

China's Sustained Success in Sub-Saharan Africa: Letting China Pick Up the Check



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Author's Note: Thoughts and assessments in this work are those of the author and are not meant to reflect the official position of the Warrant Officer Career College or the Army.

Introduction

China's Belt and Road Initiative, also known as One Belt, One Road, is a massive infrastructure, transportation, and energy project that could eventually stretch from East Asia to Europe and Africa. So far, approximately 60 countries either have signed on to the Belt and Road Initiative or have expressed an interest in doing so, including several African nations.¹ Although the initiative will lead to an era of trade and growth, it comes at the risk of increased Chinese political and economic influence, as well as the potential for "debt-trap diplomacy" for economically deprived countries, many of which are in sub-Saharan Africa.

As part of the Belt and Road Initiative, China opened its first overseas military base in the sub-Saharan African nation of Djibouti in 2017, and is likely planning to establish similar military facilities in other countries that share common strategic interests. In the African continent, these locations could include Kenya, Tanzania, and Angola.²

According to a 2019 executive briefing to the United States International Trade Commission, China's foreign direct investment in sub-Saharan Africa has increased significantly each year since 2010.³ Some say this is cause for concern; others argue it is an opportunity to let China pick up the check—in other words, to let China pay for infrastructure projects that also reflect the interests of the United States and its allies.

China's Overseas Military Base

Djibouti is a small East African coastline country that now represents China's portal to the continent. Djibouti is located on the western shore of the Bab el-Mandeb Strait. This strait separates the Red Sea and Indian Ocean, providing maritime links between Europe and the Middle East. Djibouti also serves as a key operational hub for United States Africa Command (AFRICOM). The U.S. base, Camp Lemonnier, is under lease until 2034 at a cost of \$1.4 billion.⁵ While China avoided labeling its facility in Djibouti a military base, calling it a logistics support base, Rush Doshi, a specialist in Chinese military and diplomacy at The Brookings

Institution, thinks that China selected the location because a number of other nations had representation there, making it "less provocative" than selecting a new site.⁶

Analysts at The Brookings Institution believe that China will "continue to forgo formal military alliances and full-fledged bases, and instead seek to develop partnerships that allow it access to its expanding interests."⁷ In a congressional hearing on China's strategic aims in Africa, Yun Sun of the Stimson Center highlighted the United States

"tendency to underestimate the Chinese ideological push as they are dismissed as ineffective." He went on to say, "At this stage, what is important here is the Chinese intent to export its model and experience rather than its effectiveness for Africans to receive and emulate. China is still exploring the most effective way to promote its political influence and soft power within African countries."⁸ Given that Chinese policy and diplomacy derive from a *reactive culture*, it is no

The Silk Road

The Belt and Road Initiative is reminiscent of the ancient Silk Road and is therefore also known as the New Silk Road. The original Silk Road existed during the westward expansion of China's Han Dynasty (206 BCE to 220 CE), which built trade networks extending more than 4,000 miles to Europe. The Chinese used the networks to trade silk, spices, and other goods.

Chinese President Xi Jinping announced the expansion initiative in 2013, which comprised what he called the overland "Silk Road Economic Belt" and the "Maritime Silk Road." At first, they were collectively referred to as the One Belt, One Road initiative but eventually became the Belt and Road Initiative. Although the goal was to revive the ancient trade routes of the historic Silk Road, the project quickly grew beyond the geographic "belt-road" concept to become a massive global initiative that would also encompass many of the developing countries of Africa.⁴

wonder the People’s Liberation Army would assume an indirect and passive role as a tool of China’s national power. Tying military partnerships to the Belt and Road Initiative will be less intrusive, and less worrisome, to the local population and will be more economically beneficial than simply establishing a military presence.

