



LUND
UNIVERSITY

Department of Political Science

STVP11

Tutor: Magnus Jerneck

AFRICA

-towards achieving the Millennium Development Goals with
the help of China?

Jenny Sjöberg

Abstract

The purpose of this paper was to examine the consequences of China's relationship with Africa, when it comes to promoting the achievement of the Millennium Development Goals (MDGs) in Africa. In the last few years, China has made massive economic and political engagements in Africa, and what consequences this will have on Africa's possibilities of development, is highly debated. I have used the UN development theory, underlying the MDGs, as a theoretical framework, focusing on three key concepts within the theory, namely; sustainable economic growth, efficient aid and debt-relief, and the support of good governance. The study is a qualitative case-study, based mostly on second-hand material. My findings conclude that China is promoting the achievement of the MDGs in Africa in some respects, but is failing to do so in others. China is spurring economic growth in Africa, which is very beneficial when it comes to the achievement of the MDGs. However, China fails when it comes to the support of good governance, which has the potential of being devastating when it comes to promoting the achievement of the MDGs in Africa.

Key words: China, Africa, the Millennium Development Goals, development, good governance

Table of contents

1	Introduction.....	1
1.1	Problem, Purpose and Question	2
1.2	Methodological Considerations.....	2
1.3	Material	4
1.4	Structure of the Study.....	4
2	Theoretical Framework.....	6
2.1	The development theory underlying the Millennium Development Goals (MDGs).....	6
3	Setting the Background	9
3.1	The Millennium Development Goals and Africa.....	9
3.2	The Western Approach to Development.....	9
3.3	China's Africa Strategy and Its Relationship with Africa.....	11
3.3.1	China; A Growing Economy on the Look-out.....	11
3.3.2	China's and Africa's Economic Relationship	12
3.3.3	China's and Africa's Political Relationship.....	14
4	Analysis	15
4.1	Sustainable Economic Growth.....	15
4.2	Efficient Aid and Debt-relief.....	17
4.3	The Support of Good Governance	18
5.	Conclusion	20
6.	References.....	22
6.1	Written Sources	22
6.2	Official Websites.....	24

1 Introduction

In the last decade, China has engaged with the African continent in a sensational manner. The country is now on its way of becoming one of the most important and influential foreign actors in Africa. The relationship encompasses a wide spectrum of economic, political and military cooperation. The liaison is by many considered to be very successful, not least by many African leaders, and it is argued to have spurred economic growth in many African countries.

At the same time, China's growing relationship with Africa is causing concern in many quarters, especially in the West. The concerns are to a degree connected with the fact that China's interests are competing with Western political and economic interest. But, there are also concerns over the political and economic ramifications that China's relation with Africa has, and will have, on Africa's development. China's policy of non-interference in political areas such as democracy, human rights and good governance, is a cause of special concern (Rocha, 2007:16).

The development in Africa has since the de-colonization been a matter of interest for the international community, and since the mid-80s there can be said to have existed a consensus between the Western states on how to help Africa achieve sustainable development. This Western approach has governed economic assistance, as well as trade with the continent. It has aimed at exporting the western model of development to Africa, and has encompassed economic, as well as political, strategies for reforms. (Obiorah, 2007:42) Twenty years later, one can debate how well this strategy has worked for Africa, when it comes to poverty reduction and ending economic marginalization.

At the Millennium Summit in 2000, all of the 198 members of the United Nations agreed to the establishment of the Millennium Development Goals (MDGs). These goals were established in order to measure, and promote a way towards, sustainable development. They have become especially important to the poorer regions of the world, like Africa. The development strategy, incorporated in the goals, has become important as guidance for external partners dealing with Africa.

With the establishment of the MGDs, the debate on how to achieve sustainable development in Africa continues, and China's engagement with the continent has lead to a whole new set of questions.

1.1 Problem, Purpose and Question

China enormous engagement with Africa is highly controversial. For the last decades, the Western approach of development promotion has been predominant in Africa, both when it comes to economic and political cooperation. Now, there is a new major player in Africa, and the consequences that this will have on Africa's development, and the continent's possibilities of achieving the Millennium Development Goals (MDGs), is a cause for heated discussions.

The purpose of this paper is to examine and discuss what consequences China's relations with Africa has when it comes to enabling Africa to achieve the MDGs. I will focus on key concepts towards achieving the MDGs namely; sustainable economic growth, efficient aid and debt-relief, and the support of good governance. The main question of this paper is;

Is China promoting the achievement of the Millennium Development Goals in Africa?

I have posed a few additional questions, in order to make the study more interesting and multifaceted, namely:

In which ways does China's engagement in Africa work to support the achievement of the Millennium Development Goals, and in which ways does it not?

Does a foreign actor in Africa need to take into consideration all of the key concepts of; sustainable economic growth, efficient aid and debt-relief and the support of good governance, in order to truly help Africa towards achieving the Millennium Development Goals?

1.2 Methodological Considerations

This study can be characterized as a qualitative case-study. I will examine a specific relationship in a specific context and period of time, namely the current relationship between China and Africa, using primarily second-hand material.

My research will be theory-consuming. This means that I am not attempting to test or develop a certain theory with my study, in which case a comparative study is always better than a case-study (Esaïasson, Giliam, Oscarsson & Wångerud, 2003:120). Instead, I merely want to use a theory as a framework for my analysis. It is the case I have selected that lies in the heart of this study, not the theory.

There exist a wide range of theories dealing with development, but I have chosen to use the UN development theory of the Millennium Development Goals (MDGs), as a base for my study. This is not a classic political science theory, but I

argue that one can use it as a theoretical approach. I base this on the fact that the theory behind UN development strategies, and assessments, is universally accepted, and that all of the UN countries consider it legitimate. This makes it relevant when examining how development is affected by a specific relationship in time, which is what I am going to study in this paper.

