask the question "How can Africa — as a whole and as individual countries — change China's policy stance to Africa so that more benefit accrues to Africa from the relationship?" Here, the critical issues relate to Chinese policy towards Africa and how African policy and African engagement with China might influence the policy decisions made in China that have direct impact on African countries. Given the continued strong role of the Chinese government (at both provincial and national levels) in its economy and in the behaviour of its companies and investors, the range of policy questions is broader than might be the case for other investors in Africa.

This paper explores these issues by examining the motives of the Chinese government and Chinese companies for trading and investing in African countries. It identifies

some of the areas where China's existing policy has run into problems in Africa and where Africans and African governments may have the potential to change Chinese policy (and also those where changes are unlikely) so that the benefits of engagement with China are increased. It identifies the factors that might increase the likelihood of Chinese actors listening to and responding to the messages they receive from Africa.

### 2 The importance of Africa for China

The increasing importance of Africa for China is clearly evident in the intensified Chinese diplomatic activity of recent years. Since 2000, President Hu Jintao and Premier Wen Jiabao have between them made eight visits to Africa. Of even more significance perhaps is the extensive Chinese Government support encouraging greater Chinese investment in Africa. This is evident in the work of the China-Africa Business Council (CABC) established in 2005 for the purpose of strengthening business ties between China and Africa. The CABC is a non-governmental organization and is jointly founded by the China Society for Promotion of the Guangcai Programme, the United Nations Development Programme and the Ministry of Commerce/China International Centre for Economic & Technical Exchanges.

Africa's rise up the political and economic agendas of the Chinese government results from three main considerations: political-strategic considerations; national interests (particularly economic); and the politics of the triangular relations between China, Africa and the West.

### 2.1 Political-strategic considerations

China has long sought diplomatic support in Africa, as highlighted by Luo (2006), Tull (2006, p. 460-61) and Jiang (2006). Africa's large numbers of countries provide support for China's broad diplomatic interests, most notably the One China policy. China looked to Africa for support in the 1960s, promoting the Third Way as an alternative to both Soviet and US influence. This culminated in China's accession to the UN in 1971, which was strongly supported by African states (Jiang 2006: 7-8). More recently, both Tull and Jiang trace the diplomatic offensive in Africa to the period after Tiananmen Square in 1989, when China was isolated and under pressure from the West. Thereafter, the emphasis upon South-South dialogue and cooperation increased as part of a deliberate policy to engage with states that were less critical on human rights issues and were held, publicly at least, to have shared experiences of Western colonialism and post-colonial human rights criticism. For one observer, "Relations with Africa are still the most important and reliable part of China's foreign relations. China and Africa relations are the base-point of Chinese diplomacy" (Zhang 2007). Clearly, the Taiwan issue is also central here historically, with the Beijing Government repeatedly harnessing African diplomatic support to block Taiwanese membership of organisations such as the WHO. Such support has also been important in the constant political battle to reject UN motions critical of China's human rights record, in general and with respect to Tibet.

### 2.2 National economic interests

These political-strategic motives have existed for a long time. More recently, they have been bolstered by economic motives. First, China's economy needs raw materials and energy. With respect to energy, in particular, Africa is one of the areas

of the world with newly-developing oil resources that have not been tied up by Western countries. China's imports from Africa are overwhelmingly resource-based. The most important trading partners for China in Africa are exporters of oil and minerals, with the five largest exporters to China being Angola, the Democratic Republic of Congo, Equatorial Guinea, South Africa and Sudan. Even South Africa's exports to China are now overwhelmingly mineral-based (Tull 2006, p. 472).

Second, Africa provides a small but important outlet for Chinese business. We can hypothesise that whereas Chinese exports to the United States are overwhelmingly channelled through transnational companies (Asian as well as European and North American) that have assembly operations in China, exports to Africa provide outlets to Chinese-owned companies. The China-Africa Business Council states that it receives hundreds of inquiries about opportunities in Africa from Chinese firms every week. Similarly, the pronounced presence of Chinese construction companies in Africa — not only working on projects tied to Chinese aid, but competing for construction projects more generally — is linked to market diversification and internationalisation strategies promoted by the Chinese government. At the November 2006 Beijing Summit the Chinese authorities endeavoured to imprint Africa on the Chinese imagination by having a two-day fair with over 170 enterprises from 23 African countries. The idea of this exhibition was not only to promote imports from Africa, but also to stimulate Chinese business to invest more. This is a government objective linked to China's image in Africa. Increased investment by Chinese firms is often presented by Chinese business people and politicians as designed to promote African development (Marks 2007: 4). This has a good side. China offers a one stop approach, where the government can coordinate extractive contracts, construction contracts, soft loans and rural development projects - tied into visits of top government officials (Marks 2007: 7).

