



CHINA – AFRICAN CIVIL SOCIETY DIALOGUE

Background and Rationale

Exchanges between Africa and China have grown tremendously in recent years, and so has China's economic and political role in Africa. While China has long-standing links with Africa, the intensity and diversity of its recent engagement on the continent, driven by the search for resources for China's rapidly expanding economy, is historically unprecedented. The rest of the world is watching – with much interest and, sometimes, amazement.

A rapidly increasing need for knowledge and contacts between both sides accompanies the new boom in Chinese-African exchanges. In the years 2006 and 2007, numerous meetings and conferences brought together political and economic actors from Africa and China, and this process is likely to continue and even expand in the future. The majority of these contacts take place on the government-to-government level, or within the respective business communities. Furthermore, Chinese experts on Africa – many of them in policy-consulting functions – often meet Africa's government officials or private sector leaders.

By contrast, up to this point in time, there is little dialogue between China – both on the policy and expert level - and civil society in Africa, that is, the broad spectrum of non-governmental institutions and organizations in Africa that play such prominent a role in African political and intellectual life today.

Civil society in Africa has much expanded since the 1990s, resulting from (and often helping to bring about) the return to democracy in many African countries. Independent media, university scholars and research centres, human rights and women's organizations, advocacy groups as well as numerous service-delivery NGOs constitute an important factor in Africa's political and social reality today. They support Africa's political and social development and often provide a counter-balance to sometimes weak government institutions and authoritarian political traditions. In many instances, African civil society provides the "independent voice" of Africa. As yet, Chinese actors interested in Africa have done little in practice to

acknowledge the relevance of Africa's civil society, and even less talked to its representatives. Meanwhile, most African civil society actors share the sense of amazement about the recent growth of China's role in Africa, but have little information and even less avenues for dialogue.

To be sure, there are a few exceptions. The [Centre for Chinese Studies at Stellenbosch University](#) in South Africa provides a platform for research and dialogue. It is largely, but not exclusively oriented towards high-level exchanges around business and development issues. As at now, it remains the only institution of its kind throughout Sub-Saharan Africa. From an African civil society perspective, [Fahamu](#) – a pan-African social justice organisation – has been consistently reporting on Chinese-African relationships in its weekly [Pambazuka News](#) electronic newsletter and published the book “African Perspectives on China in Africa” in January 2007. Fahamu also organized a [dialogue between African and Chinese civil society organisations](#) during the African Development Bank's annual meeting in Shanghai in May 2007, the papers from which have now been published in a book entitled “China's New Role in Africa and the South: A Search for a New Perspective”. Fahamu plans to continue its China-Africa project with a programme of exchanges between Chinese and Africans researchers and writers, leading to a number of policy papers and discussions as well as a Chinese edition of Pambazuka News.

While civil society organizations constitute an important actor in African politics today, the non-governmental civil society sector in China is only emerging. As at now, there are very few actors in Chinese civil society interested in and/or knowledgeable of African affairs. The dialogue program outlined below may provide an opportunity to nurture Chinese civil society interest in and knowledge of Africa. However, the program's primary focus is to bring African civil society in touch with the existing body of Chinese experts on Africa, most of whom work for governmental or quasi-governmental bodies and research institutions. This group of experts plays an important role in providing understanding of Africa in China, as well as in defining Chinese policy towards the continent. Up to now, Chinese experts on Africa have had limited opportunity to engage in debate with Africa's civil society, but they have expressed interest in getting better contacts and knowledge. Vice versa, African civil society needs an opportunity to talk to Chinese actors who matter, in order to express improve their understanding of China's role in Africa, express their own views and perceptions of it, and to get equipped better for efficient advocacy work with actors in and from China.

The “China – African Civil Society Dialogue” program, organized by HBF and Fahamu, wants to provide a platform for such dialogue.

