

# The Rise of China–Africa Relations

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## Abstract

The late 19th century China venture into the African continent. The inadequacy of resources and monetary funds in Africa created a gap for external investment and a relationship that still exists at present. Notable investments by the People's Republic of China into the African continent started in the 1980s. Despite this early onset of China on African nations, the assets in Africa primarily grew from 2000. Economic ties between the African countries and the People's Republic of China grew strong due to numerous loans given to the African nations by China. These funds improved the existing and built new modern infrastructures and African economies. The millennium has seen the Chinese government pump billions into several infrastructures and technological advancements into the African continent. This paper overview on background China–Africa relations, model development in Africa, technology transportation, trade between China–Africa and major challenge for them.

**Keywords:** China–Africa Relations; Model development; Technology transportation

## Introduction

The earliest form of China–Africa trade relations dates to 202 BC and 220 AD. In the 7th century, the initial contact between the African and Chinese people was made possible by the Indian Ocean route (Shinn, 2008). Cultural exchanges and trades between the African and Chinese people thus set off. In the 15th century, a renowned navigator from China visited present–day Kenya and Somalia coastlines. Several envoys were present, and they became aware of the existence of the African continent. Both China and the African continent were victims of colonial acts, slavery, and invasions. Shinn (2008) notes that the year 1949 marked the birth of New China and subsequently the Sino–African relations, which gave way to the era of development.

During the 1990s, trades amongst the African nations and China grew by 700% (Cisse, 2012). In 2013, more than a million Chinese citizens had set up homes within various African countries, and approximately 200,000 Africans were residing and working in China by the year 2017 (Oqubay & Lin, 2019). The establishment of the Forum on China–Africa Cooperation (FOCAC) in 2000, as a designated body that oversees the relations between the two parties, made Africa a giant trading partner with China. China's venture into Africa dates back to the mid–19th century. At the time, different nations were getting about their colonial freedom, and the Chinese government subsequently offered full support to various African Liberation movements. The initial notion by China was oriented to ousting the colonialists and giving back freedom to the African countries. However, a change of ideology was set in the 1980s, when China focused on 'Opening up and Reform Policy. Economic interests became paramount in the China–Africa relations. Changes in the intensity of the links became visible as China's hunger for power, financial dominance, and resources increased. African countries were going through numerous crises and economic mishaps due to conflicts and mismanagement (Large, 2008). The complex Western and European loan policies limited Africa's access to loans. Unlike the donors, the procedures by China were not frustrating and African countries readily accepted China as an alternative lender.

**Table 1** Forum on China–Africa Cooperation (FOCAC) summary table

Forum	Year	Location	Significant results
1 <sup>st</sup> summit	2000	Beijing, China	Beijing Declaration of the Forum on China–Africa cooperation in economic and social development.
2 <sup>nd</sup> summit	2003	Addis Ababa, Ethiopia	Addis Ababa Action Plan, openness to political dialogue, security, and social and economic development.
3 <sup>rd</sup> summit	2006	Beijing, China	US\$5 billion in the form of concessionary loans rolled out by Chinese President Hu Jintao to African countries; Creation of the China–Africa Development Fund.
4 <sup>th</sup> summit	2009	Sharm elSheikh, Egypt	US\$10 billion preferential loans to African countries; Special US\$1 billion loan for African SMEs wired by China; Food security, agriculture and infrastructure plans.

Forum	Year	Location	Significant results
5 <sup>th</sup> summit	2012	Beijing, China	A further US\$20 billion in loans to African countries announced; Beijing Declaration, promoting strategic partnerships and mutual benefits of economic cooperation and trade.
6 <sup>th</sup> summit	2015	Johannesburg, South Africa	Infrastructure development agreements through public private partnerships and build–operate–transfer projects; Ocean Economy: 21st Century Maritime Silk Road; Access to Satellite TV for 10,000 African villages.
7 <sup>th</sup> summit	2018	Beijing, China	Belt and Road Initiative (BRI) intended link for trade and sustainable development. Plan for Nigeria’s economic recovery and growth plan.

