Quo Vadis FOCAC?
The fifth Ministerial Meeting of the Forum on China-Africa Cooperation

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Dear Reader,

Few organisations or institutions with an interest in the ever-evolving China-Africa interaction can afford to ignore the FOCAC, a now 12-years old institution begun in Beijing, whose principal event, a triennial ministerial meeting of heads of state and government officials from over forty African states and China, takes place in Beijing around the time of publication of this special edition of the African East-Asian Affairs | The China Monitor. The CCS, as the leading African research institution for innovative & policy relevant analysis of Sino-African relations, has gone to lengths to prepare several publications for this year’s fifth ministerial meeting of the FOCAC, including three policy briefings, and several commentaries. This special edition of the AEAA / The China Monitor brings together some analysis of the dynamics around the FOCAC V in Beijing and complements our own work on this important date on the China-Africa calendar. Matthew McDonald appraises the proceedings of the FOCAC V meeting based on the Declaration and Action Plan published shortly after.

The three subsequent articles in this special edition offer different appraisals of the FOCAC platform. Huang Meibo and Qi Xie from Xiamen University in China give a categorical account of the commitments China has made to Africa since the inception of the forum, concluding that this is evidence of a co-operative, mutually beneficial relationship. Zhu Ming, from the Shanghai Institutes for International Studies, while also portraying FOCAC in a positive light, highlights some of the “capacity gaps” which the Chinese side still faces. These include increasing the presence of Chinese NGO’s in Africa and putting more effort into winning China’s international media war against negative spin.

Writing from St. Andrews University in Scotland, noted China-Africa scholar Ian Taylor’s critique of FOCAC is significantly different; rather than asking how the forum can be bettered, he questions its suitability in terms of the kinds of partnerships it purports to promote. Taylor argues that FOCAC commitments are largely dictated by China, making it more a spectacle in which Beijing bestows gifts of aid as opposed to a serious platform for “development-conscious participants”.

The fault-line between Taylor and the other authors’ work is indicative of a broader division between those who take FOCAC and its discourses of mutual benefit at face value and those who view it as an unequal economic and political relationship cloaked in the rhetoric of mutual reciprocity (and a rhetoric which many African elites are happy to embrace). But it also highlights two very different academic traditions: the Anglo-Saxon one, in which political ritual and its discourses are approached with caution, even suspicion; and the Chinese one, in which political events (particularly those involving the Chinese state) are, often through meticulous description, portrayed as in the interests of the general public good. In presenting these contrary views, this edition highlights the challenges FOCAC faces in terms of broad-based, transnational consensus building.

Yours sincerely,

Dr Ross Anthony
Research Fellow
Centre for Chinese Studies
Stellenbosch University
After FOCAC: Have China-Africa relations finally turned a corner, or was FOCAC V simply more of the same?

By Matthew McDonald,
Research Analyst, Centre for Chinese Studies

Recently, African Heads of State and China met in Beijing for the fifth FOCAC ministerial meeting, the latest in a twelve year process that has seen increasing exchanges of capital, goods and services, scholarship and people between the continent and China. The increasing value of this relationship is probably best illustrated by the consecutively larger financial overtures China has made to Africa at each respective event; in 2006 China promised US$5 billion in loans and assistance, in 2009, they doubled it to US$10 billion, and in mid-July 2012, President Hu again doubled China’s African stake with a promise of US$20 billion in loans and credit over the next three years. Attendance was unlike the summit in 2006, though, less than a quarter of leaders of the fifty registered FOCAC members actually pitched up, though most states did send at least some sort of ministerial or diplomatic representation. This turnout was more likely due to China’s last minute shifting of the conference from end October to end July, than some sort of antagonism from the African side.

From the media response, you might imagine this was the single greatest thing that occurred during those two days – and indeed, it’s a hefty (promise of) investment in the relationship going forward, but it’s also nothing new. Africa is a long time recipient of Chinese largesse, as the continent of foreign and commercial policy interest to China. However, looking past the diplomatic pomp and pageantry, and setting aside the big figure promises pasted across the headlines for a moment, the FOCAC V also signified something both a little less expected, and that many in the China-Africa game have been waiting for a while to see.

"Finally, an African country at FOCAC publicly leveraged the significant African stake in the relationship and gave praise – and some criticism of the existing relations."

The hand that feeds it

Finally, an African country at FOCAC publicly leveraged the significant African stake in the relationship and gave praise – and some criticism of the existing relations. China seemed to sense this: witness some highest-level self-criticism and their even larger basket of commitments to Africans, casting the extraordinary financial commitment and assorted other promises to keep their African deals sweeter than sweet in something of a new light. What’s going on?

Praising the collegiality of the relations China maintained with African states via FOCAC is no news from an African president – and mostly fulfils the function of adhering to Chinese protocol while offering an indirect stab at condition-laden loans and assistance from traditional donors in the northern hemisphere. Yet, besides this nicety, President Zuma of South Africa told the assembled Chinese and African dignitaries and delegates:

“Africa’s commitment to China’s development has been demonstrated by supply of raw materials, other products and technology transfer. This trade pattern is unsustainable in the long term. Africa’s past economic experience with Europe dictates a need to be cautious when entering into partnerships with other economies.”

That’s quite something to say to the nation whose trade exchange with your continent tripled in value in from 2006 to 2011 to US$166.3 billion, and no less a barb for the one
country that is your own nation’s largest trading partner - speaking in Sino-South African terms. But it’s also something that’s needed to be said from the African side for years. Habitually, it’s civil society, or academia, that crow loudest in respective states, and across various sectors of mutual interest, for more accountability, transparency, and attention to often neglected elements of international investment, such as environmental protection. Analysts (including this Centre) have called on African governments in the past to present an assertive response to Chinese entreaties for trade, assistance and investment. Zuma’s comments indicate that African governments are ready to turn this trend around.

President Hu even spoke to the inequalities and imbalances in the relationship thus far. It remains to the observers to understand if he was speaking perhaps not only to the trade imbalance that favours Chinese imports, but also to the many calls for coherence in Chinese engagement. Hu called to address these imbalances by regulating access of Chinese companies, or better systems to help balance the effects of Chinese labour shipped in to work on big figure infrastructure and extraction projects. Not only were promises made to train 30,000 African workers alongside big figure projects, increase the number of scholarships to African students to 18,000 and swell the Chinese medical cohort in Africa to 1,500, but China finally made the much needed commitments to Africa’s environmental security that civil societies both on the continent and outside it have been demanding for years. Specific topics in this realm are water security and forest protection.

From the outside, it may well appear that China is bending over backwards for its African friends.

From the outside, it may well appear that China is bending over backwards for its African friends (though the actual disbursement of the promised credit, the particular mix of loan and assistance that is applied, and the precise figures for African countries that will ultimately benefit from the facility are not on the table yet), and those friends (well, at least some of them) finally seem to be approaching the relationship from the perspective of what do we need from you rather than the all too familiar what can we get from you. This is a welcome shift.

Pulling back from the China-Africa relationship alone - it may finally be a signal that African economies are realizing that China is not the only game in town; there are other developed and developing nations interested in Africa’s markets and commodities whose interest in African markets and resources can be played against one another, or even invited in concert. Contrarily, that China has realized it’s going to have to keep sweetening Africa to the opportunities of relations with Beijing, because other developing nations - no less its BRICS colleagues, are already hard at work attempting to woo African markets and investment opportunities. China will need to optimise its offering if it want’s the optimal share of African business and resources.

What factors could possibly support the hope that Africa is finally finding its footing in the relationship that has defined Africa’s 21st Century to date? A couple come to mind:

China is not the only dish on Africa’s menu

Regarding the trade levels between Africa and China - the immediate perception is the spiralling value of trade between African countries and China in the last decade or so - the value of which has tripled, as stated above, in the half decade between 2006 and 2011. What the Financial Times was quick to point out though was the sometimes ignored percentage of world trade that Sino-African trade occupies; despite all the excitement and attention, trade between all of Africa and China is still only the size of
Chinese trade with Australia. Observe the chart below generated by the Financial Times (Online; 2012) a few days after the end of the FOCAC in Beijing.

The red bars indicate the volume of trade between Africa and China in the years since 2000, and despite the expectable dip during the 2008 financial crisis, the picture, like the bar graph, is rosy. Observe the single blue line - which charts the percentage share of world trade held by Sino-African trade since 2000. Since late 2010, it has basically flat lined, indicating not a slump in volume, of course, but that both China, and the African countries counted, are enjoying an increasing diversity of export partners. Their trade is growing, but not necessarily only with each other. Indeed, besides the traditional partners (the developed world), Africa is enjoying heretofore unprecedented attention from the emerging economies like those in the BRICS, as well as other Asian economies like Turkey and Korea. China’s largesse this time very much signals a deepening of its relations with Africa in a time when increasingly it faces competition on the continent from other emerging powers – and some more disenchantment with China on the continent, ten years after engagement increased substantially.

As early as two years ago, Chinese growth analysts were predicting a significant slowdown in the Chinese economic miracle.