About Heinrich Böll Foundation: The Heinrich Böll Foundation (HBF) is a German political foundation affiliated to the “Bündnis '90/The Greens” political party in Germany. Named after the German writer and Literature Nobel Prize Laureate Heinrich Böll, it conducts and support civic educational projects in Germany and beyond. HBF has 28 offices world-wide, four of them in Africa (Kenya, Ethiopia, Nigeria, and South Africa). The work of HBF's Regional Office for East & Horn of Africa, operating in Nairobi since 2001, focuses on sustainable development, gender democracy, dialogue for peace, and civil society capacity-building and networking in the East Africa / Horn of Africa region. For more details see www.hbfna.com (Nairobi office) and www.boell.de (HBF Berlin, international website).

About Fahamu: Fahamu has a vision of the world where people organise to emancipate themselves from all forms of oppression, recognise their social responsibilities, respect each other's differences, and realise their full potential. Fahamu supports the struggle for human rights and social justice in Africa by

- * Supporting social justice advocacy through the innovative use of information and communication technologies
- * Stimulating debate, discussion and analysis
- * Distributing news and information
- * Developing training materials and running distance-learning courses

For more details see www.fahamu.org.

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CHINA - AFRICA. Matching China's activities with Africa's needs, By Sanou MBAYE, Nairobi, April 19-22, 2008

CHINA – AFRICA Matching China's activities with Africa's needs

By [Sanou MBAYE](#)*

I. CHINA'S EMERGENCE AS A WORLD POWER

Cooperation between China and Africa has to be put into the historical context in which it has developed after the triumph of China's revolution in 1949 and the ensuing support that Africa has received from the Chinese in its own struggle for emancipation and development. For centuries China stood as a leading civilization, outpacing the rest of the world in the arts and sciences, but in the 19th and early 20th centuries, the country was beset by civil unrest, major famines, military defeats, and foreign occupation. After World War II, the Communists under MAO Zedong established a command, planned and controlled economy which ensured China's sovereignty and laid the foundations on which, after 1978, Mao's successor, DENG Xiaoping and the other leaders who followed in his footsteps built a market-oriented form of economic development. By 2000 output had quadrupled and for much of the population living standards have improved dramatically.

II. AFRICA'S ECONOMIC HERITAGE

As for Africa, its glorious past which has witnessed the birth of such great empires as that of Kush, Ghana, Mali, Songhai and the Zulu kingdom was blighted by centuries of slave trade and colonialism. And ever since the Berlin conference in 1883 in what Leopold

II, the king of Belgium, had dubbed "*the sharing of Africa's cake*", Western countries have assumed exclusive rights over the countries of sub-Saharan Africa. Centuries of struggle for political and economic freedom to free themselves from colonial rule, remove apartheid and win their independence did not dent this domination as these countries were held hostages by the West through a combination of comprehensive and exploitative trade deals, western market access restrictions, denial of borrowing on international markets, aid addiction, restrictive domestic investment, crippling debts, political meddling and military intervention.

III. CHINA'S AFRICAN MARKET PENETRATION STRATEGY

1) Agenda

However, this frozen balance as well as imbalance of power is being challenged, since China has now set its sights on Africa. China has developed a comprehensive and coordinated strategy for its engagement in sub-Saharan Africa. Beijing's approach to doing business with Africa is based on an agenda articulated around the keys areas of politics, diplomacy, investment, trade deals, energy, aid package, debt forgiveness, military assistance, health, education and tourism.

2) China's Africa political goal

With regard to politics, alongside a stated dedication to the principle of no interference in each other's internal affairs, China is also tapping into the historical experiences it shared with Africa as both have long sympathised with and supported each other in their struggle for national liberation. Furthermore, the China-Africa Cooperation Forum (CACF) was founded in 2000 to promote stronger trade and investment relations between China and African countries both in the public and private sectors. The CACF has produced two ministerial meetings and four meetings of senior officials with the view to increasing trade and investment. At the CACF meetings in August 2005 China's proposition to upgrade the meeting in 2006 at the level of heads of states was welcomed by the participants from 46 African countries, and observers from six African regional organisations.

