

*Full Length Research Paper*

# Neo-colonialism or De-colonialism? China's economic engagement in Africa and the implications for world order

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Received 13 March, 2014; Accepted 16 August, 2014

**In recent two decades, China's economic involvement in Africa was accused of colonialist actions by many Western observers. However, most of these accusations have no basis. In this article, after comprehensively exploring China's trading and investing relations with Africa based on data and case studies, it argues that China's engagement in Africa in recent decades has nothing to do with neocolonialism. On the contrary, China's engagement not simply facilitates Africa's independency from the West and also promotes a fledging new world order in Africa based on win-win and equal sovereignty. Due to the emergence of new order, the South-South cooperation is increasingly expectable.**

**Key words:** China in Africa, De-colonialism, African independence, the West, New World Order.

## INTRODUCTION

In recent years many Western observers frequently criticize that China is a colonial state in Africa where it seizes resources, abuses local workers, attacks African countries' national industries and damages ecological environments, and so forth. However, Chinese government totally denies this charge, as Pre-Premier Wen Jiabao had said "the cap of neo-colonialism can never be worn on Chinese heads absolutely".<sup>1</sup> Whatsoever, to scientifically evaluate China's engagement in Africa should not be based on some typical cases, personal emotion or selective data, but on systemic analysis. It should carefully examine the relationship among China's behaviors, their influences on Africa and Africa's

responses, by using comprehensive data and scientific approaches. Unfortunately, although there are many articles, reports and books on China in Africa, especially in Western academic and media circles, many of them didn't give us a comprehensive, systemic, scientific and neutral picture of this. In consideration of this, this paper will address these questions: Is China a colonial power in Africa in the 21<sup>st</sup> century? Whether does it facilitates Africa's independency or not? And what's the implication of China's engagement there for the world order? Around these questions, it will theoretically conceptualize the neo-colonialism and the national independency firstly, and then discuss China's engagement in Africa in trade

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and investment areas by case studies, and analyze the relations between China's economic engagement in Africa and Africa's independency in the second section. Finally, it will theorize the triangular relationships among China, the West and Africa and explain the implication for the fledging world order in Africa.

## METHODOLOGY

### Features of neo-colonization

The conceptualization of neo-colonialism is of course necessary to analyze whether China's behavior in Africa in recent decades is colonial engagement or not. There are diversified and different definitions on neo-colonialism since the de-colonization happened in 1960s, some core meanings of this terminology are shared by these definitions. Neo-colonialism, different from the colonialism—a transnational and imperial system in which colonizing powers always exploit colonized countries or regions in economic areas directly by political control or by force if necessary, is considered as a new approach by foreign countries to indirectly exploit a country's economy<sup>i</sup>. As Kwame Nkrumah has concluded, it's just all of the colonialism only except for the political control by force. Generally, there are some common characteristics of neo-colonialism such as follows.

1. The neo-colonialist imports resources, raw materials and unprocessed products in very low price, and simultaneously exports manufactured goods and daily necessities to colonized regions and countries. This fixed international division of labor can maintain the colonial power's superiority over the colonized countries (regions) in international markets. The colonized countries and regions as the supplier of rural materials and the consumer of manufactured products are forced to keep a poor and backward economy.
2. The colonized countries' goods cannot at all compete with those similar goods from the colonial powers whose competitive advantage in price and quality will seriously undermine the traditional or fledging industries of colonized countries. Under this condition, the colonized countries or regions don't have any other options except for embracing the floods of colonizing power's goods.
3. Colonized country's economic relationship with the colonial power is only related to several goods, fields and industries (especially those regarding colonized countries' economic lifelines), which makes the colonized countries (regions) highly relies on foreign colonists. Once this trade relationship is broken up or the inward investment flow is cut, the colonized countries would quickly fall into serious fiscal crisis and economic recession or even collapse.
4. Due to the political control, cultural penetration and economic exploitation in colonized countries or regions,

the colonial power always economically or financially controls those key areas, industries, institutions of the colonized countries and regions. Those most important industries, fields and companies are strictly controlled by colonists. As a result, colonized national economy is in reality under the control of colonial powers.<sup>iii</sup>

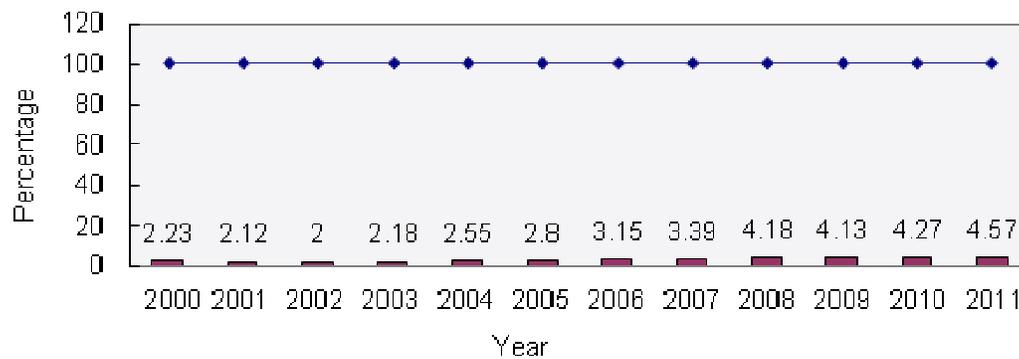
Consequently, all behaviors of colonial power in colonized countries or regions give rise to colonized countries'/regions' highly dependency on colonial power economically politically, with the backwardness of economy.

### Colonial system and colonial behavior: Similarities and distinctions

Undoubtedly, the reasons that can explain one country's backwardness and dependency on foreigners are diverse and complicated, especially in globalized era. So it is hard to verify that a country's underdevelopment is due to another country's colonial engagement. In consideration of this, there should be a distinction between colonial system and colonial behavior. Before the de-colonization of the world, it's easy to find which state was colonial power over those colonized countries or regions, and the backwardness of colonized countries or regions were directly due to the specified country's (countries') colonization. In other words, in the colonial era, the colonization over one colonized country or region was a systematic project implemented by only one or several country (countries) and all features mentioned above were existed and linked together. Yet in globalized era, the neo-colonization over one country by a powerful state cannot be systematic since in reality any foreign country now cannot comprehensively and firmly control another country's domestic economic and political systems. In a word, there may be colonial system in global level; nonetheless there isn't colonial system but only colonial behavior in national level after de-colonization. The colonial behavior has one or several features of neo-colonialism yet cannot individually lead to backwardness of a country. In this sense, in contemporary, no state can be seen as a colonial power that takes systematical approaches that directly cause another country's backwardness. Because of this distinction-- colonial system is a imperial project and colonial behavior has only one or several features of the (new) colonialism, in globalized era, whether one country is a colonial power or not can only be verified by its behaviors.

### Decolonization and national independency

Without question, a colonized country's international status from dependency to independency is accompanied with a process of de-colonization which made most developing countries liberalized from colonial powers and



**Figure 1.** Ratio of China-Africa Trade in China-world Trade

Source: final data are accounted by author (original data are from Chinese Statistic Yearbooks, 2000-2012)

have realized their sovereign independence and national autonomy, at least on the surface. In consideration of this, this article assumes that equal and diversified economic relations with foreign countries and internal good governance are due to de-colonization and generally facilitate national independence. The economic equality in international arena indicates two countries' economic relations are based on economic sovereignty and free competition, independently deciding national economic activities in international markets. In details to say, it means the goods' price one side pays to the other or the investment project is:

1. Determined by the international market, or
2. Agreed by both and not implemented by unilateral coerce, and
3. Not be intentionally distorted. Diversification means the fields of trade and investment is not limited within only few sections, natural resources or areas but associated with diversified industries, sections, goods, areas and regions.

According to this, it will use three tools (and comprehensive data) as analytical approach to examine the correlation between China's economic engagement and Africa's independence. They are:

1. The structure of Africa's trade with China;
2. The structure of China's investment to Africa, and
3. The macro-influence of China's engagement on Africa's economic growth, governance and social transformation (for example, employment rate).

## CHINA'S ECONOMIC ENGAGEMENT IN AFRICA

Although, China's connection with Africa has a long history, even can be recalled into about 600 years ago when Zheng he's fleets arrived at the Indian Ocean's

west coast of today's Kenya, China's deep engagement there is from 1950s when decolonization in Africa was broken out. However, the start point of a comprehensive economic engagement should be marked in the first years of the 21<sup>st</sup> century when China somehow adjusted its Africa policy from politics-focused one to economy-focused one. According to this, this paper will analyze the China's economic engagement in Africa in the 21<sup>st</sup> century at first.

