Responding to China in Africa

David Shinn and Joshua Eisenman

June 2008

can Foreign Policy Counci

American and Chinese interests in Africa are different, but not substantially so. There are more areas where the two countries can cooperate for the benefit of Africans than there are issues of disagreement and potential competition. During his visit to Africa early in 2008, President George Bush acknowledged that the United States and China could pursue opportunities in Africa without increasing rivalry. He commented that he does "not view Africa as zero-sum for China and the United States" and believes both countries "can pursue agendas without creating a great sense of competition." A few months later during a conference at Howard University in Washington on China-Africa relations, Chinese Ambassador Zhou Wenzhong said that China appreciated President Bush's statement, adding that China and the United States need not pursue in Africa a "confrontational, or harmful rivalry, or a zero-sum game."

This paper explores the development of China's strategy in Africa with particular attention to Beijing's objectives and methods, while highlighting the implications of China's approach for United States' relations with African countries. It seeks to provide American policy makers with a comprehensive and forward-looking analysis of China's policies toward Africa's fifty-three countries as well as American policy responses to China's significantly enhanced engagement on the continent. The authors acknowledge that any attempt to generalize about Africa's fifty-three different countries is dangerous; there will almost always be exceptions

David Shinn is an adjunct professor in the Elliott School of International Affairs at George Washington University. He served as the U.S. ambassador to Ethiopia and Burkina Faso.

Joshua Eisenman is Fellow in Asia Studies at the American Foreign Policy Council. He previously served on the professional staff of the United States-China Economic and Security Review Commission. to generalizations. Nevertheless, they believe it is possible to draw some continent-wide conclusions about China's engagement in Africa and propose a number of American responses that will both improve U.S. policy and usually benefit Africans. The paper operates on the assumption that China will continue to pursue a practical approach in its policy towards Africa and that the U.S. response should be equally pragmatic.

The supporting research for this analysis includes interviews with more than 250 academics, government officials, business persons, civil society representatives, and ordinary citizens from China, Africa, Europe, and the United States. The meetings took place in China, Ethiopia, Sudan, Egypt, Nigeria, Angola, South Africa, Swaziland, and European capitals including Berlin, Brussels, Lisbon, Paris, and London. In addition, the authors attended numerous conferences in the past two years on China-Africa relations held in the United States, China, Africa, and Europe. They have also amassed an extensive collection of material on China-Africa relations written by academics, government officials, and journalists. In their research, they gave particular attention to areas of possible competition as well as cooperation between the U.S. and China for the benefit of Africa. The authors presented an earlier version of this paper at a day-long conference in Washington on Capitol Hill on 28 April 2008 sponsored by the American Foreign Policy Council and the Heinrich Böll Foundation. Panelists from the U.S., Europe, Africa, and China critiqued the draft version. This paper takes into account suggestions made by the conference participants.

FINDINGS

China's current priorities in Africa are:

- ensuring access to oil, minerals, other natural resources, and agricultural products that contribute to China's high annual GDP growth rate; - developing good relations with all African countries so that China can count on their support in regional and international forums;

- ending Taiwan's official diplomatic presence and replacing it with recognition of Beijing; and

- significantly increasing China's exports as African economies become stronger and Africans become wealthier.

Political and Security Relations

• China has official diplomatic relations with forty-nine of Africa's fifty-three countries; Taiwan has ties with the other four. China has an embassy and ambassador in forty-eight of the forty-nine countries. Only Somalia has no Chinese embassy because of continuing security problems in the Somali capital. Of the forty-nine African countries that maintain relations with China, only the tiny Comoro Islands does not have an embassy in Beijing.

• The International Department of the Communist Party of China (CPC) manages the CPC's relations with African political parties. These relations are almost exclusively with ruling parties in one-party dominated states like Zimbabwe, Sudan, Zambia, and Angola. With a few exceptions such as South Africa's Democratic Alliance, the CPC seems reluctant to interact with opposition parties for fear it will disturb its relationship with the government in power. The CPC connection underpins the official bilateral relationship and offers a channel for China to monitor the implementation of bilateral agreements. It also provides support and training for African ruling parties. CPC delegations routinely visit Africa while the International Department regularly hosts African party leaders in Beijing. American political parties have no equivalent political outreach mechanism. The National Democratic Institute and International Republican Institute have quite different functions.