3) China's Africa diplomatic agenda

On the diplomatic front, since 2004, Chinese dignitaries such as President Hu Jintao, Vice President Zeng Quinghong and the National People's congress Chairman Wu Bangguo have visited several times many African countries, including Nigeria, South Africa, Gabon, Senegal, Kenya, Zimbabwe and Zambia. This flurry of activity had three objectives: consolidating security of energy and mineral supplies, curtailing Taiwan's diplomatic ties in Africa, of which four still remain (Burkina Faso, Gambia, Sao Tome & Principe and Swaziland) of the 23 countries that have full diplomatic representations in Taipei, and increasing China's burgeoning influence around the globe.

4) China's investment in Africa

With regard to investment, China has invested billions of dollars in sectors such as oil production, mining, transportation, electricity production and transmission, telecommunications and other infrastructure. China's largest bank, the Industrial and Commercial Bank of China (ICBC), has purchased a 20% stake in Standard Bank, South Africa's largest bank by assets and earnings, for US\$5.5-billion, representing the largest foreign direct investment in the country to date. Chinese representatives disbursed \$2.27

billion to acquire 45% stake of one of Nigeria's offshore oilfields and promised to invest an additional \$2.25 billion in field development. Angola, which currently exports 25% of its oil production to China, was granted a 2 billion dollars loan in exchange for a contract to supply Beijing with 10 000 barrels of oil per day. The loan agreement stipulated that the loan coupled with an aid package will be reinvested to build schools, roads, hospitals, bridges, offices, a fibre-optic network, a training programme for telecommunications workers and a 1 300 km railways. The Tanzania railway was equally funded by China. Sudan, which now supplies 7% of China's total oil imports, has benefited from the largest Chinese investments. China National Petroleum Corporation (CNPC) holds 40% shares in the Greater Nile Petroleum Company and has invested 3 billion dollars in refinery and pipeline construction in Sudan. China's foreign direct investment (FDI) stock in Africa represented \$900 million of the continent's \$15 billion total in 2004. It had reached \$1.6 billion by 2005, with 674 Chinese public companies present in 48 African countries involved in sectors as various as mining, precious timber, telecommunications, fishing, mining, oil exploration . Thousands of projects are underway. The countries that have attracted the bulk of China's FDI are : Sudan, the largest recipient, Algeria and Zambia.

China also sees the travel and tourism industry as having the potential for tremendous opportunities for generating revenues, creating jobs and alleviating poverty. Learning from each other, China and Africa will draw upon each other's experience in developing their respective travel and tourism industries by encouraging investments in education, culture and capacity development. Such collaboration is already paying dividends with China's increased involvement in Africa's transportation industry: building roads, railways, seaports and airports.

5) China's trade & cooperation with Africa

On the other hand, Sino-African trade grew by 700% during the 1990s. From 2000 to 2003, trade between China and Africa doubled to 18.5 billion dollars. According to figures released in November 2007 by the Chinese trade ministry trade has reached 52, 3 billion. It is greatly due to the burgeoning China's activities that the very serious collapses in economic growth in Africa that characterised the 1970s, 1980s and even the early 1990s are being reversed. A large number of African countries have begun to show sustained economic growth.

In addition to investment and trade, China cancelled \$10 billion in bilateral debts from African countries. Since the 1960s, over 15, 000 Chinese doctors have worked in 47 African states treating nearly 180 million patients. China also hosts thousand of African workers and students in Chinese universities and training centres. In 2004, China contributed 1,500 peacekeepers to UN missions across Africa, including Liberia and the Democratic Republic of Congo. Furthermore, Beijing sends military trainers to train their African counterparts. Recently, China reaffirmed its intention to strengthen military collaboration with Ethiopia, Liberia, Nigeria and Sudan.