## Trading engagement

Within a decade, Sino-African trade has been soaring from about 10 billion USD in 2000 to remarkable 166 billion USD in 2011. Accordingly, the trade growth between them has been also gradually yet firmly increased. For example, in 2001, the growth rate was only 1.87%, however, in 2011, the growth rate increased to 23.6%. In reality, from 2000 to 2011 the average growth rate reached 20.9%, although the growth in 2009 was a sad case (-17.2%) due to the serious global economic crisis.<sup>iv</sup> Because of the fast trade growth, Sino-African trade is increasingly important in China's total foreign trade, and the weight is much heavier than before. In 2000, the percentage of China-Africa trade volume in China's total foreign trade is 2.23%, yet after 11 years, the percentage increased to 4.57% (Figure 1). It means their trade relationship is becoming closer and the growth is increasing firmly as well as quickly. Although, China-African trade growth rate and the percentage in China's total foreign trade are both increasing, the absolute volume is still limited and in a low level. On average, the volume of Sino-African trade per year in 2000 to 2011 is even much less than the trade volume of China with Japan or South Korea in the same years. It indicates that China-African trade relationship somehow is not as important as imagined. Accordingly, although both the growth rate of Sino-African trade as well as the absolute

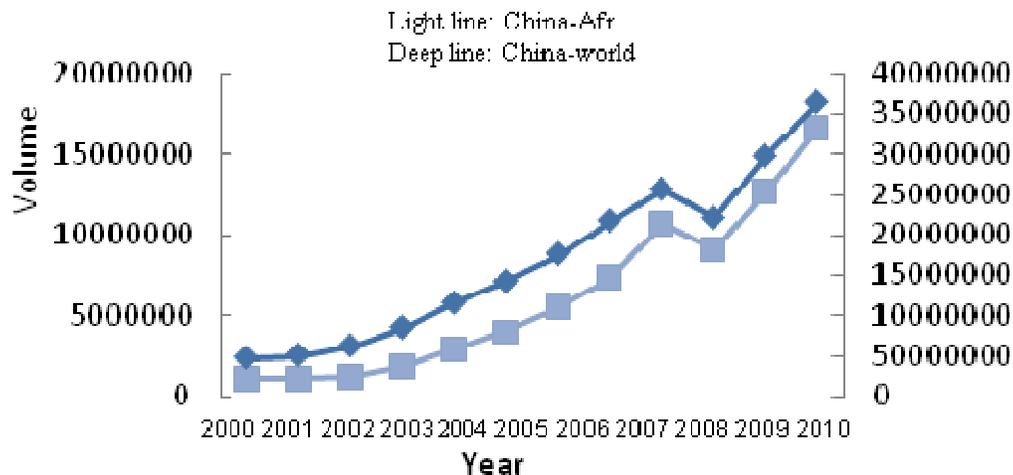


Figure 2. Growth China-Africa trade vs China-world Trade. (10 thousand USD)

Table 1. China's trade deficit with Africa (10 thousand USD).

S/No.	Year	Deficit
1	2000	-51306
2	2001	121362
3	2002	153406
4	2003	182186
5	2004	-183284
6	2005	-238053
7	2006	-208386
8	2007	93853
9	2008	-472702
10	2009	440332
11	2010	-713791
12	2011	-2015684

Source: final data are accounted by author (original data are from Chinese Statistic Yearbooks)

volume increased in recent years, due to its relatively low importance in China's foreign trade, the Sino-African trade doesn't obviously influence the growth rate of China's total foreign trade. Basically, Sino-African trade growth has the similar curve of China's total foreign trade growth since 2000 (Figure 2), which means when China-African trade is increasing, the China's trade with other partners is also increasing at the similar speed. Moreover, it should be noted there are remarkable trade imbalance between China-Africa trade relations. Except for 5 years (2001, 2002, 2003, 2007 and 2009), China has great deficit with Africa in other 7 years in period from 2000 to 2011 as shown in Table 1. The fast increase of trade deficit for China is due to more imports from Africa, especially more mineral stones and crude oil's imports to

feed Chinese economic development. Another feature of China-African trading relations is that in recent years China's biggest partners in Africa somehow are fixed with several countries. South Africa, Angola, Sudan, Egypt and Nigeria are always ranked as top 5 countries of China's trading partners in 2000 to 2011. In the following words, South Africa, Angola, Zambia and Egypt will be selected to examine China's trade relations with Africa.

### South Africa

China-South African trade relations typically reflect the fast development of Sino-African trade relationship. China became South Africa's biggest trade partner in 2009, valued by 1.41 billion USD, and it reached 2.49 billion USD in 2011, accounting for 13.2% of South Africa's total foreign trade that year, yet in 2000 the volume was only 1.58 billion USD, about 2.8% of its total foreign trade of that year. This incredible enhancement of two countries' bilateral trading relationship is due to South Africa's special industrial structure as well as China's economic fast development. Because South Africa is not good at some typical manufactured goods like mobile phones or TV sets, yet China is one of best countries who're good at making these goods. Meanwhile, China needs a great deal of resources or industrial raw materials like minerals or metals to support its fast growing economy, and South Africa just has those resources and materials. Their inter-complementarities in industrial structures, product preferences and comparative advantages determine their trading relationship becomes much closer than before. Notwithstanding, this close relationship has different implications for two sides, since the foreign trade dependence (FTD) on each other is different. Although their FTD on each other is increasing, the South Africa's FTD on China is much higher

**Table 2.** The weight of Sino- South Africa trade in South Africa's total foreign trade.

S/No	Year	Percent
1	2000	2.78
2	2001	2.97
3	2002	3.44
4	2003	4.53
5	2004	4.94
6	2005	5.94
7	2006	7.07
8	2007	8.19
9	2008	8.50
10	2009	11.32
11	2010	12.22
12	2011	13.19

Source: final data are accounted by author (original data are from Chinese Statistic Yearbooks and South Africa's DTI)

**Table 3.** The weight of Sino-South Africa trade in China's total foreign trade

S/No	Year	Africa
1	2000	2.23%
2	2001	2.12%
3	2002	2.00%
4	2003	2.18%
5	2004	2.55%
6	2005	2.80%
7	2006	3.15%
8	2007	3.39%
9	2008	4.18%
10	2009	4.13%
11	2010	4.27%
12	2011	4.57%

Source: final data are accounted by author (original data are from Chinese Statistic Yearbooks)

than that of China on South Africa. For example, in 2011, the South Africa's FTD on China is 13.19%, about 3 times of that of China on South Africa (4.57%). Moreover, the FTD of South Africa on China has increased six times within 11 year (2000 to 2011) (Table 2 and 3). Another issue in Sino-South African trade relations is the deficit. For a long time, due to the different accounting approaches, either South Africa or China proclaims it has trade deficit with the other. According to China's accounting approach, from 2000 to 2011, China has trade surplus with South Africa in 2001, 2002, 2003, 2007, 2009, yet in other years, huge deficit exists (for example, the deficit reaches 20 billion USD). Regarding the structure of trade,

in each year within 2000 to 2011, the China's goods exported to South Africa ranked at top three levels by volume are the same.<sup>v</sup> However, the goods imported from China are different in different years. For instance, in 2005, there top importing goods from Africa are mineral products, base metals and articles of base metal and the products of the chemical; in 2011, the primary imports are mineral products; base metals and articles of base metal; and natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof, imitation jewelry and coin. It shows China's exports to South Africa focus on manufactured goods and daily necessities, then more and more minerals and raw materials are imported from South Africa. In reality, mineral accounts for a great proportion of South Africa's goods exported to China. For example, in 2005, 40.27% exports to China are mineral products, and in 2011, this proportion rapidly increased to considerable 77.70% (Figure 3).<sup>vi</sup>

