



## Africa September 2018

### **China in Africa: rising trends**

On September 3rd and 4th, the seventh Forum on China-Africa Cooperation (FOCAC) took place in Beijing, gathering the highest number of African representatives and stakeholders since its first edition in 2000. Attending the event were leaders and delegations from all African countries but Swaziland (the only one maintaining diplomatic ties with Taiwan), the African Union's Chairperson and several official envoys from both international and regional organisations; for the first time, even the Secretary General of the United Nations took part in the summit.

Among the main outcomes of the Forum are the figures pledged to be invested in the African continent by the PRC over the next three years: Beijing will be infusing a \$60 billion package of financial aid in the African private sector and infrastructural system, diversifying the flows in direct investments, grants, interests-free or concessional loans and special funds for boosting continental development and trade [cf. President Xi Jinping's keynote speech at the Summit's opening ceremony].

China's growing engagement in multilateral organisations and international peacekeeping operations also emerged: Beijing announced plans to play its role in security cooperation against piracy and terrorism in the region. It too signed an agreement with the African Union to coordinate the developmental goals of its *Agenda 2063* with the ones of the Chinese *Belt and Road Initiative*, that aims to enhance infrastructural and trading links between Asia, Africa, the Gulf and Europe [cf. Official Beijing Declaration on Building a Closer Community of China and Africa's Destiny].

Undoubtedly, this Forum is the latest official demonstration of how China is willing to extend its influence and financial reach over national borders, steadily increasing its involvement at both economic and political levels especially in the African continent and in its coastal areas. According to the UN-Habitat Report, *The State of African cities 2018 – The geography of African investment*, South Africa, Algeria, Nigeria, Ethiopia and Tanzania are among the main destination countries of Chinese FDI,

respectively accounting for the 18.4%, 7.6%, 7.2%, 2.9% and 2.5% of China's FDI stock in the continent (corresponding to about \$40 billion, as stated in the *World Investment Report 2018*, by UNCTAD).

As usual sensible doubts by international observers touch the missing link between PRC investments and a sustainable growth of democratisation processes. Beijing has also been accused to be particularly interested in less politically and economically secure countries in order to avoid foreign competitors. This may be partly true, but it is rather different from the narrative depicting Beijing as a neo-colonialist power. This one has been flatly rejected by South Africa's President, Cyril Ramaphosa, during his speech at the forum: "FOCAC refuses the view that a new colonialism is taking hold in Africa [...]. We look at China as a valuable and committed partner".

A more balanced analysis should in fact rather recognise that the Chinese are leveraging their capital to gain the support and the cooperation of African countries towards the establishment of safer trading areas and stronger infrastructural systems. And they are actually succeeding: feeling treated as "equal partners", the majority of African leaders hail China's renovated commitment to the continent.

Truth is that Beijing is developing a new alternative form of soft power in the area: it is ever more focussing on a "knowledge creation" model and "investing in joint expertise" to boost the emerging fields of blue and green economies [Sven Grimm, *China-Africa: Implications for Europe*, September 27, 2018]. The Chinese are also training African leaders on party-building, propaganda strategies and engagement with the civil society.

What remains at stake is how African governments will manage the long-term sustainability of the debts they are contracting with China: major loans can certainly enhance the countries' infrastructures and economies, but at the same time, if not refunded, may also lead to the loss of control on the same infrastructures, the undermining of national sovereignty and the decline of popular consent.

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