

CHINA'S PERSPECTIVE ON CONTEMPORARY CHINA- AFRICA RELATIONS

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A new milestone in the history of China-Africa relations was created when the first Forum on China-Africa Cooperation (FOCAC) took place in Beijing in 2000, a process that culminated in the Third Ministerial and first Heads of State Conference held in early November 2006. The year 2006 was significant in the diplomatic calendar of Sino-Africa relations; four major visits from China's top leaders cast China-Africa relations into the media spotlight at home and abroad. That year began with Foreign Minister Li Zhaoxing's tour of Cape Verde, Senegal, Mali, Liberia, Nigeria and Libya, which coincided with the release of China's first White Paper on its Africa Policy on 12 January. This was followed by President Hu Jintao's visit to the continent from 24 to 29 April, with stopovers in Morocco, Nigeria and Kenya. The final visit was made by Premier Wen Jiabao, who toured Egypt, Ghana, the Democratic Republic of Congo, Angola, South Africa, Tanzania and Uganda between 17 and 24 June. These high level visits underlined the importance that the Chinese government attaches to its African relations. Moreover, they indicate that following the establishment of official bilateral ties half a century

ago, Sino-Africa relations have moved into an era of rapid development characterized by co-operation.

The end of the Cold War in the early 1990s saw Africa losing its much-valued geo-political status. In spite of this, China has remained committed to developing relations with the continent since it foresaw great value in fostering an across-the-board relationship with Africa by forging closer political, cultural and educational links. This was clearly demonstrated in the 1980s when Beijing began to cement and expand its economic and trade ties with the continent.

The importance of Africa in China's foreign policy agenda

The importance of Africa in Beijing's foreign relations can be best understood in the following two significant factors. *Politically, China has always regarded Africa as its most reliable ally in the international struggle.* The development of Sino-African relations has important political meaning for both China and Africa, as well as across the developing world. First, the strengthening of Sino-African relations is beneficial to unity and co-operation between developing countries. China's non-aligned foreign policy and its national commitment to socialism imply a promise that China will stand firmly and support the countries of the developing world despite what happened in the past or what the present and the future may bring. Unmistakably, the total strength of the developing world is increasing both in terms of its proportion of international trade and its right to speak on international affairs. China is the largest developing country in the world, and Africa is the continent that has the greatest concentration of developing countries. Therefore the development of Sino-African relations must be seen in this context, where it is Beijing's overriding goal to raise the international status of the developing world and establish a new international order by promoting South-South co-operation and the common prosperity of these countries. This is significant considering that current relations between the North and the South appear poor in certain respects. Thus, uplifting the collective prosperity of developing countries and enabling them to share in the fruits of globalization have far-reaching implications for world peace and development.

Secondly, Sino-African co-operation is considered important for strengthening a multi-polar world order and promoting both China's and Africa's international positions and influences therein. Since China adopted its economic reform path and opened up policy space for engagement, China's international image and position have improved remarkably, while its influence in international affairs has also simultaneously increased. In this regard, according to Beijing's view, Africa remains an important player in the global affairs of the current international system. Even though most African countries have suffered from political turbulence and economic recession during the early period of the post-Cold War era, most are now entering a period of political and economic stability, while their positions in the international setting have also improved. And this is where the synergies between China and Africa overlap. Clearly, China and Africa share a broad consensus on major international issues. They have traditionally co-operated and co-ordinated with each other on matters serving common interests. Both sides have collaborated to promote multilateralism and democracy in international relations and UN reforms aimed at peace and harmony in the world.

Finally, Sino-African co-operation can contribute to the success of the 'One China policy' and, most important, the culmination of China's reunification. In order to extricate itself from international isolation, Taiwan's leaders are taking Africa (especially West Africa) as the focus for developing its diplomatic relations. Although most African countries insist on the 'One China policy', there are still a few African countries who cannot resist the lure of money and maintain 'diplomacy' with Taiwan, which has a bad influence on China's African policy. However, with the dramatic increase in China's comprehensive national power, especially in the last decade, more African countries choose mainland China rather than Taiwan. The 'Taiwan factor' no longer has the same importance as before.

Economically, Sino-African relations can help strengthen China's path to sustainable development. Africa's rich deposits of natural resources and potential market advantages have great strategic meaning for China's economic development in the 21st century. With China's rapid pace of modernization and economic reform, China must expand into

new overseas markets and secure the supply of raw materials that is, indeed, critical for sustaining its growth trajectory with regard to national development and stability. Following China's accession to the WTO in 2001, the Chinese government has advanced further moves to expand the 'going out' strategy of Chinese enterprises to become globally competitive and enter new markets.