• China concentrates its attention on African government leaders, elites affiliated with them, and the business community. It has established a reputation for developing cordial and often excellent relations with African leaders in all forty-nine countries. It has made relatively little effort to cultivate Africans affiliated with civil society, labor unions, non-governmental organizations, opposition political parties, etc. As a result, Chinese ties with this segment of African society are not well developed.

• China relies heavily on high-level personal contact to consolidate its relations with African leaders. President Hu Jintao has made three trips to Africa visiting multiple countries since becoming president in 2003. Premier Wen Jiabao has been equally visible in Africa. Beginning in 1991 with Qian Qichen, China's foreign minister has made his first overseas visit every year to Africa, a practice that African governments have noted and appreciated. Leaders from Beijing's key ministries including the Ministry of Commerce, the Communist Party's International Department, and the Ministry of Foreign Affairs are frequent visitors to Africa. In turn, China has an enviable record of receiving African leaders in Beijing.

• China and Africa formalized their relationship beginning in 2000 with the establishment of the Forum on China-Africa Cooperation (FOCAC). It meets at the summit level every three years, alternating between Beijing and an African capital, and ministerial level in other years. The next summit meeting will take place in Cairo in 2009. This has become an important and effective mechanism for coordinating China's policies vis-à-vis Africa.

• Increasingly, China is strengthening its ties to African regional and sub-regional organizations. It provides financial support for the peacekeeping activities of the African Union. It hosted the annual meeting of the African Development Bank in Shanghai in 2007. China has also begun to reach out to sub-regional organizations such as the Economic Community of West African States, the Common Market for Eastern and Southern Africa, and the Southern African Development Community. Rhetorically, at least, China has associated itself closely with the ideas behind the New Partnership for Africa's Development (NEPAD).

• China's reluctance to impose political conditions and its willingness to work with any African government have resulted in strong ties with Sudan and Zimbabwe, two countries considered pariahs in much of the west. China accepts African governments as they are and seems equally comfortable with an Islamist government in Sudan, a democracy in South Africa, and an autocracy in Equatorial Guinea. It also has a history of switching political loyalty with relative ease when there is regime change in an African country.

• China is an active participant in UN peacekeeping operations in Africa with large personnel commitments to the missions in Liberia, Democratic Republic of the Congo, and Sudan. It contributes more troops (almost 1,500) to UN peacekeeping missions in Africa than any other permanent member of the Security Council. China currently has military forces, police or observers in seven of eight UN peacekeeping operations in Africa. Africans and non-Africans have praised this contribution.

 Africa remains a low security priority for China compared to countries on its periphery, Europe or North America, but it is growing in importance because it serves as an important source of natural resources. In 2006, China obtained 33 percent of its oil imports from Africa. There is a loose correlation between Chinese military cooperation and resource-rich African countries. China has a security relationship, however modest, with all forty-nine countries that recognize Beijing. China's share of the sub-Saharan African arms market from 2000 through 2005 was 18 percent, much of it small arms and light weapons. Chinese arms sales to Africa have raised some alarms. The attempted April 2008 shipment of arms and ammunition to landlocked Zimbabwe following a disputed election resulted in the refusal of dockworkers in South Africa to offload the arms for overland shipment to Zimbabwe. The president of Zambia publicly

criticized the shipment while the governments of Mozambique, Namibia, and Angola refused to allow the arms to be offloaded for transshipment to Harare.

Economic and Resource Relations

 Although China prides itself on being the world's largest developing nation and aligns itself with Africa as the continent with the largest number of developing countries, Africans do not necessarily see China as a development model. Most African leaders understand there are significant economic, social, and political differences between China and individual African countries. On the other hand, many, perhaps most, African leaders view China as an alternative to western development funding and investment. In recent years, China has provided, for example, Angola with \$13 billion, the Democratic Republic of the Congo \$9 billion, and Ethiopia \$2.5 billion in low interest loans. The magnitude of China's loans to Africa is impressive. It is equally important to note that most Chinese assistance to Africa is in the form of loans while western bilateral donors generally provide grants. The loans raise important questions about debt repayment, especially in the case of countries like Ethiopia where they are not backed by oil or minerals.