I will use the development theory of the MDGs as a theoretical framework, by focusing on certain concepts that are perceived by the UN as being vital for achieving development, and the MDGs, in the case of Africa. These concepts will be operationalized and then used for my analysis on the China-Africa relationship, and on the impacts that this relationship has on Africa's possibilities of achieving the MDGs. Operationalizing means attributing the theory at hand with measurable indicators (Esaïasson, Giliam, Oscarsson & Wångerud, 2003:57).

Validity is of great importance in order to conduct a feasible study. Validity can be defined in one, two or all of the following ways: 1) a congruence between theoretical definition and operational indicator, 2) the absence of systematic mistakes, 3) that one really examines what one claims to examine. (Esaïasson, Giliam, Oscarsson & Wångerud, 2003:62) I will therefore define my theoretical tools thoroughly, and use them consistently and explicitly throughout my study. I will also aim at being as transparent as possible, clearly presenting what I am doing and why I am doing it.

I would like to mention a few delimitations of my study. First of all, I am aware that I will not be able to draw general conclusions of the findings of this paper, since my study is a case-study. The conclusions I do reach, will be specific to this context. The study will not be able to produce evidence on how well engagements with China, might work for other countries of the world, when it comes to enhancing their ability of reaching the MDGs.

Second of all, I admit to the vast scope of my study. Africa is a continent of great diversity and internal differences. Since I have chosen to look at Africa as a whole, some conclusion I reach might be true for some parts of Africa but not for other. Still, I have chosen to look at the entire continent since a lot of the material I have used discuss the entire African continent, and since reaching the MDGs is of vital important to all the countries in Africa.

Finally, I admit that my study to some respect is going to be based on speculation. Ramifications of economic and political policies and interactions are often very hard to measure, especially without a thorough quantitative study. It is also very often hard to tell what the consequences of such policies and interactions will be in the long-run.

1.3 Material

I have chosen to conduct a study on a rather recent phenomenon. This effectively means that there is not yet extensive and comprehensive material on the subject. Even so, I think that I have been able to find a wide variety of material that has helped me to conduct a thorough study. I have also been forced to limit my material, and I have done this based on relevance, and with the notion in mind of covering as wide a spectrum of ideas and arguments as possible. My study will be based on primary and secondary material.

The primary material I will use consists of policy documents and reports. I am going to use:

- UN policy documents and reports on the Millennium Development Goals
- UN policy documents on good governance
- China's African Policy from 2006

The secondary material I am going to use consists of books and articles. I realise that it is important to be critical, and to try to remain objective when using secondary material. Articles and books are, more often than not, tainted by the authors' political views and their opinions. I have therefore found it important to use a wide selection of secondary material. This is imperative since I don't want my study to be predetermined or biased on behalf of the material I use. I will use articles and books produced by Western authors, by Chinese authors and by African authors.

1.4 Structure of the Study

In the previous chapters, I have explained the purpose of this study along with my methodological considerations and my material. I will now explain how the main body of my study will be structured.

I am going to start out with the theoretical framework of my study, which will serve as the framework for my analysis. In this section, I will explain the development theory that underlies the Millennium Development Goals (MDGs), and discuss how it can be used as a basis for measuring development possibilities in Africa. I will put theoretical focus on certain concepts that are going to be used throughout the study.

I will continue by setting the background for my study. I will start out with looking at the situation in Africa today, in relations to its abilities of achieving the MDGs. I will then continue with describing the Western development approach towards Africa, and look at the consequences this has had on Africa and the MDGs. This is important since the Western approach has been predominant in influencing foreign interference in Africa during the last decades. Most of the

criticism towards China's involvement in Africa is also based in the logic behind this approach. Finally in this section, I will look at the empirical background more specific to my study, namely; what the relationship between China and Africa looks like.

Following that, my analysis will look at how the relationship between China and Africa affects Africa's possibilities of achieving the MDGs. I will use the concepts from my theoretical framework for my assessment.

In the conclusion, I will discuss my results and hopefully be able to answer the question I posed in the beginning of the paper, namely;

Is China promoting the achievement of the Millennium Development Goals in Africa?

2 Theoretical Framework

As a basis for my analysis, I will use the development theory underlying the Millennium Development Goals (MDGs). In this section, I am going to describe the goals and how the theory can be used as a theoretical framework, by focusing on certain important concepts. I will not use each specific MDG, but instead use the MDG theory as a framework. My analysis will be based on the theory underlying the MDGs, and can therefore be characterized as being theory consuming.

2.1 The development theory underlying the Millennium Development Goals (MDGs)

The eight Millennium Development Goals are:

- Eradicate extreme poverty and hunger
- Achieve universal primary education
- Promote gender equality and empower women
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS, malaria and other diseases
- Ensure environmental sustainability
- Develop a global partnership for development

(UN; the Millennium Development Goals, 2007)

The Millennium Development Goals were officially established at the Millennium Summit in 2000. All of the 198 United Nation's member states have agreed to try to achieve them by the year 2015 (UN; the Millennium Development Goals, 2007). The goals have attained the status of a legitimate way of measuring development. To Africa, still the poorest continent in the world, the MDGs are of special importance. This is true both when it comes to working towards them internally, as well as when it comes to foreign actors engaging in Africa.

The UN reports: "Achieving the Millennium Development Goals in Africa – Progress, Prospects, and Policy Implications" from 2002, and "Africa and the Millennium Development Goals" from 2007, discuss what should be done by the international community and foreign actors in Africa to promote the achievement of the MDGs in Africa. The reports also give recommendations on what Africa itself can do to work towards achieving the MDGs, but this is not of relevance to my study.

I will use these reports as the basis for my theoretical framework, since they are the two important reports produced by the UN dealing with Africa and the MDGs. The reports point to several important ways that the international community and foreign actors can enable Africa to achieve the MDGs. From the recommendations in these reports, I will retrieve the key concepts I am going to focus on in my analysis.