**Source:** Crisafulli, 2018

The 2021 Forum on China–Africa Cooperation (FOCAC) saw various African heads of state present. Forty–two heads of state from the African continent elicited numerous reactions from the global community, a move that presented a significant strength in the relationship between the People's Republic of China and the African continent (Cisse, 2012). Notably, FOCAC gives African countries and China an open platform to shape the relationship to serve a long–term purpose (Large, 2008). Numerous claims perceive the presence of China in Africa to be opportunistic. Notably, the Chinese company in African countries disregards the tranquility of a nation, and they thread in regions ignored by other world powers. Such global scrutiny is a hurdle to China and Africa relations. China–Africa relations date back ages, but the current state raises debates on how both parties benefit and the possible outcomes of this dependency.

### China Model Development in Africa

The African Continent is slowly becoming economically viable on the global scene because of the development loans from China. Investments are lining up within every African country with better infrastructure and technological systems. The infrastructure development in Africa is rapidly improving. The need to modernize and adopt a more industrially advanced feel creates a void that China fills. Oqubay and Lin (2019) note that inadequate funds and resources limit African countries' economic growth. Donor nations thus become a conduit to succeeding with these infrastructural

changes. In 2009, China was the undisputed winner of Africa trading partners. Since the 2000s, the growth of China and Africa trade volumes has topped \$200 billion, year to year caps (Cisse, 2012). At present, close to 10,000 corporations have set camps in various African nations, with the value of such Chinese operations clocking \$2 trillion. This indulgence in the African realm by the Chinese is at a high rate. Incredibly, it is at a high of 40% annual growth and 15% larger when compared with the international frontier (Oqubay & Lin, 2019). The role of China in the current African infrastructure is second to none.

**Table 2** Washington versus Beijing consensus for achieving economic development

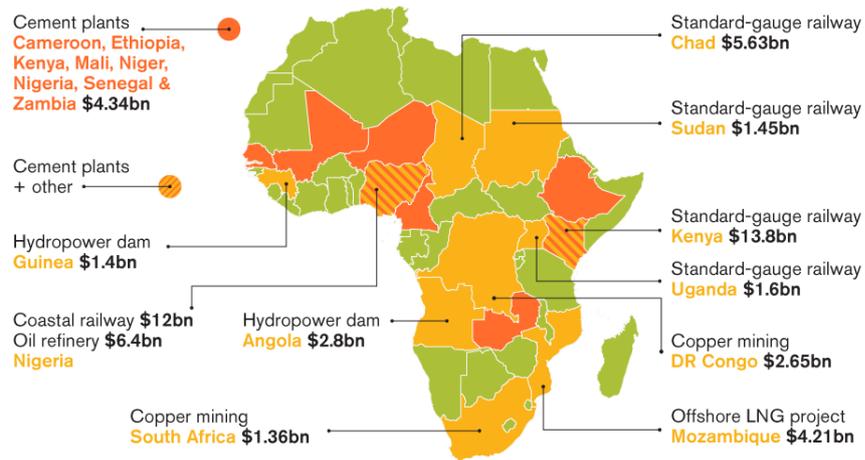
Washington consensus	Beijing consensus
<p><b>In economic term</b></p> <ol style="list-style-type: none"> <li>1. Free markets and an important role for the private sector</li> <li>2. Loans, but under strict conditions</li> <li>3. Projects: use local companies to create employment</li> <li>4. Transfer of technology, knowledge and experience (capacity building)</li> </ol>	<ol style="list-style-type: none"> <li>1. Important role for the government in the economy</li> <li>2. No conditions for soft loans</li> <li>3. Use Chinese companies, employment and technology</li> <li>4. No transfer of knowledge and experience</li> </ol>

**Source:** Alden, Large & Soares de Oliveira (2008)

As noted in table 2, the USA and China overseas economics development approaches are very different concerning while Chinese companies in Africa are less interest in transferring knowledge and experience when Chinese using their own Chinese labor. Nevertheless, China demonstrates Africa on how to developing country and too see the benefit from globalization.