As is well-known, China presents this engagement with Africa as being substantially different to the engagement of the Western powers. While references are made to colonialism, the critique of the Western powers is based on the current and recent policies and extends to countries that were not colonisers in Africa, notably the United States. The "colonial" jibe is about mentality rather than history. The Chinese claims to a distinctive approach are based on:

1. Complementarity of interests. The Chinese government White Paper, *China's Peaceful Development Road*, issued by the State Council Information Office in December 2005 argues that China sees its economic growth and increasing participation in world trade as being in harmony with the globalisation process. He states that China makes a huge contribution to world prosperity by being the world's third largest importer. It wants world society to see itself as in a "winwin" situation with China. China presents itself as engaged in complementary trade. The White Paper states that "China's foreign trade is mutually supplementary with many countries. About 70% of China's exports to the US, Japan and the European Union are labour-intensive, while 80% of its imports from there are capital intensive and knowledge intensive. In the new structure of international labour division, the country has become a key link in the global

industrial chain" (Section IV, page 11). While Africa is not mentioned, it is clear that China-Africa trade is also seen as complementary: manufactures exchanged for resources. This trade is seen as beneficial to both partners, irrespective of the composition of the trade flows.

2. China as a developing country. It claims to have sympathy with other developing countries and to understand their interests. This implies that China's trade, aid and investment, and the principles that inform them, are more appropriate to the needs of other developing countries than the trade aid and investment originating from OECD countries. In its competition with the Western powers for influence and prestige, China presents itself as anti-colonial, as argued by Scott Zhou:

"By blaming Africa's underdevelopment on colonialism, Beijing believes it has established the moral high ground. From training "fighters for freedom" in the revolutionary 1960s and early 1970s to providing scholarships to children of African elites, China has been exporting its values for years. By successfully linking neo-colonialism with the neo-liberalism of Western countries, China has been able to win the hearts and minds of African elites" (S. Zhou 2006).

The corollary of this is that China reacts very sensitively to arguments that it is another colonial power. As Scott Zhou and others have noted, on the eve of the FOCAC summit, its State Council issued Nine Principles to Encourage and Standardise Enterprises Overseas Investment. These "require Chinese companies, most of which are state-owned enterprises, to abide by local laws, bid contracts on the basis of transparency and equality, protect the labour rights of local employees, protect the environment, implement corporate responsibilities and so on" (S. Zhou 2006).

The "moral high ground" is encapsulated in the Bandung principles. China 3. repeatedly asserts the importance of the five principles adopted at the 1954 Asian-African conference in Bandung: mutual non-interference in internal affairs; mutual respect for territorial integrity and sovereignty; mutual nonaggression; equality and mutual benefit; peaceful coexistence. Of these, the principle of non-interference in the internal affairs of other states has been the most noteworthy because of its implications for both aid conditionality and China's relations with Sudan and Zimbabwe. This principle is important for Chinese policy, in part but not exclusively because of China's own sensitivity over Western questioning of its human rights record. It also relates to China's strong cultural belief in 'minding one's own business' as a way of avoiding conflict and maintaining mutual respect in personal relationships. It leads to the belief that China's bilateral relations are solely the concern of the countries directly involved. At the present time, these concerns are reinforced by anxiety over a developing Western, particularly US, doctrine of the right of states to interfere in other countries in support of human rights, and the framework within which such interventions might be permissible under international law. While

The full English version of this document can be found in the People's Daily Online, for 22 December 2005, available at <a href="http://english.people.com.cn/200512/22/eng20051222">http://english.people.com.cn/200512/22/eng20051222</a> 230059.html. It should be noted that this document has only three references to Africa in it — one referring to the 15<sup>th</sup> century voyages of Admiral He Zheng and a further two listing Africa in the context of trade agreements and internationa fora, placing the Forum on China-Africa Cooperation (FOCAC) alongside APEC, ASEM, and groupings for the Arab and the Mekong countries.