 African leaders especially welcome Chinese assistance because aside from having to accept Beijing's "One China" policy, it comes with no conditions. In some cases, the loans are tied to repayment in oil or raw materials. This ensures that China will be paid in commodities it needs to maintain the growth of its domestic manufacturing sector. Most African governments are tired of western conditionality that ties aid to good governance, transparency, improved human rights practices, and economic policy reform. China does not impose these requirements. Equally important, China encourages its loans to be spent on infrastructure, which African leaders request and western aid donors generally eschew. In addition, Chinese firms have developed critical large scale capacity for implementing these projects. The Millennium Challenge Corporation has recently begun funding infrastructure projects, making the U.S. a player again.

• China-Africa trade has grown rapidly in recent years and reached \$55.5 billion in 2006, up from \$40 billion in 2005. It reached \$70 billion in 2007 and is expected to top \$100 billion no later than 2010, making China Africa's single largest trading partner, surpassing the United States. While most of the recent growth is a result of purchases of oil and raw materials from Africa, China continues to sell an impressive array of products to African countries. It has been particularly successful recently in the telecommunications sector.

• Chinese companies, largely state-controlled, are winning tenders across the continent for roads, bridges, dams, pipelines, refineries, hospitals, government buildings, telecommunications networks, and even the occasional sports stadium. These tenders are often tied to Chinese loans. Chinese companies usually underbid western companies. They have a reputation in Africa for completing the projects quickly and, according to most African government interlocutors with whom the authors met, of acceptable quality. This allows Chinese companies to expand their reach, increase their experience, and use Chinese products and labor in their infrastructure projects. Misestimating the cost of doing business in Africa has led to tension between Chinese state-run companies that bid for contracts and Chinese provincial level companies that often act as subcontractors. Some Africans criticize Chinese state-run firms for relying heavily on Chinese labor and not using a larger proportion of indigenous labor. There were two deaths and several injuries early in 2008 when striking Chinese workers in Equatorial Guinea faced local police. On the other hand, many African officials are pleased that its official bilateral relationship with China can be leveraged to ensure the timely implementation of infrastructure contracts performed by Chinese state-owned companies.

• Chinese state-owned companies are generally

willing to take greater business and security risks in Africa than private western companies. This is particularly true as China seeks to increase its access to natural resources. As a consequence, Chinese nationals and companies have been exposed to kidnapping and even casualties in the Ogaden of Ethiopia, South Kordofan and Darfur in Sudan, and the Niger Delta in Nigeria. Most of these incidents happened in the past two years; it remains to be seen if they will cause China to be more selective in pursuing commercial interests in current or potential conflict zones.

• Beijing is in the process of constructing throughout Africa a series of commercial and investment hubs called Special Economic Zones (SEZ). They offer Chinese firms a variety of favorable incentives, tax breaks, and reliable power services to mitigate investment risk. The SEZs provide "infrastructure corridors" that link disparate and fragmented African producers and markets in China. Unlike the SEZs established by Deng Xiaoping during China's reform period, which established equal terms for all foreign investors, those in Africa offer special privileges and incentives to Chinese firms that are at least temporarily unavailable to other foreign firms. China's SEZs in Africa include a copper mining hub in Zambia, an investment hub in Mauritius, a logistics hub in Tanzania, and manufacturing hubs in Nigeria and Egypt.

• Chinese investment in Africa has been modest as compared to the west. As of late 2007 Chinese investment in Africa was about \$13 billion and concentrated in the energy sector. China invested nearly half of that sum, about \$6 billion, in Sudan's oil sector alone. Since late 2007, however, there are indications that China's investment in the continent has stepped up and that its growth trajectory may rise sharply.