## Roads and Infrastructure

The Chinese government has completed over 700 engineering projects within several African nations. Ideally, China provides total funding for these infrastructural facilities at low-interest rates, making more African countries seek help from China. Notable infrastructural developments include the Tanzania–Zambia railway line, stretching to 1860 kilometers (Oqubay & Lin, 2019). The railway line dubbed 'the road to freedom' was commissioned in 1975. Its importance in the economic value is second to none in both nations' growth. Being a landlocked country, Zambia opened its borders through the rail line and massively increased its importation and exportation of goods.



**Figure 1** China infrastructure in Africa

**Source:** Khanh and Seth (2017)

From figure 1 the infographics shows how China is a big player in Africa's infrastructure building. The current infrastructural loans in Africa are from the Chinese government. A few decades back, China was struggling economically, with a global GDP of 2% annually; however, the industrious nature of the country was its turnaround (Alden et al., 2008). The infrastructural development propelled the country to a global economic powerhouse with close to 29,000 kilometers of railroads spanning its soils and expressways, clocking hundreds of thousands of kilometers, hundreds of airports, and urban houses. Such developments highlighted the nation as a globally dominant force. China's selfless acts on bringing in its infrastructure within the African continent are slowly setting on its economic growth.

The infrastructural development became a concise symbol of the Africa–China relations and put China on the global map of power (Oqubay & Lin, 2019). Various expressways were set up or are under development because of the development loans to Africa. Different African heads of state have increased the visits to the People's Republic of China to sell their ideas to the global superpower. China gives them an ear and offers the funds and a lower interest compared to other able countries like the U.S. Mainly focusing on infrastructural growth, China's approach has vastly improved the continent's economic growth. Under the Belt Road initiative, several train lines were set up in Africa. China's Belt Road Initiative (BRI) had set apart \$1 billion to fund various infrastructures across the continent (Mlambo et al., 2014). The building of new roads and developing different rails were meant to improve the trade routes across the nations. In 2017, more than 50% of infrastructural developments in the African continent were given to the Chinese firms operating

across Africa (Mlambo et al., 2014). China would consequently pledge \$100 billion towards further infrastructure development and any related developments.

## **Digital Silk Road**

A recent venture by the Peoples Republic of China president, Xi Jinping, has earmarked the nation into the global space—the Digital Silk Road yearns to rewrite the global Chinese presence into a global power. China seeks to conquer the space and ocean floor in digital essence. Already commanding close to 90% data supply globally, the nation is slowly emerging as the sole winner at the stage (Oqubay & Lin, 2019). The Digital Silk Road could shape the finances, data flow, and communication across the globe.

Africa and China relations make the latter a first proponent of the Digital Silk Road. Under the leadership of a South African business mogul, Iqbal Surve, the new Belt, and Road to Africa fund set aside \$1 billion (Mlambo et al., 2014). Its launch was in the recent World Economic Forum (WEF). The Silk Road funds will target the development and improvement of several African roads, technology, artificial intelligence, and empowering the resource industries across Africa. Iqbal also added that the Silk Road was imperative in the China–Africa business relations. Trade route mapping eases access and connectivity for both Africa and China.