China has become involved in peacekeeping in Africa, this is very much within the framework of established international law.

#### 2.3 **Triangular relations**

Why China's engagement with Africa is long-standing, it has to be recognised that China's policies towards Africa are shaped to a considerable extent by its rivalry with Western powers. In the economic sphere, for example, the search for oil in Africa is partly the result of China's sense that many established oil fields and producers are linked to Western interests. Similarly, China's turn to Africa is, in part, a response to the feeling of encirclement by the West, and much of its regional and global diplomacy is directed to countering this threat. One Taiwanese scholar has gone so far as to claim that "From the political point of view, the future of Sino-African relations depends neither on China, nor on Africa, but above all on the consequences of the interactions between China and the great powers" (Jiang 2006: 23). Even if this is an exaggeration, it is certainly true that China's Africa strategy is shaped by its desire to open up new economic frontiers and to compete with the West.<sup>2</sup> China wants to justify its claims that its diplomacy and development policy are better than the West's, and it is also aware of the political pressures coming from Western states seeking to ensure that an increasingly powerful and influential China is also one that is a good global citizen.

### 3. China in Africa: challenges and opportunities

Three factors make it possible for Africa to exercise pressure on China. First, there are clear areas where Africans are expressing the view that Chinese policy in Africa needs to change. Notwithstanding its declared good intentions, there are challenges as well as opportunities in China's relationships with African countries. Second, as has been suggested above, image is important for China – being seen to act appropriately (Luo 2006). China cares about its image in the world and its capacity to mobilise political support. Therefore, from an African perspective, the entry of China into the marketplace presents political opportunities to play the 'West card' in order to maximise bargaining leverage over Beijing as much as it does the chance to play the 'China card' against the West.

A clear example of China encountering friction in Africa was visible in Hu Jintao's visit to Zambia in February 2007. From the perspective of China (and also the Zambian government), the visit should have been the platform for celebrating increased economic cooperation and Chinese support for the Zambian economy expressed in the following measures:<sup>3</sup>

- Increased tariff-free access for Zambian products in the Chinese market: the number of tariff-free products being increased from 192 to 452.
- Access for Zambians to Bank of China finance for manufacturing operations for export to China.
- Debt write offs

New investment totalling US\$ 800 million in mining, manufacturing and agriculture in 2007.

<sup>&</sup>lt;sup>2</sup> Stephen Chan, Dean of Law and Social Science at SOAS in London, has also observed that high levels of Chinese spending in Africa are dependent upon continuing Chinese trade surpluses with the

<sup>&</sup>lt;sup>3</sup> Reuters report, 5 February 2007, available http://www.stuff.co.nz/stuff/3951829a6026.htm.

• The establishment of a special economic zone for Chinese investors in Chambishi. Chinese firms will be exempted from import duties and value added taxes: "Officials said 60 Chinese companies would launch operations in the economic zone and create 60,000 new jobs for Zambians in the next three years, after the two presidents unveiled a plaque at a ceremony on Sunday for what China has said will be the first of five economic zones across Africa" (source as in note). In return, Chinese firms will be exempted from import duties and value added taxes.

While these positive aspects of the Chinese involvement in Africa are commonly cited — increasing aid, very cost efficient delivery of projects, no-nonsense approach — and appreciated by African governments, there are negatives as well, and these also surfaced in President Hu's visit to Zambia. Reporting of the visit, particularly in the Western press, focused on other areas, where China's impact on Zambia was viewed less favourably:

- The closure of Zambia China Mulungushi Textiles. This plant had originally been financed by China and operated with Chinese expertise. Its demise was attributed to competition from imported Chinese textiles.
- Concern over the way Chinese companies were operating in Zambia. In 2005, more than 50 workers were blown up in the BGRIMM Explosives factory at the Chinese-owned Chambishi mine in an accident blamed on lax safety. Further issues relating to mine safety and working conditions at Chinese firms arose in 2006: police shot and wounded six miners at the Chambishi mine in a riot over working conditions. In June of the same year, a Chinese-owned mining company was closed down by the Zambian authorities after reports that workers were being sent underground without protective clothing or boots.
- Friction over Chinese traders and market sellers, which led to riots in Lusaka in October 2006. This followed the China issue being raised by the defeated Presidential candidate, Michael Sata.