First of all, the reports point out the importance of sustainable economic growth. African countries need a structural transformation of their economies in order to achieve sustainable economic growth, which is essential for the achievement of the MDGs (Achieving the Millennium Development Goals in Africa, 2002:19). The reports gives recommendations on what the international community can do to work towards enabling Africa to attain sustainable economic growth.

Africa receives a lot of money from its export of natural resources. This is important but is also part of the problem of achieving the MDGs in Africa, since many countries depend too heavily on just a few primary commodities for export (Africa and the Millennium Development Goals 2007:3). It is imperative for Africa to continue exploiting the advantage they enjoy in primary commodities, but they also need to diversify their production base, and increase their export of manufactured goods. In order to do this, support will be required from their major trading partners. (Achieving the Millennium Development Goals in Africa, 2002:19) Removal of agricultural subsidies and of trade barriers by Africa's trading partners is essential here (2002:2). Many African countries are not ready to take full advantage of free trade liberalization, because of structural and institutional constraints, but still subsidies and trade barriers work against African countries in many cases (2002:19). A more diversified and liberalized trade is thus very important for achieving a sustainable economic growth in Africa.

The report from 2002 also concludes that for sustainable economic growth to be achieved, particular efforts by the international community should aim at creating an attractive investment climate for domestic and foreign capital (2002:15). In order to strengthen capacity for production of trade, sustain high growth rates and create employment, Africa needs public investment in agriculture, health, education and infrastructure (Africa and the Millennium Development Goals, 2007:3). Especially the poorer African countries require large investments in trade creating and trade facilitating infrastructure, and in trade-related government institutions. This can be for example investments in telecommunication and transportation, and in institutions such as customs and tax administration and export promotion and service units. (Achieving the Millennium Development Goals in Africa, 2002:19)

Second of all, the reports call for more extensive aid. The international community should increase the amount of aid donated to the African countries, in order to bolster their chances of achieving the MDGs. In addition, the aid has to become more predicable, but also equipped with more efficient aid mechanisms. (2002:1-2) The report from 2002 also stress the importance of debt-relief as a mean of improving African countries' possibilities of achieving the MDGs (2002:2).

Finally, the report from 2002 state that sustainable economic growth and the proper use of aid and debt-relief is enabled by governments who are committed to sound policies, and who are supported by the international community (2002:11). The enhancement of good governance is thus very important in order to enable Africa to achieve the MDGs. Good governance has eight major characteristics; participatory, consensus orientated, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law (What is good Governance?, 2007). Particularly important for good governance in the case of Africa, is the elimination of corruption and excessive military spending, as well as preventing and resolving conflicts and wars (Achieving the Millennium Development Goals in Africa, 2002:16).

To sum up, there seems to be some key aspects that are essential to focus on for third parties interacting with Africa, when it comes to enabling the continent to reach the MDGs. Key concepts seem to be; sustainable economic growth, efficient aid and debt-relief, and the support of good governance.

In my analysis, I will use these concepts separately, but I think it is important to realize that they are also interlinked. Aid and debt-relief can work towards facilitating economic growth in a country. Furthermore, good governance is seen as an important pre-requisite for attaining true sustainable economic growth, but the relationship can probably also work the other way around. And for aid money to be put to efficient use, good governance is seen as being crucial. I will therefore focus on these concepts separately in my analysis when assessing how well China is promoting the achievement of the MDGs in Africa, but in the conclusion I will also have a deeper discussion on the connection between them.

3 Setting the Background

3.1 The Millennium Development Goals and Africa

In 2007, the United Nations published a commentary on Africa and the Millennium Development Goals. It seems that halfway through the time-span of achieving them, even the best governed countries in Africa have not come very far. The Sub-Saharan countries are not on track to achieve any of the goals at all. (Africa and the Millennium Development Goals, 2007:1) There are, however, considerable variations in the African countries ability of achieving the MDGs in the nearest future (Achieving the Millennium Development Goals in Africa, 2002:1).

On the positive side annual economic growth has averaged close to 6 percent in the last three years, due to improved economic policies and rising commodities prices. African enterprises are generating stronger domestic investment and productivity gains. In many countries larger exports have improved current-account balances, and recent debt-relief has reduced macroeconomic imbalances in the poorest nations. (Africa and the Millennium Development Goals, 2007:3)

There is still a lot of work to be done, both from within Africa and from third parties dealing with Africa, in order for the African countries to achieve the MDGs before 2015 (Achieving the Millennium Development Goals in Africa, 2002:1). This is reflected when looking at all of the key concepts that have been pointed out as crucial for achieving the MDGs; sustainable economic growth, efficient aid and debt-relief, and the support of good governance.

3.2 The Western Approach to Development

In this section I will shortly present the Western approach to development. This is not a strictly scientifically defined approach, but rather a collective term for a wide variety of measures carried out by the Western states, mainly the US and Europe, and international institutions, like the World Bank and the International Monetary Fund, in Africa during the last decades. I have chosen to use the term the Western approach, since I think it is useful exactly because it encompasses so many different things. I am however aware that this means that the term can sometimes become too generalizing.

It is important to understand this approach, and the consequences of it, for an understanding of the typical foreign interactions with Africa during the last decades. It is this approach that has been predominant when it comes to external actors dealing with Africa, which of course have affected Africa's progress of development and its potential for achieving the MDGs. The Western approach includes ideas of, and argumentation on, how to spur sustainable economic growth, how to give aid, and how to support good governance. Besides explaining the approach and the consequences it has had on Africa's chances for development, I will also discuss some of the criticism raised against it.

The Western approach towards development has been characterized by a focus on conditional aid and trade, good governance and human rights. It is an approach that believes in development through the conventional model of liberal globalization (Marks, 2007:8).