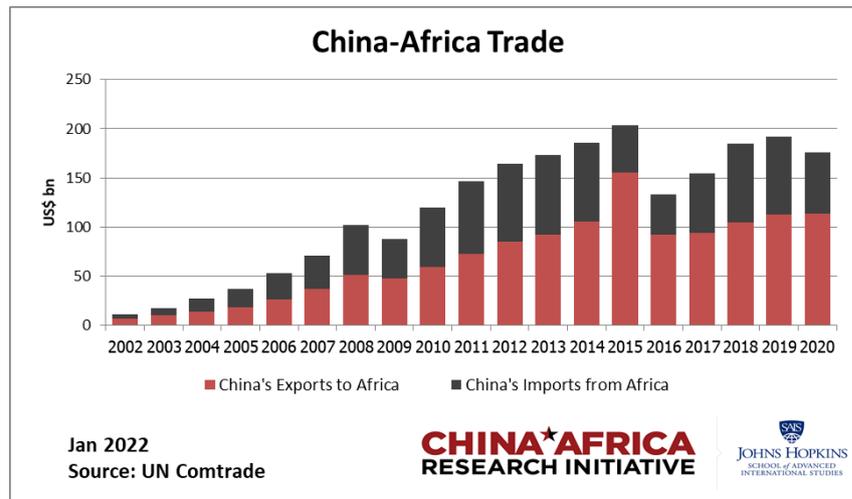
## **Technologies**

Chinese firms such as Huawei and ZTE have set up operations within African borders. Various technological improvements done in African states are contracted to these firms, thus increasing the Chinese presence and influence in Africa (Chun, 2014). Notably, recent Zambia move to enable the rollout of the 'pilot' 5G network across the nations; in coordination with the Zambia service provider, MTN signifies the reliance of Chinese technology by the African continent (Chun, 2014). The African and China relations are also strengthening with various visits from Chinese envoys. Huawei and ZTE have already established their footprints within the African tech market. China's selfless nature makes the nation a friendly aid to Africa.

## **China–Africa Trade Relations**

China and Africa's trade ties solidify as both parties develop connections. FOCAC meeting recently improved the relationship with African in regards to trading. China pledges to increase

imports from Africa, and 95% of product tariffs were eliminated. The African Continental Free Trade Agreement (AfCFTA) was imperative in ensuring sourcing companies across the nations consolidated into a singular unit: the African Special economic Zone (Geda & Yimer, 2019).



Source: UN comtrade, (2022)

The Africa special economic zone allows the importation of duty-free products from China to finalize a product before getting exported back to the Peoples Republic of China. As a result of this initiative, the China-Africa trades are at a high of 38% (Geda & Yimer, 2019). China aims to reach \$300 billion in imports. China also seeks to set up green lanes for agricultural produce and fund the projects to connect trade between Africa and China.

## Medical and Health Supplies

The onset of COVID-19 globally left many nations in economic crisis. Africa and China were not left behind; however, both parties handled the outbreak differently due to different financial margins (Loembé & Nkengasong, 2021). With the emergence of the vaccine, various African nations are seeking to vaccinate their people. China further sought to administer the vaccine to Africa's target, 60% of the population. A billion vaccine doses, 600 million through donorship, and 400million in local production by both parties, will be supplied to the African people (Loembé & Nkengasong, 2021). China also pledges to help on several health projects and provide personnel to run the projects. China offers military assistance to various nations of Africa. According to Leslie (2016), the African Union is dependent on military aid to ensure that peace in volatile countries is maintained. China also assists in adding to combating terrorism and joint peacekeeping measures. In the words of Cyril Ramapahosa, "The inception of FOCAC has been an engine of progress, a valuable platform for dialogue and amplifying the African Voice globally" (Oqubay & Lin, 2019). Chinas commitment to

Africa is significant in adding value to the African economy while also sourcing labor from the continent.

### **Primary Measures and Achievement**

The economic essence of China–Africa relations is visible by the significant exports outside Africa and imports from China. During the 1980s, trade volumes culminated to \$1 billion; in 1999, the volumes recorded a high of \$6.5 billion (Mlambo et al., 2014). Consequent years exhibited an increase in trade volumes amongst the two parties; \$10 billion in 2000, \$39.7 billion in 2005, and \$55 billion in 2006 (Mlambo et al., 2014). As of 2021, \$139.1 billion trade volumes were on record. It made Africa the biggest trade partner with China (Chun, 2014). Several billion U.S. dollars make their way into African governments to support the economic and infrastructural growth of the nations.