In recognition of these difficulties, Hu Jintao's planned launch of a \$200m smelter at a Chinese-owned copper mine was cancelled.

These concerns are by no means confined to Zambia. In the collection of articles from Pambazuka news edited by Manji and Marks (2007), the concerns expressed range from the impact of China's demand for commodities — oil, timber products, minerals, etc. — and its potentially negative consequences. These include unsustainable extraction, environmental problems and macroeconomic imbalances. Two studies, one on Mozambique (Lemos and Ribeiro 2007) and one on the Sudan (Askouri 2007) point to the stripping of slow growing tropical hardwoods in Mozambique's semi-arid forests, and the many environmental consequences of the Mpanda Nkuwa dam project. The Sudan is a classic example of how China does interfere in the domestic

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BGRIMM Explosives is a division of Beijing General Research Institute of Mining and Metallurgy. It is a major supplier of explosives to Chambishi mine, which in turn is 85% owned by China's NFC Mining Africa Plc, which bought the Chambishi mine from its previouls owners. NFC Mining Africa Plc is, in turn 85% owned by China Non-Ferrous Metals Industries Foreign Engineering and Construction Group (CNFC China), with the remaining 15% held by Zambia's ZCCM Holdings

affairs of a country, by greatly strengthening the stance of the Islamic military junta in policies of repression as its principal arms supplier and major defender in the UN.

On the one hand, there have been widely-expressed concerns about the impact on local producers and traders of Chinese exports to Africa, as well as about their quality. Given that China's imports come from very few African countries (five countries accounted for more than 75% of China's total imports from Africa in 2005)<sup>5</sup>, most African countries run a balance of trade deficit with China. Chinese customs statistics indicate that 50 out of 59 African countries had trade deficits with China in 2005. In the case of South Africa, a voluntary agreement restraining Chinese exports of textiles and promising to promote Chinese FDI in South Africa was agreed in mid-2006. Even so, later in the year President Thabo Mbeki warned of the dangers of the emerging pattern of trade with China:

Mr Mbeki said that if Africa just exported raw materials to China while importing Chinese manufactured goods, the African continent could be "condemned to underdevelopment". He said that this would simply mean "a replication" of Africa's historical relationship with its former colonial powers. <sup>6</sup>

This is a particularly difficult issue for China to address. China's claim that trade is "win-win" is not so much naive as pragmatic: China has very little option. It needs raw materials to sustain its rapid economic growth. A pragmatic approach to ensuring continued rapid growth in the Chinese economy is an absolute economic and political priority of the Chinese government. For most governments, this would be a perfectly reasonable goal (and Western governments have equally pursued, and are pursuing, policies relating to energy security, supply of raw materials, etc.). In the Chinese case, the need for continued rapid growth is even more pressing: without it the government can neither provide job opportunities for people crowding into the cities, nor sustain its own political legitimacy, which has little foundation any longer other than a rapidly developing economy.

From the Chinese perspective, Africa's level of development and resource endowment make the exploitation of natural resources an appropriate development strategy. It is up to Africans to use the resources that these exports generate wisely to take it to the next level. China faces the same problem. Its export-led growth has been largely based on export processing of manufactures, and while the government has, in the past, introduced local content and technology transfer requirements in some sectors, it is recognised that it is up to the government and Chinese companies to develop the capacity to move beyond this and compete in more sophisticated manufacturing activities. If China has to take its destiny into its own hands, then so does Africa.

In other words, however much Africans complain about trade with China reinforcing what might be considered the 19th-century colonial (or in the case of Latin America post-colonial) division of labour based on exchanges of manufactures for raw materials, China can do little but shrug its shoulders and observe that this is the current state of the global economy. Chinese FDI in Africa or promises to promote export processing zones or restrain exports might make a difference at the margin, but

Data from Chinese customs.

BBC News Online, 'Mbeki warns on China-Africa ties', 14 December 2006 available at: http://news.bbc.co.uk/1/hi/business/6178897.stm

they will not change the underlying situation. Anti-dumping actions against China, for example, might curb some of the excesses of Chinese penetration of African markets, but they do not change the underlying fact that Chinese products are very competitive, particularly with an undervalued exchange rate which will not change in response to African pressure.