A friend in need

As early as two years ago, Chinese growth analysts were predicting a significant slowdown in the Chinese economic miracle - a three decades long double digit growth streak that propelled what was once one of the world’s most isolated and underdeveloped nations to the second largest economy behind the United States. As of mid-2012, China’s growth has slumped (an ironic label given few other states can even boast such growth figures) to around 7.5%; these rates, however, are not sustainable. With an ageing population, and massive income disparity, the decision was announced two years ago via the CCP’s most recent Five Year Plan to settle on slower growth and focus on stabilizing Chinese society by boosting domestic spending. Best laid plans aside, no-one could have expected quite how much the Chinese economy has slowed down - by no means to economic crisis level, but certainly the slowing of certain key sectors was unexpected. The crisis might be rather grasped as political, though, as the social inequalities in China are daunting – and even harder to address when growth slows. On a recent trip to China, one of our CCS Research fellows chatted to Chinese business owners in a busy Shanghai market, who complained at the rate of economic
slowdown. China’s increased focus on consumption driven growth over export driven growth, coupled with the dire state of the international economy has seen international orders for Chinese goods and services take a tumble. Facing slowing growth, China needs African resources and markets more than ever - and now must compete with even more emerging economies looking for entry into the continent’s four dozen, often growing economies. Africa is one of the few markets where trade with China has kept expanding, and likewise for African exports to China - pegged at US$93.2 billion last year (mostly commodities).

Even before the FOCAC kicked off last week, the Chinese Premier, Wen Jiabao indicated that the upcoming ministerial meeting would seek to address the “imbalance” (CRI; 23 July 2012) in China’s trade with Africa - they’re likely to start importing more finished goods, as well as addressing African-side skills shortages in several sectors of mutual cooperation. As such, the trade imbalance and undue advantage to Chinese labour have been on the table since FOCAC began twelve years ago, but now, given the leverage African countries seem to be willing to take, and the need for China to maintain its string financial ties with the continent, in the face of mounting grassroots opposition from African societies (not unlike China internally, by the way), the time may have come for China to make good on these commitments.

"What is immediately remarkable about the Declaration this time round is the explicitly more international tinge to the proceedings."

So what’s in it for Africa this time round?

Typically, FOCAC meetings are followed by the release of two documents- the first is a Declaration premised on the original declaration made in Beijing in 2000 at the end of the first FOCAC. It recalls the vision for FOCAC as perceived by the Chinese and African delegations present, and briefly summarises the areas of interest where relations will be moving forward. The second, a Plan of Action, is much more comprehensive as it physically describes the path the stakeholders want the relationship to take until the following FOCAC three years hence.

What is immediately remarkable about the Declaration this time round is the explicitly more international tinge to the proceedings. FOCAC has, to date, resisted the pull to become a fully-fledged multilateral institution, but with representation from the African Union (AU) and African Commission (AC) present, not to mention the UN Secretary General, and with China’s deepening experience in both the more formal set of institutional organizations, and the more informal (BRICS), plus the increased scope of China-Africa activity that the document premises - from the international financial architecture, to agricultural reform, via the UNFCCC (United Nations Framework Convention on Climate Change) and Rio+20 - there are distinct indications here of a future where FOCAC can become more than a cluster of bilateral exchanges across various areas of interests.

The main gist of the Declaration (FOCAC; 2012) is the much-anticipated “new strategic partnership” between China and African states - a significant embellishment of the already existing modes of cooperation and areas of collaboration focused around six points;

- African political discourse and governance, “on such issues as sovereignty, independence, security, unity, territorial integrity and national development, so as
to increase the political trust and strategic consensus between China and Africa.” (note the absent points here – in comparison to aspects the West emphasises; little is said of interdependence or global responsibilities),

- African peace and security and the international dimensions of that,
- Interaction with and between African regional organisations (including the AU) with respect to support and development mechanisms (i.e. the AU's programme on socio-economic development, Nepad),
- Enhance cooperation and respect “comparative advantage” in almost a dozen areas, including trade, security, development, poverty reduction, infrastructure- and capacity building, and development of both human- and non-human resources- all in all, a pretty broad stroke,
- Enhance cooperation in non-traditional zones of cooperation including culture, education, sports, tourism and other fields, and forge closer ties between the young people, women, non-governmental organizations, media organizations and academic institutions; environmental aspects are also mentioned, but, again, more as an afterthought,
- Enhance the cooperation in international affairs and institutions, with due regard “to each other's legitimate concerns and aspirations.”

**Emphasis [is] placed on African agency in the relationships - the concept of a partnership of equals.**

The main innovation in all this, most of which we have seen in previous FOCAC literature, is the additional emphasis placed on African agency in the relationships - the concept of a partnership of equals. Of course, in reality, there is much work to be done to make the relations between any of the African states in FOCAC equitable with China. But there is scope here for improvement, if African countries can harness the spark of South African President Zuma’s words at the summit in Beijing, that, as they are now- Africa's economic relationship with China is unsustainable, then perhaps the systemic change needed in Sino-African relations can begin to take shape. That goes for relations in many other zones of mutual interest too.

The Action Plan puts more meat on the bones of this new Strategic Partnership - focusing on individual sectors of mutual concern. Again, there is enhancement of commitments in practically every sector- now arranged into sections reflecting the new "strategic partnership" the architects of FOCAC hope to introduce into the language; Political Affairs and Regional Peace and Security, Cooperation in International Affairs, Economic Cooperation, Cooperation in the Field of Development, and Cultural and People-To-People Exchanges and Cooperation. The scope of interaction is much more explicitly fleshed out- reflecting again the Declaration's impetus to include all levels and fields of African society - from diplomatic-, party- and government dialogues, through finance-, banking-, transportation-, energy- and tourism sectors, via academia, think tanks and youth and women exchanges, just to select a handful of the elements mentioned.

So what’s in it for Africa? The fact is that yes, these documents merely outline the desired outcomes the assorted FOCAC delegations are eyeing for the next three years, and, as such, actual execution of much of these outcomes will be the subject of a lot more leg work between Chinese agencies and individual countries and agencies in Africa- these are not contractual obligations. There is a shift in the language, and the scope of the sectors and issues addressed- and these shifts should be heartening to African societies and interest-led factions within them, particularly with reference to the environmental protection and climate change issues. Note the should be, since there is some way to go
still before these issues become priorities for the majority of African states, their private and public sectors.

Of more immediate interest to most will be the financial commitments—particularly the US$20 billion credit line—which of course will be extended to countries where lucrative investment and infrastructure deals are to be found. What was more interesting in those sections were the commitments to African financial institutions—the CADfund is to receive a (gradual) US$5 billion boost, and cooperation with the African Development Bank is to be boosted, as well as with regional financial institutions.

There is a visible shift towards stimulating and coalescing Africa’s often marginal agency in international affairs—couched in familiar terms of “developing partners, and the global south”; and towards supporting African institutions, be they continental, regional or in-country—particularly in the area of peace and security. The upheavals in (North) African governments last year and the year before cannot have been far from anyone’s minds. There is also significant presence of international institutions and formations in the Action Plan—a clear prioritising of Africa’s international agenda—whether via the development of the BRICS, the ongoing processes of the Rio+20, or the more formal (and cumbersome) machinations of the UN, its assorted sub-organisations, or associated financial institutions.

There is a visible shift towards stimulating and coalescing Africa’s often marginal agency in international affairs—couched in familiar terms of “developing partners, and the global south”

The onus has never been more on Africans to capitalise on the opportunities littering this arrangement. The gauntlet has been thrown down by South Africa—the current economic relationship cannot move forward in its current state, and now even more nations and economic blocs are shopping the continent for resources, for access, and for investment, no less from China which appears to be bending over backward to accommodate issues no-one ever dreamed would feature on the agenda of a forum like this even five years ago. The task now is for African states and leaders to find the optimum geometry to hold big investors like China to the words of this Plan—be it in concert via continental or regional organisations, be it arranged in issue-focused blocs or groups, or be it via their bilateral channels. FOCAC V highlighted Chinese interests in Africa and was an insistent invitation to step up, one that African countries can no longer ignore.

References


Matthew McDonald is a research analyst at the Centre for Chinese Studies, Stellenbosch University.
Forum on China-Africa Cooperation: Development and Prospects

By HUANG Meibo and QI Xie
Xiamen University, China

The Forum on China-Africa Cooperation (FOCAC) has been established for 12 years. In July this year, the Fifth Ministerial Conference will be held in Beijing. The cooperation mechanism of the Forum is getting more sophisticated, with its role and influence increasingly prominent after 12 years’ development. It has effectively promoted Sino-African relations to a comprehensive, thorough and rapid development phase. Before the start of the Fifth Ministerial Conference, it is necessary to review the commitments of the first four Conferences, examine their impact on economic and trade relations between China and Africa and look into the future prospects of FOCAC.

1. The Development Process of FOCAC

China and Africa enjoy a long history of friendly exchanges. After the founding of China, the establishment of Sino-Egyptian diplomatic relations in 1965 served as a prelude to official friendly diplomatic relations between Africa and China. At present, China has established diplomatic relations with 50 African countries. The two sides respect and support each other on the basis of Five Principles of Peaceful Coexistence and the Eight Principles of China’s Foreign Aid.

At the turn of the century the international situation is undergoing complicated and profound changes, with uncertainties affecting world peace and development still increasing. The United States has dominated the world and the external interference of the major developed countries goes unabated. As a result, developing countries face a serious threat of foreign interference. Furthermore, irrational international economic and trade rules bring great harm to African countries that depend heavily on agro-mineral exports. African economies are becoming increasingly marginalized, with social development facing serious impoverishment. In this international situation, both Africa-a continent with the greatest concentration of developing countries - and China, the largest developing country in the world, are facing the common tasks of gaining long-term stability, developing the national economy and improving people’s living standards.