### Angola

Like Sino-African trade relations, China-Angola trade also fast increases in recent years from a small amount in the beginning. In 2001, Angola was the fourth trade partner of China in Africa, then after several years, it gradually became top 1 or top 2 of China's partner in Africa. In 2011, Angola's trade with China reaches 27.7 billion USD, as China's second largest trade partner in Africa (after South Africa) as well as second largest partner among Portuguese-speaking countries (after Brazil).<sup>vii</sup> In 2009, their trade decreased to 16.9 billion USD due to global economic crisis; however, this was still 30% of Angola's total foreign trade in that year. It was even less than 1% of Angola's total foreign trade in 1995. This means Angola's trade more relies on China's market due to its high trade dependence on China. Just like Sino-South Africa trade relations, China also has considerable deficit in trade relations with Angola. For example, in 2005, the surplus of China was 6.2 billion USD (exports to Angola was 6.58 billion USD yet imports from Angola was only 0.37 billion USD). Then in 2011, China's imports from Angola reached 24.92 billion USD, at the same time, the exports were only 2.78 billion USD. The high deficit of China is resulted from more oil that's imported from this country. It is the second largest crude oil importing source in the world for China, only after Saudi Arabia. At the meanwhile, vehicles, machinery, electronic products, and steel are principal exporting products to Angola.<sup>viii</sup>

### Zambia

In 1960s, China-Zambia relations were linked together with the famous Tanzania-Zambia Railway aided by China. However, after 2000, two countries linkage was

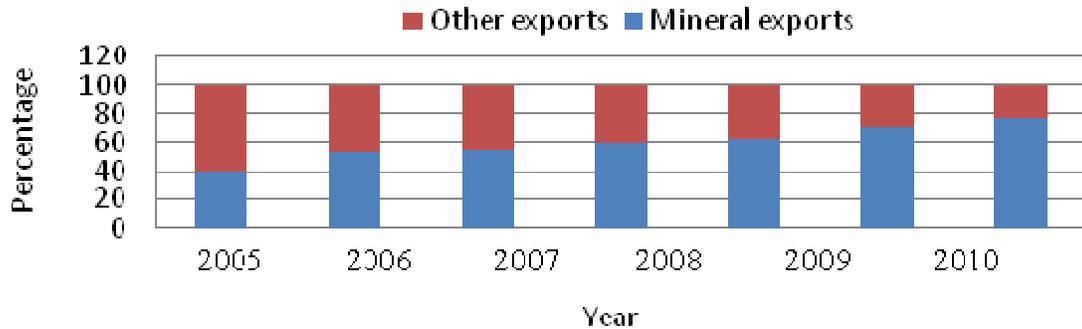


Figure 3. Mineral Exports Vs total exports of SA to China.

re-strengthened by economic relations. From a very low level, Sino-Zambia trade was only 0.22 billion USD in 2004, which was the share of Zambia's total foreign trade's 6.5%. In 2000, the trade amount was even less than one-second share of that in 2004. Bilateral trade's enhancement is due to the fast increasing exports of mineral and base metals to China, and also due to the rise of their prices in international markets. So Zambia's exports to China were larger than imports from China.

With more China's investment in minerals in Zambia, this country's exports to China are increasing quickly. In 2006, its exports to China accounted for 10% of Zambia's total exports and amounted to 0.381 billion USD. In 2008, Sino-Zambia trade accounted for 19.7% of Zambia's total foreign trade (exports to China accounting for 13.8%, imports accounting for 6.9%), making China become the second largest trade partner of Zambia (top one partner was South Africa, accounting for 60.7% in this year). In the first half of 2012, their trade amount has reached 1.8 billion USD. The exports from China to Zambia is 0.268 billion USD, while the exports to China is 1.55 billion USD,<sup>ix</sup> even more than their total trade volume (1.45 billion USD) in 2009. It should be mentioned that two countries established the Zambia-China Economic and Trade Cooperation Zone (ZCCZ) in Zambia in 2007, the first overseas economic and trade cooperation zone established by the Chinese government in Africa. It is also the first Multi-Facility Economic Zone (MFEZ) of Zambia. ZCCZ is consisted of Chambishi MFEZ and Lusaka East MFEZ.

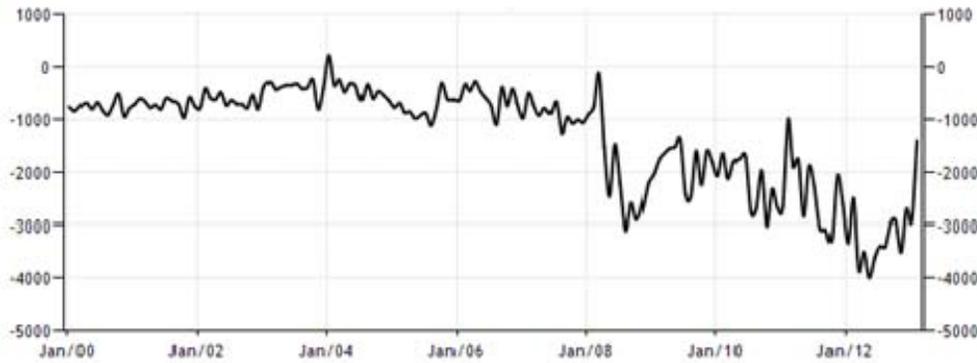
### Egypt

As a country in North Africa and Arab world, Egypt was the first one that built diplomatic relations with China in 1956. However, their bilateral trade relations had not been strong before 1990s. With China's fast economic growth and the modernization of Egypt, their trade amount mounted quickly from 1995 (marked as 0.45 billion trade volume) and in 2005 their trade reached 2.45 billion USD, and then reached to 8.79 billion USD in

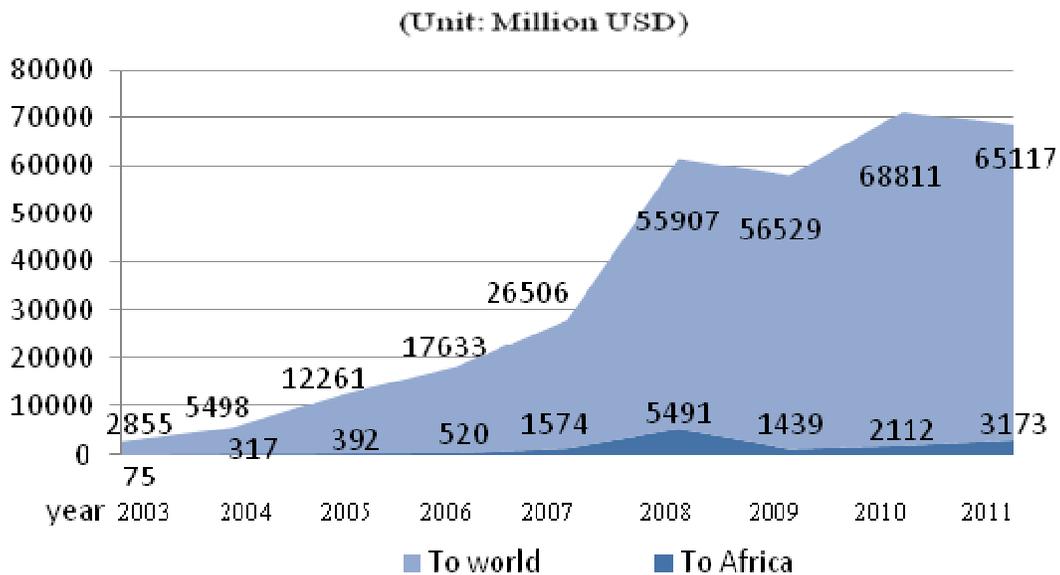
2011.<sup>x</sup> However, Egypt has huge deficit with China. For example, the deficit reached 5.12 billion USD in 2010 and 5.77 billion USD in 2011. Because of the huge imbalance, Egypt has kicked off several rounds of anti-dumping against Chinese goods (like pneumatic tires and textiles). Nevertheless, this imbalance is not only existed in China-Egypt trade relations, in general, Egypt has had this imbalance in its foreign trade for a long time. Historically, from 1957 to 2013, Egypt balance of trade averaged -584.42 Million USD reaching an all time high of 235.50 Million USD in January of 2004 and a record low of -4805.13 Million USD in December of 1987 (Figure 4).<sup>xi</sup>

