

CHINA'S INVOLVEMENT IN AFRICA

CAUGHT BETWEEN COMPETITION AND PARTNERSHIP WITH THE OLD DONOR COUNTRIES

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Europe and China have been involved in development cooperation in Africa for five decades. But only since the 1990's has Africa seen a new wave of Chinese involvement. Even though the most populous nation of the world still has many characteristics of a developing country, development cooperation with African countries has become an important pillar of China's economic and foreign policy strategy. In 2007, some \$1.2 billion of bilateral aid flowed from China to Africa, accompanied by a debt relief agreement of the same amount. In addition, China directly invested more than \$7 billion in Africa in 2006, while its trade with Africa has risen rapidly. It currently stands at \$40 billion and is set to double by 2010. Infrastructure projects, particularly in the commodities and energy sector, stand at the centre of activities by both state-owned and private Chinese companies, while only a very small share lies in manufacturing.

China's development aid is part of a more comprehensive strategy supporting its ascent to economic and geopolitical superpower. A closer connection between African countries and China – a kind of South-South cooperation – increases its profile in the United Nations. And China is only the precursor in a series of so-called new donors. India, Thailand and the Gulf States are making their own foray into development cooperation. That has put them in competition with the traditional donor countries of the OECD, in particular in Africa.

Depending on calculation methods, between \$500 billion and \$1 trillion in development aid flowed to Africa between 1960 and 2004. Germany allocated €2.8 billion of federal funds to sub-Saharan countries in 2006. But among Western donor countries including Japan the concept of development aid has clearly changed in recent years. One of the main reasons is because decades-long efforts at fighting poverty have frequently failed. The main donor countries have thus agreed on a set of principles and conditions for sustainable development assistance, and they are now trying to push this through among recipients. In development policy circles, this is generally referred to as conditioning. At the centre lie the OECD/DAC (Development Assistance Committee) principles of good governance, transparency and personal responsibility.

Western nations count on long-term democratisation as a goal and guarantor of enduring development, while China officially adheres to the principle of non-interference in a country's internal affairs. But the Chinese development model that combines economic prosperity with an authoritarian political system is gaining in attractiveness, especially among African elites.



So are Western countries headed for a direct conflict with the rising power China? How is Chinese involvement perceived in Africa itself? Under the Heiligendamm Process, which the German government under the leadership of Chancellor Angela Merkel initiated in the summer of 2007, G8 member states and the most important emerging nations – including China – agreed on joint responsibilities for the development of Africa. There is by now widespread consensus that Africa will not reach the Millennium Development Goals – agreed by the UN General Assembly in the year 2000.

The intellectual elites in Africa increasingly understand that the creation of transparent and effective (government) institutions is essential to development. However, long-term development can only occur if African countries are progressively integrated at a regional and global level – witness the successes in combating poverty in east and southeast Asia. The political will for development now exists in Africa, where an increasingly self-confident civil society is coming of age.

Local cooperative efforts involving new donors should take advantage of this situation, as it could turn into additional opportunities for trilateral cooperative projects. To sound out such opportunities, the Konrad-Adenauer-Stiftung has carried out a series of discussions in Beijing, Bonn and Brussels since 2006. These events made clear that despite commonalities among the actors, irreconcilable differences remain – such as over the establishment of democratic structures and the rule of law.

The new Asian competition is an opportunity for established donors to assess their own effectiveness. But there is no reason for Germany and the European Union to move away from their value-based principles in development cooperation with Africa. The jury is still out whether China's approach to development – with its rejection of good governance, transparency and personal responsibility – is a more successful one.