A “Reactive” Culture, According to the Lewis Model

As Richard Lewis describes in his book *When Cultures Collide: Leading Across Cultures*, a reactive culture is one that prioritizes courtesy and respect, listening quietly and calmly to their interlocutors and reacting carefully to the other side’s proposals. It rarely initiates action or discussion, preferring to listen to and establish the other’s position first, then react to it and formulate their own.⁹

Chinese Projects in Africa

Local perceptions are extremely important given that China continues to increase its foreign direct investment and has imported a workforce of almost a quarter million Chinese citizens to support these initiatives.¹⁰ The Belt and Road Initiative in Africa has provided China opportunities in 39 countries and propelled it to the top in trading on the continent. These economically deprived countries are welcoming the financial benefits of doing business with China without considering the implications of this “debt-trap diplomacy” and a growing Chinese national presence in their countries.

More than 10,000 Chinese businesses are now operating in Africa, and large settlements of Chinese entrepreneurs in places such as Nigeria and Senegal have followed them.¹¹ Beijing clings to authoritarian capitalism, in which the Chinese government owns many large firms and determines which sectors receive subsidies and market protection, because the system affords tight social and political control and allows Beijing to redirect capital toward geo-strategic aims.¹² This control of Chinese capital expansion allows the government to direct the focus and location in line with national interests.

Guinea is a prime example of Chinese capital expansion. The small west coast nation claims the largest stores of bauxite ore, having produced 55 million metric tons in 2018. Recent agreements with China secured Guinea \$3 billion in infrastructure projects while Chinese firms secured a 25-year mining right worth 1 billion tonnes of bauxite.¹³ However, protests over poor wages and work conditions plague these mining companies, which are used to a population base that is not entitled to a voice or platform in which to air their concerns.

Close bilateral ties between China and most of its African partners remain centered around China’s growing demand

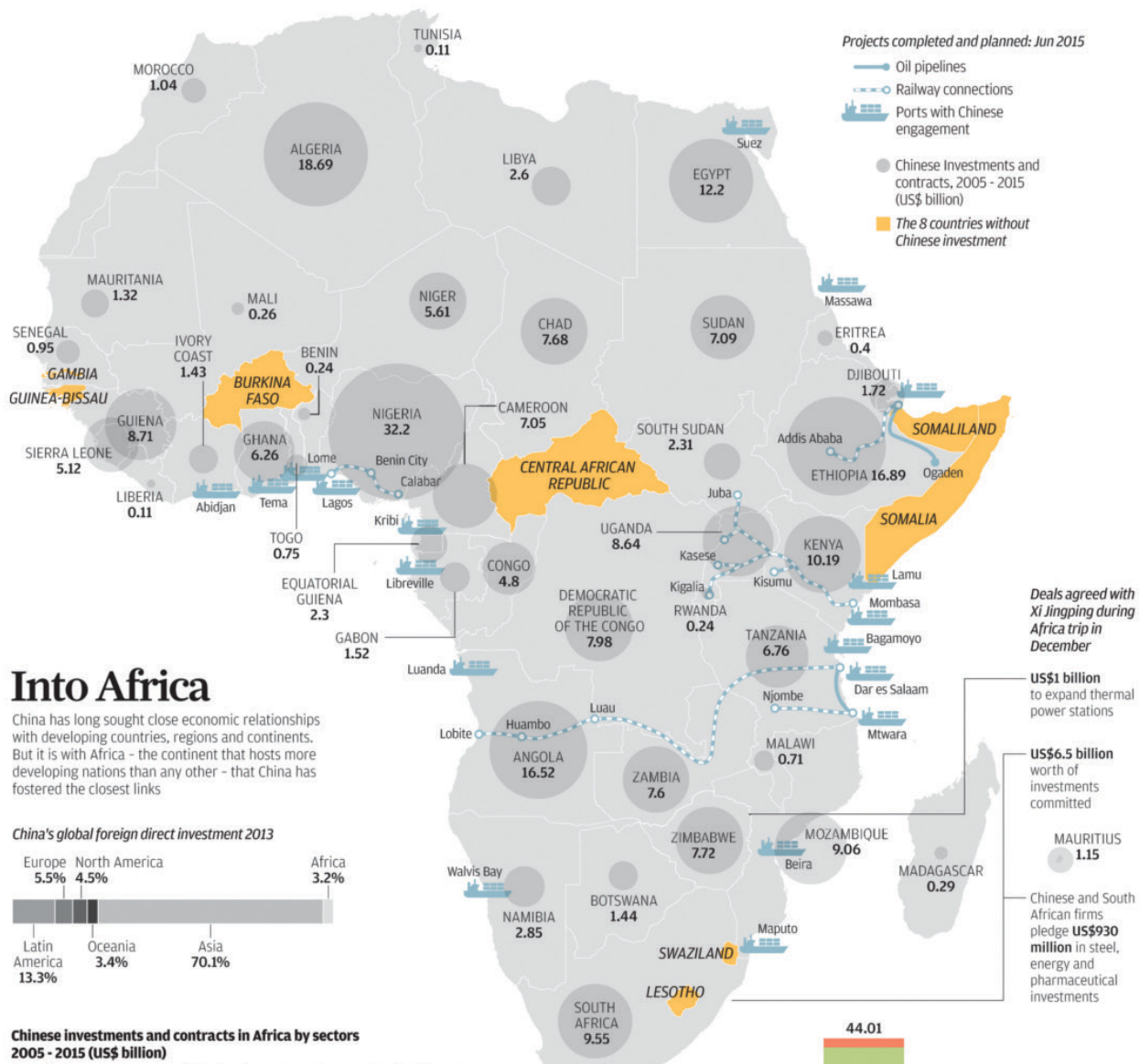
for commodities—particularly mineral resources such as oil, metals, and precious stones—and has become subject to increasing scrutiny.¹⁴ This observation is reinforced in the Department of Defense’s *Annual Report to Congress*, which states the following: “In 2019, China imported approximately 10.1 million barrels per day of crude oil, which met approximately 77 percent of its needs. Also in 2019, China met 43 percent of its natural gas demand with imports, which the [International Energy Agency] IEA projects will grow to 46 percent by 2035. Most of China’s oil and natural gas imports come primarily from the Persian Gulf, Africa, Russia, and Central Asia.”¹⁵ Trade with South Sudan is a strong example of China’s reliance on Africa for these import requirements. In 2016, South Sudanese oil exports (99 percent of recorded exports in 2016) were sent to China.¹⁶