6) The downside of China involvement en Africa

So, if there is no doubt that China's breaking into the African scene is good for the continent because it brings in a new actor which is willing to invest, and gives to the Africans an opportunity to chart another path to social and economic development other than the unfettered capitalism forced upon them by the western countries, there are nonetheless some questions marks to be raised about some controversial aspects to Chinese's frantic activities in sub-Saharan Africa. These are:



- **ARM SALES**
China's clients include :

Sudan

Equatorial Guinea

Ethiopia and Eritrea

Burundi

Tanzania

Zimbabwe
- **MILITARY OCCUPATION**
- **POTENTIAL RISKS OF CONFRONTATION**
- **CHINA'S STAND ON DARFOUR**

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a) **ARM SALES**

One is related to weapons sales to Africa. African countries are regular buyers of Chinese weapons and military equipment. Between 1955 and 1977, China sold \$142 million worth of military equipment to Africa, and the pace of sales has picked up significantly since then. China's arms sales to Africa made up 10 percent of all conventional arms transfers to the continent between 1996 and 2003. China's clients include:

- **Sudan:** China has sold to the Khartoum government weapons including \$100 million worth of Shenyang fighter planes, twelve supersonic F-7 jets, according to the aerospace industry journal. Experts say any military air presence exercised by the government—including the helicopter gunships reportedly used to terrorize civilians in Darfur—comes from China.
- **Equatorial Guinea:** China has provided military training and Chinese specialists in heavy military equipment to the leaders of the tiny West African nation, whose oil reserves per capita approach and may exceed those of Saudi Arabia.
- **Ethiopia and Eritrea:** China sold Ethiopia and its neighbour, Eritrea, an estimated \$1 billion worth of weapons before and during their border war from 1998 and 2000.
- **Burundi:** in 1995, a Chinese ship carrying 152 tons of ammunition and light weapons meant for the army of Burundi was refused permission to dock in Tanzania.
- **Tanzania:** according to the Overseas Development Institute, China has delivered at least thirteen covert shipments of weapons labelled as agricultural equipment to Dar-es-Salaam.

- **Zimbabwe:** the government ordered twelve FC-1 fighter jets and 100 military vehicles from China in late 2004 in a deal worth \$200 million, experts say. In May 2000, China reportedly swapped a shipment of small arms for eight tons of Zimbabwean ivory.

In such an unstable region as Africa, already saturated with weaponry which is deadly used against civilians across the continent, pouring more guns in this volatile situation cannot be welcome. Chinese Deputy Foreign Minister Zhou Wenzhong reply to such a concern that: "*business is business and China separates business from politics*" sounds rather cynical, mostly if we consider Chinese troops participation in peacekeeping missions in the continent to avert these very killings.

b) **MILITARY OCCUPATION**

There are allegations in the western media that four thousands Chinese People Liberation Army (PLA) troops have been deployed to southern Sudan to guard an oil pipeline¹. Equally, the Americans who imports 1.5 million barrels of oil a day from West Africa has established strategic bases to safeguard output. Under the guise of the "war on terror", the Americans have set up the African Crisis Response Initiative (ACRI) and the Djibouti-based Trans-Saharan-Counter-Terrorism Partnership (TSCTP). The aircraft carrier Dwight D. Eisenhower patrols the Indian Ocean to protect their supply. For their part, the French maintain five military bases in Ivory Coast, Djibouti, Gabon, Senegal and Chad, with 10 000 men placed in permanent state of alert to protect French interest in the continent. With all these occupying armies, another area of concern is the risk of some kind of a petrol-induced cold war in the region whose main protagonists would be France, the United States, the UK and China. The fact that China, within a decade, has overhauled the balance of power in Africa challenging the USA as the first economic and trading partner of the continent and relegating France and Great Britain respectively to third and fourth rank.

This onslaught on their interests did not go down well with these competitors. France ordered to all its outlets in Africa to file a report on China's activities in the region. Former British Prime Minister, Tony Blair, came up with a "*Commission for Africa*", which his peers failed to endorse in spite of the fact that Blair's initiative in no way distanced itself from free market liberalism - it was its embodiment, especially with its NEPAD-induced beatification of the private sector. France, the dominant architect of European policy in Africa, was opposed to Blair's willingness to phase out European the agricultural subsidies which are driving African farmers into abject poverty under the Common Agricultural Policy (CAP). As for the US, policy towards Africa can be summed up as: "*Do as we say and not as we do*", sticking to its aid package tied to conditionality related to economic liberalisation, deregulation of capital movements, suppression of subsidies, liquidation of public assets, budget austerity, good governance, eradication of corruption and democracy.