• A relatively new and quickly growing area of Chinese interest in Africa is banking. Chinese banks are clearly working to build a presence in Africa. At the end of 2007, the Industrial and Commercial Bank of China purchased a 20 percent stake of Standard Bank South Africa for \$5.6 billion. The China Development Bank (CDB) has signed a partnership with Nigeria's United Bank for Africa. The China Construction Bank is expanding its branch in Johannesburg. The Bank of China has a subsidiary in Zambia. The CDB and Barclays recently formed a commodities strategic alliance that will help advance CDB's entry into the African market.

Social and Education Relations

Chinese communities are growing throughout Africa. They consist of three different groups:

- The first category is professionals. It includes Chinese embassy personnel, representatives of large Chinese companies, managers of assistance projects, and specialists assigned by the government. The Chinese in this group usually speak one of the local languages and interact well with Africans. After completing their assignment, most return to China or move to another posting within their firm or agency.

- The second and probably largest category is the minimally skilled or unskilled Chinese workers sent for a fixed period of time by the government to work on one of the many infrastructure projects. They almost never speak one of the local languages, tend to live in compounds, rarely interact socially with Africans, and leave their families in China. They come because of higher salaries and are anxious to return to China when their contract ends. They frequently have unkind words about their experiences and interaction with Africans.

- The third category—Chinese traders and small business persons—is the most interesting. They come because of perceived business opportunity, often bringing their families, speak a little of the local language, live modestly among Africans, and tend to remain much longer. Some of them have become part of permanent Chinese communities in Africa. They sell affordable products sometimes supplied by a vertically integrated supply chain that links family producers and distributors in China to wholesale and retail sellers in Africa. In many cases these traders have undermined local producers and traders by undercutting their price through a combination of working long hours and illegally avoiding import taxes. So long as business is good and personal security remains satisfactory, larger numbers are likely to become permanent residents in Africa. There are "Chinatowns" today in Lagos, Dakar, Johannesburg, and Cape Town.

• There are growing numbers of Africans living in China. In Hong Kong, Chongking Mansion is the center for the African trader community. Although Africans from around the continent congregate in the area, the majority are West Africans, with a large percentage of Nigerians. In Guangzhou, one center of African activity is the Tianshi Building complex, which is home to a multi-tiered market for Chinese products targeted at African wholesale purchases and African retail outlets. Some African communities in Guangzhou, like the Ghanaians and the Senegalese, have even developed community-based civic organizations. In Nanjing, the number of Africans has grown to 200-300; most are studying on scholarship at a local Chinese university. In Beijing, accusations of drug dealing among Africans led recently to a roundup and beating of at least twenty of them along the city's famous bar street. Where there are concentrations of Africans, there is a high level of tension between them and local citizens. Cab drivers, for example, offered racist views and some said they will not pick up Africans.

• There are surprisingly few Chinese experts on Africa and even fewer African experts on China. Stellenbosch University in South Africa hosts the only center for Chinese studies in all of Africa. Increasing numbers of African diplomats are returning, however, from assignments in Beijing with knowledge about the country and a continuing interest in China. A few African think tanks and universities have a small number of African experts who are devoting more time to understanding China. PRC-sponsored Confucius Institutes, which teach the Chinese language and encourage the study of Chinese history and culture, are expanding in Africa. There is one in South Africa, Kenya, Zimbabwe, and Nigeria and several are scheduled for other African countries. Nevertheless, African elites neither have a satisfactory understanding of China nor is there any mechanism that permits Africans to share their knowledge and develop coordinated policies for interacting with China. A number of the authors' African interlocutors thought this put their countries at serious disadvantage in dealing with their Chinese counterparts, who can speak with one voice.

 China's state-run news agency, Xinhua, has offices throughout Africa and collects information on developments of interest to China and Africa. Xinhua headquarters in Beijing vets the stories to determine if they should appear on the news wire or be treated as internal documents. As a result, Xinhua operates as both a news agency and collector of information for the Chinese government. It has a regional bureau for sub-Saharan Africa in Nairobi and one for North Africa and the Middle East in Cairo. Xinhua has an English News Bulletin Service for countries worldwide and early in 2008 launched a China African News Service to meet the special demands of African subscribers. Xinhua also sponsors training programs for African journalists in Africa and at its training facilities in Beijing.