In 2017, the top recipients of Chinese outward foreign direct investment were Ghana, Kenya, South Africa, Tanzania, Democratic Republic of Congo, and Uganda. As part of this investment, Ghana gave China 5 percent of its bauxite in exchange for \$10 billion in infrastructure projects.¹⁷ Ghana’s bauxite reserves are estimated at \$460 billion, so China stands to gain \$23 billion on its investment.¹⁸ During the 2018 Forum on China-Africa Cooperation in Beijing, 50 African presidents and heads of government lauded the transforming effect China was having across the continent. “Africa is not a zero-sum game. Our growing ties with China do not come at anyone’s expense. Indeed, the gains are enjoyed by everyone who does business on our continent.”¹⁹ Interestingly, Judd Devermont, the director of the Africa Program at the Center for Strategic and International Studies, noted that nine African leaders attending the United Nations General Council the previous year stated they would prefer to do business with the United States, but the United States is not there the way China is.²⁰

Local Anti-Chinese Sentiment

Past industrial policies left Chinese officials with a stark choice of either boosting Chinese construction abroad or shutting down domestic coal and steel plants, which in turn would cause political and social unrest. The Belt and Road Initiative provides an opportunity for the former by allowing Chinese state-led firms to maintain high production levels amid slowing Chinese economic growth.²¹ Furthermore, the Belt and Road Initiative has presented migration opportunities for a strained population in the homeland. Not only do they provide domestic resource opportunities, but they also produce labor export initiatives.