### Investing engagement

Stimulated by "Go global" policy advocated by Chinese government in 1998, the China's foreign direct investment (FDI) to Africa has soared since 2000s, especially since 2004 in which year China's FDI flows to Africa totally reached 317 million USD, increasing by 323% if compared to that in 2003 which was marked by 75 million USD valued investment of China to Africa. Then in 2007 as another turning point, the volume reached 1.57 billion USD, and in 2011, the amount was 3.17 billion USD. Namely, within 9 years, the amount of China's FDI flows to Africa has increased by over 42 times, which is much higher than the growth rate of China's total outward FDI flows in the same period. For example, China's outward FDI was 28.6 billion USD in 2003, and it reached 65.12 billion in 2011,<sup>xii</sup> which indicates the growth of China's investment to Africa is faster than that of China's investment to other regions. When the absolute global FDI to Africa from 2008 to update has decreased, China's outward FDI to this continent has increased from 1.44 billion USD in 2009 to 3.17 billion USD in 2011. According to UNCTAD's report, the FDI flows to Africa were at 42.7 USD billion in 2011, marking a third successive year of decline. In terms of share in global FDI flows, the continent's position diminished from 3.3% in 2010 to 2.8% in 2011. FDI to Africa from developed countries fell sharply, leaving



**Figure 4.** Egypt balance of trade, 2000 to 2013. (million USD).  
 Source: <http://www.tradingeconomics.com/egypt/balance-of-trade>



**Figure 5.** China's FDI: To Africa vs to World.

developing and transition economies to increase their share in inward FDI to the continent (in the case of green-field investment projects, from 45% in 2010 to 53% in 2011).<sup>xiii</sup> That means China, as the biggest emerging power in the world, its investment to Africa was increasing in the years when total FDI to Africa was declining. Nevertheless, it should be noted the weight of China's FDI to Africa is not as much as imagined although the absolute volume is increasing. In 2003, the proportion of China's investment in Africa in China's total outward FDI was only 2.62%, and then in 2008, this weight reached its peak as 9.82%, however, the proportion decreased quickly to 2.55% in 2009. In 2011, this proportion reached 4.87%, definitely not a high proportion (Figure 5). As for the proportion of China's FDI stock to Africa in China's

total outward FDI stock, it seems it gradually increased, from 1.48% in 2003 to 3.82% in 2011. Clearly, this is also not an impressive number in China's FDI. However, if compared to all FDI that Africa received from 2003 to 2011, China's investment in Africa has made a remarkable achievement. From instance, in 2003, the China's FDI to Africa was only 0.41% of all investment Africa received from outside world, however, in 2011, this weight reached 7.44%, and in 2008, it even reached 9.42%.<sup>xiv</sup> It shows that although China's FDI to Africa is in a small amount, yet

1. The growth of China's investment to Africa is faster than the average growth of China's total outward FDI; and

**Table 4.** China's FDI to Africa and Its Weight in China's total outward FDI (Million USD).

Year	China's Outward FDI to Africa	China's Outward FDI to World	Percentage (%)	All Outward FDI to Africa	China v.s. world (Percentage)	China's Outward FDI stock to Africa	China's Outward FDI stock to world	Percentage (%)
2003	75	2855	2.62	18191	0.41	491	33222	1.48
2004	317	5498	5.77	17357	1.83	900	44777	2.01
2005	392	12261	3.19	30505	1.28	1595	57206	2.79
2006	520	17633	2.95	36783 <sup>xv</sup>	1.41	2557	75026	3.41
2007	1574	26506	5.94	51479	3.06	4462	117911	3.78
2008	5491	55907	9.82	57842	9.49	7804	183971	4.24
2009	1439	56529	2.55	52645	2.73	9332	245755	3.8
2010	2112	68811	3.07	43122	4.9	13042	317211	4.11
2011	3173	65117	4.87	42652	7.44	16244	424781	3.82

Sources: data on "All Outward FDI to Africa" is from UNCTAD: <http://unctad.org/en/Pages/Statistics.aspx>, the other data is from Statistical Bulletin of China's Foreign Direct Investment

**Table 5.** Main fields that China invested in Africa and their proportion(10 thousand USD).

Year	Mining		Wholesale and retailing		Leasing and Business Services		Manufacturing		Transportation, storage and postal services		Total FDI to Africa
	value	%	value	%	value	%	value	%	value	%	
2003	137866	48.30	35724	12.51	27878	9.77	62404	21.86	7721	2.70	285465
2004	180021	30.47	79969	14.55	74931	13.63	75555	13.74	82866	15.07	549799
2005	167522	13.66	226012	18.43	494159	40.30	228040	18.60	57679	4.70	1226117
2006	853951	48.43	111391	6.32	452166	25.64	90661	5.14	137639	7.81	1763397
2007	406277	15.33	660418	24.92	560734	21.15	212650	8.02	406548	15.34	2650609
2008	582351	10.42	651413	11.65	2171723	38.85	176603	3.16	265574	4.75	5590717
2009	1334309	23.60	613575	10.85	2047378	36.22	224097	3.96	206752	3.66	5652899
2010	571486	8.31	672878	9.78	3028070	44.01	466417	6.78	565545	8.22	6881131
2011	1444595	19.35	1032412	13.83	2559726	34.29	704118	9.43	2526131	33.84	7465404

Source: edited on data from China's statistical Yearbook (2003 to 2011)

2. The growth of China's investment to Africa is faster than the average growth of global inward FDI to Africa.

According to China's Commerce Ministry, Chinese private enterprises in Africa is fast rising as competitive investors of Chinese state-owned

enterprises which always focus on local infrastructure industry and mining or resource-seeking in order to feed fast development of Chinese

**Table 6.** China's FDI stock to six African countries (Million USD)

Year	S. Africa	DRC	Sudan	Algeria	Zambia	Nigeria	Africa	% of FDI to Africa
2010	4152.98	630.92	613.36	937.26	843.97	1210.85	13042.12	64.32
2006	167.62	37.61	497.13	247.37	267.86	215.94	2556.82	56.07
2003	44.77	0.24	0.55	5.70	143.70	31.98	491.23	46.2

Source: Statistical Bulletin of China's Foreign Direct Investment, 2011

economy, however, the private enterprises mainly do business in manufacturing, services or retailing, etc., which can partly explained the increasing amount of China's investment in wholesale and retailing and business services in Africa in recent years. As shown in Table 4. Since 2000, the fields of China's investment in Africa is increasingly diversified, including manufacturing, retails, business services, mining, and banking, and so on. However, China's FDI always flowed into several fields-mining, retailing, leasing and business services, manufacturing and transportation, storage and postal services, which generally accounts for 70% of total China's investment in Africa (table 5). Although Chinese enterprises mainly focus on several fields, their weight in total FDI is changing. For example, mining was the top one invested in 2003-2004, however, it gradually decreased to be the second important one in 2011, and meanwhile, leasing and business service has been ranked as the first investing industry since 2008.

#### **Case studies: South Africa, DRC (Democratic Republic of Congo), Sudan, Algeria, Zambia and Nigeria**

The amount of China's investment in these 6 countries-S. Africa, DRC, Sudan, Algeria, Zambia and Nigeria-accounts for almost half of China's total FDI to Africa, and their share is still increasing. For instance, in 2003, the volume of inward FDI stock from China to these six countries accounted for 46.2% of total China's FDI stock to Africa, and in 2005, this proportion was reached to 56.07%, and in 2010, they shared 64.32% of China's FDI in Africa (Table 6). This means these six countries are significant China's investment partners and destinations in this decade, and the increasing proportion of share indicates they are receiving more investment and the growth of inward FDI from China to them is faster than that to other African countries in the same period. As shown in Table 6. However, the story in these six countries is not the same when talking about China's investment to them. At the beginning, the volume of China's investment to each country was at a very low level, however, the weight of China's investment in their total inward FDI is different from each other. As for South Africa, The share of inward FDI from China was only 1.21% of its total FDI received in 2003, yet it unusually

increased to incredible 53.39% in 2008, and then decreased to a very low level (0.78% in 2009), and in the next year, this share reached 33.47%, a very high level. As for DRC, generally, the share of inward FDI from China was a small number (around 0.5-2.5%), yet from 2009, it reached over 10%. The proportion of China's FDI to Sudan in total FDI that Sudan received has been in a low level, and even in recession (from 9.73% in 2004 to 3.95% in 2005, and to 1.50% in 2010), however, China's FDI in Sudan increased abruptly in 2011, accounting for 47.11% of its total inward FDI. Then the share of China's FDI to Algeria in its total inward FDI flows slowly and gradually increased, from 0.39% in 2003 to 8.22% in 2010, although decreased to 4.43% in 2011. In Zambia, China's share of investment increased quickly. For example, the share in its total inward FDI was only 1.59% in 2003, then in 2008 (22.7%) and 2009 (16.02), it reached two peaks, although decreased to 4.34% in 2011. The shares in Nigeria are almost always kept in a low level, around 1%-3% (Table 7). According to these different stories, it can be concluded that China's investment in these countries as most significant destinations of China's FDI in Africa is generally still in a relatively low level, although the absolute volume grows quickly, and in some typical fiscal years.