Faced with this reality, what does China do? Overall, about 60% of trade remedy investigation cases against China have come from developing countries such as India, Turkey and South Africa. Indeed a senior Chinese Commerce ministry official reported that since the compromises with the EU and the US on textiles in the summer and autumn of 2005 friction between China and developing countries had increased. China still claims that when it is in a dispute with developing countries "we will give more consideration to their development needs". In the same report, the deputy trade representative Wang Shichun, also director of the Commerce Ministry's Bureau of Fair Trade in Imports and Exports, called on domestic companies to channel more investment into developing countries and provide more technical aid and personnel training. In this way the Minister said: "Our Objective is to help domestic export companies to boost the economies of import nations" (Wang 2006).

China is on the defensive on this issue. Zhou Xiaojing, vice-director of the Institute of Asian and African Development Studies, State Council Development Research Centre felt the need to respond to such concerns by arguing that:

- China is not a threat, China is not practicing neo-colonialism
- China imports one third of the amount of oil from Africa as the USA does.
- Western oil companies are also investing heavily in African oil.
- The oil trade between China and African countries is open, transparent, and mutually beneficial.

# He went on to argue that:

"However, we must also realize that the African version of the "China threat theory" does have a certain negative impact in some African countries. To destroy the "theory", in addition to continuing to maintain the political and economic interests of the African countries in the international arena and bilateral field, efforts should be made to actively to promote multilateral dialogue mechanisms, eliminate mistrust through active dialogue, as well as strengthen the friendship and cooperative fruits as a result of the efforts of decades" (X. Zhou 2006).

Here, then, is the opportunity. If China can do little about the economic facts of life, it can do much more to eliminate mistrust and promote multilateral dialogue. China is still learning its way in Africa. It seems to set considerable store on showing itself to be a better partner than the developed countries. In pursuing this objective, it will employ the pragmatism that is a hallmark of Chinese foreign policy. While part of this pragmatism is expressed in the pursuit of core national interests, including sustaining growth, with its implications for securing resource and energy, and other part is being willing to adapt policies to external pressures and to change policies when they are not working. An example of how China's policy can change in response to pressure came in 2006. Just one year before, Tull was able to suggest that South African complaints about competition from imported Chinese textiles would fall on deaf ears

in China (2006, p. 473), by mid-2006 China had come to an agreement about voluntary export restraint and the promotion of Chinese textile FDI in South Africa.

### 4 How Africa can make a difference to Chinese policy?

This question has three aspects. First, what are the areas where Africa can make demands on China with respect to its engagement with African? Second, insofar as some response to China beyond bilateral discussions between China and individual African countries is desirable, what institutions are best placed to take up this role? Third, is there anything specific about China, other than its sheer size or economic importance, that implies that China needs a specific response from Africa, differentiated from either the broader range of new powers in the global economy (including countries such as Brazil, India and Malaysia), or from key actors in the global economy more generally? In other words, do China-Africa relationships need handling in a way different to those with other countries?

With respect to the first question, it is possible to identify three sets of questions for the agenda. The first set must surely involve the identification of the commitments that China is making with respect to its involvement in Africa and proposals for ways for monitoring the fulfilment of these commitments. The list is quite a long one, and the items already cited in this paper include:

- Doubling of aid by 2009. How will this be measured and accounted for?
- The seven principles governing the conduct of Chinese firms in Africa. As this is an area where senior Chinese officials admit that they have limited control over how both state-owned and private Chinese enterprises behave in Africa, it is an area that certainly needs monitoring.
- Operationalising the idea of "we will give more consideration to their development needs". Where do African countries feel that such consideration is needed, and how might it be put into practice?
- Promote multilateral dialogue mechanisms. In what areas do African countries and African institutions want strengthened multilateral dialogue? In particular, is this an area where the bilateral principle of "non-interference in domestic affairs" can be mediated through the collective responsibility of African countries through their collective institutions?

The second set of questions relates to areas where China may not have made commitments, but where African countries have expressed concerns. These issues include aid-tying (particularly the use of Chinese labour in construction projects), increasing the value added in China's imports from Africa, and restraints on Chinese manufactured exports, particularly low-quality exports (to which one might add control over counterfeit products, particularly medicines). Here, Africa (collectively, or as individual countries) has to raise issues that Beijing is clearly aware of and concerned about, but which have not been subject to any promises or commitments.