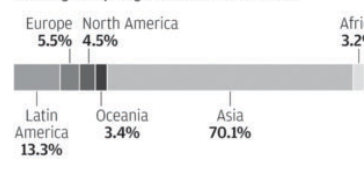
The massive influx of funds and workers from China has led to increased anti-Chinese sentiment. Beijing has yet to find ways to defend itself against accusations that its



Into Africa

China has long sought close economic relationships with developing countries, regions and continents. But it is with Africa - the continent that hosts more developing nations than any other - that China has fostered the closest links

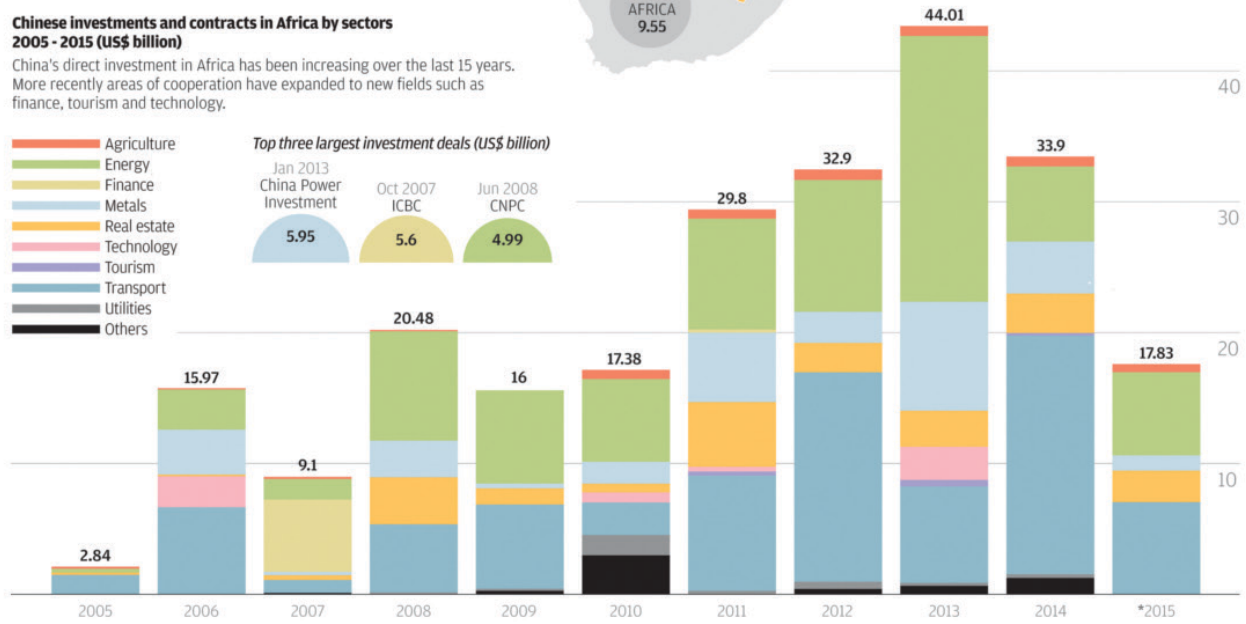
China's global foreign direct investment 2013



Chinese investments and contracts in Africa by sectors 2005 - 2015 (US\$ billion)

China's direct investment in Africa has been increasing over the last 15 years. More recently areas of cooperation have expanded to new fields such as finance, tourism and technology.

- Agriculture
- Energy
- Finance
- Metals
- Real estate
- Technology
- Tourism
- Transport
- Utilities
- Others



Sources: American Enterprise Institute, Mercator Institute for China Studies, WSJ

*Investments until June 2015

SCMP

Illustration courtesy of Visual Capitalist, <https://visualcapitalist.com>

people exist in parallel societies in the host countries, independent of indigenous values and norms.²² One reason may be in the way contracts are awarded and money is distributed. The former Minister of Information and Broadcasting in Zambia stated, “Chinese loans often don’t even go to Zambian accounts. They choose the contractor from China, the contractor is paid in China, but it reflects in our books as a loan from China.”²³ If one considers the 10,000 private Chinese companies and businesses throughout Africa are really an extension of the People’s Republic of China, then China is making a loan to itself and having another country pay it back.