#### **CHINA: A NEO-COLONIST IN AFRICA?**

At first glance, it seems China's engagement in Africa can be considered as an emerging colonial power in this continent; nonetheless, this would be rather a myth than a truth. China's behavior has some similarity to the colonist's behaviors if it carelessly examines China's engagement in Africa. However, this is just a superficial similarity but not the same in nature. In reality, China's engagement is a promoting factor of de-colonization in Africa, which can facilitate African to enhance their economic and political independence.

#### **The superficial similarity of China's engagement in Africa to neo-colonialism**

According to the conception of neo-colonialism, China looks like a colonial state in Africa, since its activities and behaviors have featured of neo-colonialism. Firstly, one

**Table 7.** The FDI six African countries received from China and from all the world (Million USD).

		2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>South Africa</b>	From China	8.9	18	47	41	454	4808	42	411	-14
	From world	734	798	6647	-527	5695	9006	5365	1228	5807
	%	1.21	2.26	0.71	-	7.97	53.39	0.78	33.47	-
<b>Congo, DR</b>	From China	0.06	12	5.1	37	57	24	227	236	-
	From world	321	513	1475	1925	2275	2526	1862	2209	2931
	%	0.02	2.34	0.35	1.92	2.51	0.95	12.19	10.68	-
<b>Sudan</b>	From China	-	147	91	51	65	-63	19	31	912
	From world	1349	1511	2305	3534	2426	2601	1816	2064	1936
	%	-	9.73	3.95	1.44	2.68	-	1.05	1.50	47.11
<b>Algeria</b>	From China	2.5	11	85	99	146	42	229	186	114
	From world	634	882	1081	1795	1662	2594	2746	2264	2571
	%	0.39	1.25	7.86	5.52	8.78	1.62	8.34	8.22	4.43
<b>Zambia</b>	From China	5.5	2.2	10	87	119	214	112	75	-
	From world	347	364	357	619	1324	939	699	1729	1982
	%	1.59	0.60	2.80	14.05	8.99	22.79	16.02	4.34	-
<b>Nigeria</b>	From China	24	46	53	68	390	161	172	185	197
	From world	2171	2127	4978	4898	6087	8249	8650	6099	8915
	%	1.11	2.16	1.06	1.39	6.41	1.95	1.99	3.03	2.21

Source: Data on "From world" are cited from UNCTAD, the other is from China's Statistical Yearbook, accounted by author.

of the primary aims of China's engagement in Africa is to pursue resources and materials; meanwhile, it exports a great deal of manufactured goods to the continent. For example, in Zambia, China invests in copper, cobalt and chromium mining stones and mainly exports manufactured goods to this country. Generally, China's great deal of FDI are flowing into those resource-rich countries, and meanwhile, Africa is increasingly becoming an emerging market of China's manufactured goods. This model of economic relationship between China and some African countries is strongly criticized by Western politicians like the US pre-State Secretary Hilary Clinton who indicated China is just a colonist that only seizes Africa's materials and resources yet leaves environmental degradation, corruption and unemployment behind this continent. Secondly, many Chinese goods exported to Africa in general have huge superiority over African similar goods, especially the labor-intensive goods such as textile, retails, services and foods, etc. The superiority of Chinese goods over Africa's is due to relatively high quality and reasonable price. Since China is consider as the center of world manufacture or so-called "world factory" China has big comparative advantage over most developing countries if considering the labors' skills, their knowledge and profession, good transportation and other

well-functioning infrastructures. Thirdly, it seems China's strongest trading and investing relationship with Africa is mainly restricted within several countries, industries, fields and areas. This model of economic relationship in colonial era had resulted to the emergence of so-called "banana republics" that only exported several low value-added products, non-processed agricultural resources and minerals. In recent decade the China's imports from Africa fundamentally focus on crude or refined oil, minerals, raw chemical materials, and foods. As the biggest economic partner of South Africa in recent years, around 50% of China's imports from South Africa are minerals, so are China's economic relations with Zambia, Angola, Nigeria, and some other resource-rich countries in Africa. Fourthly, the economic influence of China's active involvement in Africa is increasingly remarkable, which means some large Chinese (state-owned) corporations in Africa has a decisive influence on some countries' typical industries, and these countries' development is to some extent relied on China's trade and investment. For instance, China's oil corporations became key players in Sudan, which made this country had to open the bids regarding oil exploration for other foreign countries' corporations in order to balance China's influence on Sudan's economic diversification and

independence. And finally, China's activities have caused many negative social and political impacts on Africa, like deterioration of natural environment, abuse of human rights, corruption, non-respect for local culture and self-enclosure in African communities, and so on. Because of some Chinese ignorance on their negative impacts and African local people's demands and requirements, some violence against Chinese and China's corporations have happened within recent years. For example, in 2012 one Chinese Manager was killed by local workers in Chambishi, a cooper-rich region in Zambia. Nonetheless, it's too early to conclude that China is a colonial power in Africa before the whole picture of China's engagement in this continent is unfolded. In reality, there are many other stories that are hidden in each story mentioned above, and these hidden stories will tell us China is a de-colonizer in Africa rather than a colonial power.

1. Although, China imports materials and resources from Africa and exports manufactured products there, the prices of these goods are agreed by both sides or determined by international market as well, not only decided by China. Namely, the Sino-African trading relationship in price is equal. Even due to the increasing demands of China (and other emerging powers) for materials and resources, the prices of many goods and materials like mineral stones, metals and woods are remarkably rising. Meanwhile, Chinese inexpensive goods exported to Africa not only promote African people's living standard, but also provide the basic technological and material supports for the fledging development of local industries. Obviously, any international trade based on reasonable price is just a fair business, nothing to do with colonialism or neo-colonialism.

2. Contemporarily, the volume of China's trade with and investment to Africa is only a little part of Africa's foreign trade and inward FDI in macro-level. Even if in most individual countries, China's share is in a low level. So China is far more than a dominant economic power in African countries. For example, even in South Africa, the share of its trade with China only accounts for 13.19% of its total foreign trade in 2011, although China is its biggest trading partner. Of course this share is gradually increasing, but it should be noted in 2011, the share of Sino-Japanese trade (342.8 billion USD) has reached 17.25% of total Japanese foreign trade (1986.8 billion USD).<sup>xvi</sup> Meanwhile, in general level, the investment to Africa is neither a big share of China's total outward FDI flows and stocks, nor the biggest or most important inward FDI flows or stocks of African countries. For instance, in 2011, China's FDI to Africa is 3.17 billion USD, only shared 7.4% of Africa's total inward FDI (42.65 billion USD)<sup>xvii</sup> in the same year. Although in some typical countries (South Africa, Algeria, Nigeria, Zambia, Angola, and Sudan), their inward FDI from China together accounted for more than 50% of China's total FDI to

Africa, the share is not fixed. For instance, if compared to the total inward FDI to South Africa, Zambia and democratic Congo, China's FDI to these countries in some years are very low, which means in those years China was not the biggest investor for them. Meanwhile, the China's share in Nigeria and Algeria has never reached a high level (the highest share of China in Nigeria is 6.41% in 2007, and in Algeria, it is 8.78%). Taking Algeria as a case, the total crude oil's production by Chinese state-owned companies- PetroChina, Sinopec and Sinochem- in Algeria only accounted for 1/10 of that produced by SONATRACH, a state-owned company of Algeria, and even lagged behind some other counterparts from India and Brazil.<sup>xviii</sup> In reality, China is not the only actor in Africa, some western countries and emerging countries are more active than China. For instance, although South Africa hosted about 2,000 foreign enterprises that invested in this country in 2012, only 47 were from China (13 enterprises were China's private companies).<sup>xix</sup> These countries' activities in Africa are similar, for example, resource-seeking. In reality, the first and second biggest investors in Africa are France and the US. And it should be strengthened that among Asian countries that invested to Africa in 2012, the biggest investor was Malaysia, ahead of China and India. As for FDI stock, China is ranked after France, the US, Britain and Malaysia in global level.<sup>xx</sup> In the 10 largest green-field projects in least developed countries (almost all are located in Africa), China's investment volume only ranked at the 8<sup>th</sup>, those primary investors are from India, the UK, the US, Italy and South Africa (Table 8).