POLICY RESPONSES

Three previous studies contain useful ideas and recommendations for the U.S. and western response to China's engagement in Africa. One is the report of the Center for Strategic and International Studies' delegation that visited China in late 2006. It was published in January 2007 as *China's Expanding Role in Africa: Implications for the United States.* The second is the series of meetings sponsored by The Brenthurst Foundation, Chinese Academy of Social Sciences, Council on Foreign Relations,

and Leon H. Sullivan Foundation known as the Africa-China-U.S. Trilateral Dialogue. It released an Africa-China-U.S. Trilateral Dialogue Summary Report in 2007. The third is the study resulting from a conference in Berlin in May 2007 organized by the Stanley Foundation and the Aspen Atlantic Group. It is entitled *Africa at Risk or Rising: The Role of Europe, North America, and China on the Continent.* In addition, the European Union has engaged in an extensive dialogue with China and Africa. Some of the responses suggested below are similar to those proposed by one or more of these groups.

It is essential that Africans are part of any U.S.-China dialogue aimed at suggesting collaborative policies towards Africa. It is equally important that the U.S. consult with its key allies, particularly the European Union, Japan and Canada. In some cases it will be helpful to bring countries like India, South Korea, and Brazil into the discussion. While some of the policy responses only involve action by the U.S., others depend on Chinese and African cooperation. From the American perspective, cooperation with China assumes that China will follow a generally constructive policy in Africa. Both the U.S. and China occasionally take actions in Africa that the other country views as objectionable. This will continue to occur from time to time and to some extent will limit the amount of U.S.-China cooperation. The key is for both countries to minimize these differences and follow polices that not only benefit each of them, but benefit the Africans too.

There are also issues where China and the U.S. have different approaches and may even strongly disagree but merit frank discussion if only to minimize mutual misunderstanding. Before proposing areas where the United States and China might cooperate in Africa, it is important to note those areas where Washington and Beijing have important differences. Africans should also be part of any dialogue aimed at narrowing the differences between the U.S. and China.

Difficult Issues for Discussion with China and Africa

• Encouraging democracy and good governance on the continent.

- Improving the human rights situation.
- Increasing governmental transparency.
- Reducing corruption.

• Adopting better environmental practices in connection with trade, investment, and assistance projects.

- Ending the purchase of illegally harvested African hardwoods, ivory, and endangered species.
- Improving worker safety and fair labor practices.

• Stopping harmful and counterfeit products from entering Africa.

• Implementing business standards and translating the principles into practice.

• Providing training and support to African manufacturing so that it can compete more effectively in the global market.

• Being more selective in its choice of arms partners and establishing better control over arms sales to African countries.

Unilateral U.S. Policy Responses

• High-level Chinese officials visit Africa more frequently than their American counterparts. Washington should increase its contacts with Africans at all levels of government, but especially by the executive and legislative branches. This should include more visits to Africa by American officials and increased invitations to African leaders to come to the U.S. • The U.S. should raise the level of the U.S.-China dialogue on Africa by including the Assistant Secretary of State for African Affairs as part of a more senior U.S.-China discussion on other issues. This meeting could be followed immediately by a U.S.-China session specifically on African issues at the Assistant Secretary level.

• The U.S. needs to improve the interagency dialogue on China's growing role in Africa. There are disconnects among agencies. No office or person is in overall charge of the issue and it is not clear what is expected by way of reporting from American embassies in Africa, China, and elsewhere. A point person and clearer internal understanding of what the U.S. hopes to achieve in Africa as it considers Chinese policy towards Africa should improve the U.S. response. It is understood that the U.S. can not implement all of the recommendations from various studies aimed at responding to China in Africa. Improved interagency coordination should also prioritize those responses that are most feasible and deemed to be of greatest importance to U.S. policy.

• American embassies in Africa and China should actively solicit the views of host governments, business communities, and civil society on ways that the U.S. can more effectively cooperate with China in Africa while still encouraging American goals and principles, especially when they differ with Chinese goals and principles.