In the era of Abou Ghraib, Guantanamo Bay, rendition flights, massive corporate finance mismanagement, disastrous monetary policy, an economy in the doldrums, murky party political financing, lavish subsidies to US farmers and the failure of the Bush administration to put its finances in order at the expense of the rest of the world, this type of lecturing seems more and more Kafkaesque as the days go by. Besides, this liberal medicine dispensed to sub-Saharan Africa for decades under the guidance of the Bretton

¹ The Chinese representatives at the Nairobi workshop refuted these allegations

Woods institutions (the IMF and the World Bank) has demonstrated its limits, as the poor state of the Africans testifies.

c) **POTENTIAL RISKS OF CONFRONTATION**

Oil represents a lifesaver for all industrialised countries which, until the terrorist attacks of 9/11 on America's soil, had taken for granted a free access to steady oil supply with, in addition, the latitude to be able to control its trading price. Since then, the Middle East has become a powder keg, Latin America oil and gas producers such as Venezuela and Bolivia are slipping away from the US, with the Bush administration and its cortege of neo-cons so fixated on the Middle East to be able to do anything about it and Vladimir Putin's Russia is using its gas and oil as an economic weapon and a political tool to recapture its lost great power status. Consequently, Africa is the only soft target left for mineral resources predators to battle it out. But, the last thing Africa wants is to be the battleground in an economic and political cold war style confrontation. This can even, given that oil represents, virtually, a question of life and death for these economies, escalate to military confrontation between the belligerents, conveniently in a region far from their own shores in which they have all of them, military presence. Africa knows from past experience that countries have no friends but only interests. It is a huge paradox for both the West and China that it is the forces of capitalism that have permitted this development. In a way both the West and China are trapped in them, whether through a multi-party or a one-party system - a testimony to the power, the adaptability and the monstrosity of free market forces.

d) **CHINA'S STAND ON DARFOUR**

The Darfur conflict is a perfect illustration of that fear. In spite of its declared faith in non interference, China, because of its extending interests in the Sudanese oil, keeps impeding any resolution of the UN Security Council with regard to sanctions against the Arab ruling class of the Sudanese government whose troops and government-aligned militias are perpetrating genocide against Sudan's black citizens, using Chinese-made helicopter gunships, based at airstrips maintained by Chinese oil companies.

IV - THE HUMAN RIGHTS EQUATION

- ❑ **CHINA & AFRICA CORRUPT BUSINESS CULTURE**
- ❑ **CHINA'S INDUCED SOCIAL CONFLICTS IN AFRICA**
- ❑ **CHINA'S AFRICA TRADE IMBALANCES**
- ❑ **CHINA'S CONTRIBUTION TO AFRICA'S GROWTH**

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IV. THE HUMAN RIGHTS EQUATION

Democratic deficits and poor human rights records beset both Africa and China. Economic growth without social justice is just another form of denying to the majority of the people their rights to decent living conditions for the benefit of a tiny rich minority.

a) CHINA & AFRICA CORRUPT BUSINESS CULTURE

There is also a tradition of bribery enshrined in the way China does business. That, combined with the rampant corruption that plagues Africa can bring an explosive chemistry, highly damaging to the anti-corruption campaign underway in the region. It does not come as a surprise that the most invited and feted African head of states in Beijing are Omar Bongo Ondimba and Denis Sassou Nguesso, two leaders whose wide corrupt practices have recently been documented and reported, making headlines in the world press and earning a three-month suspension for the Gabonese news outlet which dared to report it.