The Chinese infrastructure in Africa has covered 35 countries. Several projects are found in Nigeria, Angola, and Sudan. Notable projects are the power plants, dams, ports, rail lines, and Roads. SinoHydro Dam in Ghana set off in 2008 took up a \$562 million loan from China (Mlambo et al., 2014). More than \$3.3 billion has been put into the power generation plants across African countries (Mlambo et al., 2014). These power plants financed by China amount to more than 6000 MW. The total electricity production in Africa is 17000MW, which shows the vast fraction it adds. In 2009, China gave Mauritania \$280 million for port expansion by 900 meters. It also increased the port's capacity to 500,000 tons (Chaziza, 2021). China set aside \$4 billion to rehabilitate and build new rails across various African countries. The road sector is significantly small as compared to other achievements. Only \$550 million has been pumped into the African road network by China (Dollar, 2019). Firms such as the China Road and Bridge Corporation take up such initiatives in various African countries.

### **Major Challenges to Both China and Africa**

The outside world is pessimistic about China–Africa relations. Several Western nations perceive the loans by China to be a gagging approach to Africa where the Chinese government is exploiting the weakness of limited finances in African countries (Wissenbach, 2010). A neocolonialism at present, the Western nations see the venture by China into Africa as a movement-oriented to appeasing the sitting government officials and disregarding other members of the African countries criticizing the act (Lumumba–Kasongo, 2011). China's massive influence on the economic position of

various African nations creates dependency and sets up a hierarchy. The outside nations see this as a move by China to control African countries (Gu & Schiere, 2011). These African nations will owe them and significantly become Chinese puppets by pumping funds. According to various global experts, China could be tapping into the unexploited resources in Africa. Numerous raw materials in Africa make it a potential exploitation ground (Wissenbach, 2010). China's approach has thus not been left from scrutiny. The African nations cannot ignore such notions from the Western parties. The need to boost its economic value is drowning many countries in debt, and soon it might catch up with these states. Failure to repay the loan is a potential conflict between China and Africa relations (Gu & Schiere, 2011). African countries could potentially lose their resources or the infrastructure built by the Chinese. It could drown African nations' economic states. Despite these global concerns, the Chinese government continues to put more funds into the development of African countries, focusing on infrastructure and technology.

## **Discussion**

China and African relations or the Sino–African relations have become a globally volatile topic. The Chinese venture into the African realm continues to generate adverse reactions on its implications and potential takeover of the African countries and command the resources. Despite these ideas, China's and Africa's goals appear to go along. The relations between the two parties are heralded by the need for one another (Diawara & Hanson, 2019). Due to the Western donor policies, loans became hard to obtain for the African nations. However, the Chinese approach synced with the African perceptions and seemingly led to both depending on each other. China has become a global superpower; as a result, selling its infrastructure and technology to the outside world (Leslie, 2016). The primary focus of various global pessimists is on what China gets out of its relations with Africa. The African benefit significantly as a result of the connections. China paves the way for the economic boom in Africa. According to Verhoeven (2014), China embraces Africa without hostile intentions. Despite the global concern of African takeover, China–Africa relations are two-way dynamic and oriented on goals set by both parties.

## **Conclusion**

The millennium has seen the Chinese government lend billions into several African infrastructures and technological advancements. Economic ties between the African countries and the People's Republic of China grew strong as more money was pumped into African countries.

FOCAC presents an open platform that the African countries and China can shape the relationship to serve a long-term purpose. The African benefit significantly as a result of the relations. China paves the way for the economic boom in Africa. China-Africa relations benefit both parties in different ways, where Africa gets access to loans that improve its infrastructure to sell its exports, while China imports products and exports its technology to Africa. The relations are based on goals and are a two-way dynamic benefiting both China and Africa.

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