"Some African countries point out that the Sino-African relations be adapted to the changes of the international situation."

Some African countries point out that the Sino-African relations be adapted to the changes of the international situation. China and Africa should establish such large-scale and high-level contact mechanisms to strengthen consultation and exchanges through collective dialogue on peace and development issues of common concern. Similar such mechanisms are evident in the African Growth and Opportunity Act between United States and Africa, the France-Africa Summit, the Tokyo International Conference on African Development and the Africa-EU Summit. China holds that it is perfectly placed and has the need to explore new ideas and build a new framework for the development of Sino-African relations in the new century. In October 1999, Chinese President Jiang Zemin sent a letter to the related heads of African states and Salim, the General Secretary of the Organization of African Unity, formally issuing the initiative to convene a conference, which received positive responses from most African countries. FOCAC has gone through 12 years since the First Ministerial Conference on October 10-12 2000. The forum was warmly welcomed by African leaders, with the number of participants increasing from 44 in the first conference to 49 in the fourth. Each conference set up specific cooperation programs and plans for future action, obtaining tangible results (Table 1).
Table 1 Overview of All Previous FOCAC

<table>
<thead>
<tr>
<th>Time</th>
<th>Location / Number of Participant Countries</th>
<th>Conference Name</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct.10-12, 2000</td>
<td>Beijing, China / 44</td>
<td>The 1st Ministerial Conference</td>
<td>&lt;Beijing Declaration of the Forum on China-Africa Cooperation&gt;, &lt;Programme for China-Africa Cooperation in Economic and Social Development&gt;</td>
</tr>
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"Chinese leaders have made a variety of concessions and commitments in terms of aid, trade, investment and in other fields"

2. The Main Commitment of FOCAC

To promote economic development of African countries and strengthen bilateral cooperation, Chinese leaders have made a variety of concessions and commitments in terms of aid, trade, investment and in other fields which favor African countries involved in the previous FOCAC meetings (Table 2).

With regard to foreign aid, the Chinese government provided help within its greatest capacity possible and tried to meet different needs of African countries by expanding the scale of foreign assistance, providing preferential loans and debt relief, assisting infrastructure building, carrying out agricultural technology cooperation, promoting education and human resource development, offering medical health and volunteer services. In the area of trade, the Chinese government provided zero-tariff treatment, export buyer's credit, as well as tourism promotion measures to extend the scale of China-Africa trade. In the investment arena, the Chinese government encouraged enterprises to invest in Africa through the establishment of ‘Special Funds of Joint Venture', the 'China-Africa Development Fund' and ‘Special Loans of SME Development in Africa', as well as Overseas Economic and Trade Cooperation Zone etc. In addition, the Chinese government also provided practical help in scientific and technological cooperation, cultural exchanges and other fields to improve people's living standards in Africa through a variety of channels and angles.
Table 2 Main Commitments of FOCAC

<table>
<thead>
<tr>
<th>A. Commitments on Aid</th>
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| **Scale of Foreign Aid** | - 2000: continue to provide a variety of assistance within capacity to African countries and gradually expand the scale of assistance as China’s economy develops and overall national power strengthens;  
- 2006: double aid to Africa in 2009 (2006 as benchmark year); |
| **Preferential Loans** | - 2006: provide US$ 3 billion as preferential loans within 3 years;  
- 2009: provide US$ 10 billion as concessional loans; |
| **Debt Relief** | - 2000: debt relief of 10 billion in the next two years to the Heavily Indebted Poor Countries (HIPC) and Least Developed Countries (LDC) in Africa to RMB;  
- 2006: cancel government interest-free loan getting mature in 2005 to all HIPC and LDCs with diplomatic relation with China;  
- 2009: cancel government interest-free loan getting mature yet still in 2005 to all HIPC and LDCs with diplomatic relation with China; |
| **Infrastructure Building** | - 2006: help build the African Union Conference Center and 100 rural schools;  
- 2009: build 50 friendship schools and 100 clean energy projects of solar energy, biogas, small hydropower; |
| **Agricultural Cooperation** | - 2006: send 100 senior agricultural experts and establish 10 special agricultural technology demonstration centers within three years;  
- 2009: to further strengthen agricultural cooperation, expand the number of agricultural technology demonstration center to 20, send 50 agricultural technology groups and train 2000 agricultural technicians; |
| **Education and Human Resource Development** | - 2000: establish the African Human Resources Development Fund, gradually expand the size and train all kinds of professionals;  
- 2003: increase 33% of the funding of African Human Resources Development Fund in 2004-06 and train up to 10,000 personnel in various fields;  
- 2006: train 15,000 African professional, increase the number of scholarships for African students from 2,000 to 4,000 per year;  
- 2009: train 1,500 principals and teachers and 20,000 personnel in various fields; increase government scholarships to Africa to 5500 within three years; launch China-Africa Science and Technology Partnership, carry out 100 joint demonstration projects on science and technology and receive 100 African post-doctoral fellows; |
| **Medical Health** | - 2006: build 30 hospitals, provide RMB 300 million as free aid for prevention and treatment of malaria by way of providing artemisinin and building 30 anti-malaria centers;  
- 2009: build 30 hospitals and 30 malaria prevention and treatment centers, provide RMB 500 million for medical equipment and anti-malarial supplies and train 3000 health care workers; |
| **Volunteer Services** | - 2006: dispatch 300 youth volunteers within three years. |
B. Commitments on Trade

| Zero-tariff Treatment          | 2003: grant tariff-free access to some commodities from LDCs, start negotiations in 2004 with relevant countries on the list of zero-tariff products;  
2006: extend the number of zero-tariff items from 190 to more than 440;  
2009: gradually grant zero-tariff treatment for 95% of products from Africa's LDCs with diplomatic relations with China and exempt tariff for 60% of products in 2010; |
| Export Buyer's Credit         | 2006: US$ 2 billion as preferential export buyer's credit; |
| Tourism Promotion Measures    | 2003: to expand cooperation in tourism, grant Tour Destination Status to Mauritius, Zimbabwe, Tanzania, Kenya, Ethiopia, Seychelles, Tunisia, Zambia for Chinese citizens |

C. Commitments on Investment

| Investment Promotion Measures | 2000: establish Special Funds of Joint Venture to support and encourage strong and reputable Chinese enterprises to invest in Africa to promote local economic development;  
2006: set up China-Africa Development Fund, with its fund reaching US$ 5 billion capital;  
2009: set up Special Loans for SME Investment in Africa, with the amount of US$ 1 billion; |
| Economic and Trade Cooperation Zone | 2006: build 3-5 Economic and Trade Cooperation Zone in African in the next three years. |

D. Other Commitments

| Scientific and Technological Cooperation | 2009: Expand cultural exchanges, implement the ‘China-Africa Joint Research and Exchange Program’, promote communication and cooperation between scholars and think-tanks to exchange development experience and provide intellectual support for the introduction of better cooperation policies, establish partnership to cope with climate change by holding consultations between senior officials from time to time and strengthening cooperation in satellite meteorological monitoring, development and utilization of new energy, desertification prevention and urban environmental protection etc. |
| Cultural Exchanges                  | 2003: hold such activities as ‘China-Africa Youth Festival’, international arts festival of ‘Meet in Beijing’ and the ‘Chinese Culture in Africa’.to promote understanding between people of China and Africa, especially the young people |


3. The Main Outcomes of FOCAC

FOCAC is an important platform and effective mechanism for group dialogue and pragmatic cooperation between China and African countries. It is conducted in the spirit of equality, mutual benefit and common development. For the 12 years since its establishment, the Chinese government has accomplished the plans for each conference and effectively promoted the development of Sino-African relations. The Financial Times said that ‘China has become a new driving force of the African economy’. In his speech at Beijing University on September 12th, 2007, Tanzanian former President Benjamin William Mkapa, pointed out that ‘in more and more African countries, both the leaders and the people, have well realized that there is enormous potential in the China-Africa mutually beneficial and win-win economic partnership.’
(1) Significant Effectiveness of Assistance to Africa

China has increased assistance and expanded its amount of aid to friendly countries in Africa since 2000. By the end of 2009, China fully implemented the commitment of doubling the scale of assistance in 2006.  

China also fully implemented the commitment of providing US$ 3 billion in preferential loans in the third forum.  

On Oct. 23, 2011, the Ministry of Commerce pointed out that the US$ 10 billion concessional loans China has pledged at the fourth forum is divided into concessional loans and preferential export buyer's credit. Up until October 2011, China has provided US$ 4.439 billion to 13 African countries and signed preferential loan agreements with 19 countries. The total amount of these two kinds of loans is RMB 12.94 billion, benefitting communications, transport, energy, electricity, water, construction, aviation and other industries.  

China completed timely all the debt relief commitment made in the first, third, fourth FOCAC meetings. By the end of 2009, China had signed protocols on debt relief with 35 African countries, eliminating 312 matured debts, amounting to RMB 18.96 billion.  

In infrastructure, the African Union Conference Center, which China committed to build in 2006, was completed in Addis Ababa, the Ethiopian capital, on January 28, 2012. By the end of 2009 China finished more than 500 infrastructure projects, including the completion of railways of over 2000 km, more than 3000 kilometers of roads, 11 bridges, dozens of hydropower stations and ports.  

For the commitment of 100 clean energy projects in biogas, solar, small hydro and small well drilling water supply project, China has reached agreement with concerning African countries about the implementation plan of various projects and will implement them as soon as possible.