In fact, from the economic angle, China-Africa co-operation will bring each side's advantages into full play. There are 53 countries on the African continent, which has a total population of 850 million, abounds in natural and human resources, has great market potential and boasts huge potential for development. However, owing to long-lasting colonialist plunder and local conflicts, the continent remains economically backward, lacking capital, technology and expertise. On the other hand, China has acquired much economic strength and expertise over the past three decades since the country embarked on the road of reform and opening up in the late 1970s. At the same time, however, it is confronted with the problems of inadequate resources supplies and ever-fiercer competition in the domestic economic arena. Taking all this into account, China and Africa complement one another in resources, market, capital, technology and expertise. And much can be done in this regard.

While it may appear that China's intentions in Africa are intrinsically aligned to tendencies of mercantilist nationalism, China's current demand for natural resources has created a surge in the global commodity price index which has, to a large extent, seen Africa's economic growth level benefiting from the commodity windfall. Nevertheless, the real thrust of China's contemporary relations with Africa was felt in FOCAC which promoted a new impulse for future engagements.

FOCAC: a new initiative for promoting Sino-African relations

The emergence of a unilateral world order after the Cold War became an immediate concern for the vast majority of developing countries. The need to establish a new, fair and reasonable international political and economic order, so as to deal with the challenges of economic globalization and safeguard its legitimate rights and interests, was an overriding objective for the developing world to assert its independ-

ent voice in global affairs and extend its relations more broadly to include strategic partners from the South, especially in light of the experience of the Cold War. Seemingly, then, strengthening and institutionalizing relations between China and Africa was considered necessary to reflect the new impulses in the global South.

Hence the birth of FOCAC in 2000. At the end of the 1990s, some African countries proposed that as the US, Britain, France, Japan and Europe had established mechanisms for contact with Africa, it was necessary for China and Africa to establish a similar mechanism to fit in with the need to strengthen relations. After earnest study, China decided to echo the suggestions of African countries, and proposed to hold the Forum in 2000.

From a historical perspective, FOCAC must be seen as a continuation of the spirit of the Bandung Conference held in Indonesia in 1955. In essence, Bandung was about the spirit of common prosperity, respect for equality, justice, peace and the overall development of the developing world, based on its independent status. The relevance, today, of the Bandung Conference and what it stood for can be seen as one of the central pillars of China's foreign policy engagements with the developing world and, indeed, Sino-African relations. And this has become even more significant since FOCAC has become the platform where discussions on future co-operation and consultation in achieving a non-aligned and multilateral world order, which adequately reflects the developing world, can be held. In fact, the FOCAC Forum was the first of its kind in the history of Sino-African relations. It is a beneficial attempt as well as an important move for the Chinese government to further consolidate and strengthen friendly cooperative relations on the threshold of the new millennium.

The first Forum: Beijing 2000

In October 2000 the first FOCAC was held in Beijing. It focused on two major areas: how to promote and establish a just and equitable new international order, and how to further strengthen co-operation between China and Africa on economic and social development. The Forum reached consensus on a wide range of issues and adopted two important policy documents, the Beijing Declaration and the

Programme of Cooperation on Economic and Social Development. It also decided to hold a ministerial conference every three years, alternating between China and Africa.

During the Forum, the Chinese government offered to write off debts worth RMB10 billion owed by African countries within two years. In fact, the Chinese government completed ahead of schedule an even greater reduction of African debts. By June 2002, China had signed debt relief protocols with 31 African nations, cancelling 156 African debts totalling RMB10.5 billion. At the same time, China urged the international community to honour its debt reduction promises without further delay.

Moreover, the Chinese government committed itself to setting up special foundations for encouraging Chinese enterprises to invest in Africa and for a variety of training initiatives for African professionals. Since 1996, China has held training courses for middle- and high-ranking African diplomats annually, and launched annual seminars for African economic and management officials from 1998. China-Africa co-operation in higher and vocational education has also been enhanced. So far, China has trained 15,000 African professional personnel and offered scholarships to 20,000 students from 51 African countries studying in China. In addition, China will continue to dispatch training personnel to Africa to give short-term training courses. For example, China's Follow-Up Committee has sent Chinese experts to six African countries for regional training courses on malaria prevention and treatment, maize farming techniques, applied solar energy technology, etc. These courses have been aligned to the commitments that the Chinese government made at the 2000 Cooperation Summit.

