

China in Africa- what is there to learn? Presented by Sombo M. Chunda to the Africa Centre Annual Lecture in collaboration with Trinity College and Dublin City Council.

Overview

I would like to thank the Africa Centre for giving me this opportunity to speak. I am glad to address you this evening especially after I cast my vote yesterday in the Presidential By- election. Some of you will recall that in 2011 the issue of China made the agenda in many of Zambia's Presidential campaign rallies. The then main opposition contender is on record to have had a critical stance on the Chinese - soon after winning, as President, the Chinese were the first to be invited for lunch at State House!

In addressing the topic - China in Africa: What is there to learn? I will do this under the following headings (a) introduction (b) China's attraction to Africa (c) Zambia and China relations (d) China's impact in Zambia- the positives and negatives (e) Lessons to learn and (f) conclusion

Introduction

At the mention of Africa, what comes to mind?

Is it Disease (HIV / Aids) or Ebola? Poverty- people barely surviving on less than a dollar a day? War?, Malnutrition- children with skin hanging on their bones, unplanned settlements or is it large forests- vast tracts of unexplored lands, minerals- diamonds, gold, zinc, cobalt, copper the list goes on?

Whatever your thoughts- Africa is not a country!

- Africa is a continent with 54 countries.
- There are about 1.1 billion people living in Africa and it is home to the largest number of people below the age of 25.
- Africa has huge untapped mineral wealth, oil and gas discoveries too are heard.
- Africa has fresh water resources with huge uncultivated lands.

This is the Africa that China has seen- a land of opportunity!

China has consolidated its trade with Africa. It is the biggest trading partner exchanging about \$160 billion worth of goods a year.

Let us come to Zambia!

Located in Sub- Sahara Africa, a former British colony, Zambia gained independence in 1964. Zambia is landlocked and covers an area of 752,614 Km² with a population of 13,046,508¹ this makes the country to have a population density (people per sq.Km) of 17.39².

The country has enjoyed an extremely good relationship with China and there is enough evidence to show for this. The Tanzania Zambia Railway Project, the Kariba North Bank Power Station both in the 1970's. In fact the Tanzania Zambia Railway Project was the single largest investment by China on the continent then at a value of \$400 million³ and Ladies and gentlemen, today China is constructing roads, football stadiums, housing infrastructure to mention but a few.

According to the Zambia Development Agency, in 2013 trade between China and Zambia reached \$3.380 billion. China exports to Zambia included pharmaceuticals, transport equipment, plastics and chemicals while Zambia exported SEMI- precious stones, non- ferrous metals, ores (copper and cobalt) and raw cotton. Foreign Direct Investment from China to Zambia is estimated at \$3 billion and is mainly in mining, manufacturing and construction sectors.⁴

¹ Government of the Republic of Zambia, 2011: *Census of Population and Housing Report*, Central Statistical Office, CSO, Lusaka.

² www.tradingeconomics.com/zambia/land-area-sq-km-wb-data.html

³ Chineseposters.net/themes/tazara-railway.php

⁴ *Interview with Mr. Francis Chikonde, Executive Assistant, Director General's Office, Zambia Development Agency, Lusaka*

Chinese advantage in Zambia.

Access to readily available resources- this comes in the form of Chinese materials, Chinese companies, attractive project financing through Chinese Banks, a readily available market in China and Chinese workers. Ladies and Gentlemen- we have seen an influx of Chinese nationals to Africa. Zambia is no exception. When you see these people, you ask yourself; will they go back home or they are here to stay, for good? In his book China's Second Continent: how a million migrants are building a new empire in Africa, **Howard W. French** says and I quote- To be sure, a desire for better economic opportunities was the biggest driver behind their exodus. Still contributing to the decision for many to take the leap into the Unknown and move to Africa was weariness with omnipresent Corruption back home, Fear of the impact of a badly polluted environment on their health and a variety of constraints on freedoms, including religion and speech. Many migrants also invoked a sheer lack of space.⁵

If then Chinese nationals are here for good- we shall expect inter marriages and marriage break ups. In 2014 Zambia's late Presidents niece Fabiola Sata got married at a colorful wedding to a Chinese Businessman David Liu. Elsewhere - The Economist edition on Middle East and Africa reported that in Kenya local men are calling radio stations to express their frustrations in live phone in Programmes- sentiments like ' he looks short and ugly but I guess he has the money! are some of the exclamations from men who loose their partners to rich Chinese men!⁶

⁵ Howard W. French 2014, China's Second Continent: How a million Migrants are building a New Empire in Africa

⁶ The Economist ,January 17,2015, <http://Economist.com>

Let us then look at what perceptions are there.

China is perceived to have a poor record of safety- On April 20, 2005 the Zambian airwaves got shocking news that nearly 50 Zambians lost their lives in an accident at a Chinese owned plant BGRIMM Explosives in Chambishi on the Copperbelt. ⁷ Was it a coincidence, Ladies and Gentlemen that No Chinese national died?

China is further perceived to have no respect for local labour laws and rights of employees. - On a mild day in October, 2010 hundreds of miners gathered outside a mineshaft at Collum Coal Mine in Sinazongwe District of Zambia to protest for a pay rise. Across the shafts gate stood the miners Chinese supervisors nervously clustered and holding guns. Workers had demonstrated in the past and when they began demanding a promised pay increase, their supervisors started shooting- at least 11 miners were wounded⁸.

- Chinese nationals are perceived to be exploiting our natural resources. The idea of being responsible businesses lacks in some cases. Ideally there should be a commitment to take care of the social and environmental impact of business, if there are such initiatives then there are few.