"By the end of 2009 China had sent 104 senior agricultural experts to 33 African countries to help with agricultural development planning, technical guidance and training."

By the end of 2009 China had sent 104 senior agricultural experts to 33 African countries to help with agricultural development planning, technical guidance and training. China cooperated with United Nations Food and Agriculture Organization, signed the ‘South-South Cooperation Tripartite Agreement’ with Mauritania, Ghana, Ethiopia, Gabon, Sierra Leone, Mali, Nigeria and other countries and sent more than 600 Chinese agricultural experts and technicians to the above-mentioned countries.  

The Ministry of Commerce pointed out in October 2011 that China has pledged to increase the number of agriculture demonstration centers to 20. In addition to the original 15 centers, China has decided to build five new centers in Malawi, Angola, the Democratic Republic of the Congo, Mali and Mauritania; project inspection has already been completed. By April 2012 China has sent 50 agricultural technology groups to 26 African countries, completing commitments made in the 4th conference.  

China increased capital to the ‘African Human Resources Development Fund’ in the 4th forum and set up a ‘coordination mechanism of inter-ministries in external human resources development cooperation’.  

By the end of 2009 China built 107 schools in Africa, provided government scholarship to 29,465 African students, with about 5000 scholarships annually. Up until June 2010, China trained more than 30,000 personnel, covering more than 20 areas such as economy, public administration, agriculture and animal husbandry, fisheries, health, science and technology, environmental
China committed to contribute US$ 1.5 million to the Personnel Training Program of the New Partnership Plan for Africa's Development. As committed, the US$ 1.5 million was appropriated to the assigned account by Africa at the end of October 2011.

By the end of 2009 China had built 54 hospitals, 30 malaria prevention and treatment centers and provided anti-malaria drugs worth about RMB200 million to 35 African countries. By October 2010, more than 1,000 Chinese medical teams have been sent to provide medical services in 41 African countries.

By the end of 2009 China sent 312 volunteers to Africa, providing volunteer service of Chinese language teaching, health, physical education, computer training and international rescue.

(2) Strong Growth of Sino-Africa Trade

China has offered zero-tariff treatment for some goods from African LDCs since 2005. By July 2010 the benefited goods has expanded to more than 4700 items. It will gradually cover 95% of goods listed in «Customs of the People's Republic of China Import and Export Tariffs». In addition, 28 African LDCs countries began to enjoy duty-free treatment for 60% of exports in July 2010 and January 2011. China also fully implemented the commitment to provide US$2 billion preferential export buyer’s credit to African countries.

Since the establishment of FOCAC, bilateral trade has been growing vigorously. Trade volume exceeded US$ 10 billion in 2000 and reached US$ 39.75 billion in 2005, quadrupling in five years. Trade volume increased to US$ 107.2 billion in 2008, realizing ahead of time the target of US$ 100 set in 2010 at the Beijing summit between the leaders of China and Africa. Affected by the financial crisis, trade volume fell to US$ 91 billion in 2009 but rose to US$ 127.1 billion in 2010 (Figure 1).

Figure 1. Sino-Africa Trade Volume (2000-10) (Unit: million US$)

China has actively promoted cooperation with African countries in tourism. In 2002 Egypt became the first African tourist destination for Chinese citizens who cover their own expenses. By the end of 2009, a total of 28 African countries and regions become African tourist destination for the Chinese citizens.
(3) Significant Increase in Investment

The Chinese government encourages strong and reliable Chinese enterprises to expand investment in Africa. On the one hand, China set up a variety of investment promotion funds to promote Chinese investment in Africa. The China-Africa Development Fund was established in 2006. By October 2011, the first phase of fund has invested US$ 716 million to 30 projects. At present, the second phase of the fund has started to raise another US$ 2 billion.\(^2\) China has set up Special Loans for SME Investment in Africa. By October 2011 the China Development Bank has signed 15 projects contracts worth US$400 million. The total loan granted amounted to US$6,783 million.\(^2\) On the other hand, the Chinese government set up 6 economic and trade cooperation zones in Zambia, Mauritius, Nigeria, Egypt and Ethiopia. In addition, China has signed bilateral promotion and protection investment agreements with 33 African countries and the avoidance of double taxation agreements with 11 countries, and established China-Africa Investment and Trade Promotion Center in 11 African countries.\(^3\)

China's investment grows rapidly in Africa. At the end of 2003 China's direct investment stock was US$ 490 million and it increased to US$ 13.04 billion in 2010 (Figure 2), with an average annual growth rate of 61\(^%\).\(^4\) Meanwhile the fields of Chinese investment in Africa continue to broaden, involving mining, finance, manufacturing, construction, tourism, agriculture, forestry, animal husbandry and fishery (Figure 3).

\[\text{China's investment grows rapidly in Africa. At the end of 2003 China's direct investment stock was US$ 490 million and it increased to US$ 13.04 billion in 2010.}\]

Figure 2. China's Direct Investment Stock in Africa (2003-10) (Unit: 10 thousand US$)


Figure 3 China's Direct Investment in Africa by Industry (2009)

China-Africa Joint Research and Exchange Program was officially launched on March 30, 2010. Scholars from China-Africa Joint Research and Exchange Program held a meeting on December 9th. More than 30 African experts in 10 domestic academic institutions and universities attended the meeting. In addition the first China-African think-tank forum was held in Hangzhou and Jinhua, China, from October 27 to 29.

The international arts festival of ‘Meet in Beijing’ and the ‘Chinese culture in Africa’ event were successfully held in May and July 2004 respectively. The first and second ‘China-Africa Youth Festival’ was successfully held in August 2004 and August 2006 in China.

4. Prospects of China-Africa Cooperation

With the enhanced status of African countries, developed and emerging economies have more intense strategic competition in Africa. On the one hand, the Western powers stepped up their competition. Since 2007, the United States announced to extend the African Growth and Opportunity Act; EU held the second Europe-Africa Summit; Japan held the Fourth African Development Conference; and Russia thought of Africa policy as a long term strategy. On the other, emerging countries are also actively expanding its influence in Africa. After the Beijing Summit, a number of emerging countries have shown eagerness to establish an institutionalized platform for cooperation with Africa. South Korea - Africa Summit, South America - Africa Summit, India - Africa Summit and Turkey - Africa summit were held successively. In this context China should face up to the problems and challenges. In the next three years, it should strengthen cooperation in the following areas.

"With the enhanced status of African countries, developed and emerging economies have more intense strategic competition in Africa."

1. A Great Space left for Sino-Africa Trade and Investment

Firstly, bilateral trade as a whole is still at a low level. The proportion Sino-Africa trade in Africa trade volume is 1.78% in 2000 and 13.23% in 2010, while bilateral trade accounts for less than 5% of China's trade volume over the same period. There is a big potential for China-Africa trade cooperation. The two sides should expand trade in areas like processing trade, service outsourcing, technology transfer, project contracting.

Secondly, according to the World Investment Report of 2010, foreign direct investment stocks in Africa were US$ 488.8 and 5540 billion in 2009 and 2010 respectively, while China's direct investment stock in Africa were US$ 9.3 and 13 billion in the corresponding period. On the other hand, the proportion of Chinese investment in Africa in China's foreign direct investment has never exceeded 3%. African leaders repeatedly pointed out during the FOCAC meetings that the Chinese government should encourage more Chinese enterprises to invest in Africa.

2. Explore New Forms of Aid and Economic and Trade Cooperation

In the mid-1990s, the Chinese government began to diversify aid modality and attach importance to multilateral institutions. Under the framework of FOCAC, the Chinese government decided to donate US$ 30 million to Food and Agriculture Organization of the United Nations to establish a trust fund. Some African scholars suggested that China should adjust to cooperate with sub-regional organizations, such as West African community, and then the win-win cooperation would become more
prominent. At the same time, China can bundle aid, trade and investment together to widen channels of economic and trade cooperation.

(3) Continue to Strengthen Africa's Infrastructure

Infrastructure construction has been the weak link and a major factor restricting commercial development in Africa. According to a report by the World Economic Forum, World Bank and the African Development Bank, African companies lost sales of up to 8% due to power shortages and the transport delay caused the loss of at least 3% of sales. Besides providing preferential loans, the Chinese government can consider setting aside some of the reserves to help more African countries in infrastructure.

(4) Broaden China-Africa Agricultural Cooperation

The African continent enjoys plenty of sunshine, abundant land and water resources. It has great agricultural resources. Once drawing on China's agricultural intensification technology and experience and coupled with building water conservancy facilities, Africa can achieve food self-sufficiency. Chinese help in building agricultural technology demonstration centers, sending senior agricultural experts and teaching agricultural technology, to some extent, has enhanced the confidence of African countries in achieving food self-sufficiency.

"The FOCAC has brought great benefits to African countries, but also exposed some problems in the implementation process,"
African countries themselves authorize the relevant agenda can the FOCAC play more important role in this aspect". At present the Chinese government dominates the forum, with limited initiatives of African countries, which is due to the great number of African countries, regional differences among them and difficulties in intra-African co-ordination.

Although confronted with many challenges and difficulties, the Chinese government has fulfilled its commitments made at FOCAC in the past 20 years, which has won appreciation from African leaders. The Fifth Ministerial Conference of the Forum on China-Africa Cooperation will surely continue to yield fruitful results, deepen mutually beneficial relationship and strike a brighter future.