*The second Forum: the Addis Ababa 2003
Ministerial Conference*

The second FOCAC was held in Addis Ababa on 15-16 December 2003, the first time that the meeting was held in Africa. Its main task was to review the implementation of the two documents adopted at the first Summit and to explore new ideas and measures to deepen co-operation. The meeting concluded with the adoption of the Ad-

dis Ababa Action Plan (2004–6), which reflected consensus of both sides on political issues and other important international issues of common concern. In particular, the Summit concretized ideas about strengthening of co-operation. Alongside the Addis Ababa Forum, the China-Africa Business Conference was also held. Representatives from nearly 100 Chinese enterprises held discussions on business opportunities and linkages with their African counterparts, which culminated in the signing of many contracts of intent to do business.

The major concrete measures that China promised to undertake included: granting some African countries tariff-free treatment for their exports to China; expediting increases in revenue and alleviation of poverty by exempting certain commodities of the least developed countries from import tariffs, to facilitate and expand the entry of exports from these countries into the Chinese market; and increased assistance and channelling of more resources into the African Human Resources Development Fund. The Chinese government decided to launch the 2004–6 China-Africa Inter-Governmental Human Resources Development Plan under the Fund.¹ Other measures include boosting tourism co-operation by encouraging more Chinese citizens to travel to Africa,² and holding a series of events to promote better understanding between the peoples, especially the younger generations of both sides.³

In addition, the Chinese government also promised to gradually increase development assistance to Africa. In September 2005, when President Hu Jintao attended the UN Summit on Financing for Development, he called for the UN to play a bigger role in development

- 1 A 33 per cent increase in the fund will allow China to hold 300 training courses in three years for some 10,000 African professionals in various fields, and raise the number of scholarships that China offers for African exchange students.
- 2 Apart from the original travel destinations of Egypt, South Africa and Morocco, China has decided to grant a further eight African countries Approved Destination Status: Mauritius, Ethiopia, Tunisia, Zimbabwe, Kenya, Zambia, Tanzania and Seychelles.
- 3 Including the '2004 China-Africa Youth Carnival', 'Meet in Beijing'—an international art festival focusing on African arts—and the 'Voyage of Chinese Culture to Africa'.

assistance and declared that China would take important measures in such fields as tariffs, debt, preferential loans, public health and human resources to help other developing nations, especially African countries, to accelerate development. These measures included the following: China would write off debt or cancel interest payments owed, or provide assistance for servicing of low interest Chinese government loans made to poor and heavily indebted countries with which China had diplomatic relations but which had failed to service those loans by the end of 2004; train 30,000 people in various employment skills over the coming three years; and pledge US\$10 billion of concessional loans over the next three years.

In short, the experience of FOCAC over the last six years has proven to be an important platform and dialogue mechanism for strengthening China-Africa co-operation and solidarity, and safeguarding common interests. At the end of 2006, the third Ministerial Meeting of the Forum, together with the first Sino-African Heads of States Summit, was held in Beijing on 3-5 November. According to China's Premier Wen Jiabao the Summit was intended to focus on 'China and Africa reducing...and remitting debts, economic assistance, personnel training and investment by enterprises.'⁴

The new-type China-Africa strategic partnership

The new initiative of China's strategic partnership with Africa was officially launched by two significant developments in 2006: the release of the 'China's African Policy' White Paper, and the speech by President Hu Jintao to the Nigerian parliament during his April visit. In both, reference was made to the concept of 'developing a new type of China-Africa strategic partnership'. Besides being clearly defined, it signalled the future course for Sino-African relations. During the Sino-African Summit, African delegations enthusiastically echoed the new concept and made clear that African countries were fully ready to build such a new-type China-Africa Strategic Partnership. The consensus on building this Strategic Partnership was regarded as the most important achievement of the Summit.

4 *Xinhua*, 'Chinese premier hails Sino-African ties of cooperation', 19 May 2006.

The central feature of the new partnership is consolidation of co-operation in the political, economic, cultural and security fields, as well as in international affairs, with emphasis on mutual trust and support. The real thrust of the new relationship is linked with China affording African countries respect and recognition of the right to choose their independent path of development. This is clearly stated in the language that China adopts towards Africa, which is non-intrusive and outlines continual support for African countries' efforts to seek renewal through strengthening unity. This is, undoubtedly, illustrated by the common mutual interests and collective international efforts to promote peace and development in Africa.

While strategically aligned to historical relations, the new type of China-Africa partnership is also about establishing benefits of mutual economic engagement. With China being the largest developing country and Africa comprising the largest concentration of developing countries, there is no doubt that each has a long road to sustainable development. Despite China's economic progress, it faces new problems such as a severe energy shortage and escalating competition in its domestic market. Given these factors, the Chinese government encourages Chinese firms to invest in Africa in various fields such as trade, agriculture, infrastructure building, mining and tourism, while offering an increasing amount of assistance to hasten the continent's development.