- In some cases, Chinese nationals are perceived to be thieves! We have heard in the recent past of copper thefts- something that wasn't common in the past.⁹

- There is a strong perception that China considers Zambia to be a dumping ground.

- it is very difficult to get information off the Chinese Embassy. I had asked for an interview and didn't get a response. You can not be allowed inside the Embassy.

⁷ The British Broadcasting Corporation, news.bbc.co.uk/2hi/Africa/4466321.stm

⁸ www.lusakatimes.com, 2010 October 15th

⁹ www.lusakatimes.com 2012 November 27th

It will be unfair to ignore the good, ladies and gentlemen!

It is true that Chinese nationals are hard working! Their workmanship speaks for itself. We have seen good quality infrastructure built in the recent past- thanks to the dedication to work. There should be a deliberate effort to ensure transfer of knowledge and skills to local people.

It is also true that Chinese nationals are risk takers and good at seizing opportunities. The fact that they are coming in numbers is clear evidence of this. To an unknown land they fill a plane! To come and explore, set up companies and be a conduit for more nationals to migrate.

- China is providing solutions to problems that other traditional partners are not. E.g The Germans approached the University of Zambia to ask for a lecture hall to teach German language, the French too. A room was provided to be used on alternate basis. When the Chinese made a similar request and the response was for a room to be used on a rotation basis, they asked for land within the university premises to build a Chinese learning Centre.

What can Zambians learn?

We need to teach our people to have national interest before self interest. Where national interest exceeds self interest, the bigger picture becomes more important than the small one.

If our people have national interest at heart, we would not have stories as the following making headlines:

January 9, 2015 Anti Corruption Commission of Zambia arrests 4 Chinese nationals for bribing a chairperson of the Shimabala Farming Association a peri urban area in Lusaka. The Chinese Nationals wanted to seek permission to operate a quarry business and bribed the chairperson with ZMW100,000 which is approximately \$15,000¹⁰.

¹⁰ www.times.co.zm/?p=48129

We need to teach our people to think long-term- and not short term. A long term perspective to issues that affect the communities and country as a whole would help to understand the challenges better and come up with lasting solutions.

Because our people think in the present, they are aiding in destroying what has taken years to be.

February 20, 2014 the Times of Zambia reported that 10 trucks laden with timber (valued at \$ 7,000) were impounded, the trucks belonged to the Chinese Nationals¹¹. Ladies and gentlemen, the Chinese bought off this timber from the local people who saw no value in the trees. It wouldn't be harsh to assume that the local people have never had a thought about the possible impact of indiscriminate cutting down of indigenous trees. They may not have information on the likelihood to change the rainfall patterns as a result of depleting the tree population which aids in the rain cycle.

As long as our people do not connect the dots- all our efforts will be in vain!

What should the world learn?

China means business!

On her visit to Zambia, the then United States of America Secretary of State Hillary Clinton said on June 10, 2011 when asked about China's growing influence on the continent and I quote ' we do not want a new colonialism in Africa' ' when people come to make investments in Africa, we want them to do well, but we also want them to do good' We don't want them to undermine good governance in Africa' ¹²

¹¹ www.times.co.zm/?p=10709

¹² <http://reuters.com>

Those are profound words ladies and gentlemen. The world should learn that

- China's main interest is to earn a return on their investment.
- China is after the natural resources of Africa. And they are determined to do anything to get the said resources.

The return on investment and natural resources feed into the Chinese industries and are aiding the growth of economy.

- The world should note that China will not stop at anything to have its way into Africa. Talk of the furthest place you can imagine...lo a Chinese national appears. It has been a tradition for the last 25 years, for the Minister of Foreign Affairs first visit abroad to be made to Africa. And from 10-17 January, 2015, Wang Li the Chinese Minister visited 5 countries namely Kenya , Sudan, Cameroon, Equatorial Guinea and the Democratic Republic of Congo. (allafrica.com)

Should we sit back and watch? Will that help matters or make us hopeless and helpless?

- LADIES AND GENTLEMEN there is need to continually educate our population to place true value on the continents resource wealth. A constant reminder that resources such as minerals are wasting assets and soon they will be gone

- Civil Society voice should be loud and clear on issues that affect Africa. Yes China's presence does make a huge difference for the many people whose next meal would depend on getting that job. This shouldn't compromise our ability to speak out on how we feel about this relationship with China.

- Governments in Africa need to take responsibility by providing good leadership. IN providing leadership, our leaders should ensure they have a strategy on how to deal with China. Think through what costs and benefits are available both in the short and long-term. This would need strategies to ensure Economies are protected in the event of adverse developments in China- already the Chinese economy didn't grow as expected affecting the demand for raw materials and prices for commodities that some countries

are dependent on as main economic activities in the case of Zambia copper.

- There is need for Governments to set restrictions on what sectors the migrants should participate in. In the same light, capital restrictions should be enforced. It is a shame that Chinese nationals are competing with Zambian entrepreneurs to rare chickens and access the same market, it is even more of a shame that they should be hustling our streets with cell phones and in some cases roasting cobs of maize!

As we conclude, Can we attempt to look at what the future may look like: THE Guardian reported on December 23, 2014 that China has 700 troops ready to be deployed to South Sudan to boost Africa Union peace keeping mission. This is a significant shift in Chinese policy of non interference in African conflicts.¹³

Why should China send troops to Africa? The answer is simple- they have invested heavily in South Sudan as in other African countries. They have an interest to protect. Should we expect China to make more changes to its policies in future? Have we participated in this policy change process or we are passengers? What other changes is China ready to make and how should we react?

LADIES and GENTLEMEN China will continue to be in Africa. Africa needs to find a way to live with China.

With these few thoughts- I thank you for your attention.

¹³ <http://Guardian.com> 23rd December 2014