b) CHINA'S INDUCED SOCIAL CONFLICTS IN AFRICA

Social conflicts consecutive to controversial Chinese practice in Africa have also beset countries such as Zambia, Senegal, South Africa, Nigeria, or Cameroon. In Zambia, the Chinese public company NFC Africa, a subsidiary of the Chinese state-owned Foreign Engineering & Construction Company, bought in 1998 an 85% stake in the Chambisi copper mine. Tensions between the new owners and their African employees are rife because of low salaries and poor work conditions, which, in 2005, cost the life of 49 miners. The following year, in 2006, an anti police riot squad repressed a rally of workers protesting the lack of security. As a result, one protester was killed and five others were

hospitalised. The situation was such that in the presidential election of 2006, one of the candidates, Michael Sata, had run an anti Chinese campaign. China threatened to sever economic ties with Zambia if Sata were elected. This should be a matter of concern for all African countries since China will not hesitate to make forays into African politics if its economic interests are threatened.

c) CHINA'S AFRICA TRADE IMBALANCES

China's « win-win » paradigm, according to which no Chinese partner can turn out to be a loser, sounds more and more hallowed to the extent that some are assimilating it to a disguised neo-colonial market penetration strategy. African countries sell raw materials to China while buying manufactured goods from Beijing. This is the result of a chronic negative trade balance. In South Africa, the main Chinese partner in the continent, this situation has led Cosatu, the country's powerful trade union, to level threats of boycotting the traders of Chinese products accused of contributing to the increase of unemployment. The same tune is being played in the streets of African capitals such as Dakar, filled with cheap Chinese shoes and drugs while textile factories are on the brink of closure due to Chinese competition. Another area of concern is the Chinese habit of importing labour from mainland China and of flooding African markets with goods of extremely poor quality, in stark contrast to the selected articles of particularly good quality destined for western markets. This sounds like discriminatory trade practices against the Africans.

African products face competition from low cost imported Chinese goods, particularly in the textile sector. The growth of the informal sector is also stifled, provoking acute tensions as Chinese traders drive their African counterparts out of business. Factories are closed and jobs are lost.

d) CHINA'S CONTRIBUTION TO AFRICA'S GROWTH

However, no matter how valid these criticisms levelled against China's activities in Africa, they are only too familiar to all those acquainted to African affairs. They are the same criticisms that are levelled against the western powers, the IMF, the World Bank, colonialism and indeed all the woes that are besetting Africa and its people.

In the case of China, if these criticisms contain some unpalatable truths, they tend, nonetheless, to overlook the fact that it is China's activities in the continent that have improved the economic outlook for Africa after a decade of average growth of 5.4%, rate that is similar to those in the rest of the developing world and actually today exceeds the rate of growth in most of the advanced economies.

V - A PROPOSED UNIFIED APPROACH TO AFRICA'S COOPERATION WITH CHINA

a) Resource mobilisation : setting up an African confederation of raw materials producers

b) A blueprint for an integrated African economic development

- ✓ support to regional trade
- ✓ Structural and Cohesion Funds
- ✓ Capital control
- ✓ Protectionism
- ✓ Subventions
- ✓ Technology transfer
- ✓ Regulating foreign investments
- ✓ Aid reform
- ✓ Transition from informal to formal sector
- ✓ Sustainable industrial strategy

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V. A PROPOSED UNIFIED APPROACH TO AFRICA'S COOPERATION WITH CHINA

Whatever China's goodwill towards Africa, it remains a great power looking after its own interest and it is up to the Africans to do the same. When 48 African head of states met with the Chinese leadership in 2006 in Peking, they came without a concerted common development programme. As usual they came to listen and rubber-stamp whatever proposal China had in store for their respective countries. That was a shame, for here was a moment to put to the Chinese, in order to secure their backing, a blueprint development programme for the continent whose main objectives would be to rebuild black people's identity, which had been shattered by hundreds of years of slavery and colonialism, to break free from the financial straitjacket in which they are being held hostages by the western countries and their institutions, and to articulate the political, social, economic and monetary policies that will lead eventually to a custom union, the establishment of a common market and the integration of their economies. These are the preconditions to fulfil for the unification of the continent and its renaissance, a very long and costly endeavour that needs strong political will, resources, solidarity, security, stability and time.