To date, China has spent RMB44.4 billion in assisting African countries with over 800 projects, including textile factories, hydro-electric power stations, stadiums, hospitals and schools. At present, trade between China and Africa is undergoing rapid growth. The bilateral trade volume rose from US\$12.11 million in the 1950s to US\$10.5 billion in 2000, US\$29.4 billion in 2004, nearly US\$40 billion in 2005, and over US\$50 billion in 2006. In recent years China has increased imports from African countries and thus maintained a trade deficit with them, enabling these countries to earn a large amount of foreign exchange.

Moreover, Chinese firms have redoubled their efforts to penetrate the African market. At the end of 2006, Chinese investment in

Africa had reached US\$11.7 billion.⁵ Over 800 companies are currently operating in Africa, engaged in trade, manufacturing, natural resource exploitation, transport, agriculture and agricultural processing. Chinese companies have helped to create employment opportunities in African countries, increase their tax revenues, introduce practical technologies to these countries, enhance the competence of local workers and improve their productivity.

On the cultural front, China and Africa are aiming to become equal partners jointly promoting the prosperity and progress of human civilization. China and Africa are both origins of human civilization, boasting brilliant cultural heritages. In basic values, African culture has a lot in common with Chinese culture. For example, both value community spirit and the tradition of yielding personal gain to the interests of the community. Given these common values, China and Africa are expected to further strengthen their cultural linkages with a view to building a harmonious world where different civilizations coexist in the spirit of tolerance and equality, while also learning from each other. In a broader sense, cultural exchange is not only limited to exchanging students and teachers and holding artistic performances and exhibitions. Chinese medical teams, and flourishing programmes such as China's training of African workers and the exchange of experiences in pursuing development, are also part of the China-Africa cultural exchange.

In the field of security, China and Africa should enhance exchanges and consultation, thus raising the awareness of collective security in the international community, promoting a new security concept featuring mutual trust, mutual benefit, equality and co-operation, and shaping an international environment favourable for common development. Clearly, the future of China-Africa co-operation also holds significant relevance in non-traditional security fields, for example in preventing major infectious diseases including bird flu, and addressing cross-border crime, for joint response to the challenges posed by globalization. Hence, the new impulse in China-Africa re-

5 Jia Qinlin, head of Chinese Political Consultative Conference, opening ceremony speech at the China-Kenyan Economic and Trade Co-operation Forum in Nairobi on 24 April 2007.

lations can be felt on many fronts. This multi-dimensional approach to strengthening relations is markedly different from that which has prevailed between Africa and its traditional development partners.

At the opening ceremony of the Beijing Summit, President Hu Jintao unveiled eight major measures in the coming three years in a bid to promote the new China-Africa strategic partnership and facilitate bilateral co-operation in a wider scope and on a higher level. These involve expanding aid, offering preferential loans, encouraging Chinese firms to invest in Africa, constructing the AU conference centre, eliminating debts of some least developed African nations, extending zero-tariff treatment on 190 products from some of the poorest African countries to cover 440 products, setting up three to five offshore economic and trade co-operative zones in Africa, training professionals for African countries, and constructing 30 local hospitals. These show that China cares very much about Africa's development. All these measures, quantified and having very particular content, are easier to implement and fulfil than generally stated goals.

The experience and practice of FOCAC over the past six years indicate that it is not an empty-talk club. It is an important platform and effective mechanism conducting collective dialogue between China and African nations and exchanges in the field of governance, promotion of mutual trust, and pragmatic co-operation. President Hu Jintao's announcement indicates that the Chinese government gives top priority to the promotion of two-way investment. In contrast with the fast expanding Chinese-African trade in recent years, the mutual investment rate between the two sides still remains low. Mutual investment, however, is a vitally important factor benefiting both and assuring their sustainable development.

African countries prefer mechanisms which help tap their internal potential to those that merely provide one-way aid, which is like a blood transfusion. Only after they acquire the capability of supplying their own blood can they shake off poverty altogether. Obtaining investment to start businesses and industries is pivotal to Africa's industrialization and revival, as well as increasing employment, hastening technical know-how transfer to the continent, and facilitating the training of its own professionals. The Chinese government will

therefore set up a US\$5 billion China-Africa development fund to help Chinese companies invest in Africa. At the same time, a number of economic and trade co-operative zones in Africa and a China-Africa chamber of commerce are expected to be set up. All this is bound to bring Chinese investment in the Africa to new heights.

Problems emerging in China-Africa relations

Even though relations have been enjoying sound, rapid development, it is imperative that we pay great attention to the new problems and challenges and consider the ways and means to deal with them. In recent years, with accelerated economic globalization and China's economic expansion, issues have unavoidably emerged as China-Africa relations experience rapid development. Generally speaking, the major problems in recent years are the following.

