



INCLUSIVE SOCIETY INSTITUTE

Op-ed

NAVIGATING CHINA-AFRICA COOPERATION WITHIN A GLOBALLY CONSTRAINED ENVIRONMENT

By Daryl Swanepoel

Covid-19 and the Russia-Ukraine war have changed the world in two major respects: global supply chains have been disrupted, and a multipolar world has started to re-emerge. And China and Africa have not escaped these developments.

The Covid-19 pandemic has materially impacted the Chinese economy. Following the outbreak in 2019, China's GDP fell sharply. The extended lockdown further hampered China's economic goals. 2022 predictions were obliterated. And, of course, China is also feeling the global cost of living crisis resulting from the war, the imposed sanctions on Russia, and the more inward-looking US.

In Africa, Russia's war in Ukraine has raised food and fuel prices, disrupted trade of goods and services, tightened the fiscal space, constrained green transitions, and reduced the flow of development finance within the continent. This has resulted in unprecedented levels of inflation and food scarcity. And Africa has not only been setback by the loss of economic activity during the period of Covid-19, but exponentially so through the loss of GDP growth that would have been had, had Covid-19 not emerged. A double whammy, so to speak.

Within this changed environment, the mutually beneficial cooperative nature of the China-Africa development model must not become a casualty of the emerging multipolar global order. Both China and Africa must guard against this. African countries will come under increasing pressure to choose sides. They must not.

China-Africa cooperation has contributed immensely to the economic and human upliftment of Africa. In fact, China is Africa's largest trade partner and source of foreign direct investment (FDI), which has had a significant impact on the continent's infrastructure development and economic growth. It has offered development loans to nations, such as resource-rich Angola; invests in agriculture; and it has assisted in the development of special trade and other economic zones in several states.

And China's need for oil and other mineral resources, and the market it presents for selling its products, has driven its investment in Africa. In 2016 already, Angola emerged as China's third-largest supplier of oil.

China's "going out" policy has resulted in it diversifying its business interests in Africa. It is invested across a wide spectrum ranging from mining to energy, to telecommunications and agriculture. And it has through a mixture of public and private funds financed the construction of roads, railways, ports, airports, hospitals, schools, and stadiums, and has provided humanitarian aid.

China is also increasingly helping Africa to establish a more secure, conflict-free continent. At the opening ceremony of the Eighth Ministerial Conference of the Forum on China-Africa Cooperation

(FOCAC) last November 2021, President Xi said that peace and security play an important role and that China would undertake ten peace and security projects for Africa.

FOCAC is viewed with a measure of scepticism by some of those outside of the arrangement. China is often criticised as having a habit of offering huge amounts of low-interest loans to countries that they know will most probably not have the means to pay them back. They accuse China of “debt trap diplomacy”.

But FOCAC should not be swayed. Rather, instead of retreating, it should strengthen its resolve for multilateralism. In this regard two proposals are ventured: Firstly, FOCAC should establish an inclusive strategic think-tank within its structures to contemplate the changing diplomatic environment, and to mitigate the new economic challenges that are bound to arise from the actions of more inward-looking superpowers. And the work of FOCAC needs to be aligned with the Global Development Initiative (GDI) and Global Security Initiative (GSI).

The think-tank needs to be properly resourced and organised to enable it to adequately prepare research and analyses to underpin the policymakers within FOCAC. To this end, a proper inclusive coordination mechanism – balanced with China and African input – needs to be designed that will ensure adequate research outcomes across all the strategic focus areas of the initiatives on an ongoing and sustainable basis.

This will require workstreams aligned with the GDI and GSI objectives. And since the priority areas of the initiatives are closely aligned with many of the 17 Sustainable Development Goals (SDGs) of the United Nations, including in the areas of poverty eradication, food security, health, climate action, the planet, industrialisation, innovation and means of implementation, the workstreams’ programmes ought to be synchronised with the SDGs. The China-Africa Think Tanks Forum (CATTFF) could seamlessly be morphed into such a structure, tasked to undertake such work.

Secondly, Africa should advance an argument in favour of triangular engagement between itself, China, and the West. Competition between the US and China is not going to go away, and Africa is increasingly going to be confronted with demand choices. But for Africa, it should not be about what the decision holds for the US, or for China, but what is in the best interest of Africa.

A sound relationship with China, and a sound relationship with the West, is what is in the best interest of Africa. Therefore, creating a mechanism for the three parties to engage in developmental and security issues in Africa could be a useful tool to guide and assist continental leaders in harnessing the most out of their diplomatic and inter-governmental efforts.

This will be no easy feat given the heightened tension of late between the US and China. Political observers say that the relations are on a dangerous path, with no trust on either side. They say that Beijing regards the US as its primary adversary and believes that the US “is intent on closing off the path of China”.

That said, the more rational thinkers do see the need for improved relationships between the two superpowers. For instance, US Treasury Secretary, Janet Yellen, recently said that the US and China “can and need to find a way to live together” despite the strained relations.

Finding that way will require mechanisms of dialogue between the two sides, and as Africans ponder their relations between the two, the need for three-way engagement seems evident. It may be, given the current tensions, that direct triangulation may not immediately be possible, and that parallel dialogue might be more feasible. Whatever the mechanism, the need is urgent.

The initiation of the triangular discussion could take the form of a high-level roundtable between academics, geopolitical analysts and experts tasked with exploring options for convergence, cooperation and co-existence. The neutrality of the convening authority will of course be key.

Daryl Swanepoel is the Chief Executive Officer of the South African-based Inclusive Society Institute. This article is an extract from the Institute's paper titled "Navigating China-Africa Cooperation within a globally constrained geopolitical environment", which was prepared to support its contribution at the recent 12th meeting of the China-Africa Think Thanks Forum held in Jinhua, China.