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2. The Organization of Afric An Unity is the predecessor of the African Union.
HUANG MeiBo (Ph. D in Economics) has been associated with the School of Economics, Xiamen University since 1991. She is now professor of economics and Director of the China Institute for International Development of Xiamen University. Ms Huang’s current research focuses on China’s foreign aid, regional economic integration and international monetary cooperation.

Qi Xie, is a student of World Economics at the Department of International Economics and Trade, School of Economics, Xiamen University, China. Her current research focuses on the management of China’s foreign aid.
The Sustainable Development of Sino-African Cooperation: Actors, Gaps and Reforms

By ZHU Ming
Centre for West Asian and African Studies, Shanghai Institutes for International Studies (SIIS)

Relations between Africa and China have experienced an extremely fast-growing period since the beginning of this century, and such speed is quite rare in history. As for the unique close political ties, it has been a 22 year-long tradition, until 2012, that the Chinese Foreign Minister always makes his first official visit to Africa at the beginning of each year.¹

What’s more, booming economic ties are even labeled by some observers as “Africa’s Silk Road”.² Already Africa’s single biggest trading partner, China is set to become the continent’s largest export destination in 2012, according to South African based Standard Bank.³

At the summit of the Forum on China-Africa Cooperation in 2006, ⁴ parties on both sides proclaimed “the establishment of a new type of strategic partnership between China and Africa featuring political equality and mutual trust, economic win-win cooperation and cultural exchanges” at the The FOCAC (the Forum on China-Africa Cooperation) is held every three years since it was founded in 2000. Outside praise and criticism of FOCAC are intertwined. Upon each summit, Beijing issues its new Africa policy principles and a 3-year Action Plan in detail. Being a multilateral policy platform, FOCAC, together with Beijing’s existing bilateral relations with Africa nations, enriches Beijing’s Africa policy instruments and plays a key coordinating role in China’s grand Africa policy. In the near future (July), the 5th Ministerial Conference of FOCAC is to be held in Beijing. An on-time evaluation of FOCAC’s past, as well as an outline of its future blueprint is essential

“Relations between Africa and China have experienced an extremely fast-growing period since the beginning of this century, and such speed is quite rare in history.”

To start my analysis, I believe that two issues are essential. Firstly, there is the issue of the needs and challenges of Africa. It is very often that China and Africa face similar challenges; This has served as a solid basis of mutual cooperation. The second issue is to what extent China and Africa can help each other within the framework of FOCAC under the background that some actors of China and Africa are not yet to meet the growing expectations and demands of China-Africa relations. In the following analysis, I would point out the issue of Capacity Gap produced by insufficient actors.

The needs and challenges of Africa

There have been quite a lot of discussions about the problems, challenges and potentials of Africa continent, I do not want to repeat those statements again here. But I think one relatively new issue is worthy of our special attention, that is Africa’s fast population growth and urbanization process.

According to the 2011 Revision of the World Urbanization Prospects, Africa’s urban population will soar from today’s 414 million to over 1.2 billion; in Asia the dramatic increase will be from 1.9 billion to 3.3 billion over the next four decades. India, China, Nigeria, the United States and Indonesia are estimated to have the largest increases
in urban population, the UN report says. The estimated increase in urban population of Nigeria between 2012 and 2050 will be higher than that of the past 40 years. Over the past decade six of the world’s ten fastest-growing countries were African. In eight of the past ten years, Africa has grown faster than East Asia, including Japan. Even allowing for the knock-on effect of the northern hemisphere’s slowdown, the IMF expects Africa to grow by 6% this year and nearly 6% in 2012, about the same as Asia.  

Graph 1: Growth rates of urban agglomerations, 2011-2025

Meanwhile, tough challenges facing Africa remain. The past East African and ongoing Sahel drought have shown how weak and un-sustainable these affected African states are when they face natural disasters.

A report on FOCAC, published by Shanghai Institute for International Studies (SIIS) in 2008, argues that the success of the Beijing Olympics and Beijing Para-Olympics have boosted China’s position in international politics in three respects. The developing countries cherish a ‘great power expectation’. The developed countries have increased ‘the great power demand’ over China as well. The ‘great power responsibility’ is growing even within China at elite and popular levels. The World Expo 2010 Shanghai will strengthen and consolidate China’s international position further. The international community will accept the fact of a rising China to a larger extent. Thereby, the African countries should have higher expectations in terms of China’s impact upon them. The expectation will be reinforced once the commitments made at the Beijing FOCAC Summit are delivered in time, or even ahead of time and over-fulfilled.
China’s Challenges: Capacity Gap

This prediction has come true after 4 years, not to mention that the ongoing global financial crisis has de facto upgraded Beijing’s global position and African countries’ expectations towards China. China has become the No.2 economic power in the world in terms of GDP. “Made in China” is ubiquitous around the world. The number of Chinese businessmen and companies within Africa is rising.

Frankly speaking, the non-state actors of Africa and China are still not strong enough to carry out effective mutual cooperation. There is still a long road ahead. Meanwhile, the diversification of international and domestic actors and their related interests in Africa will form a certain level of pressure on the development of the Forum. Internationally, various countries are paying more and more attention to Africa. Traditional powers and newly rising powers have either strengthened or created new platforms in their dealings with Africa. Additionally, international organizations, non-government actors like NGOs and transnational corporations are increasingly taking notice of Africa. They usually focus on particular problems and have significant potential to initiate new international agendas. Thus, they can create more pressure on the behaviors of national actors and international organizations. But up to now, Beijing is still relatively weak in these sectors; a “Capacity Gap” exists.

a) NGOs

For example, it is pointed out that as for NGOs, “the Africans were watching, the Asians listening, the Latin Americans talking while the North Americans and Europeans were doing business.” Until 2011, China has 462 thousand officially recognized NGOs. But almost all of them have little experience or history in effective international cooperation with foreign counterparts.

Frankly speaking, the non-state actors of Africa and China are still not strong enough to carry out effective mutual cooperation.

That is no strange that although Beijing has sent one high-level NGO delegation to Nairobi to host the first China-Africa People’s Forum, the conference is successful to have had a good beginning but hard to have a deeper enough cooperation yet, I think. Since when I do research on the conference output, I discover that African NGOs fail to establish a kind of effective partnership with Chinese ones. African NGOs asked to get direct financial support from their Chinese counterparts, however Chinese NGOs face their own budget limits, making it hard to meet African demands.

b) Media

Traditionally, the mark of a great power was its ability to prevail in war. But in an information age, success depends not just on whose army wins but also on whose story wins. Although Beijing has invested huge resources on its public diplomacy and soft power programmes in order to improve its global image, the mainstream global media is still located in London, Paris and New York rather than in Beijing or Shanghai. That is to say, the western media enjoys the un-challenged privilege to judge China – Africa relations from their perspectives and interests. Now fruitful cooperation between Beijing and Africa has been the HIGHLIGHT to each side, but it has also been a HOTSPOT of criticism in terms of contemporary Sino-African ties. The fast-growing Sino-African relationship has, however, not been without
controversy, and China regularly finds itself the subject of allegations that it undermines human rights and governance in its dealings with African governments.\textsuperscript{15} “This world is far from a balanced one. Some have megaphones, some only small microphones and some none.” Chinese Foreign Minister Yang Jiechi says.\textsuperscript{16} Mr. Lu Shaye, Director-General of Department of African Affairs of China’s Ministry of Foreign Affairs points out that around 80\% of international news resources are from the western media, which often contain biases\textsuperscript{17}

It is pointed out that China has ventured into Africa as a friend. This has forced the West, to sit up because it knows that it could now “lose the continent”. Demonizing China is now the main goal of Western propaganda. The West is promoting its own politico-economic system as the only one possible in the world.\textsuperscript{18}

C) China’s construction companies in Africa

A bit different from the above two sectors, China is good at infrastructure. In the past, the Tanzania – Zambia railway serves as the symbol of China-Africa friendship. Until 2011, China has helped Africa with building more than 2000 km railway and 3000 km road.\textsuperscript{19} But due to the internal changes of China, its advantage is also facing challenges.

\textit{Up to now, Chinese assistance to Africa manifests itself predominantly in the form of infrastructure.}

Up to now, Chinese assistance to Africa manifests itself predominantly in the form of infrastructure. This means that Chinese enterprises have been the main actor of the Chinese assistance to Africa. China has also begun making its mark as an emerging donor. In January a new $200m African Union headquarters was commissioned in Addis Ababa, Ethiopia. Funded entirely by China, the opening ceremony was attended by Jia Qinling, the country’s most senior political adviser, who told those in attendance that “the towering complex speaks volumes about our friendship to the African people, and testifies to our strong resolve to support African development.”\textsuperscript{20}

Graph 2: Sectoral distribution of concessional Loans from China

\textit{Source and Note:}
(1) White paper: China’s foreign aid (April 2011).
(2) The Chinese data here is by the end of 2009, according to a white paper on China’s foreign
aid issued by China's Information Office of the State Council on April 21, 2011.

During the Chairman MAO era, Chinese enterprises did not need to worry about economic issues; the whole Chinese economic system was planned. Such non-benefit driven features of Chinese enterprises have been matched quite well with the high politics profile of Chinese ODA to Africa. But entering the 1980s, due to the open and reform policy, more and more Chinese enterprises transformed into being more and more independent economic units within the market economy. That is to say, the economic face is rising while the political face is declining.