Energy development and the issue of 'delivering benefit to the people'. With China's energy exploitation in Africa, some people in Western media and academic circles (and even political circles) began to question China's motives in Africa, suggesting that 'China is conducting energy diplomacy in Africa' and that 'China's energy plunder in Africa' is a type of 'neo-colonialism'. They hold that China's attention is based on its demand for oil and other strategic raw materials. They say that China has become the second largest oil consumer after the US, that Africa is rapidly becoming an important supply base of oil and that China's rapid economic development and its relative lack of domestic resources determine that it pays constant attention to production bases of natural resources. These arguments are clearly one-sided and bear the imprint of the Cold War mentality, but at the same time, they serve to remind us indirectly that we should avoid following the old path of the Western colonialist countries while seeking energy supplies in Africa.

Take Sudan for example. China has invested a great deal in oil exploration there. When I visited South Africa at the end of 2005 and met Sudanese people from religious and political circles, they had considerable reservations, expressing certain dissatisfaction about the benefits they got from China-Sudan oil cooperation.

Although a North-South peace agreement has been signed, there are still multiple contradictions and widespread social confrontation. China has already signed an agreement on oil exploitation with the Sudanese government in the north, but the oilfields are in Southern Sudan, leaving Chinese oil companies between the two sides and easy media targets. The South often complains that land acquisition for exploration led to displacement of people who have not been provided with employment. An influential Christian bishop in Upper Nile Province has always been quite friendly towards China, but on many public occasions he called on Chinese oil companies to pay more attention to environmental protection in oilfields of Southern Sudan, to have more exchanges with the local people, and to protect and improve the immediate interests and living standards of the local people.⁶

For historical reasons, the controlling rights to oil exploitation in African countries are in the hands of France, the UK, Italy, the US and other former Western colonial powers. Over the years, since Western oil companies have been only concerned with their own economic interests and have neglected environmental protection in oil producing areas and the local peoples' ability to develop their economy, the constant flow of 'oil dollars' has only filled the pockets of Western oil companies and some corrupt African officials, instead of bringing benefits to local people. On the contrary, the unequal distribution of wealth and 'black gold' resources has led to internal conflicts. For example, Nigeria, the largest oil producer with a daily output of 2.5 million barrels of crude oil, is facing a prolonged oil products shortage due to its poor oil refining capacity and has to rely on large amounts of imported petrol. In the Niger Delta, owing to their lack of access to oil wealth, local people often take great risks to steal oil from pipelines or kidnap foreigners.

Therefore, relying on the traditional friendship and the fact that both China and many African states are developing countries, African countries place high hopes in us. They hope that in exploring oil

6 See Daniel Deng, 'A Statement of the Current Situation in Northern Upper Nile', paper for the conference 'Afro-Chinese Relations: Past, Present and Future', 23-25 November 2005, Johannesburg, South Africa.

markets in Africa, a newly enriched China will abide by the principle of win-win cooperation, pay more attention to environmental protection and the improvement of people's living standards in the local area, and help oil producing countries in Africa to improve their ability of economic development. In a word, efforts should be made to enable the local people to benefit from their oil wealth.

Trade frictions and conflicts of economic interest. Certain African scholars hold that China's economic development constitutes both tempting opportunities and terrible threats to Africa.⁷ Take, for example, the textile trade, where the sustained increase in exports from China to the US and the EU, the two largest markets for textile products, and the great increase in Chinese products to African countries where textile and apparel is a key industry have, to a certain extent, eroded these countries' international market share, affecting the development of the textile industry and leading to bankruptcies and unemployment.

Indeed, with ever expanding economic and trade cooperation between China and Africa, conflicts over trade and investment between the two sides are also becoming more prominent. China's absolute advantage in labour costs and resources has put the textile and light industries in some African countries in a helpless position. For example, in South Africa, a pair of trousers made in China only costs US\$1 which includes long-distance transport costs and customs duty, while the same product locally produced costs ten times as much.⁸ The influx of Chinese commodities such as textile products, clothes, shoes, and motorcycles objectively affected the development of the young manufacturing industry in Africa. Competition between the same types of products from China and Africa also weakens the export capability of African countries, indirectly undermining relevant industries in Africa as well the international community's enthusiasm

7 Represented by Mr Moeletsi Mbeki, Deputy Director of the South African Institute of International Affairs. See *China's Journey to Africa, Yale Globalization* 3 January 2005.