• The U.S. currently has no forum where African military personnel meet on a sustained basis with their American counterparts. The Africa Center for Strategic Studies at the National Defense University helps fill this role, but it is not funded or organized in a manner to fully accomplish the task. The U.S. should identify a permanent mechanism for this purpose. The recent establishment of AF-RICOM should be able to fill this need.

• The African and/or East Asian subcommittees of the U.S. Senate and House of Representatives and the Black Caucus should add the U.S.-China-Africa issue to their agendas. • The U.S. should host an upcoming annual meeting of the African Development Bank (ADB). This would underscore American support for African development and provide another opportunity for high level personal contact with African financial leaders. China hosted the ADB in 2007 to considerable positive effect. Although annual ADB meetings normally take place in Africa, from time to time non-African member countries host them.

• The U.S. should increase its efforts to help African countries benefit from the Africa Growth and Opportunity Act, which has not met expectations in part because the Africans have not taken full advantage of the legislation. It should also provide specialized training to African trade ministries so that they can make more effective use of World Trade Organization mechanisms for adjudicating trade disputes. Such training sessions could take place concurrently with an ADB meeting hosted by the U.S.

• Many U.S. universities have linkages with African counterparts. Most of these arrangements suffer because they are under-funded. Although USAID and the State Department have long supported some of the linkages, this is a U.S.-African relationship that should receive more government financial backing. Future African leaders are increasingly graduating from African universities rather than going overseas. Many American universities have an interest in Africa and a desire to collaborate in specialized fields with counterpart universities on the continent. A corollary to this recommendation is an increase in funding for graduate level scholarships for Africans to study in the U.S. and to support more teacher exchanges. The U.S. should take advantage of its comparative advantage over China in higher education. According to a recent ranking by Shanghai Jiao Tong University, American universities are the finest in the world; eight of the top ten and thirty-seven of the top fifty are American.

• Another area of comparative American advantage is concern about the environment and the attention it gives to environmental impact assessments

in connection with its assistance projects. USAID has devoted relatively limited resources, however, to environmental protection in Africa. Supporting improved environmental practices on the continent should receive a higher priority in USAID's budget for Africa.

U.S.-China-Africa Cooperative Proposals

• In conjunction with other appropriate donors, the U.S. should make a greater effort to engage China in a discussion of coordinating development assistance to Africa with the goal of avoiding duplication and assuring more effective distribution of limited resources. This discussion should include debt policies and might be conducted most effectively in a multilateral institution like the Organisation for Economic Co-Operation and Development (OECD) Development Assistance Committee (DAC). This would require that China join the DAC, at least as an observer. Another possibility is coordinating through the World Bank.

• One continuing area of concern that particularly lends itself to donor coordination is disaster relief. The U.S. has played a prominent role in aiding Africans subject to natural and manmade disasters since the 1960s. China has recently become a major provider globally of emergency food assistance. The time has come to combine the efforts of all donors.

• The U.S. and China should identify several assistance projects in Africa involving cooperation. The two most promising fields are public health and agriculture. China has expressed willingness to collaborate in both fields. Public health may be the best place to begin. Both the U.S. and China are active in this area. The U.S. supports health infrastructure capacity building and funding for HIV/AIDS, malaria, and TB programs while China has a history since 1963 of successful medical teams in Africa and is now focusing on malaria control. Cooperation in malaria prevention and treatment is an obvious area for cooperation. Continent-wide disease control is in the interest of all parties. It is also important to identify one or more collaborative projects in agriculture. In Angola, for example, the two countries have discussed cooperation on a joint agricultural project following a dialogue between the Assistant Secretary of State for African Affairs, Jendayi E. Frazer, and her counterpart in the Chinese foreign ministry. The American and Chinese embassies in Ethiopia have also begun a dialogue on cooperation in the agricultural sector. A looming world food crisis gives added impetus for cooperation that improves agriculture in Africa.

• In consultation with other potential investors, China and the U.S. should discuss ways to create a better environment for encouraging and protecting foreign direct investment in Africa. Investment tends to happen naturally in the case of extractive resources. This collaboration should focus on high value agro-exports, manufacturing, and sectors that create substantially more jobs in Africa.