When it comes to sustainable economic growth, the West's involvement in Africa has been very important. The Western countries have been Africa's major trading partners during the last decades. Since the mid-1980s Western donors and financial institutions such as the World Bank and the IMF has pressured the African countries into adopting a series of 'structural adjustment', 'economic recovery', and 'poverty reduction' programs (Obiorah, 2007:42). A lot of the African states are still undertaking these measures today.

During the last couple of years there has been a growing realization that the economic relationship with the West has not helped Africa substantially to overcome the structural obstacles to eradicating poverty (Rocha, 2007:17). The dominance of the IMF and the World Bank has led to a massive outflow of capital from the continent. An estimate by Abdulrahman Babu shows that there is about US\$200 billion drained from Africa every year associated with structural adjustment programs issued by these two institutes. In fact, the relationship between the West and Africa has by some been characterized as an unbalanced exploitation of natural resources, and an enforcement of a distorted international economic system. (Rocha, 2007:17) One estimate even shows that, at the present pace of investment in Africa from the West, more than one hundred years will be required for realizing the MDGs in Africa (Campbell, 2007:129).

The critique of the economic relationship between Africa and the West, and the rather questionable effects this has had on Africa's possibilities of development, has raised a lot of debate. The question has been raised whether or not the Western political and economic models are effective and viable in Africa at all (Obiorah, 2007, p.44).

The Western countries have also been the major donors of aid to Africa. In giving aid, the Western countries have often used conditional aid. This means that the aid has been provided with conditions of economic or political reforms, such as political liberalization, respect for human rights or setting of environmental standards. (Obiorah, 2007:42) Aid has in this context been strongly linked to conditions of good governance in the receiver countries.

Criticism of western aid has been raised on account of a lot of different aspects. First of all, critique has been raised against what kind of aid has been given, and against the rules surrounding how the aid is to be used by the receiving

countries. Critics and development practitioners have called for more grants than loans, less technical aid, cheap loans, and aid without conditionalities. They have also called for more trade than aid by the Western aid donors. Up to 60% of all aid to Africa is tied to technical expertise, consultants and procuring machinery and spare parts from the donor country. A recent study by Action Aid revealed that technical aid is one of the major impediments to the effectiveness of development aid. In its current form, technical aid serves the objectives of the donor country more than the recipient's. It leads developing countries to depend too heavily on foreign expertise, and a lack of capacity building and knowledge transfer. (Chidaushe, 2007:112-114)

Second of all, critique has been raised against the political and economical conditionalities tied to the Western aid. This type of aid has produced feelings of powerlessness and irrelevance by African political leaders, and also by the African population in general. (Obiorah, 2007:43)

The Western approach has thus, whether efficiently or not, encompassed strategies of sustainable economic growth, efficient aid and debt-relief and the support of good governance. Naturally, this has had consequences for Africa's development in all these areas.

3.3 China's Africa Strategy and Its Relationship with Africa

3.3.1 China; A Growing Economy on the Look-out

China is the most populated country in the world and has an economy that is growing rapidly. The economy of the country has been growing with an average of 9% per year for the last two decades (Pan, 2007:2). China is a somewhat unique hybrid of a capitalist economy still controlled by a communist party, with a centralized and undemocratic power control (Campbell, 2007:124).

Today, China has a great demand for oil, natural gas, industrial and construction materials, foreign capital and technology. This is due to the country's booming domestic economy, rapid urbanization, increased export processing and the Chinese people's appetite for cars. China's excessive need for resources is now driving China's foreign policy. (Zweig and Jianhai, 2005:1) Chinese demand for oil is growing especially fast. The US Energy Information Administration reports that China accounted for 40 % of total growth in global demand for oil in the last four years. China has already surpassed Japan as the world's second largest importer of oil, after the United States. (Pan. 2007:1) An access to resources is necessary for continued economic growth, and because growth is the cornerstone of China's social stability, for the survival of the Chinese Communist Party (Zweig and Jianhai, 2005:2).

China's African Policy, 2006, consists of policies of cooperation with Africa in; the political field, the economic field, education, science, health and social aspects, and peace and security (China's African Policy, 2006:1-8). It is clear that it is a comprehensive strategy that deals with all sorts of economic and political relationships.

3.3.2 China's and Africa's Economic Relationship

China's strategy towards Africa is not half-hearted, but instead a very well-laid strategy. Economic goals are the major driving force behind Chinese interest in Africa (Zweig and Jianhai, 2005:2).

In 2000, the Forum on China-Africa Cooperation (FOCAC) was created, in order to promote stronger trade and investment between the two partners, both in private and government sectors (Brookes & Hye Shin, 2006:4). The forum aims at that China-Africa relations are set to advance through a combination of conventional financial aid and technical support programs, along with swiftly growing bilateral trade and investment (Thompson, 2005:1). There has been three head of state meetings between China and almost all of the African countries within FOCAC; in Beijing in 2000, in Addis Ababa in 2003, and in Beijing in 2006. The last one was by far the most important one, and 48 of the African heads of states traveled to Beijing for the meeting. (Large, 2007:154) In addition, there is an UN-supervised China-Africa Business Council, based in China, which encourages trade with, and development in, the African continent (Pan, 2007:5).

China's main economic goal is to ensure that Africa remains a secure source for raw materials and oil, and to ensure it as a growing market for Chinese exports (Usinfo, 2006:1). The most obvious economic liaison between the two partners is the natural resource export from Africa to China. Currently, China receives a quarter of its oil imports from Africa (Rocha, 2007:21). Just how important this relationship is to Africa can be shown by using Sudan as an example, where China takes 64% of the country's oil exports (Pan, 2007:1).

Besides its import of natural resources, China is also involved in a lot of other forms of trade with the Africa continent. The country is especially looking for countries that can serve as producers and markets for its products in the future (Butler, 2005:2). The government in China, which holds a firm grip over the country, has been able to advance a well-planned strategy for economic cooperation with the African states. A very strong characteristic of Chinese cooperation with Africa is the strong links between the Chinese government's foreign policy objectives and the role played by the Chinese enterprises. The enterprises are involved in a wide range of activities throughout Africa. (Rocha, 2007:24) Through both government to government courting, as well as business to business courting, China has successfully established relationships with the African political and business elites. (Eisenman & Kurlantzick, 2006:219)

China is today Africa's third leading commercial partner. There is an average growth rate of trade between China and Africa of 50 % annually since 2002.