8 See 'Africa, Competition Not Only from China', by Lin Zhishen, special report on Cankaoxiaoxi: 'Friction, the Pain of Chinese Textile Products', 30 June 2005.

about making direct investment in Africa. According to the Chinese Ministry of Commerce, since the founding of the WTO the total number of cases concerning anti-dumping and safeguard measures brought against China by African countries is 48, accounting for 6.2 per cent of investigated cases of trade protection by foreign countries, which is much higher than the proportion of China-Africa trade in China's total foreign trade volume.⁹ Experts have also pointed out that the end of the global textile quotas may lead to unemployment of about 30 million people, a large portion of whom could be in Africa. By 2007, US\$42 billion of textile exports will be shifted from sub-Saharan and southern Africa to China. It seems that facts support this view. Following the end of global textile quotas on 1 January 2005, six textile factories in Lesotho went bankrupt within several months, leaving 7,000 people unemployed. Around the same period, seven textile factories in Kenya went bankrupt, causing wide unemployment.¹⁰

Certain African scholars also deem China-African trade relations to be a kind of unequal mode of 'North-South economic relations' because Africa mainly exports raw materials and imports manufactured goods. Indeed, although the volume of trade between China and Africa has increased, the trade structure where China exports machinery, electronic products, textile and light industry products to Africa and imports oil, timber, mineral products and other raw materials from Africa has not been changed.

Differences in political understanding and concepts of values. In recent years the process of political development and democracy has been quite rapid in Africa. In government documents and the daily talk of the ordinary people, words like democracy and human rights are frequently heard. The development of NGOs and civil society is also quite fast, and Africans are very proud of this. This may lead to some misunderstanding on the part of Africans about China's democracy and human rights conditions. Some even think that China has not

9 'Steady Development of China-Africa Economic and Trade Cooperation', by Zhou Jianqing, *West Asia and Africa*, 1 (2006), pp.17-18.

10 See Lin Zhishen 'Africa, Competition Not Only from China'.

paid due attention to the development of democracy and human rights in Africa.¹¹ Western countries have gone even further, claiming that China only pursues selfish interests in conducting economic and trade relations with Africa while neglecting the democracy and human rights conditions of recipient countries. They argue that China's unconditional economic aid has objectively supported the so-called 'failed states' in Africa, and that it is detrimental to the promotion of 'good governance' by Western countries and the progress of anti-corruption and human rights causes in Africa.¹²

As early as 1988 the African Commission on Human and People's Rights was established. Since the 1990s, 'good governance' has become a new concept very popular in Africa. Both the AU and the New Partnership for Africa's Development (NEPAD) deem good governance one of the indispensable preconditions for rejuvenation and development in Africa. Good governance, to put it simply, means enhanced governing capacity and responsibility as well as improved management standards and administrative efficiency. It emphasizes people's role in participating in political activities and civil society as well as decentralization and grass roots service. It promotes democracy, the rule of law and transparency of government, respects the independent role of legislative bodies and judicial bodies, and safeguards human rights and the rights and interests of women. To strengthen administration and promote good governance, African countries have also created a mechanism of democratic supervision—the African Peer Review Mechanism, an important part of NEPAD adopted in March 2003. A country joining this mechanism must make the running of its government, its economic policies and its human rights conditions public, and accept supervision and assessment of member countries according to set standards. If a member state is found to fall short of certain standards through checks and supervision, the specialized agency of the mechanism is entitled to demand that the country conducts reforms in the areas concerned and put forward concrete suggestions.

11 See Jean-Germain Gros, 'Chinese Economic Success and Lessons for Africa: Possibilities and Limits', *Nkrumaist Review*, May 2005.

12 'Africa: China's great leap into the continent', IRIN 23 March 2006.

If a member country has no means to reach certain standards, then it will not be able to benefit from NEPAD as other member states do. By April 2005, 24 countries had joined this mechanism.

Moreover, there are also some differences among African countries' stances on the issue of international intervention, and the principles like 'sovereignty coming first' and 'non-interference in internal affairs'. Although the principle of 'non-interference in each other's internal affairs' is maintained in the AU charter, the principle of 'non-indifference' is also confirmed. According to this principle, the AU Peace and Security Council has the right to conduct military intervention in case of events like 'war crime, genocide, crime against humanity and serious threats to law and order' in member states. It is also permissible to send peacekeeping troops to stop a war and safeguard peace when military conflicts occur.