According to one JETRO (Japan External Trade Organization)'s comparative research, Japanese construction companies have suffered from high cost disadvantage, compared to Chinese companies. The annual salary of a Chinese engineer is just 14% of a Japanese engineer. But such low cost advantage is now declining. Due to the fast economic growth of China, the income level is also rising fast. In 2011, the annual per capita net income of rural households was 6,977 Yuan, up by 17.9 percent, or a real increase of 11.4 percent over the previous year when the factors of price increase were deducted. And China’s underdeveloped inland areas have also been on the fast track, which have offered more jobs to young peasant workers. All these factors make overseas work, especially in a poor and risky continent like Africa, non-desirable.

During the Chairman MAO era, Chinese enterprises did not need to worry about economic issues; the whole Chinese economic system was planned.

Graph 3: Per Capita Net Income of Rural Households and the Real Growth Rates, 2006-2011

![Graph showing per capita net income of rural households and real growth rates from 2006 to 2011](attachment://graph3.png)


Policy Recommendations

Regarding the above mentioned flaws, lessons and progress that China has made in the past decades, several practical reforms should be enacted in the following areas.
a) Think for Africa and **BEYOND** Africa (From ‘A’ to ‘A’)

The history of the kind of multi-dimensional cooperation witnessed in FOCAC engagements since 2000, is relatively short. In order to outline a better future, we need to draw lessons and experience not only from the history of China-Africa relations, but also from other research beyond China-Africa relations. For example, China has promised to play more positively in promoting the regional integration process of Africa. China could borrow lessons from China’s regional cooperation with its neighboring Asian countries. China’s Asian regional cooperation has a lengthier history than regional cooperation with Africa.

China, facing the positive problem of being a capital surplus economy, is diverting more funds to assist with the development of Asian infrastructure, and is in high level talks with several countries to provide funds and loans for high-speed rail and related projects across the region. China and Thailand are set to agree on a plan to build high-speed rail lines that will pass from Southern China through Laos to Thailand, and then to the border of Malaysia. In 2010, the Thai Parliament approved the deal in a project likely to cost some US$27 billion. But some ASEAN countries are afraid that such projects might *de facto* divide ASEAN into two blocs, which are the pro-Beijing ASEAN land bloc (including Laos, Thailand etc) and the pro-Washington ASEAN sea bloc (including Singapore, Philippines etc). The possible internal spilt would surely be bad for the integration process of ASEAN in their eyes.\(^{23}\)

> China, facing the positive problem of being a capital surplus economy, is diverting more funds to assist with the development of Asian infrastructure.

Such kinds of un-intended double-edge effect of China’s foreign policy can cause potential problems not only in Asia, but also in Africa. Some Africans have worried that Beijing’s favorable policies towards LDCs may foster dependence upon Beijing instead of cooperating with their neighbors to promote Africa’s regional integration.\(^{24}\)

That is to say, due to the larger scale and scope of China-Africa cooperation, the relevant research needs to be more comprehensive, multi-dimensioned, far-sighted. Only after that, both Africa and China will be able to manage these never-met-before circumstances more adequately.

b) Internal reforms of both sides are quite essential.

A nation’s policy is based on its material capacity or hard power. But it is not a voluntary process. Without the relevant domestic policy consensus or willingness, any good ideas would still be on paper instead of carried out through action. Additionally China’s own capabilities are still limited, that’s why Beijing still prefers to keep a low profile in terms of facing higher external demands, including offering more aid. Facing this financial crisis, more and more developed and developing countries are arguing via different channels that Beijing is able to - and should do more - to fight against this crisis, hand in hand with others in the world. But Beijing still keeps a low profile and its reply is conservative.\(^{25}\) Before the G20 London Summit, Beijing repeatedly insisted that what China should and could do is to keep its house in order.\(^{26}\)

As analysed above, there are quite a lot of obstacles preventing engagement. Some Chinese businessmen in Africa complain about the low efficiency of their African counterparts and governments. Africa needs to do something to facilitate inward investments (not only towards Chinese FDI). Some Beijing regulations also need to be upgraded, such as its aid policy and immigration policy.
Not to mention that these kinds of reforms are mainly not in the charge of Foreign Ministry. But they have had negative impact on our diplomatic ties. I believe that one top-down reform approach are needed to push such kind of reforms step by step.

c) TWO Scientific Approaches

The mutual development cooperation of China and Africa in the field of natural science (in the form of R&D) would help Africa with the production or even export of more technology-intensive products (“Made in Africa”). Or Africa would continue to worry or even complain to be just the resource supplier to China. For example, “Africa must not jump blindly from one type of neo-colonialism into Chinese-style neo-colonialism,” cautioned Rene N’Guetta Kouassi, the head of the African Union’s economic affairs department.27

Table 1: Top Thirty International Development Think Tanks

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<thead>
<tr>
<th>Rank</th>
<th>Think Tank Name</th>
<th>Country</th>
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<tbody>
<tr>
<td>1</td>
<td>Brookings Institution – United States</td>
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<tr>
<td>2</td>
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<td>Harvard Center for International Development – United States</td>
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<td>6</td>
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<td>7</td>
<td>Woodrow Wilson International Center for Scholars – United States</td>
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<td>8</td>
<td>Institute of Development Studies – United Kingdom</td>
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<td>9</td>
<td>International Institute for Environment and Development (IIE) – United Kingdom</td>
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<td>25</td>
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<td>26</td>
<td>South African Institute of International Affairs (SAIIA) – South Africa</td>
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The mutual development cooperation of China and Africa in the field of natural science would help Africa with the production or even export of more technology-intensive products.

The intellectual support in the field of social science from both Africa and China is quite essential to our policymakers, businessmen etc. David M-Lampton, a leading American scholar on Chinese studies, argues that Chinese power has three faces. They are might, money and minds.28 When we look back in history, we find fruitful examples indicating how important intellectual contributions can be, e.g. Adam Smith to the rise of Great Britain, Karl Marx to the founding of Soviet Union. According to one recent worldwide research project most think-tanks are located in developed countries and the best ones are almost all in the western countries. For instance, out of the Top Thirty international development think tanks, the top 22 are either from North America (America and Canada) or Europe (France, UK etc.). Only the 23rd one
The existing underdevelopment situation of the academies of Africa and China are not ideal yet, not able to meet the needs from governments, companies etc.

**Conclusion: Win-Win or Weak-Weak Cooperation?**

Jean Pierre Onvehoun Ezin, the African Union’s (AU) Commissioner for Human Resources, Science and Technology, states that “Europe is the partner we know best and who knows us best, but we want more effective cooperation.” What he said is mostly true, one reason is that both China and Africa are still weak in terms of non-state actors, not to mention very frequent and fruitful exchanges and cooperation pushed by non-state actors. In fact, in today’s globalized world, bilateral relation is pushed not only by governments, but also by foundations, transnational companies (TNCs), think tanks etc.

It has been a consensus that both China and Africa are trying to establish a new type of China-Africa Strategic Partnership, the core feature being win-win cooperation. For instance, in Chinese premier WEN Jiabao’s speech at the 4th Ministerial Conference on the Forum for China-Africa Cooperation, “win-win progress” and “win-win cooperation” are mentioned more than once. But we also have to admit that in quite a lot of areas, the actors within the Africa-China relationship are weak, that is to say, the relevant cooperation has to be taken on the basis of a weak-weak partnership. Such conditions surely produce the question of insufficient dynamics and unsustainable development.

> It has been a consensus that both China and Africa are trying to establish a new type of China-Africa Strategic Partnership, the core feature being win-win cooperation.

In conclusion, on the road to sustainable development of China-Africa relations, both sides are facing the challenge of a capacity gap. Prof. David Shambaugh, who is Professor at the George Washington University and is recognized internationally as an authority on contemporary Chinese affairs, points out that despite its fast growth, China’s influence is globally broad but not deep enough yet. Both Africa and China need to do a lot more to cultivate more powerful non-state actors to increase the dynamics of our cooperation.

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ZHU Ming is Research Fellow at the Centre for West-Asian and African Studies & Institute for Global Governance Studies of the Shanghai Institutes for International Studies (SIIS).
From Santa Claus to serious business: Where should FOCAC go next?

By Ian Taylor
St. Andrews University, Scotland

The Forum on China-Africa Cooperation (FOCAC) is a platform established by the People’s Republic of China (PRC) in collaboration with African countries for collective consultation and dialogue. Established in 2000, FOCAC ministerial summits take place every three years, alternatively in China and then Africa. The existence of FOCAC might be best seen as the institutionalization of Sino-African relations at a time of intensified interactions and following a period of exponential growth in such linkages. It is also then formalization of relationships which have been long in existence and which can trace their direct origins back over 50 years.

The first Forum met in October 2000 in Beijing and was attended by nearly 80 ministers from 44 African countries. The second ministerial conference was held in Addis Ababa, Ethiopia, in December 2003 and passed the Addis Ababa Action Plan (2004–2006). The FOCAC Summit and the third ministerial conference were held in Beijing from November 2006, while FOCAC IV met in Sharm el-Sheikh, Egypt, in November 2009. FOCAC V meets in Beijing in the last quarter of 2012 and it is in this context that this work seeks to critically evaluate the FOCAC.

A general problem with FOCAC is the fact that China is very much in control of the whole process and it is Beijing that sets the agenda and the declarations and outcomes.