(Brookes & Hye Shin, 2006:4-6) Africa's trade with China is expected to reach \$45 billion this year and grow to \$100 billion in 2010. Chinese imports from Africa have grown from 1% in the early 1990s to 10% today, and are set to increase. (Versi, 2007:11)

In addition to trade, China is also involved heavily in investments in Africa. China is today Africa's third biggest investor, and will probably surpass the US to become the second biggest in 2010. China is building roads, hospitals, government offices, factories, railways, social housing, stadiums and hotels in Africa. China is also investing in tourism, agriculture, building materials, economic zones; and upgrading ports and harbors, telecom systems, electricity supplies, along with a wide range of other activities. (Versi, 2007:11) In 2006, China had about 900 investment projects on the continent (French, 2006:127).

Trade in natural resources and other commodities, and investments are not the only important economic activities going on between China and Africa. China is currently involved in massive arms sales to the continent's different countries. The Chinese government's strong control over its arms exports enables them to use these as a foreign policy tool (Pan, 2007, p.4). Arms sales can therefore be used to make relationships with governing parties stronger, and help China get better deals in other trade areas. The Congressional Research Service reports that 10% of all conventional arms transfer to Africa, between 1996 and 2003, is arms sales from China (Pan, 2007:4). China does not have any specific policy when it comes to arms sales. The country is selling weapons and military equipment to African states such as Sudan, Zimbabwe and Liberia. (Brookes & Hye Shin, 2006:4)

When it comes to aid, China has quickly established itself as a grand donor. By the end of 2007, China will in fact have surpassed Japan and the US in amount of economic assistance to Africa (Campbell, 2007:124). Chinese aid to Africa in general, can be characterized as an aid-for-oil strategy, aimed at increasing China's access to oil from the African states by supplying them with economic assistance (Pan, 2007:2). In 2007, the China-Africa Development Fund was created, consisting of EUR 3.7bn. Most of this aid is tied to be invested in Chinese companies in the continent. (Africa Research Bulletin, 2007:17435). China is also offering "non-money" aid, by for example helping to build infrastructure and treating diseases such as malaria and HIV/AIDS (Brookes & Hye Shin, 2006:6). Furthermore, China is involved in a lot of debt-relief in connection with the African states. China has already cancelled \$10 billion in debt, and agreed in the FOCAC meeting in 2003 to offer further debt relief to 31 African countries (Rocha, 2007:36).

3.3.3 China's and Africa's Political Relationship

China's relationship with Africa is not simply of economic nature. The country has combined its economic campaign in Africa with a powerful political campaign (Brookes & Hye Shin, 2006:3). China is trying to cement its relationship to the African states through all sorts of approaches.

One of China's policy's most striking features is the approach of 'soft power' and friendly language. This means that the country is trying very hard to befriend the leaders of the African countries. Health diplomacy and medical teams are characteristics of China's 'soft power'. China is furthermore exporting its notion of economic development with Chinese characteristics to its African trading partners without dictating the terms for political or economic reform. (Thompson, 2005:2-4)

Befriending the African leaders is not only giving China an advantage when it comes to trade deals; the country is also aimed at attaining allies in the international community (Usinfo, 2006:1). African countries can prove to be important to China in such forums as the UN. China's only demand when dealing with African states is that the states they deal with must support their one-China policy. This means that African trading partners are not allowed to have diplomatic contact with Taiwan. (Eisenman & Kurlantzick, 2006:2) This is a clear political goal that China is trying to attain by cementing its relationship with the African states. When it comes to China's support of the African countries in the international community, China has already proved to be an important ally for the African countries. One important example here is how they have opposed and /or obstructed UN sanctions against Sudan and Zimbabwe (Brookes & Hye Shin, 2006:7).

China's official foreign policy is a policy of non-interference in domestic affairs. The Beijing regime believes that attempts to interfere in other countries domestic politics, concerning for example democracy, human rights or good governance, is a violation of that country's sovereignty. (Pan, 2007:5) The Chinese foreign minister also emphasized this point in a speech in 2004, when he declared that: "Business is business. We try to separate politics from business." (Usinfo, 2006:2). China accepts the prevailing international standards, like the MDGs, when it comes to development concerns, but believes that each country should be allowed to have its own policy and timetable in these matters (Large, 2007:163).

China strategy and policies towards Africa are thus very wide-ranging. It differs on many accounts from the Western approach since China can be described as using a horizontal approach, as opposed to the classical top-bottom approach used by the Western governments (Chidaushe, 2007:108). This is related to the important fact that China's political strategy is aimed at making friends in Africa, and not at asserting political pressure of any kind over the countries they are engaged with.

4 Analysis

In this section I am going to look at what effects the relationship between China and Africa has on Africa's possibilities of achieving the Millennium Development Goals (MDGs). In my theoretical framework, I decided to place focus on some key concepts in order to analyze the effects of China's involvement in Africa. These concepts were; sustainable economic growth, efficient aid and debt-relief, and the support of good governance. I will therefore focus on these concepts when assessing how well China is enabling Africa's achievement of the MDGs. The analysis will be structured according to these concepts, starting with sustainable economic growth, followed by efficient aid and debt-relief, and finally, addressing the support of good governance.

4.1 Sustainable Economic Growth

According to the development strategy underlying the MDGs, sustainable economic growth is essential for promoting these goals. Trade and investment are integrated parts of this.