The third set of questions are those that have not been clearly articulated by African governments, and about which there may be no consensus, but which have been articulated by other actors in Africa and by external actors, including but not exclusively OECD country governments. These include:

- The commitment of China to the Extractive Industries Transparency Initiative.<sup>7</sup>
- Aid effectiveness. What works, and how should the effectiveness of Chinese aid be monitored?
- Non-intervention and its consequences in Sudan and Zimbabwe.

While these three lists have been derived from debates inside and outside Africa about China's engagement with the Continent, it is clear that the issues raised are also pertinent for the conduct of other countries — not only the group of emerging donors (Brazil, India, Malaysia, etc.), but also the OECD countries (both the long-established donors and trading partners and the more recent entrants). Such monitoring is not only desirable for China, but for other countries.

These issues go beyond aid. The Chinese government makes a particular point of presenting itself as a partner rather than a donor, even when it is in the business of making pledges that are similar to those of donors. King makes this point with respect to the Beijing summit:

"The greater detail of the Action Plan from the Beijing Summit, of course, still contains the specific pledges of President Hu, on hospitals, anti-malaria centres and rural schools, and goes beyond his speech to mention Confucius Institutes to help meet local needs in Africa for Chinese language. But as is traditional in these cooperative FOCAC agreements, the priority is first given to political relations, then to economic cooperation, then international affairs, and only then to social development. And within social development, the agreements typically cut across what we have called the aid/non-aid boundary. Thus, two-way cultural and media exchanges, twinning, and people-to-people agreements all fall within this category, as does the granting of Approved Destination Status for tourism" (King 2007: 14).

Nevertheless, there is a substantial element of reality in the Chinese self-presentation as partner. Aid is relatively small, and China is much more interested in trade and investment. The importance of trade and investment relative to aid is also true for the OECD countries, and performance and commitments in these areas also need to be monitored.

Once the challenge of engagement with China (and other countries) is presented in these terms, then the type of forum for discussing these issues and setting out monitoring procedures becomes clearer:

- It should have a strong African representation.
- Governments of partner countries should also be involved as equal partners.
- It should have a secretariat capable of monitoring performance.
- It should be concerned with trade, and not just aid.

FOCAC itself does not quality. It has a small secretariat based in Beijing. One model for such an organisation might be the Africa Partnership Forum (APF) set up by

This has been supported by NEPAD, but it is not clear how much African governments want to push China on this.

NEPAD and the G8. It has a language of partnership and the of mutual accountability (not only should there be self-monitoring of African efforts towards development, but also an examination of the policies and actions of our partners as they affect the attainment of the desired development outcomes). It is an international forum where NEPAD representatives and development partners meet together to discuss issues of international development.

However, the option of extending participation in this forum to China and other emerging economies is not viable. First, the analysis of the G8 countries' performance is heavily focused on aid. Second, mutual accountability for the APF also involves monitoring of the delivery of African governments on their commitments. An inspection of the content of APF agenda in Moscow in 2006 suggests that the implementation of programmes in Africa were more of a focus than the donors' performance on non-aid commitments. Third, past experience would indicate that China would not join the APF, even if it was invited, any more than it sees the OECD-DAC as a suitable forum. These fora identify it as a donor and place it in a framework dominated by the OECD or G8 countries. Nevertheless, a different version of this arrangement, possibly involving more of the emerging economies and focused more widely on trade, investment and aid, might be appropriate.

In all of these discussions, however, the big message for African governments has to be 'do not sell your resources cheaply'. As commented by Chidaushe, judging from African leadership enthusiasm for China, it does look as if the African desire to strengthen relations with China indicates that Africans regard China as a solution to their problems (Chidaushe 2007). But Chinese aid and investment is still small, and Africa has desirable assets whose world market prices are high. Resentment against the Western conditionality, memories of colonialism, and the attractiveness of China's treatment of Africa — as a partner, as emphasising political solidarity and trade, etc. — should not be reasons for selling cheap to China. Here, the recent example of Angola is one to follow. The breakdown of talks between Sinopec and the Angolan state oil company Sonangol over construction of the Lobito oil refinery in March 2007 was over how much of the oil produced by the new refinery would be exported (Corkin 2007). It is clear, therefore, that African interests will not always coincide with those of China. China is an opportunity for Africa. But for Africa there is also a challenge to extend its influence with this increasingly important partner.

For more information, see the Africa Partnership Forum website, http://www.africapartnershipforum.org/pages/0,2966,en 37489563 37489442 1 1 1 1 1,00.html.

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