Negative sentiment is also prevalent in countries with populations that make their living on the water. The African Association of Environmental and Resource Economists indicate Ghanaian fishermen can earn only about 5 percent of the income of Chinese fishermen. Ghanaians’ own catch from the sea can meet only 41 to 42 percent of domestic needs for their country.²⁴ This may be largely due to the roughly 500 Chinese fishing vessels operating off the western coastline of Africa. These operations are reportedly catching more than 300,000 tons of fish each year. Much of the Chinese operation is conducted farther off shore than can be accomplished by the local fishing vessels, leaving locals unable to support domestic needs.



Photo courtesy of Macabe3387, CC BY-SA 4.0, via Wikimedia Commons

A DF4D diesel electric locomotive owned by the China Road and Bridge Corporation is parked on a bridge construction site of the Nairobi-Malaba Standard Gauge Railway Project in Kenya.

The Military Perspective

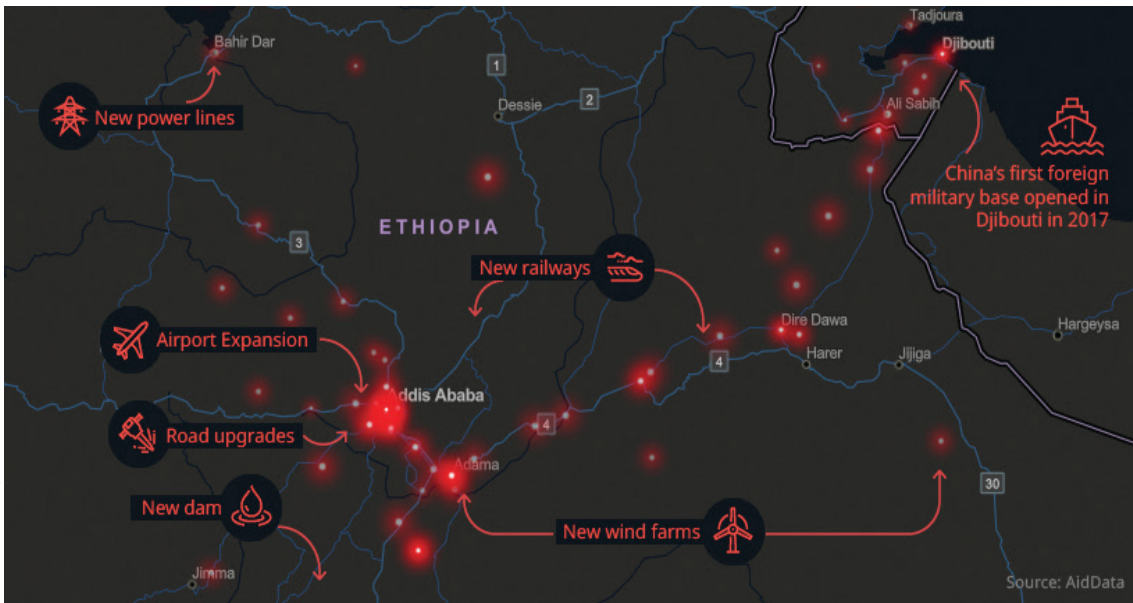
A number of U.S. analysts argue that the Belt and Road Initiative is a conduit for greater military presence and cooperation across sub-Saharan Africa. Certainly, China wants to protect its investments, and there is the issue of a surging Chinese national presence across the continent, so they would want to protect their citizens as well. This almost sounds like an action from Russia’s next generation warfare, and it is possible China is playing the long game of seeding economic relationships while developing cultural ties in or-

der to exploit that presence with a necessary security effort. However, Africa does not need to create security concerns; they already exist and are likely the reason China hosted the China-Africa Peace and Security Forum in July 2019.

