

***Comparative perspectives on the
Chinese, Indian and Brazilian
engagement in Africa***

Maputo

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Old ties and new dimensions

- China, India and Brazil have a long history of engagement with Africa
- Major and accelerating economic engagement over the past 10-15 years
 - Strong commercial/corporate profile with strong state support and assistance
- Many similarities – and some differences

China's economic engagement

- Africa's biggest trading partner
 - From USD 10 billion in 2000 to USD 200 billion today
- Investment
 - Expanding, but less dominant, many sectors, 2000 companies, one million Chinese
- Development finance
 - Export credits and loans
- Energy security + natural resources + going global ++
- Nearly all African countries are affected, but a few dominates

India's economic engagement

- Similar profile but less volume
- Trade grows by an annual average of 18.5% since 2000 reaching USD 68 billion in 2012
- Strong state support through export credits and loans
- Two-thirds of India's trade is with five countries
 - Nigeria (23%), South Africa, Angola, Egypt and Kenya (6%)

Brazil in Africa

- Trade: similar expansion - from USD 4 billion in 2002 to nearly USD 30 billion in 2012
- Oil, mining and construction
- Lusophone countries + mineral-rich and large economies (Nigeria and South Africa)

The case of Angola

- Oil, natural resources and reconstruction
- China: almost no engagement in 2002
 - Today: 50 state owned and 400 privately owned companies
 - 40 000 – 240 000 Chinese nationals
- Brazil:
 - Longer engagement
 - Today: 50 companies, 40 000 nationals
- India: Trade/oil

Development, exploitation or both?

- Africa is important in China's, India's global economic expansion, but not as critical as often believed
- Significant contribution to economic growth and development in Africa
 - But also scramble for resources, traditional trade pattern
 - African infrastructure
- Contributed to strengthening Africa's bargaining position

Politics and South-South cooperation

- All emphasise South-South cooperation and seek to expand and deepen political ties with African countries
- They are non-interventionist in their approach to African politics and in pursuit of economic interests
 - but variations
- They are all on course to become more deeply involved in governance issues and the African security landscape

Challenges: Balancing foreign policy principles and growing economic interests

- Economic power (size, speed) vs reputational and other risks
 - China is – perhaps – more vulnerable
- Cultural diplomacy and image building
 - Brazil and India has some advantages (language, politics)
- Non-interventionism vs engagement with African politics
 - The balancing act: How to play a larger role while preserving foreign policy principles ?

The case of development aid

- China and India have a long history of providing development assistance to Africa, Brazil is newcomer
- Volume /excluding soft elements of loans/export credits):
 - China: possibly more than USD 2 billion per year;
 - India: USD 50 million
 - Brazil: USD 20-30 million

What do they do?

Mainly bilateral projects

(but becoming more active in multilateral fora?)

- China: Health, agriculture, education + important buildings and arenas for mass mobilisation + infrastructure – fragmented delivery – most African countries
- India: education (scholarships + training centres + IT), many countries
- Brazil: Technical cooperation (health, agriculture), many countries
- Trilateral cooperation: Brazil vs China and India

The case of education and training

- Strong focus – especially for China and India
- Emphasis on individuals (scholarships, training courses in donor countries)
- China: Major and impressive expansion – little is known about impact
 - training courses in China for officials (major FOCAC programme: 30 000 in more than 500 different courses - 2013-2015)
 - Higher education/scholarships to China (70 000 since 1959, FOCAC committment of 2000 scholarships in 2006 to 6000 annually by 2015)
 - Basic education: 2006-2012: 150 schools (Japan 130 per year)

Concluding remarks

- Current expanding engagement is important for Africa
- Source of power: The attraction of economic resources and South-South cooperation + but struggling with image
- They are becoming more deeply involved in Africa's political landscape
- The difficult balancing act: How to engage while maintaining foreign policy principles and pursuing economic interests?