 There should be a dialogue between the U.S. and China that involves relevant African countries on the best way to develop Africa's natural resources, especially oil, and ensure maximum benefit for all parties. This might result in collaboration in the development of oil fields as Sonangol-Sinopec International (SSI), the China-Angola oil partnership, is currently doing with BP in deep water off Angola. The discussion should include improved energy consumption efficiency in China and the U.S. Helping African oil exporters to avoid the "Dutch disease," i.e., an appreciation of the real exchange rate which can slow the growth of a country's exports, is in the interest of all three parties. As the two largest consumers of imported oil, the U.S. and China should try to reach agreement on how the world's oil markets operate and how this situation impacts the security of supply. Working together on energy technology development and increasing the safety, efficiency, and environmental protection of oil extraction also merit discussion.

• The U.S. should actively engage with China to

support the principles of the Extractive Industries Transparency Initiative (EITI), which aims to strengthen governance by improving transparency and accountability in the extractives sector. The EITI is a coalition of governments, companies, civil society groups, investors, and international organizations. The most effective way to persuade China on this issue may be to work through those African countries that are candidates for EITI compliance.

• Political stability in African countries is in the interest of Africa, China, and the U.S. The three parties should identify those areas requiring the most urgent attention and those which seem to be most opportune for U.S.-China-Africa cooperation. They can then determine on a case-by-case basis if there is a consensus on tangible steps to prevent or mitigate conflict and instability. Dispute resolution would seem to be an especially good area for cooperation.

• South Africa is seeking to ensure the success of the Comprehensive Peace Agreement (CPA) for ending the north-south conflict in Sudan. As one of the original proponents of the CPA, the U.S. has a vested interest in its implementation. China, which obtained six percent of its oil imports from Sudan in 2007, also has expressed a strong interest in its success. This would seem to be an issue where all three parties might work together.

• There has been considerable collaboration between the U.S. and China in efforts to reach an end to the conflict in Darfur. While China has pressed Sudan with some success to be more flexible, the U.S. may have exhausted the progress it will achieve vis-à-vis China using strong-arm tactics. Writing in the April 30, 2008 edition of the *Christian Science Monitor*, Mark Lange argued for an approach towards China that emphasizes China's self interest such as reinforcing the rule of law in Darfur. Rather than threatening sanctions, he urged a diplomatic and economic effort that enlists China to act constructively. He suggested this worked in obtaining Chinese support for dealing with North Korea's nuclear ambitions. The quid pro quo was U.S. support to expand China's voting rights in the International Monetary Fund. When it comes to Darfur, Mark Lange may have a point.

• Cooperation on countering terrorism in Africa will not be easy, but it is not impossible. China is currently working with African governments on countering the terrorist threat. In theory, countering terrorism should be a strong candidate for cooperation with the U.S., but China is concerned that the U.S. is too quick to take unilateral action and relies too often on a military response. A starting point might be intelligence sharing and analyzing the root causes of terrorism in Africa with African counterparts.

• Another challenging area for cooperation in Africa concerns military affairs. The Pentagon cautiously resumed military-to-military contacts with China following the 2001 EP-3 crisis. In the past two years, the Pacific Command has held highlevel discussions with Chinese counterparts in the People's Liberation Army Navy. The U.S. Coast Guard has been particularly successful in cooperating with its Chinese counterpart organizations. Washington and Beijing could expand cooperation to African coastal states to help reduce smuggling, piracy, and drug shipments.

• A promising area of military cooperation concerns UN peacekeeping operations. The American and Chinese militaries have collaborated in Liberia to improve the Liberian armed forces as part of the UN peacekeeping effort. The U.S. rebuilt Liberian military facilities in Monrovia while the Chinese did the same for bases outside the capital. There are surely other African peacekeeping operations where the U.S. and China can identify innovative ways to work together. The U.S. has far more experience than China with non-combatant evacuations from Africa. China might find this experience helpful as the number of its nationals living and working in Africa increases.