Only people that ascribe to a common identity can unite. The mayhem that has befallen black people over the centuries has altered durably their identity and their capacity to relate to each other. White people having institutionalised skin colour and the racism that goes with their quest for dominance, there is a need for black people to learn the lesson and to rebuild their identity along the colour line.

i. Resource mobilisation: setting up an African confederation of raw materials

It is incomprehensible, as contrary to human logic, that Africa must be starved of finances when it is endowed with all imaginable riches. These riches: the raw materials

and the minerals have to be harnessed through the establishment of a confederation of raw materials producers whose main objectives would be :

- to regulate the price of these raw materials and minerals;
- to give to Africa the means and the leverage to break free from neo-liberal policies;
- to provide the massive financial resources necessary to the implementation of the reforms leading to custom union, common market, political and monetary union.

China could be an ideal partner to establish this cartel. It would be a stakeholder in the project and, in exchange, will be guaranteed a steady supply of the raw materials, petrol and other minerals it needs at a negotiated price, subject to review at mutually agreed deadlines.

With regard to such an endeavour, it is worth mentioning the cartel that Russia, Venezuela and Iran are planning to set up to control the gas market. Algeria and Bolivia could join the project.

ii. A blueprint for an integrated African economic development

Breaking away from the deadly embrace of the west would also entail policies such as :

- 1. support for regional trade:** it is of paramount importance to boost regional trade, provide export facilities to the small and medium local enterprises in order to mitigate the destructive forces of globalisation in giving an absolute priority to an auto-centred regional economic development strategy;
- 2. Structural and Cohesion Funds:** major socio-economic disparities persist between the different countries of Africa. These funds aim to reduce these disparities in development and promote economic and social cohesion. Their objectives are to endorse the development and structural adjustment of countries whose development is lagging behind, to support the economic and social conversion of areas experiencing structural difficulties and to promote the adaptation and modernisation of education, training and employment policies;
- 3. Capital control:** capital controls have to be put in place to stem the unabated and unrestrained flight capital that is transforming African countries into net creditors since the amount of capital generated in the region and transferred abroad is superior to the total amount of debts accumulated by these countries;
- 4. Protectionism:** whenever necessary, African countries should put in place protectionist measures to help local producers to ward off foreign competition.
- 5. Subventions:** key sectors such as education, health, agriculture, nascent industries, social housing and scientific research have to be subsidised to provide sound economic and social foundations to the African countries;
- 6. Technology transfer:** viable development strategy should require from all investors the elaboration of partnerships that focus on technology transfer and training in order to provide added value to local output and create for local entrepreneurs the required conditions to compete favourably with their competitors;

7. **Regulating foreign investments:** this measure is necessary to channel properly foreign investments where they are needed, to thwart speculation and to keep control of the strategic assets of Africa;
8. **Aid reform:** "aid" as it stands is an industry allowing the West to keep hostage Africa starved, bound and addicted to handouts. This has to change to make room to the financing of projects and programmes financially viable and economically justified;
9. **Transition from informal to formal sector:** it is the informal sector that generates the bulk of the jobs created in Africa. It accounts for 75% of the job creation in agriculture, craft industry, mutual savings and auto-financing, social protection, mutual primary health care, etc. Economic revival commands to inject massive micro-credits allocations into the informal sector to revitalise modernise and reinsert it in the mainstream of economics while conserving its flexibility, creativity and vitality;
10. **Sustainable industrial strategy:** climate change cannot be ignored and it originates particularly from the ever increasing consumption of petrol. For both the West and China it is the forces of capitalism that have permitted this development. Africa can, therefore, sell its petrol to earn export revenues. As for its own industrialisation, policy makers should bear in mind that Africa is a continent rich in energy. For example, two-thirds of the world's reserves of hydro-electric power are concentrated in Africa. These reserves of thousands of billions of kilowatt-hours represent about half the total of world resources. The Congo River alone holds more than 600 billion kilowatt-hours of annual reserves. The Sanaga (Cameroon) and the Ogooué (Gabon) hold half as much. Technological breakthrough in energy transportation via high-voltage direct current as opposed to alternating current made it feasible to transport electricity over long distances without incurring great losses (loss in transport being only about 3% per 1,000 kilometres).