3. The China's economic engagement in Africa is similar to China's economic engagement in some other resource-rich countries. That is, contemporary China's economic relations with Africa are similar to those countries such as Australia, Russia, Iran and Venezuela, so as to seek materials and resources and keep the status as World Factory. For example, in 2008, what China mainly imported from Brazil were mineral stones, steels, copper, oilseeds, and those exported to Brazil were electrical equipments and machines, approximately valued 20 billion USD. The same is to China's trading relationship with India and Russia. As for crude oil that China imported from overseas in 2011, totally 24.32 million tons were imported from Russia, 539.2 million tons were from Saudi Arabia and that imported from Angola was 401.5 million tons. Although, 24% oil is imported from Africa, 51% oil is from Middle East Asia.<sup>xxi</sup> Moreover, in 2011 the iron stones that China imported from Australia reached 296.7 million tons, which accounted for 43.2% of total imports of China's iron stones in that year.<sup>xxii</sup> Namely, China's trading and investing policy toward Africa is not a special case, which means Sino-African relations cannot be considered as colonizing-colonized relations if China cannot be considered as a colonial power in Australia, in Brazil or in Russia.

**Table 8.** The 10 largest green-field projects in LDCs (least developed countries), 2011.

Host country	Industry	Investing company	Home country	Estimated investment (USD million)
Mozambique	Fossil fuel electric power	Jindal Steel & Power	India	3 000
Uganda	Oil and gas extraction	Tullow Oil	United Kingdom	2 000
Mozambique	Natural, liquefied and compressed gas	Eni SpA	Italy	1 819
Mozambique	Natural, liquefied and compressed gas	Sasol Petroleum International	South Africa	1 819
Equatorial Guinea	Oil and gas extraction	Noble Energy	United States	1 600
DR Congo	Copper, nickel, lead and zinc mining	Freeport McMoRan	United States	850
Tanzania	Fossil fuel electric power	Castletown Enterprises	United Kingdom	799
Zambia	Copper, nickel, lead and zinc mining	Non-Ferrous China Africa (NFCA)	China	700
DR Congo	Iron ore mining	Sundance Resources	Australia	620

Source: UNCTAD, based on information from the Financial Times Ltd, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)).

4. Although, China acts as a resource-seeker in Africa, this is not the unique image. In reality, although China invests in resources, the areas of China's engaging in are increasingly diversified. In 2003 the investing area that China most focused in Africa was "mining", accounting for 48.3% of China's total FDI to Africa in that year, however, the weight of mining has been decreasing in recent decade, and in 2011, this share was only 19.35%, yet at the same time, other investing areas are weighing more than before. For instance, three investing areas- leasing and business services, transportation, storage and postal services- totally accounted for almost 70% of China's investment to Africa in 2011. That is, now resource-seeking in Africa is not the most primary activity of China's investments. This alteration of investing areas is fundamentally caused by the adjustment of China's foreign economic strategies in recent years. In this period, China gradually diversified the supply of mineral stones, crude oils and other materials since the relations with some resource-rich countries outside Africa (such as Russia, Australia, Iran, Saudi Arabia, Venezuela, Kazakhstan, Indonesia, etc.) were en-

hanced. Especially, this alteration promoted the adjustment of China's economic policy toward Africa. In recent years, China and African countries worked together for diversifying economic cooperation by encouraging China's enterprises to invest more areas and industries rather than resources, which indicates China supports its companies to invest more diversified areas and industries in different cooperative styles, which includes commissioned projects, economic development zones in Africa, investment in financial field (for example in banking), and joint ventures with African partners, and so forth. Clearly the innovation in economic cooperation stimulated China's enterprises to invest more areas rather than resource, although the mining is still a very important investing area since it's a pillar industry for many African countries and also important for China's economic development as well.

5. Some industries China engages in Africa have not been developed in Africa, namely, China's engagement is neither the competition of nor the threat to local economy. In many investing and trading fields, China has absolute superiority to Africa, which means what China invests to and

trade with Africa is just what Africa needs to enhance its primitive industrial modernization and promote the public's living standard. For example, many China's goods exported to Africa are electronics like mobile phones, TV sets, washing machines that aren't produced by African countries due to the deficiency of corresponding capabilities (such as technology, money or skilled labors). So China's engagement can help African countries, by establishing joint-ventures, building special economic zones, and contract/commissioned projects, and so on, to promote their industrial modernization through technological transfer, human resources training, and the accumulation of national revenues, etc. In this sense, China's goods to and investment in Africa are not the threat or competition of Africa's industries, although in some cases (for instance, in textile field) they had some negative impacts. In consideration of this, a more cooperative and win-win economic relationship between them should be constructed and strengthened.

6. If China's engagement practically has attacks on Africa's industrial development, environment, human rights and local culture, any African country

**Table 9.** Scores of CPI of Angola and Tanzania, 2001 to 2012

year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	-	1.7	1.8	2.0	2.0	2.2	2.2	1.9	1.9	1.9	2	22
Tanzania	2.2	2.7	2.5	2.8	2.9	2.9	3.2	3.0	2.6	2.7	3	35

Source: Transparency International website

has the rights to stop China's behaviors there. So when China's activities were viewed as some threat or destructive force for local industry or for social sustainable development, and those traders and enterprises can be definitely punished or warned to be self-restricted.

Subjectively, China takes non-interference policy in foreign relations, thus no political condition has been imposed on Sino-African economic relationships. In this sense, African countries are independent politically; they have independent rights to supervise Chinese companies. Furthermore, many Chinese activities in Africa are similar in China. It means some negative behaviors by Chinese companies are not intent to against Africa, it's only they bring their bad habits from China into Africa. Objectively, China, although as an increasingly active player in Africa, is not the reluctant country that Africa has to rely on to deal with their economic affairs. China isn't the unique power in Africa. There are many other players in this continent, including both the traditional western partners and some other emerging states such as India, Brazil, Malaysia, South Korea, and so on. Under this condition, of course Chinese illegal behaviors can be punished or even prohibited by host countries in Africa, in terms of their laws and rules. It's not China's but African countries' fault if China's illegal activities in Africa aren't punished.

### **China's engagement promotes Africa's independency**

Theoretically, de-colonization directly facilitates national independence. According to upper analysis, China's engagement in Africa is beyond from neo-colonialism, and meanwhile, once the bilateral economic relationship is not based on (neo) colonialism, it can absolutely promote both sides' economic growth and interdependence. In reality, for Africa, the Sino-African economic interdependence based not on colonialism but on sovereign equality has promoted Africa's progress in both economic and social levels, such as partly realizing sustainable economic growth, industrial upgrading and social development, etc. Due to these positive effects after China's engagement in Africa, Africa now has a window of opportunity to avoid long-term reliance on the West, and then keep independency in the world.

### **Contribution for economic growth and human development**

In recent years, the average annual economic growth

rate of Africa is over 5%, in which China's contribution to this rate was accounted for 20%.<sup>xxiii</sup> In 2009, Africa's exports to the US, France and Japan were respectively decreased by 56, 45 and 30%, yet the decrease rate of exports to China was in a lower level (22%), which means China as a great economic partner of Africa is an increasingly important market of Africa's exports, and facilitates its economic growth, especially in consideration of the reality that in general Africa's economic competitiveness is mainly based on its resources and materials, so China's imports from Africa regarding these goods and based on reasonable international prices can help African countries keep sustainable economic growth. Additionally, China's engagement promotes African countries' political effectiveness and good governance, at least not make them become much worse. Since 2000, those countries (such as Angola, Nigeria and Sudan) that China engaged deeply have kept functional and relatively clean governments. According to the "Corruption Perceptions Index" (CPI), it can be found the corruption in those countries with strong and close economic links with China are neither worse than that before China's engagement, nor deteriorate after China's coming (Table 9).