China has in just a few years become a very important actor when it comes to spurring economic growth in Africa. Due exclusively to the economic expansion of China in Africa, Africa's share of world trade is expected to increase by an extra two percentage points in 2007. Africa's GDP growth rate of around 4% is attributed to better prices for its oil and commodities, as a direct result of trade with China. (Versi, 2007:11)

A great deal of China's trade with Africa is in import of natural resources. The wide variety of Africa's natural resources is seen as an important tool for Africa in the fight against poverty, underdevelopment and marginalization. China's enormous interest in this area is giving African countries a chance for greater economic growth based on export. The substantial amount of natural resource export to China furthermore gives the African states a chance of 'triangulation'. Effectively, triangulation appears when foreign actors are competing over control over access to exports, like the export of natural resources. This means that prices can be set higher, since there is competition between buyers. (Large, 2007:159) To this effect, China strong appetite for natural resources causes African states to gain leverage to negotiate better deals with other customers. It has also made it possible for the African countries to exploit yet untapped resources and has provided them with possibilities of improving production (Zweig and Jianhai, 2005:2).

One country in particular that is benefiting for China's thirst for natural resources, especially its thirst for oil, is Sudan. In 2006, China received about 7 percent of its oil import from Sudan, and China also helps the country to manage their oil industry (Usinfo, 2006:2).

China and Africa are involved in other forms of commodities trade as well, which has the potential of being beneficial to Africa's economic growth, and thus for its possibilities for achieving the MDGs. At the FOCAC meeting in 2003, China opened the possibility of zero-tariff trade (Rocha, 2007:36). This would give Africa the chance to export commodities where they have a competitive edge. In 2006, China scraped tariffs on 190 commodities from 25 African countries. (Eisenman & Kurlantzick, 2006:2) These are important trade stimulating measures that are central to Africa's economic growth.

Investments are stated to be an essential component when wanting to spur economic growth, according to the development theory underlying the MDGs. In part due to Chinese investment, Africa registered a 5.2% economic growth in 2005, which is its highest ever. Chinese investment has contributed to construction projects in many countries in Africa. A positive side-effect of investments and constructions is that investment projects help African countries secure loans and investment opportunities from other actors as well, by providing a better investment environment. This leads to a creation of opportunities for small and medium-sized businesses. (Marks, 2007:34) Investments in Africa thus spur the economic growth on the continent. Furthermore, Chinese activities have not only contributed to a better infrastructure and better investment environment, but has also created hundreds of thousands of jobs for Africans, that did not exist before (Versi, 2007:11).

Still, there are questions to be raised about how well China is truly contributing to a sustainable economic growth in Africa. A too heavy reliance on exports of natural resources, unprocessed goods and raw materials, can turn out to be negative for sustaining growth in the African countries, according to the theory behind the MDGs. These sorts of exports do not give Africa a chance to evolve its industry, and enable it to truly compete on the international market. China does not differ from the Western approach when it comes to facilitating export of raw materials, and restricting the trade in processed goods from Africa (Rocha, 2007:32). Furthermore, Chinese exports of cheap commodities, like textiles, can be accused of hurting domestic African production of these commodities, which are not competitive enough compared to the Chinese (Eisenman & Kurtlantzick, 2006:2).

Chinese investments in African projects, like infrastructure projects, also tend to have a very high rate of Chinese workers doing the jobs and receiving the salaries. Actually, in some cases, Chinese funded projects are contracted by 70% Chinese expatriates and 30% locals. This does not improve Africa's chances of coping with unemployment, and further more it does not help Africa's private sector to grow either technically or financially. Instead, it might lead to a stronger dependence on external assistance. (Rocha, 2007:25)

China is very important when it comes to promoting the achievement of the MDGs in Africa by spurring economic growth. The large amount of trade

between China and Africa and the effects this has on Africa positions in the world economy is beneficial to the African economy. The huge investments that China is making in Africa are also good for stimulating the economy and improving Africa's potential of doing business with other actors. Even so, there are problems with the economic relationships between China and Africa. In order to achieve true sustainable economic growth, other forms of trade and investments are needed for Africa as well.

4.2 Efficient Aid and Debt-relief

For promoting the achievement of the MDGs in Africa, the UN reports call for increases in aid, and for more efficient aid to Africa.

China is of lately providing Africa with huge aid donations (Campbell, 2007:124). Africa depends largely on the aid money it receives, and the money can be used to reduce poverty in the African countries. The way that China provides aid differs a lot from the Western approach to giving aid. The most obvious difference is that it completely lacks political conditionality. This lack of conditionality means that the aid money can move faster to produce visible result (Marks, 2007:7). China is also providing new sorts of foreign aid, like improving infrastructure and healthcare (Marks, 2007:34). This "easy" way of giving aid is something that can be beneficial to the lives of average men in Africa in a tangible way.

Debt-relief is also considered being valuable when it comes to enabling Africa to reach the MDGs. China has already cancelled \$10 billion in debt, and agreed in the FOCAC meeting in 2003 to offer further debt relief to 31 African countries (Rocha, 2007:36). This accomplishes a lot towards ridding the debts that African countries suffer from, and facilitates the continent's way towards achieving the MDGs.

This said, there are things to be considered when evaluating how well the aid from China truly facilitates Africa's potential towards reaching the MDGs. Even though Chinese aid differs from Western aid, it still bears certain similarities. Chinese aid does to some degree centre on grants, loans and technical expertise, just like the Western aid that has been criticized for being somewhat ineffective. (Chidaushe, 2007:113)

A lot of Chinese aid is also tied up in relation to what it is to be used for. China, in most of its aid assistance to Africa, requires infrastructure construction and other contracts to be divided up, with 70 % going to "approved" Chinese companies and the rest handed to local businesses, many of which are also in joint venture with Chinese groups. The China-Africa Development Fund is an excellent example of this sort of tying aid into Chinese companies' hands. (Africa Research Bulletin, 2007:17435) Such a policy of "tying" aid to purchasing goods and services from donor countries has been abandoned by most donor countries, with many development experts claiming it to be inefficient and wasteful, and evidence

shows that “tying” aid reduces its effectiveness by as much as a quarter (Africa Research Bulletin, 2007:17435).