Dr. Cobus van Staden, a senior researcher in China-Africa relations at the South African Institute of International Affairs in Johannesburg, South Africa, believes African leaders desire greater cooperation in training and intelligence with China. To African countries, security relations with China provide unprecedented opportunities to strengthen their capacity-building efforts as a way of ending the recurring cycles of violence and insecurity.²⁵ From 2014 to 2018, China provided military support, through equipment sales to 26 African countries. The deals included CSK-131 armored vehicles for the Central African Republic, Harbin Y-12 military transport aircraft for Mali, and Red Arrow-9A antitank missiles to Rwanda.²⁶ In the bigger picture, China’s arms deals in Africa totaled one fifth of its annual sales and made up 24 percent of sub-Saharan Africa’s total purchases. However, Deputy Director for Intelligence at AFRICOM, BG Gregory Hadfield, stated, “It is important to remember that outside of selling arms for their own economic benefit, China and Russia are not doing much to help counter extremist groups to rob Africans of their future.”²⁷ Compared to the investments China has been making in Africa, the United States is reducing its footprint in the region—or is it?

In November 2019, the U.S. Agency for International Development distributed a funding opportunity called the East Africa Private Sector Engagement for the Prosper Africa Initiative. The focus areas were trade facilitation, co-investments, enabling the environment, and leveraging existing resources. Fifteen federal agencies support Prosper Africa, and the goal is to substantially increase two-way trade and investment between the United States and Africa.²⁸ The 13th U.S.-Africa Business Summit was to take place in Morocco in June 2020 but was postponed because of the coronavirus disease 2019 (COVID-19) pandemic. Additionally, the 1st Security Force Assistance Brigade (SFAB) has been identified to relieve the 101st Airborne Division of its Africa mission.²⁹ SFABs are specialized units with the core mission to conduct training, advising, assisting, enabling, and accompanying operations with allied and partner nations.

Nevertheless, U.S. efforts may be a day late and a dollar short when it comes to making real headway. In February 2020, former Secretary of State Michael Pompeo made his first trip to sub-Saharan Africa. He landed at an airport funded by China and traveled on Ethiopian highways built by China to reach the African Union Conference Center that China paid \$200 million to construct.³⁰ It is hard not to see China’s progress, and maybe we should learn a



Ethiopia is one example of Chinese investment transforming the sub-Saharan infrastructure.

lesson already taught to us in the Middle East and Afghanistan. China and Russia let us commit a significant amount of United States wealth to stabilizing these countries, just to come in and reap the benefits. If China is investing so heavily, let it stabilize and protect its interests. As our adversaries have done repeatedly, U.S. capitalism can step into a thriving region for a change.

China's Voting Power at the United Nations

Letting China absorb the cost of growth and security would be a great idea, if not for the voting power at the United Nations that China is securing through these strong economic connections. One of the variables used to assess a country in support of the command or military decision-making process is economics. When reviewing the economic situation in a country, analysts consider import and export partnerships. Analysts understand the relative dependence countries can develop based on these trade relationships and in many cases can assess what position they will take on world issues at the United Nations. As demonstrated in the voting patterns from 1992 to 2017, there is a significant relationship between China lending to African nations and the voting patterns of those nations in the General Assembly. Since China joined the United Nations in 1971, North Korea has voted most similarly with China, and the United States has voted most dissimilarly. Djibouti, where China established a military base, is also high on the list.³¹

Are Some Loans in Jeopardy?

The financial future of some Chinese-funded projects is uncertain because of downturns resulting from the COVID-19 pandemic and heavy debt. One such example is Kenya's \$3.2 billion railway line, completed in 2017 using Chinese funds. Massive projects like this may require several financially

overburdened developing nations to renegotiate their loans, placing them in a dependent and precarious position with regard to China.³²

Conclusion

The ambitious scale of China's Belt and Road Initiative, including its activities in sub-Saharan Africa, has caused much debate. Some analysts believe China has purely geopolitical and economic motives, while others see it as an

opportunity to have China pay for infrastructure projects that also reflect the interests of the United States and its allies. However, letting China pick up the check comes with risk—increased Chinese presence and power in the sub-Saharan region and a greater influence in the United Nations General Assembly. Soft power diplomacy will likely be the most effective tool for both China and the United States when deciding the next step in Africa. 🌟

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