### **Infrastructural construction facilitates to lay a foundation of economic modernization**

Undoubtedly, the infrastructural construction is the basic foundation of Africa's economic development, poverty reduction and social modernization, and meanwhile it's helpful for Africa's integration and trans-Africa's cultural exchanges. Nowadays from new airports in Kenya, Senegal and Rwanda to the interstate railway project promising to connect Sudan and Chad, Africa is in the throes of an infrastructure boom. And China is a very active involver in this great wave. In reality Chinese companies are the dominant actors in African construction sector, involving in almost 35 African countries, mainly concentrating in Angola, Nigeria, Sudan and DRC, with a market share larger than those of France, Italy and US combined. The share of Chinese enterprises in the African market rose significantly from 26.9% in 2007 to 42.4% in 2008 and back to 36.6% in 2009.<sup>xxiv</sup> It showed Chinese firms have won about 70% of the value of infrastructural construction contracts in Ethiopia, Mozambique, Tanzania, and the DRC, and won more than 55% of the contract value of Angola, Sudan, and Nigeria.<sup>xxv</sup> This participation is famous not only for its large scale but its high effectiveness and quality. For

example, Adams Bodomo, a professor from Ghana said if taking his hometown as an example, there China has invested a lot in infrastructure sector in 10 years, which is more than what Britain had done there in 100 years.

### ***Increasingly close relationship helps Africa's industrial upgrading, technological enhancement and employment***

China is always criticized for its so-called exclusive engagement that excludes local participation; however, generally speaking this is not always a case. In reality, China's economic involvement benefits Africa to upgrade local industry, realize technological transfer and create employment. Some China's FDI to Africa focus on manufacturing fields, and some Chinese firms set some offices and sub-headquarters and R&D institutions there. They can gradually train local people and encourage the development of cooperative projects. In this sense, Chinese firms as Africa's counterparts can not only somehow stimulates local industrial upgrading due to China's competition,<sup>xxvi</sup> but also get relatively advanced technology from China through joint-venture and special economic cooperative zones in Africa (for example in Egypt and Zambia). In reality, technology transfer is advocated and agreed at the fifth Forum on China-Africa Cooperation (FOCAC), and it increasingly becomes a key section of Sino-African economic cooperation. In the *Beijing Declaration*, massive agricultural technology transfer is supported by China's government as to guarantee the continent's food security. As for employment creation, it's said Chinese enterprises have created almost 350,000 job opportunities for local people, according to Lv Guozeng, the Chinese former vice-Foreign Minister.<sup>xxvii</sup> For another example, in 2008, except for Angola and Sierra Leone, 85% workers in Chinese firms in Africa are from local communities. Actually, most Sino-African countries' engineering contracts set the proportion of Chinese and local workers.

### **CHINA IN AFRICA: NEW RELATIONS AMONG POWERS**

With the fast rising of China's (as well as other emerging states') influence in Africa since 2000, and meanwhile, in accordance with the special features of China-African economic relationship that's far beyond the neo-colonialism, the original relations within China (emerging powers), Africa and Western powers are gradually changing, which makes Africa a new game arena for great powers in the world, in this sense, a new world order is emerging in the continent.

#### **New relations between China and Africa**

Since 2000 China's role in Africa has revolutionarily

changed mainly from a political investor to an economic investor. From the establishment of New China to 1990s, China always acted in Africa as a donor. It helped the continent with its medical teams, agricultural technicians, and construction workers, etc. Its economic behaviors were not remarkable in that period if compared to the West or the Soviet Union. China's aid to Africa was the political rather than the economic support to this continent. After the end of 1990s, Beijing kicked off the "Go-global policy", encouraging China's firms to invest abroad. After then, especially after 2000s, a large number of China's FDI flowed into Africa to seek new profitable chances and new markets. In sense of this change, China is like a new comer and new player in Africa, and this change of its roles happened together with the coming of globalization, although China has never left Africa since it built formal relations with it in 1950s. However, the new role that China plays makes it an increasingly important partner of Africa because China's engagement is based on economic win-win and political equality that China's leaders always highlight when talking about China-African relationship. According to this, in African minds, China's image is diverse- a new comer, an old friend and a new power star in international society, which makes China become a confusing and complex player in the continent. Although China is a traditional friend of Africa, now it has developed stronger relations with the Western powers than before as to accelerate its economic modernization and promote technological upgrading, which somehow makes African not confident in Sino-African traditional brother-like relationship, and the brother-like relationship means a solidarity against the Western colonialism and imperialism in period of anti-colonialism. Meanwhile, because of the propaganda of the West, whether China as an economic investor in Africa is different from the Western colonists or not somehow is questionable for some African. Then for China, Africa is increasingly becoming an important even strategic partner economically. Africa is rising to be a power in the world due to its huge and rich resources and great potential to be an international market, and China can benefit much from Africa's rising by actively engagement. Meanwhile, after democratization in 1990s, a majority of African country becomes democratic, although it's somehow superficial, this makes China-African relationship be more complicated than before. For example, China was used to contacting African ruling parties and central governments to strengthen bilateral relations before Africa's democratization, yet now this approach is not effective to keep China's interest there and their good bilateral relations. Stimulated by some failed cases in China-African relations, some Chinese even argue the aid to Africa should be reduced. Anyway, Sino-African bilateral relationship is re-shaping from traditional comrade-like relations to two equal partners' relations. In precious age both benefited from each other politically and now, they benefit economically and meanwhile

strategically as well, since both sides can make use of the other side to bargain with the West and other powers, and they have a chance to shape a new world order different from the West-dominated one.

### **New relations between Africa and the West**

The West has been scolded for its previous notorious colonial actions in Africa, and now the Africa-Western relations are still influenced by the colonial legacy. After the de-colonization, Africa was an important continent politically, because on one hand it was one hotbed that both the West and Soviet Union hoped to linked with, and on the other hand, it had typical influence in the UN system which claimed each country had the equal voting rights in the General Assembly and meanwhile developing countries became independent power in the world through non-alignment movement in that time. Because Africa's weight in the balance of the West's foreign relations was based on its political power, then once the Cold War ended in 1990s, for the West, Africa became less important since the international political competition was somehow over in the post-Cold War, and economic competition became more outstanding. However, Africa was a poor continent, not a competitive counterpart for the West, and simultaneously the West was confident in the prospects of its relations with Africa since the Soviet Union was collapsed and it seemed the West could control Africa. According to this condition, Africa became a "forgotten continent" in 10 years after the end of the Cold War. Africa-Western relationship was frozen till the coming of China as an ambitious economic investor. Generally, before 2000s the West acted there just as Africa's unique "protector" and special "partner", and traditional economic relations were reluctantly maintained- investing mineral stones and oils and selling manufactured goods to African. At the same time, it also engaged in this continent like an international philanthropist by huge financial aid with political conditions. And consequently, Africa was increasingly relied on the West's aid due to its famous ineffectiveness. In a word, the West and Africa didn't build an equal relationship when the colonial system was collapsed until a new rhetorical partnership was advocated and strengthened when an EU-African summit was held in Lisbon in 2007. This rhetorically equal "partnership" somehow was established under the pressure from the abruptly active involvement of emerging states, especially China, in Africa since 2000s. For the West, China and other emerging states' engagement in Africa undoubtedly is a big challenge. They compete with it in many fields- from trade and investment to culture and geopolitical strategy. Namely, it's the pressure from China and other emerging states pushes the West, especially Europe, the previous colonist in Africa, to build new relationship with Africa. However, for Africa this relational adjustment (in history these two

sides' relations had changed from colonizing-colonized relation to donor-recipient relation after de-colonization) from donor-recipient relation to "equal partnership" hasn't fundamentally change their relational nature. In reality, the West continuously keeps their "old" relations with Africa through political penetration- attaching special political and economic conditions to its investment and aid projects for Africa, through which Africa's economy and politics to some extent are still deeply influenced by the West. Additionally, the soft power of the West in Africa has deep-rooted and far-reaching influence, too. As pre-colonized region, the political, economic, social and religious systems of many African countries (especially in Sub-Saharan Africa) are like the copies of their previous Western suzerains'. Accordingly, the unequal relations between the West and Africa are kept well. Nevertheless, it's the first time that Africa now has the opportunity, the will and the ability to correct this unequal relationship with the West after China (and other emerging states) come to this continent not as pure donor but as a passionate investor different from the West. Then the West will be harder to manage their relationship with Africa if only in its familiar ways as did in the past. So in Africa, the West is facing big challenge from China and other emerging states and at the same time, is challenged by Africa as well, which would fundamentally change Africa-Western relations. While countering China's different engagement in Africa, a new task to adjust Africa-Western relations to fit for new situation in this continent is now needed in the making for the West.