The initial meeting essentially had three main objectives. First, the Forum was part of Beijing’s overall strategy in its foreign policy to at least rhetorically declare its aim of overhauling the global order and advance a traditional hostility to “hegemony.” This domination, dressed up as “globalization” (qianqiuhua), is at times seen as detrimental to the autonomy and sovereignty of China and needs careful management. By extension, this applies to the developing world. As the then Chinese Premier, Zhu Rongji said at the 2000 Forum, Sino-African ties help “build up our capacity against possible risks, which will put us in a better position to participate in economic globalization and safeguard our economic interests and economic security.” They also “improve the standing of the developing countries in North-South dialogue so as to facilitate the establishment of a fair and rational new international political and economic order”. Such principles are sound and make perfect sense for African countries struggling with underdevelopment and a broadly hostile international economic environment. Yet the question I wish to explore is whether or not FOCAC is the most suitable vehicle to advance such an agenda.

Who Sets the Agenda?

A general problem with FOCAC is the fact that China is very much in control of the whole process and it is Beijing that sets the agenda and the declarations and outcomes. Africa plays a bit-part at best. A key issue facing Africa’s engagement with FOCAC is that the continent lacks a consistent and unified collective policy to connect with Beijing. That “China has an Africa policy. Africa doesn’t have a China policy” (The Nation, (Nairobi), June 12, 2006) is a common enough charge, but it has real consequences. At FOCAC III for instance, Africa was unsuccessful in developing a combined negotiating approach that might have shaped the debate and been advantageous to the Continent. Whereas the FOCAC declaration present[ed] a
genuine platform for pragmatic co-operation, to Africa's advantage, Africa's failure to form a unified voice could seriously hamper its ability to determine the terms and general direction of the interaction [because] rather than work as a bloc, Africa continues to negotiate with China on a country-by-country basis' (Business in Africa (London), December 20, 2006). As a result, Africa was left largely on the side-lines at what turned out to be a Chinese extravaganza of largesse and ostensible generosity. Though the meeting was supposedly about Sino-African cooperation and mutual exchange, the reality was very different. Africa was in fact the spectator. As one African commentary put it after FOCAC III:

"African leaders flocked to this event as if they had wanted to swear an oath of allegiance to the African continent's new tutor. Standing on a red carpet in the Great Hall of the People, President Hu Jintao could not hide his joy when, hand stretched out, he welcomed African heads of state one after another. Under the cameras of Chinese TV, attentive onlookers could discern the message that the Chinese President was aiming to send. Shortly after what recalled a traditional feature of China's relations with its neighbours in the past, the 'kow-towing' ceremony, Hu Jintao's announcement of a flurry of measures to help Africa showed that, behind the discourse of equality and the carnival atmosphere of the Summit, the Sino-African relationship is characterized by an undeniable asymmetry (Gaye, 2007: 136)."

Whilst FOCAC commits itself to engagement with Africa's various regional bodies and to the African Union in particular, there is (somewhat incredibly) no official AU view on Sino-African ties. Interviewing AU staff in Addis, it is clear to me at least that most AU bureaucrats have not the faintest idea when evaluating Sino-African ties, though they are appreciative of the new Chinese-built AU headquarters and the various fully-funded trips to China (with the attendant per diems) that they can accumulate. But such lack of reflexivity means that at the continental level there is an almost total lack of any coherent African voice to shape the relationships that FOCAC is supposed to engender. In these circumstances, even if China's policymakers wanted to make FOCAC more “Africa-centric” (whatever that might mean), it would be difficult for Beijing policymakers to engage with any unified voice.

Africans in Charge?

Of course, the above milieu is by no means unique to China-Africa ties and it might be averred that there is no unified African voice on anything and so it is perhaps understandable that FOCAC has played out as it has. As The Economist noted, ‘Africa’s leaders could also play their hands rather better. They should talk to each other as well as their hosts in Beijing. If they negotiated as a block, they could drive a harder bargain. Just as China insists that foreigners enter into joint ventures with its companies, so Africans should make sure they get China’s know-how, not just its money’ (The Economist (London), October 26, 2006). This in fact has become a problem for Beijing:
Some Chinese officials...worry that the forum needs to broaden out from its focus on economic issues and provide a wider platform for engagement in spheres such as culture, technology and politics. The fear is that by focusing on economic engagements, especially on those carrying the self-imposed requirement of being “win-win”, China is putting itself under excessive pressure and as African partners do gradually become more engaged, is risking raising expectations to a point where it can no longer realistically expect to satisfy its partners (Raine, 2009: 81).

This indeed is a serious problem and will be returned to below. Suffice to say that Africa’s leadership has, in general, promoted and fostered dependent relationships with the Western capitalist powers that have their origins in the colonial period and there is a danger that FOCAC may simply reproduce this dependency. Given the historic failure of most African leaders to critically do anything about Africa’s place in the global political economy, this is a distinct possibility. As any historian of Africa knows, external actors have consumed the continent’s resources and have added little to African self-development. In these circumstances, African elites attending forums such as FOCAC can, from a particular perspective, be seen as characters reduced to beggars angling for some Chinese largesse, rather than development-conscious participants and certainly not “partners”. Is this too harsh? I don’t believe so. The behaviour of Africa’s elites in the past does not give great grounds for optimism and there is a real concern that they will not use FOCAC for the promotion of development, but rather squander the diverse opportunities thrown up by renewed and accelerated Chinese engagement. This is where China needs to carefully manage (and direct) the future of FOCAC.

Such charges of African responsibility become ever more urgent when one considers the nature of contemporary China’s political economy.

Whilst of course recognising the structural constraint that African elites operate within (albeit many of them do their best to reproduce this), engagement with China is ultimately up to African actors. It is the host that establishes the rules on foreign investment and it is the host country’s responsibility to take advantage of China’s increased interest in Africa. Only Africans can develop their continent and its natural resources, not China or any other state.

Will the Real China Please Stand Up?

Such charges of African responsibility become ever more urgent when one considers the nature of contemporary China’s political economy. FOCAC’s promises and pledges are made in the assumption that what Beijing says, Beijing gets, and that Chinese companies and corporations mesh together as part of China’s “grand strategy”. Thus when FOCAC promises that it will promote Chinese trade with Africa, it will and FOCAC will be the decisive factor in any resultant growth. Nothing could be further from the truth. Whilst Beijing’s policymakers may earnestly seek to regulate Chinese business practices in Africa and encourage trade, their ability to do so is extremely limited. Indeed, the more China liberalizes, the less easy it is to control private businesses domestically, let alone in far-off Africa. This is a major conundrum for the Chinese government and undermines the effectiveness of FOCAC as a body that makes decisive issuing of orders.
In fact, FOCAC may actually undermine Chinese policy in Africa in the sense that it reifies the popular perception common in Africa and elsewhere that China is and remains a centrally controlled, monolithic actor. As one commentary put it,

The Chinese state is often viewed as a machine whose parts all mesh smoothly. In fact, the system of central control and coordination is largely a sham. Closer to the mark is Kenneth Lieberthal’s use of the term “fragmented authoritarianism” to characterize the regime. The problems of fraud and workplace fatalities—which persist despite what must in all fairness be acknowledged as serious central-government campaigns against them—expose ... the Chinese state's inability [not only] to regulate society but also ... to get its own agents to do their jobs. Some officials are simply corrupt and wink at dishonest or dangerous enterprises in return for bribes. Other officials, particularly at the local level, see millions of people looking for work and want to help generate jobs even if it means tolerating unsafe or unsavoury businesses. Besides, cash-strapped local governments rely on such activities for tax income, while central decrees often appear as nothing but unfunded mandates. (Wang Shaoguang, 2003: 39).

This problem is only growing as China reengages with the global economy under the conditions of de facto liberal capitalism and domestic trends spread overseas, even whilst FOCAC contends that the summits have decisive influence on Sino-African matters. Why this may undermine Chinese policy aims is simple. When Shell engages in unsavoury activities in Nigeria’s Delta region, no one blames the British Prime Minister and no one makes a direct link between Shell and 10 Downing Street. Yet if a Chinese corporation acts in an unscrupulous fashion in Africa, “the Chinese” are instantly castigated, and Hu Jintao is almost personally implicated. FOCAC in this sense compounds the problem as, particularly when the summit is held in China, African leaders are certainly given the impression that China’s Africa policies are under the firm control of Beijing. Yet when one examines even state-owned companies, actual state control is often nominal and even the largest Chinese companies, which remain under direct government control, are motivated by competition and the profit margin and behave autonomously. None of this is acknowledged by the sort of rhetoric that emanates from FOCAC meetings.

In fact, just as Beijing has long had difficulty controlling what companies, domestic or foreign, do in China, its own call to “go global” (zouchuqu) has undermined its formerly strong control over Chinese companies acting overseas.

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In fact, just as Beijing has long had difficulty controlling what companies, domestic or foreign, do in China, its own call to “go global” (zouchuqu) has undermined its formerly strong control over Chinese companies acting overseas. Control over external investment has already been relaxed, and on-going reforms progressively make it easier for companies to act alone. Although Beijing has made both concerted efforts to educate Chinese traders operating in Africa about local labour laws and safety standards and patriotic appeals to protect the image of China abroad, there is the distinct possibility it has failed on both counts. In these circumstances, ‘The conception of a rich and powerful China that can ... have a significant impact on policymakers across the world sits rather uneasily with analyses of serious domestic
problems’ (Breslin, 2007: 27). This is problematic for Beijing policymakers if and when Chinese companies do not deliver or misbehave, as FOCAC has been carefully crafted to give the impression that the central state is indeed in charge of operations. Yet developments associated with marketization, combined with deepening corruption at many levels of the Chinese polity, compound any coherent attempts at control from Beijing and undermine FOCAC. In short, the more Beijing loosens its grip, the harder it will be to restore it, a fact that impacts all levels of society as well as actors overseas.