Carbon-free hydroelectric power must be the right choice as the principal source of energy for sub-Saharan Africa. Harnessing the hydroelectric power of the Congo Basin alone (Inga and Kisangani dams) would be enough to meet all the African energy needs or to light the entire continent of South America. Establishing an African grid would allow for power from the Republic Democratic of Congo to be delivered to power-poor southern Europe countries such as Spain, Portugal, Italy.

What is relevant to hydro-electric power is also applicable to solar energy. The Sahara desert is a vast source of energy that can provide a carbon and a nuclear-free electrical future for all Africa and Europe, if not the world. However, given that 90% of world reserves of hydraulic energy are concentrated in underdeveloped regions, that likely solar farms are to be located in the Sahara desert and that technology with regard to concentrated solar power (CSP) and high-voltage direct current (HVDC) are the preserve of developed countries, there is a need for a strategic vision to be shared both by Africa, China, the developed and the developing countries to help build global energy and climate security.

CONCLUSION

PAN AFRICANISM VS GLOBALISATION

- **Globalisation : Capital market dominance**
- **Regionalisation as bulwark against globalisation**

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I. CONCLUSION: PAN AFRICANISM VS GLOBALISATION

Karl Marx predicted that states would wither away in anticipation of an idyllic communist society capable of auto-regulating economic imbalances and empowering the masses. So he would have been flabbergasted to see his prophecy realised, not by communism, but by the globalisation of Anglo-American economic liberalism. Opening up markets to the free flow of capital, not the dictatorship of the proletariat, has rendered state power obsolete in all but a few countries in the world.

Today's capital markets raise money for governments, corporate clients, and individual customers, manage pension funds' investments, and bet on the level of interest rates or the stock market. Trading in derivatives by investment banks, hedge funds, and other market participants reaps huge profits for traders while depriving the real economy of productive investment and job creation.

No population in the world is spared from the harsh treatment of such a system. Some 40% of the world's 6.5 billion people live in poverty and a sixth live in extreme poverty. However, the world's black populations are the prime victims. The politics and economics of globalization have stripped African countries of their assets and natural resources and left them with an unbearable debt burden. As a result, the percentage of Africa's population living in extreme poverty increased from 41.6% in 1981 to 46.9% in 2001.

So far, the reinforcement of regional grouping such as the Association of Southeast Asian Nations – ASEAN (Cambodia, Indonesia, Laos, Malaysia, Burma, the Philippines, Singapore, Thailand and Vietnam), Mercosur (Argentina, Brazil, Chile, Uruguay, Paraguay and Venezuela) and the Shanghai Cooperation Organisation – SCO (China, Kazakhstan, Tajikistan and Uzbekistan) has proved to be the most potent weapon against the destructive forces of globalisation. If the African countries want to challenge the negative effects of globalisation and end the plight of the Africans they, also, will have to achieve

their unity along the lines of the development strategy spelled above. The reconstruction and development of Africa can provide the world with the millions jobs that it needs to steer itself away from the impending social, economic, financial and environmental disasters that are threatening the very existence of our lives and our planet.

In this endeavour, the Africans will be better off putting the building of a pan-African identity and their unity at the top of their agenda for progress. However important the amount of investment and trade with China is, the bedrock of lasting peace and prosperity in the region remains stability, a steady increase in intra-trade among the countries of the region, the rule of law and the fulfilment of the pan-African dream of unity. Economic unity and social cohesion ought to be the African Union's over-arching priority objectives in their dealing with the rest of the world including China.

What the Africans ought to emulate in the Chinese is their uncompromising stand over China's unity, their fierce nationalism and their entrepreneurial spirit. It is therefore of paramount importance that the Africans put the building of a pan-African identity and their unity at the top of their agenda in discussing cooperation with China.

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