### **New relations between China and the West in Africa**

In the period of anti-colonialism and anti-hegemony in the last century, China and most African countries stayed in the same camp and united in the United Nations and in other international arenas, to pursue their national independence. Under this condition, the relations between China and the West somehow were absolutely conflicted politically in this continent till the end of the Cold War when both China and the West altered each Africa policy. Nowadays, with the engagement of China in Africa, China and the West re-conflict not politically but economically and even strategically. It's understandable that China's swallowing African resources is a potential threat to the West, since in the Western minds, China's engagement will reduce the potential resource that the West maybe will use in the future. Meanwhile, the West's economic interests were somehow damaged by the increasing price of raw materials due to China's engagement and competition. That is, when the West doesn't change the obsolete idea- Africa is the backyard of raw material supplier of the West- any others' entering there will be considered as a big challenge and threat to it. Furthermore, they are also conflicted in strategic area. Certainly in Africa the Western soft power is now strong or even stronger than before,

however, China's great success in economic modernization and poverty reduction has attracted many African countries' attention since they, as developing countries, have similar national conditions and historical experiences to those of China. According to this, some African leaders even claimed their countries should learn from or follow China's model, although Chinese leaders stated any other country could not copy or follow China's model. It means the influence of China in Africa is not simply restricted in economic area but also extended to strategic area, which will change long-term Africa-Western relationship. In long run, Africa is forced to accept or has to follow the West model- the western-style democratization and liberal economic system. Now China is an alternative for Africa. It indicates the West may fail in aid and investment projects in Africa which always attached political condition, if African countries favor China's model. Then this will be the first time that Africa has the choice to refuse the Western suggestions and projects. Additionally, China and the West somehow conflict in Africa in economic market. With the enhancement of China's manufactured goods' quality, the exports of China to Africa to some extent will narrow the Western production's market in Africa, especially in electronic and machinery areas. But the conflict and competition between China and the West in Africa is simultaneously followed by the chances of cooperation. Now China's engagement in fact is benefiting Africa's economic development and the enlargement of Africa's consuming markets. As a huge potential market, it will benefit all other economies including those from Western world. Namely, Western countries can benefit, as a free-rider, from China's engagement in Africa. And meanwhile, China can cooperate with Western institutions and corporations in Africa to enhance its technology, management skill and access to good services for enterprises. And they can realize some reasonable division of labor to maximize their profits and also protect environment in Africa as well, and even cooperate in security under the UN framework to keep Africa's long stability and peace. Especially, China and the Western counterparts can cooperate in the negotiations with African countries which sometimes use the Sino-Western contradiction in Africa to press both sides and then earn gains.

## CONCLUSION

With China's increasing engagement with different features from the West in Africa, a new distribution of power and also new bilateral relations among powers in Africa are taking place, based on this, a fledging world economic order seems somehow to be emerging. Previously, Africa was like a hunting ground of those colonialists, yet now it becomes a potential power, at least an important player in its own lands, when dealing with the relations with the rest of the world, due to its rich

resources and potential markets which are key factors of other powers' economic development. It's the first time that the West's monopoly control over Africa's economic destiny is contested by China and other emerging states within this decade, which means the old world economic order- backward or underdeveloped African countries' economic development and even their destinies were totally relied on the Western countries- is broken out to some degree, and a new order is in the making- the development of developing countries is possible to be realized within developing countries through a new relationship- political equality and win-win approaches. Accordingly, long-term South-North or developing-developed countries' relations or connections in economic field and then in political and social fields are gradually replaced by a new and also more complicated international relations- African countries and China (plus other emerging countries) as a whole are still somehow relied on the Western markets and technology, and meanwhile, a new cooperation within developing countries are becoming successful, and to some extent the developed countries have to compete with developing countries after gradually losing the monopoly power in Africa. In consideration of the trend- the rise of Africa as a potential power, the increasingly active engagement of China and other emerging states, and the gradually adjustment of Africa-Western relationship- a more equal world economic order addressing win-win and mutual-benefit in Africa can be predictable and expected as well, and meanwhile a new South-South unification and cooperation facilitates de-colonization and developing world's independency in "post-colonialism" is re-emerging and becoming more possible than before.

## Conflict of Interests

The author(s) have not declared any conflict of interests.

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<sup>i</sup> On 18 June 2006, with this speech Chinese Pre-Premier Wen Jiabao responded to those who criticized China was a neo-colonist in Africa, when he talked with responders in Egypt where he started his visit to Africa.

<sup>ii</sup> Thus neo-liberal development can be regarded as neo-colonial because through the imposition of certain political and economic values they are able to have physical and institutional control over development projects in the South. The neo-Colonialism of Development Programs, Cecil Sagoe, Written for: Tanja Muller, December 2011

<sup>iii</sup> Please see: Kwame Nkrumah, *Neo-Colonialism, the Last Stage of imperialism*, Thomas Nelson & Sons, Ltd., London, 1965. Jean-Paul Sartre, Translated by Azzedine Haddour, Steve Brewer and Terry McWilliams, *Colonialism and Neocolonialism*, Editions GALLIMARD, Paris 1964

<sup>iv</sup> These data are accounted by author, and the original data are from Chinese Statistic Yearbooks.

<sup>v</sup> Machinery and mechanical appliances, electrical equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts or accessories of such articles as top one type; textiles and textile articles as the second type, and footwear, headgear, umbrellas, sun umbrellas, walking-sticks, seat-sticks, whips, riding-crops and parts thereof; prepared feathers and articles; artificial flowers; articles of human hair ranked at the third level.

<sup>vi</sup> These data are accounted by author, and the original data are from Chinese Statistic Yearbooks.

<sup>vii</sup> [http://news.ifeng.com/world/detail\\_2012\\_02/04/12283247\\_0.shtml](http://news.ifeng.com/world/detail_2012_02/04/12283247_0.shtml)

<sup>viii</sup> These data are accounted by author, and the original data are from Chinese Statistic Yearbooks.

<sup>ix</sup> <http://zm2.mofcom.gov.cn/article/chinanews/201208/20120808303228.shtml>

<sup>x</sup> [http://www.sis.gov.eg/En/lastpage.aspx?category\\_ID=194](http://www.sis.gov.eg/En/lastpage.aspx?category_ID=194)

<sup>xi</sup> <http://www.tradingeconomics.com/egypt/balance-of-trade>

<sup>xii</sup> *Statistical Bulletin of China's Foreign Direct Investment*

<sup>xiii</sup> Report on World Investment 2011, UNCTAD

<sup>xiv</sup> Accounted by author, original data is from *Statistical Bulletin of China's Foreign Direct Investment*

<sup>xv</sup> Report on World Investment 2011, UNCTAD , p.169.

<sup>xvi</sup> Data from *Chinese Statistic yearbook 2012* and WTO Statistics

<sup>xvii</sup> Data from UNCTAD

<sup>xviii</sup> South Africa's Media: Six Misunderstanding on China in Africa, [http://news.xinhuanet.com/world/2012-05/17/c\\_123140104\\_6.htm](http://news.xinhuanet.com/world/2012-05/17/c_123140104_6.htm)

<sup>xix</sup> <http://www.tanvc.com/p/4591.html>

<sup>xx</sup> <http://cn.reuters.com/article/cnBizNews/idCNL3S0CI0B120130326>

<sup>xxi</sup> *Increasing Dependence of China's Crude Oil on Imports, How to Ensure Energy Safety?* Xinhua news, [http://news.xinhuanet.com/fortune/2013-03/28/c\\_124515464.htm](http://news.xinhuanet.com/fortune/2013-03/28/c_124515464.htm)

<sup>xxii</sup> *In 2011 China Iron Ore Imports Reached 6.86 tons,*

<http://www.cnjxh.org.cn/JCKA/2012/2/15/215G81CF.html>

<sup>xxiii</sup> <http://finance.eastmoney.com/news/1355,20130419286611563.html>

<sup>xxiv</sup> <http://allafrica.com/stories/201201040375.html>

<sup>xxv</sup> [http://www.ide.go.jp/English/Data/Africa\\_file/Manualreport/cia\\_10.html](http://www.ide.go.jp/English/Data/Africa_file/Manualreport/cia_10.html)

<sup>xxvi</sup> For example, Chinese telecommunications companies such as Huawei and ZTE are riding on the crest of Africa's mobile telephony wave. ZTE is laying a fibre-optic backbone in Angola, and Huawei is laying a submarine cable for Libya. The companies are also expanding networks in Algeria, Ethiopia, Ghana, Nigeria and South Africa.

<sup>xxvii</sup> At the second China-Africa Cooperation Roundtable Conference in Wanning, south China's Hainan Province, on November 10.