*How to promote 'all-round co-operation'
between China and Africa*

Over half of China's African Policy Paper is devoted to elaborating how China will further strengthen 'all-round cooperation' with Africa. It is fair to say that it was the first time for China to put forward the concept of 'all-round cooperation' clearly in the form of a government paper on China-Africa relations in recent years. To cope with the above-mentioned new problems and challenges in China-Africa relations, attention should be given to the following points in the process of promoting 'all-round cooperation' in the new era:

In the process of energy exploitation, commercial interests should be effectively combined with social interests, with attention paid to environmental protection and people's livelihood in the local area. In energy cooperation, China's approach is different in nature from the plundering mode of Western oil companies. It is clearly spelt out in the African Policy Paper that 'China will cooperate with African nations in various ways on the basis of the principle of mutual benefit and common development, develop and exploit rationally their resources, with a view to helping African countries to translate their advantages in resources to competitive strength, and realize

sustainable development in their own countries and the continent as a whole.¹³ For example, Chinese companies in Sudan began to be involved in energy exploitation from the mid-1990s. By the end of 2003, Chinese oil companies had invested US\$2.7 billion in Sudan, built 1,506 km of pipelines and set up a crude oil refinery with the output of 2.5 million tons per year and several petrol stations. This has not only made Sudan an oil-exporting country, but also enabled it to have a comprehensive industrial system of oil prospecting, production, refining, transport and sales.¹⁴ By contrast, Shell has been exploiting oil for over five decades in Nigeria, a country with rich oil resources in Africa, but the country still remains an exporter of crude oil and an importer of petrol effectively without its own oil producing and processing system, thus remaining an exporter of primary resources.

In the process of helping Africa promote its sustained economic development, more attention should be given to social benefits and people's livelihood in China-Africa energy exploitation and cooperation. Specifically, in the process of resources exploitation on the one hand, Chinese enterprises should pay more heed to establishing and maintaining a good image by devoting part of their profits to environmental protection, education, hospitals and other projects concerning people's livelihood. On the other hand, we can also combine our traditional foreign aid of sending medical teams, digging wells, cooperation in education and the 'volunteers' service, which has existed for several years, with work related to energy exploitation in order to help Chinese enterprises solve issues related to local people's livelihood.

At the same time, the Chinese government might also consider the drafting and, when conditions are ripe, the promulgation of a Law on Overseas Investment, with the aim of using law and directive orders to set compulsory provisions that an enterprise should devote a certain percentage of its profit to improving the livelihood of

13 'African Policy Paper', Chinese Ministry of Foreign Affairs. <http://www.fmprc.gov.cn>

14 See 'Energy Cooperation between China and Sudan', *China Oil and Petrol*, 16 (2005), p. 40.

the people. Strategically speaking, exploitation of resources and energy cooperation in Africa is not only the job of the individual or enterprise, but also the job of government concerning state interests and diplomacy.

In Sudan, for example, people in the South actually have no objection to oil exploitation by Chinese companies. They just want to benefit more from it. Therefore, China can hold negotiations with the Sudanese government so that each party allocates part of its profit to be used in relocation and employment, in order to win support from the local people. According to the peace accord, after a six-year transitional period, Southern Sudan will hold a referendum on whether it will become an independent state. Any failure to win people's hearts in southern Sudan will be detrimental to the unity of Sudan and the friendly relations between China and Sudan.

Acting in the manner of a benevolent power, China should help African countries in readjusting their textile industry so as to improve the competitiveness of their products and promote sustained development of China-Africa economic and trade cooperation. Trade frictions with African countries should be resolved within the framework of the new type of strategic partnership. After all, Africa is the continent that has the largest number of the least developed countries, as well as being our diplomatic cornerstone of traditional friendship. It represents reliable diplomatic resources and strength for us concerning a series of major international political and economic affairs. To properly handle issues concerning competition and frictions in bilateral economic and trade relations, we must be far-sighted, transcend the market rules of competition and 'survival of the fittest'. We should follow a competition mode that is different from our dealings with developed countries and adopt some protective and compromising measures for the textile industry and other related pillar industries in Africa. In June 2007, during his visit to South Africa, Premier Wen Jiabao declared that China would restrict our export quotas of textile products so as to help relevant African countries in restructuring their textile industry and improving the competitiveness of their products. This was warmly received by South Africa and other African countries.

CHINA RETURNS TO AFRICA

The Chinese government should also actively guide the development orientation of Chinese industries that have comparative advantages by promoting their transformation from extensive growth to intensive growth featuring high added value and high technological content and encouraging them to follow a path of market diversification, thus leaving some time and space for the restructuring of relevant sectors and industries in Africa and the improvement of their competitiveness, so as to reach the goal of common development. To change the structure of commodity trade and resolve trade imbalances between China and Africa, the two sides should coordinate their strategies for future economic development with an eye to setting up more Chinese firms in Africa, improving African capacity of processing and product development, and diversifying their export varieties.