Furthermore, Chinese aid donations are not very transparent, and are handled government to government (Chidaushe, 2007:113). This increases chances for corruption and the misuse of money, which is very harmful when it comes to promoting the achievement of the MDGs. This sort of aid is particularly risky when it comes to countries like Sudan and Zimbabwe, whose governments are notorious for their misuse of public earnings.

The large amount of aid money provided by China to Africa is beneficial when it comes to promoting the continent’s achievement of the MDGs. However, the efficiency of aid, which is also deemed very important by the UN development theory, can be questioned. Certain types of aid provided by China does not benefit Africa in a sufficient way, and without transparency and control mechanisms, there are apparent risks of money getting into the wrong pockets.

4.3 The Support of Good Governance

The last very important method for ensuring the enablement of the MDGs in Africa, according to the UN reports, is the support of good governance.

China, unlike the West, has no requirements that the countries they engage with, and give aid to, fulfill the pre-requisites of good governance. Neither does China have any policies of working towards good governance in the African countries. This does however not mean that they are actively working against it. Kwesi Kwaa Prah, the director of the Centre for Advanced Studies of African Society in Cape Town, when interviewed in Pambazuka News, says that China offers Africa a possibility to choose for itself. It is obvious that China has its own interests in mind when doing business in Africa, and Africa has the possibility of trying to pursue its own interests when doing business with China. He also feels that Africa’s development should be home-grown and that it must be based on its own cultural pre-requisites to work. (Interview with Kwaa Prah, 2007:59)

International observers however, claim that China’s way of doing business, especially its willingness to pay bribes and give aid with no strings attached, undermines both local and international efforts to promote good governance and transparency (Pan, 2007:5). China’s policy for non-interference means that they are willing to give money and make business with whoever is in power in a country. Governments are not forced to use the money they receive in a matter that benefits the country as a whole. The money can instead be used to maintain power, and to further centralize power. Corruption, which is a big problem in many African states is not being discouraged either. (Lemos & Ribeiro, 2007:64)

After China has made deals with governments, it also becomes important for China to protect these governments in order to maintain the good relationship they have built up, and secure the beneficial deals they have negotiated (Karumbidza, 2007:89). This does in fact not go hand in hand with the China’s policy of no

interference, and China runs a risk of actually working against good governance in this way.

Furthermore, according to the UN reports on the MDGs, in order to promote good governance countries dealing with Africa should work towards resolving conflicts and wars. In its huge export of arms and military equipment to Africa without the conditions of good governance, China might work towards worsening conflicts and promote trafficking in small arms in Africa (Obiorah, 2007:52).

Most conspicuous and debated is China's relationship with Sudan and Zimbabwe. These are two countries whose governments are being condemned by a majority of the world's countries based on their lack of democracy, good governance, transparency, and their violation of human rights. China is giving unconditioned aid and debt-relief to these two countries, as well as being engaged in trade in natural resources and other commodities with them. Furthermore, they are involved in arms trade with the both Zimbabwe and Sudan. (Eisenman & Kurlantzick, 2006:2-3)

In addition, China is assisting the two countries in numerous other ways. For example, before the last election they helped the government of Zimbabwe to control information out-flow, something that helped President Robert Mugabe to remain in power (Eisenman & Kurlantzick, 2006:3). There are also examples from other countries where Chinese involvement has led to consequences that question the support of good governance, like in supporting projects in Mozambique, or giving unconditioned aid to Angola. These are both countries where the governments are likely to reap the benefit of additional income before the poor population does. China is also willing to support these countries in the international society. For example, UN sanctions against both Sudan and Zimbabwe have been obstructed by China (Brookes & Hye Shin, 2006:7).

In dealing with and supporting countries that are notorious for their bad governance, China is in fact enabling these governments to remain in power. Providing a country that lacks good governance with money can be devastating for the population of that country, and obstruct the country's chances of development.

A further peril with Chinese lack of policies towards good governance is that it might tempt others to do the same. There might come a day in the not very distant future when the US and the EU feels that they can't afford to keep up policies of good governance, in order for them to compete with China over good deals in natural resources export (Eisenman & Kurlantzick, 2006:4).

When it comes to the support of good governance in order to enable Africa to achieve the MDGs, China's role is questionable. The country's lack of policy towards good governance makes it, even if unintentionally, prone to support bad governance instead.

5. Conclusion

The purpose of this paper was to examine whether or not China was promoting the achievement of the Millennium Development Goals (MDGs) in Africa. In order to investigate this, I focused on the three concepts of; sustainable economic growth, efficient aid and debt-relief, and the support of good governance.

When it comes to sustainable economic growth it seems clear that China has a lot to offer Africa. Large amount of trade and investments has stimulated Africa's economy, and it has helped Africa to forward its position in the international economy. There are however other forms of economic relations that might be more useful to enable Africa to truly achieve sustainable economic growth and by this, facilitate its achievement of the MDGs. With a too heavy emphasis on the export of natural resources, there is a danger of Africa remaining in a similar position it has had towards the West during the last decades. To stimulate other forms of economic development might be more useful for Africa's development in the long run.

The large amount of aid that China is providing to Africa is beneficial to the continent's possibilities of achieving the MDGs. But questions remain on how effective the forms of aid that China is providing really are. First of all, China is tying some of their aid to projects that encourages Africa's dependence on foreign actors. Second of all, China has no intentions of controlling what happens to a lot of the money that they are providing. This means that the money can easily be used in projects that are of little use to the poor people of the country, or that the money simply goes straight into the hands of corrupt ruling elites.