Reining in Expectations

The disjuncture between the “real” political economy of China and the myth of a monolithic unitary state becomes particularly acute when it comes to Beijing managing African expectations regarding what FOCAC can (and should) deliver. In fact, since FOCAC III in 2006 there has been a certain retreat from an arguably over-generous position held by China. FOCAC III itself was the biggest ever high-level conference on African affairs outside of the continent. It was also the largest and highest-level gathering of Chinese and African leaders in Sino-African history. Twenty-four African leaders attended, with government ministers and representatives from China and 48 African countries taking part in the summit. The size of the conference could be gauged by the fact that 1,700 delegates attended, with representatives from more than 20 organizations of the United Nations and African regional organizations attending and more than 1,000 reporters, including about 300 from Africa, covering events.

"It has been a consensus that both China and Africa are trying to establish a new type of China-Africa Strategic Partnership, the core feature being win-win cooperation."

At the summit, President Hu Jintao revealed an eight-point plan to be the framework for Chinese efforts post-FOCAC III. These eight points were, namely:

1. Double China’s 2006 assistance to Africa by 2009;
2. Provide $3 billion of preferential loans and $2 billion of preferential buyer’s credits to Africa in the next three years;
3. Set up a China-Africa development fund which will reach $5 billion to encourage Chinese companies to invest in Africa and provide support to them;
4. Build a conference centre for the African Union to support African countries in their efforts to strengthen themselves through unity and support the process of African integration;
5. Cancel debt in the form of all the interest-free government loans that matured at the end of 2005 owed by the heavily indebted poor countries and the least developed countries in Africa that have diplomatic relations with China;
6. Further open up China’s market to Africa by increasing from 190 to over 440 the number of export items to China receiving zero-tariff treatment from the least developed countries in Africa having diplomatic ties with China;
7. Establish three to five trade and economic cooperation zones in Africa in the next three years; and
8. Over the next three years, train 15,000 African professionals; send 100 senior agricultural experts to Africa; set up 10 special agricultural technology demonstration
malaria] and building 30 malaria prevention and treatment centres to fight malaria in Africa; dispatch 300 youth volunteers to Africa; build 100 rural schools in Africa; and increase the number of Chinese government scholarships to African students from the current 2,000 per year to 4,000 per year by 2009.

As a Ugandan newspaper framed it: “Training professionals, building hospitals, sending youth volunteers, providing grants to help in the fight against malaria, among so many other initiatives, China will be all over Africa like skin on body [sic]” (New Vision (Kampala), November 4, 2006). The debt cancelation was similarly well received, being cast by one Liberian analysis as “relieving the Liberian nation from matured debts . . . the PRC has indeed invigorated the spirit of planners and financial executives in charting courses that will once more see the Nation as being credit-worthy and an adherent to instruments legally-binding” (The Analyst (Monrovia), November 3, 2006.) To give tangible expression to this eight-point plan, during FOCAC III, China offered a package of measures in support of African development, namely to set a target of $100 billion in Sino-Africa trade by 2010 (this target was actually reached in 2008). Such munificence is unlikely to be repeated—and nor should it.

"It has been a consensus that both China and Africa are trying to establish a new type of China-Africa Strategic Partnership, the core feature being win-win cooperation.

Though FOCAC IV was, like all previous FOCACs, a bonanza of developmental assistance projects and loans, what was interesting was that compared to the proposals that emanated from FOCAC III, cooperation in international relations moved higher up the priority list, replacing economic cooperation (i.e. hand-outs) and directly next to political cooperation. It was likely that in the context of the on-going financial crisis, which had hit both China and Africa to differing degrees, cooperation at the international level was deemed crucial. Thus mention of the G-20 as a vehicle to stabilize and manage the global political economy was made. The assertions regarding reforms of the United Nations and financial institutions to reflect increased African involvement were routine nods in that direction but also did reflect the feeling within Beijing that the developing world was and is bound to play a more and more important role in international affairs.

Equally, Beijing needs African support on various international issues. According to one Chinese commentator, Liu Haifang of the Institute of West Asian and African Studies in Beijing, “the most dramatic change in the new Sharm el-Sheikh Action Plan from the previous Beijing Action Plan [was] the absence in the new plan of any equivalent to the eye-catching pledge in the 2006 document to double China’s aid assistance to African countries” (quoted in Business Day (Johannesburg), November 9, 2006). Instead, the $10 billion in preferential loans was inserted and devoted specifically for infrastructure, highlighted as a key priority for Sino-African cooperation. Whilst the constraints of the financial crisis no doubt helped explain aspects of this development (the non-appearance of such eye-catching statements as witnessed at FOCAC III), Liu notes that the reason for this also sprang from domestic Chinese processes:

After the 2006 Summit, a common theme in the extensive literature on China’s aid assistance to Africa, was criticism of what was seen as inadequate transparency in the application of funds, and questioning of the apparent ambiguity between seeking
economic profit and providing development assistance and aid. This may well have led to reflection and readjustment of the definition of China’s official development assistance. It seems likely that a deliberate decision has been taken to avoid conspicuous words such as ‘double aid’ that were used in the previous plan and which stimulated too much close attention (ibid.).

A further commentator in fact noted the importance of:

Clarify[ing] the nature of Chinese aid to Africa and to specify its amounts. Indeed, the announcement of a doubling (in flow) of the aid between 2006 and 2009 [did] not refer to any baseline. The lack of clarity surrounding this announcement [was] a double-edged sword for the Chinese: on one hand it [made] it impossible to critically monitor how well commitments are being met, but it also create[d] expectations from recipient African nations. While each country knows what it receives and might expect the doubling of aid on a bilateral basis, the promise of Forum on China-Africa doubling has been made at the continent scale. The issue of aid allocation per country has never been settled and Chinese arbitrations start to make some African countries unhappy (Asia Times, November 17, 2006).

However, even with such an evident scaling-back, a question that FOCAC IV raised and which has become ever-more apparent as the summits have progressed, is the issue of sustainability and also the unrealistic expectations of African governments in relation to China in Africa and the purpose of FOCAC. Indeed, it has become clear that some elements of African opinion have entered into a dependency mind-set with regard to China’s rise in Africa. For instance, in the aftermath of FOCAC IV it emerged that Gaggawala Wambuzi, the minister of state for trade for Uganda had appealed “to the Chinese people and government that we would like to occupy the correct position” in world trade. That is hardly up to China!

Noticeably, during his 2009 tour to Africa, Hu Jintao had sought to reassure the continent about Beijing’s determination to fulfil its FOCAC III commitments.

Noticeably, during his 2009 tour to Africa, Hu Jintao had sought to reassure the continent about Beijing’s determination to fulfil its FOCAC III commitments while Wen Jiabao played the role of seeking to fend off the ever-increasing expectations of new aid pledges. The burden of these extremely high expectations, where China is presumed—uncritically—to be the new messiah in Africa is a very heavy load for Beijing to shoulder. Indeed, African governments need to reign in their wild expectations. FOCAC’s de facto status as an early Christmas present for African states has become less and less sustainable. Aligning Chinese engagement with the African continent’s priorities, rather than willy-nilly accepting (and expecting) gifts from China clearly became apparent by the time of FOCAC IV.

Conclusion

Ultimately, neither Beijing, nor Africa’s leaders are “in charge” of FOCAC’s concrete results. Africa has no credible China policy and China’s African policy is compromised by the nature of the Chinese state and economy in the way it can—or cannot direct—the multitude of Chinese actors engaging with the continent. In this sense, whilst FOCAC does have achievements and is a marker of Chinese interest in Africa, we should not exaggerate its effectiveness or detect too much in the way of it as a defining triennial event in Sino-African ties. In fact, China’s relations with the continent
are ever more “normal” and the value-added nature of FOCAC beyond the symbolism (however important) is questionable. For African recipients of course, they are enthusiastic about such summits as they invariably come away with new aid commitments that help solidify their positions of authority back home and possibly with new resources to lubricate their patronage machines. But from the Chinese perspective, where China’s trade with Africa is on an ever-upward trajectory, the need for FOCAC is less and less clear.

In other words, if FOCAC were to disappear overnight, would Chinese relations with Africa—both economically and politically—suffer? The answer to this is of course open, but one cannot help feel that the way Sino-African relations are constructed at present, business would pretty much take care of itself in exactly the same way that Africa continues to engage with and trade with other parts of the world. This would of course be without the fanfare and razzmatazz that we observe every three years when FOCAC comes to town, but would also free Beijing from the increasingly wild expectations that some African quarters have with regard what will emanate from the next summit and help free China’s leadership of the perception that they are fully in charge—and thus to blame if and when things go wrong. Yet with the leadership’s hold on power predicated on this very imagery of centralised control, one doubts if the Chinese leadership would be prepared to take such a bold and pragmatic step. Symbolism and spin then may be said to be at the root of the whole FOCAC enterprise and works at various levels and is directed both towards Africa, towards the world and towards the Chinese population.

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Dr. Ian Taylor is a Professor in International Relations and African Politics in the School of International Relations, University of St. Andrews. He also Chair Professor in the School of International Studies, Renmin University of China (the highest rank a non-Chinese academic can hold at a Chinese university), Professor Extraordinary in Political Science at Stellenbosch University, South Africa and an Honorary Professor in the Institute of African Studies, Zhejiang Normal University, China.