Stepping up aid and strengthening supervision on foreign aid projects. Aid is one of the most popular topics in Africa. In the 1960s and 1970s, despite its own economic difficulties, China devoted huge amounts of human and physical resources to help build the Tanzania-Zambia Railway. So far China has provided aid for Africa in various areas with a total sum of RMB44.4 billion and has assisted over 800 infrastructure and public welfare projects. In the past 20 years, with the rapid economic development in China, the expectation of African countries on China's aid has also increased. Therefore, we should properly increase the level of our aid for Africa on the basis of our increased comprehensive national strength.

As a matter of fact, with enhanced national strength and international influence, we have the obligation and capability to do it. In September 2005, at the summit celebrating the 60th anniversary of the UN, President Hu Jintao, on behalf of the Chinese government, made five solemn pledges to the least developed countries, including: China will grant zero tariff to some products from 39 least developed countries which have diplomatic relations with China; cancel the debt of all the heavily indebted poor countries that have diplomatic relations with China; provide US\$10 billion of preferential loans to developing countries; increase relevant aid to developing countries, to African countries in particular; and help developing countries

train human resources in various fields. These pledges are not only a concrete demonstration of China as a big responsible country but also an important guarantee of further development of China-Africa relations and the strengthening of China-Africa 'all-round cooperation'.

Supervision and management of the capital flow and progress of all assistance projects under way should be strengthened to avoid misuse and embezzlement of capital. For implementation, projects can be categorized according to the amount of capital involved. For example, projects involving over US\$100 million should be implemented by SOEs. Medium development projects involving less than ten million dollars can be open for bid among SOEs, qualified collective enterprises and private enterprises. Small projects under US\$100,000 can be well open to private enterprises in the form of bidding. Diversified participation constitutes a new path for us to improve the efficiency of foreign aid projects.

Strengthening communications and mutual understanding and conducting dialogues on democracy through multiple channels. In this era of globalization and great diversity, it is natural for countries with different historical processes and national conditions to have differences in political understanding and values. However, these differences should be tackled through periodic communication and dialogue at various levels in order to promote mutual understanding and avoid a negative impact on overall diplomacy.

During visits by leaders at various levels and people from different circles, it is necessary to give more positive comments on the process of democratic development in Africa. More explanations should be given about China's 'bottom up' mode of democratic development which is determined by its national conditions; although it is different from the 'top down' mode of democratic development in Africa, they aim at the same goal, as should be explained to convince Africans and 'win their hearts'.

'All-round cooperation' between China and Africa in the new era is a trend. Diplomacy is not only the behaviour of the government and the leaders, but also the behaviour of the whole society. Citizens can be mobilized to cultivate an atmosphere of 'grand diplomacy'

so as to integrate China-Africa friendly exchanges and cooperation at all levels. At present, there are multi-layered exchanges between China and Africa through various channels. In addition to the political and economic arenas, exchanges are also conducted in military affairs, education, health, medical care and culture and among youth, women and technical personnel and scholars. Currently, over 50 provinces and cities in China have established formal ties with their counterparts in Africa. Therefore, it is necessary for people from different trades to have full understanding about our national conditions and Africa's development so that they can serve as 'non-governmental envoys' in promoting China-Africa friendship in the new era.

Strengthening African studies. Africa has always been China's important ally. China and Africa have had over half a century of relations of traditional friendship. In the past we often said that China-Africa economic relations (a relatively small trade and investment volume) did not match our traditional friendly political relations. At present, after over a decade's development, China-Africa economic relations have been greatly strengthened. However, another thing that does not match the friendly relations has not aroused people's awareness: the limited focus on African studies in China does not match the tremendous demands of China-Africa relations.

In recent years, great changes have happened in African politics and society. Our research on Africa is far from enabling us 'to know ourselves and others perfectly'. Currently in the Chinese Academy of Social Sciences, the largest research institution on African studies, there are only around 20 researchers on Africa (nationwide the number of people engaged in studying and teaching of African affairs is less than 300). Facing 53 African countries, inevitably they cannot cover all of those and their research may be not as thoroughgoing as it ought to be. Therefore, I suggest that the research focus on African studies should be strengthened. Research teams in diplomatic and foreign trade-related government departments and those of academic institutions should be integrated so as to cultivate a group of experts on Africa, who can exchange views among themselves and provide

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reliable and timely information for decision-making at the central level.

All in all, 2006 is a year worth remembering in the history of friendly relations between China and Africa. Fifty years ago, China and Egypt established diplomatic relations at ambassadorial level, which started diplomatic relations between China and African countries. On the occasion of the 50th anniversary of the diplomatic relations between China and Africa, the Beijing summit and the third FOCAC ministerial meeting were held in 2006. Therefore, we have every reason to believe that the friendly relations of cooperation between China and Africa will have a brighter tomorrow.