• There are some indications that China is becoming increasingly concerned that small arms it

supplies to African governments are showing up in conflict zones such as Darfur and the eastern Congo. For starters, China should be encouraged to add small arms and light weapons to the list of items it reports to the United Nations.

• Africa has become a location for money laundering and a transit route for illegal drugs, especially heroin that moves from South Asia across Africa to Europe and North America. Africans living in China have been identified as drug smugglers and dealers in major Chinese cities. In September 2007 Beijing police in the diplomatic quarter arrested nearly two dozen Africans for drug trafficking. It is in the mutual interest of all three parties to reduce or even eliminate this activity. There should be trilateral discussions on steps that might have this effect.

• In the 1990s, the Ford Foundation funded a program for bringing Chinese scholars to the U.S. to study African affairs at the graduate level in American universities. This program no longer exists and today there is limited contact between Chinese and American Africanists. The two countries should identify funding on both sides of the Pacific that will enhance contact among these scholars. In addition to graduate study programs, it could include funding for university and think tank representatives to attend conferences, host professor exchanges, and engage in joint research that also involves African scholars.

cooperation that will also work to the advantage of Africans. While the focus of the paper is the U.S. response to the growing China-Africa relationship, the authors fully appreciate that Africa has never been central to either American or Chinese foreign policy. While this will continue to be the case into the foreseeable future, the role of Africa is changing for both the U.S. and China. It is becoming an increasingly important source of oil, minerals, and other raw materials for both countries. Africa has experienced an impressive GDP annual growth rate in recent years, making it a richer market for American and Chinese exports. At the same time, Africa continues to experience more than its share of negative challenges such as conflict, food shortages, pandemic disease, and environmental setbacks. It is in the interest of all three parties to minimize these negative developments.

The authors have factored into the policy responses their research on several issues that have previously received inadequate attention in the academic and policy communities. These include the Communist Party of China's diplomatic outreach to Africa, People's Liberation Army security relations with African militaries, the growth of Chinese communities in Africa, the role of Xinhua, and continuing efforts by Beijing to remove Taiwan diplomatically but not commercially from Africa. This paper has as its focus suggested policy responses for the United States. The authors are also working on a book that will analyze in much greater depth all aspects of China-Africa relations. The book is under advance contract with the University of Pennsylvania Press.

CONCLUSION

Although modern China's relations with Africa date back to the mid-1950s, there was a significant increase in its engagement with the continent beginning in the mid-1990s as the Chinese economy began its extraordinary growth. This heightened relationship has captured the world's attention. The summary findings and suggested policy responses in this paper are designed to better understand the dynamics of the relationship, avoid pitfalls, and enhance the possibility for U.S.-China The research and writing of this report was carried out under the auspices of the American Foreign Policy Policy Council, and made possible through the financial support of the Smith Richardson Foundation.

The American Foreign Policy Council

For over two decades, the American Foreign Policy Council (AFPC) has played an important role in the U.S. foreign policy debate. Founded in 1982, AFPC is a non-profit organization dedicated to bringing information to those who make or influence the foreign policy of the United States. It is widely recognized as a source of timely, insightful analysis on issues of foreign policy, and works closely with members of Congress, the Executive Branch and the policymaking community. It is staffed by noted specialists in foreign and defense policy, and serves as a valuable resource to officials in the highest levels of government. The American Foreign Policy Council

509 C Street NE Washington, DC 20002 Tel.: (202) 543-1006 Fax: (202) 543-1007 afpc@afpc.org

Herman Pirchner, Jr. President

Ilan Berman Vice President for Policy

Annie Swingen Director of Communications

> Jeff Smith Research Fellow

Board of Directors

Allen M. Taylor Chairman

Kenneth Hannan, Jr. Vice-Chairman

Joseph Dryer Jon Etherton Christopher Manion Ann Miller Ronald R. Nelson Herman Pirchner, Jr. Alfred Regnery

Board of Advisors

Stephen A. Fausel Fred Ikle Robert W. Kasten, Jr. Richard McCormack Robert "Bud" C. McFarlane William Schneider, Jr. R. James Woolsey Dov Zakheim