This brings us to the discussion on China's support of good governance, or lack thereof. In not actively supporting good governance or tying trade and aid to political conditionalities, China is offering Africa a freedom of choice. But, in not taking good governance into consideration, China runs the risk of destroying the potential of good governance, and thereby working against promoting the achievement of the MDGs in Africa.

In the beginning of this paper I posed some additional question. The answer to the first question, on the differences between China's impacts on the three concepts of promoting the MDGs, seems to be evident. China is better at promoting the achievement of the MDGs through spurring economic growth and providing aid, than it is when it comes to supporting good governance. This seems to be in part due to the fact that they don't have any policies directed at supporting good governance, but in part it also has to do with the way that they are spurring economic growth and providing aid. China's economic relations and aid donations to the continent can in some cases, at least by default, be accused of working against the support of good governance.

The second question addressed the importance of taking into consideration all aspects of the UN's MDG strategy, in order to truly promote the achievement of the MDGs in Africa. Sustainable economic growth, efficient aid and debt relief, and the support of good governance are somewhat interlinked. Thus, there appears to be risks involved with a lack of policies towards supporting good governance. In order for an African country to truly be able to achieve the MDGs, the money the country earns through economic transactions, and the receiving of aid, must be used in efficient ways. Some countries are probably equipped to do so, while others, suffering from undemocratic ruling and corruption, might not be. To examine the difference between the African countries' abilities to achieve the MDGs through relations with China, might be an interesting idea for future research.

There are still major efforts to be made in order for Africa to achieve the Millennium Development Goals, and China is offering Africa new and different possibilities to do so. Whether China will truly contribute to Africa's potential of achieving the MDGs still remains to be seen. For good and for bad, China is offering the African continent economic possibilities, and a choice of deciding for itself.

6. References

6.1 Written Sources

Achieving the Millennium Development Goals in Africa – Progress, Prospects, and Policy Implications. 2002. UN, Global Poverty Report.

Africa and the Millennium Development Goals. 2007. UN Report.

Africa Research Bulletin, 17435. 2007.

Brookes, Peter & Hye Shin, Ji, 2006. *China's Influence in Africa: Implications for the United States*. The Heritage Foundation.

Butler, Tina, 2005. *Growing Pains and Growing Alliances: China, Timber and Africa. Timber hungry China moves into Africa*. Mongabay.com

Campbell, Horace, 2007. "China in Africa: challenging US global hegemony" in *African Perspectives on China in Africa*. Edited by: Manji, Firoze & Marks, Stephen. Cape Town, Nairobi and Oxford; Fahamu.

Chidaushe, Moreblessings, 2007. "China's grand re-entrance into Africa – mirage or oasis?" in *African Perspectives on China in Africa*. Edited by: Manji, Firoze & Marks, Stephen. Cape Town, Nairobi and Oxford; Fahamu.

China's African Policy. 2006

Eisenman, Joshua & Kurlantzick, Joshua, 2006. *China's Africa Strategy*. Current History, pp. 219-224.

Esaiasson, Peter & Gilljam, Mikael & Oscarsson, Henrik & Wängnerud, Lena, 2003. *Metodpraktikan – konsten att studera samhälle, individ och marknad*. 2:a upplagan. Stockholm; Norstedts Juridik AB.

French, Howard W, 2006. *Commentary on China and Africa*. African Affairs 106/422, 127-132

- Interview with Kwesi Kwaa Prah, 2007. "Africa and China: then and now" in *African Perspectives on China in Africa*. Edited by: Manji, Firoze & Marks, Stephen. Cape Town, Nairobi and Oxford; Fahamu.
- Karumbidza, John Blessing, 2007. "Win-win economic cooperation: can China save Zimbabwe's economy?" in *African Perspectives on China in Africa*. Edited by: Manji, Firoze & Marks, Stephen. Cape Town, Nairobi and Oxford; Fahamu.
- Large, Daniel, 2007. "As the beginning ends: China's return to Africa" in *African Perspectives on China in Africa*. Edited by: Manji, Firoze & Marks, Stephen. Cape Town, Nairobi and Oxford; Fahamu.
- Lemos, Anabela & Ribeiro, Daniel, 2007. "Taking ownership or just changing owners?" in *African Perspectives on China in Africa*. Edited by: Manji, Firoze & Marks, Stephen. Cape Town, Nairobi and Oxford; Fahamu.
- Marks, Toya, 2007. *What's China's Investment in Africa?* Black Enterprise, March.
- Marks, Stephen, 2007. "Introduction" in *African Perspectives on China in Africa*. Edited by: Manji, Firoze & Marks, Stephen. Cape Town, Nairobi and Oxford; Fahamu.
- Obiorah, Ndubisi, 2007. "Who's Afraid of China in Africa? Towards an African civil society perspective on China-Africa relations" in *African Perspectives on China in Africa*. Edited by: Manji, Firoze & Marks, Stephen. Cape Town, Nairobi and Oxford; Fahamu.
- Pan, Esther, 2007. *China, Africa and Oil*. Council on Foreign Relations.
- Rocha, John, 2007. "A new frontier in the exploitation of Africa's resources: the emergence of China" in *African Perspectives on China in Africa*. Edited by: Manji, Firoze & Marks, Stephen. Cape Town, Nairobi and Oxford; Fahamu.
- Thompson, Drew, 2005. China's Soft Power in Africa: From the "Beijing Consensus" to Health Diplomacy. *China Brief*: Vol. 5, Issue 21.
- Versi, Anver, 2007. *China is good for Africa*. African Business, March.
- Zweig, David & Jianhai, Bi, 2005. *China's Global Hunt for Energy*. Foreign Affairs, September/October 2005.

6.2 Official Websites

Usinfo. 2006. Bureau of International Information Programs, U.S Department of State

<http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2006&m=200606261251581EJrehsiFO.7451898>

What is Good Governance? 2007.

<http://www.unescap.org/huset/gg/governance.htm>

UN, the Millennium Development Goals. 2007.

(<http://www.un.org/millenniumgoals/>)